

# Czech Banking Monitor – 2Q2022

Czech banks increased net profit 53.7% yoy to CZK 31,133 mil in the second quarter of 2022 and generated ROE of 18.2%. Operating income rose 26.3%, cost to income dropped to 40.3% and banks' share of bad loans fell to 2.27%. Ceska Sporitelna generated the biggest profit while Max banka produced the biggest loss in 2Q2022.

- ✓ Revenues increased 26.3% yoy to CZK 58,487 mil in the second quarter of 2022. Net interest margin increased by 0.475 bp to 1.81% of assets driven by a positive asset growth (9.59% yoy) and higher interest rates (up 616 bp to 6.64%).
- ✓ Operating costs grew 1.74% yoy and banks operated with a cost to income ratio of 40.3% in the second quarter of 2022. With 39,012 employees in the sector, staff accounted for 46.7% of total costs. Banks paid their staff CZK 93,928 per person per month.
- ✓ Banks put aside CZK -1,617 mil in provisions in the second quarter of 2022, or -4.63% of operating profit. Share of bad loans decreased to 2.27% of total loans and provisions covered 80.4% of non-performing loans.
- ✓ Asset growth slowed down to 1.16% qoq as loans increased 0.834% qoq (up 6.93% yoy). Mortgages added 0.673% qoq (up 8.80% yoy), consumer loans rose 0.846% qoq (up 6.44% yoy) and corporate loans increased by 7.71% qoq (up 7.71% yoy).
- ✓ Deposits grew 2.73% qoq and rose 8.29% yoy, so loans to deposits reached 62.4% at the end of the quarter. Czech banks remain well-capitalized with Tier 1 ratio at 20.9%.
- ✓ Ceska Sporitelna was the most profitable bank in the second quarter of 2022 with a net profit of CZK 6,084 mil, Moneta Stavebni Sporitelna was the most cost efficient (cost to income at 14.6%), Banka Creditas grew its loans the most (up 42.8% qoq) while Banka Creditas had the biggest increase in deposits (22.6% qoq).

Assets to GDP: 144%

Loans to GDP: 59.0%

Mortgages to GDP: 24.4%

Consumer Loans to GDP: 6.61%

Deposits to GDP: 94.5%

Households Deposits to GDP: 47.6%

Number of Banks: 45

Bank Employees: 39,012

Branches 1,543

ATMs 5,559

Payment Cards 13.1 mil

Capital Adequacy 21.6%

Data for 2Q2022 or latest.

	REVENUES	OPERATING PROFIT	NET PROFIT	COST TO INCOME	LOANS TO DEPOSITS	ROE	NPL RATIO	TIER 1 RATIO
2Q2022	58,487	34,933	31,133	40.3	62.4	18.2	2.27	20.9
1Q2022	59,211	32,016	23,477	45.9	63.6	13.3	2.40	21.7
4Q2021	51,593	27,355	19,346	47.0	69.9	10.9	2.53	22.8
3Q2021	45,285	23,295	19,935	48.6	63.5	11.3	2.74	23.2
2Q2021	46,318	23,167	20,258	50.0	63.2	11.8	2.86	23.9
1Q2021	41,198	16,218	10,805	60.6	63.8	6.43	2.92	23.4
4Q2020	43,563	21,081	8,841	51.6	69.7	5.31	2.92	23.6
3Q2020	41,746	20,460	12,062	51.0	65.2	7.36	2.50	22.6

Source: Central Bank, IMF, Banks, Helgi Library calculation

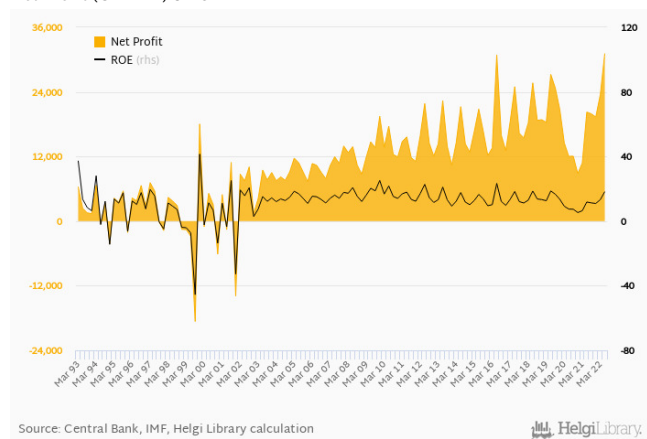
## Profitability

Czech banks reported a net profit of CZK 31,133 mil in the second quarter of 2022, up 53.7% when compared to previous year. This implies ROE of 18.2% in 2Q2022. In the last twelve months, profits rose 80.7% yoy to CZK 93,891 mil and ROE reached 13.5%.

Ceska Sporitelna generated the largest net profit in the last quarter (CZK 6,084 mil) followed by CSOB and Komerční Banka. At the other end of the scale was Max banka with a reported loss of CZK 38.4 mil:

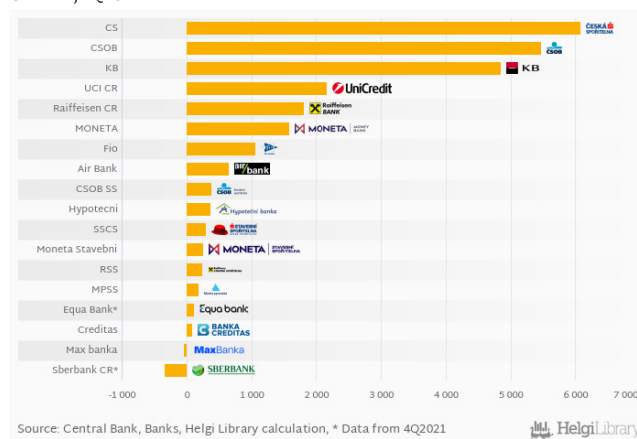
### Banks' Profitability in Czechia

Net Profit (CZK mil) & ROE



### Banks in Czechia by Net Profit

CZK mil, 2Q2022



As seen in the table below, revenues increased 26.3% yoy to CZK 58,487 mil in the second quarter of 2022. That is compared to average annual growth of 3.55% as seen in the last three years:

	2Q2021	2Q2022	CHANGE	1-6/2021	1-6/2022	CHANGE
Revenues	46,318	58,487	26.3%	87,516	117,698	34.5%
Net Interest Income	29,346	43,482	48.2%	58,644	85,314	45.5%
Net Fee Income	9,031	9,453	4.67%	17,116	19,329	12.9%
Other Income	37,287	49,034	31.5%	70,400	98,369	39.7%
Costs	23,151	23,554	1.74%	48,131	50,749	5.44%
Staff Cost	10,740	10,993	2.36%	21,366	22,232	4.05%
Operating Profit	23,167	34,933	50.8%	39,385	66,949	70.0%
Cost of Risk	-1,383	-1,617	-16.9%	1,804	1,776	-1.55%
Pre-Tax Profit	24,493	36,867	50.5%	37,501	65,337	74.2%
Net Profit Bank	20,258	31,133	53.7%	31,063	54,610	75.8%
ROE	11.8%	18.2%	6.42 pp	9.07%	16.0%	6.94 pp
NIM	1.34%	1.81%	0.475 pp	1.85%	3.88%	2.02 pp
Cost To Income	50.0%	40.3%	-9.71 pp	55.0%	43.1%	-11.9 pp

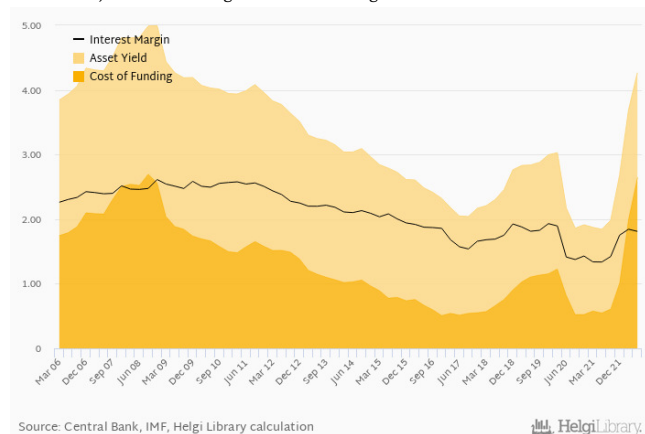
Source: Central Bank, IMF, Helgi Library calculation

Net interest income formed 74.3% of total revenues. Net interest margin increased by 0.475 bp to 1.81% of assets driven by a positive asset growth (9.59% yoy) and higher interest rates (up 616 bp to 6.64%). Asset yield grew by 2.42 bp to 4.27% and cost of funding increased by 2.09 bp to 2.64%.

Fees added 16.2% to total revenues. They increased by 4.67% when compared to last year and up 16.9% up compared to 5 years ago.

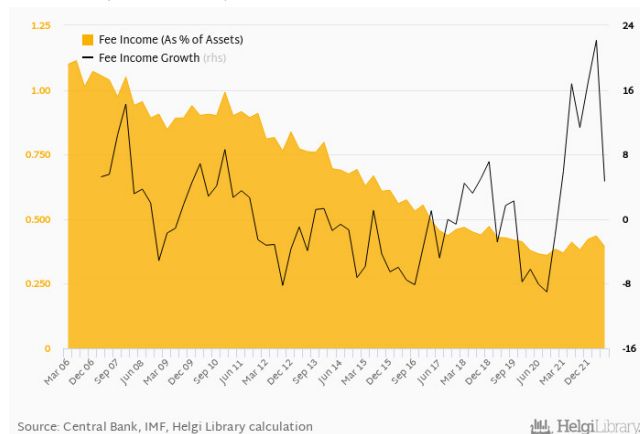
### Banks' Interest Rates & Margin in Czechia

Asset Yield, Cost of Funding and Interest Margin



### Banks' Fee Income in Czechia

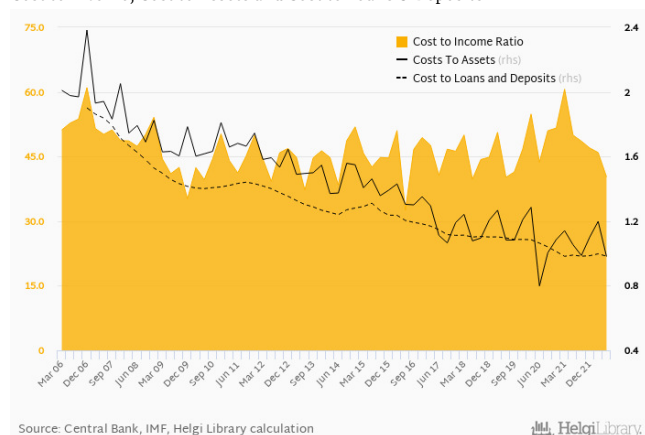
Fee Income (As % of Assets) & Fee Income Growth



Banks operated with average cost to income of 40.3% in the last quarter as operating costs rose 1.74% yoy. That's compared to an average cost to income of 48.5% seen in the last three years and 46.0% recorded in the last decade. Staff accounted for 46.7% of operating expenditure with a total of 39,012 employees in the sector. Banks paid their staff 4.88% more than last year with the average monthly cost of CZK 93,928 per person including social security and health insurance:

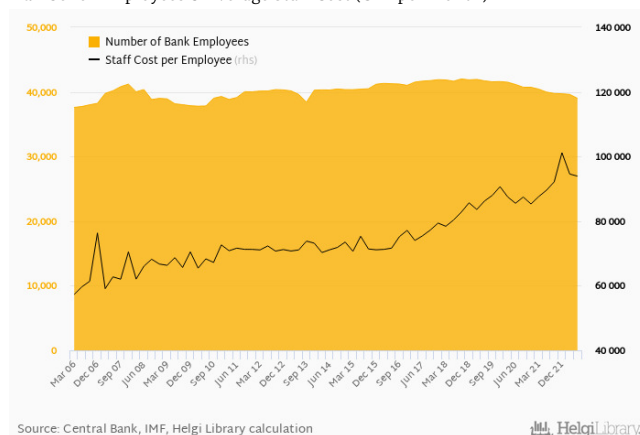
### Banks' Cost Efficiency in Czechia

Cost to Income, Cost to Assets and Cost to Loans & Deposits



### Banks' Staff Cost in Czechia

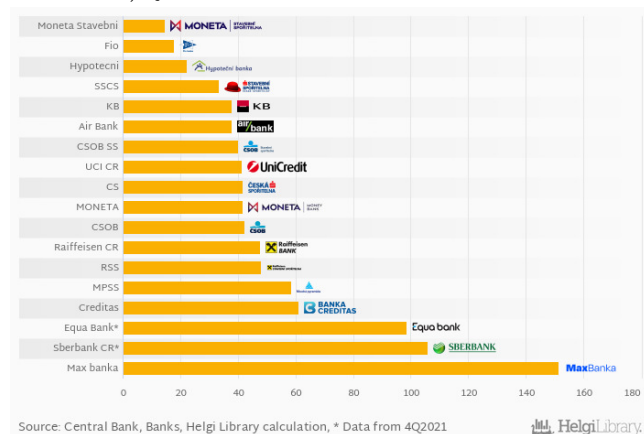
Number of Employees & Average Staff Cost (CZK per month)



While Moneta Stavebni Sporitelna was the most cost efficient based on the cost to income ratio in the second quarter of 2022 (with 14.6%), Hypotecni Banka operated with the lowest operating costs when compared to a sum of loans and deposits, i.e. when utilization of both assets as well as liabilities is taken into account (0.159%):

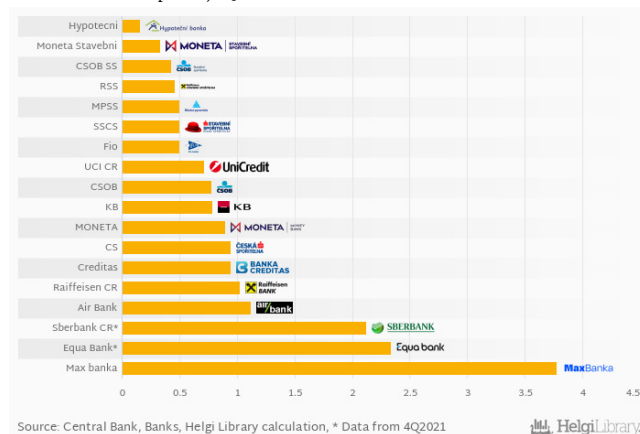
### Banks by Cost to Income in Czechia

Cost to Income, 2Q2022



### Banks by Cost to Loans & Deposits in Czechia

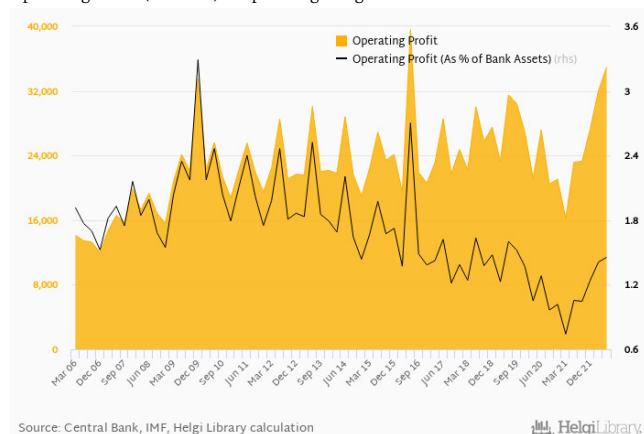
Cost to Loans & Deposits, 2Q2022



Commercial banks generated operating profit before provisioning of CZK 34,933 mil in the second quarter of 2022, up 50.8% when compared to last year. Historically, between 1Q2006 and 2Q2022, operating profit reached a high of CZK 39,583 mil in 2Q2016 and a low of CZK 11,999 mil in 4Q2006. Ceska Sporitelna generated the largest operating profit in the second quarter of 2022 (CZK 7,332 mil), whilst Fio banka was operating with the highest operating margin when compared with risk weighted assets (12.6%):

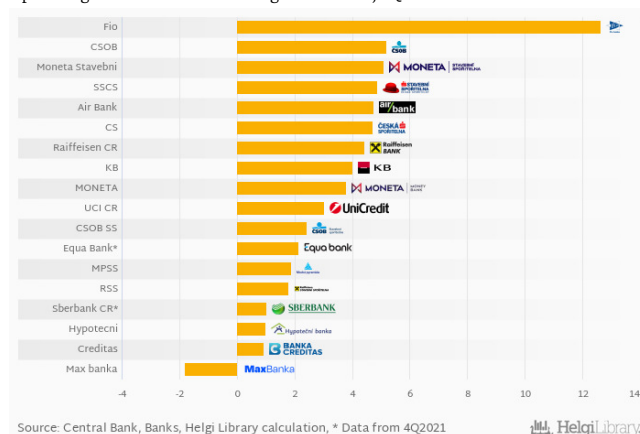
### Banks' Operating Profitability in Czechia

Operating Profit (CZK mil) & Operating Margin



### Banks by Operating Margin in Czechia

Operating Profit as % of Risk Weighted Assets, 2Q2022



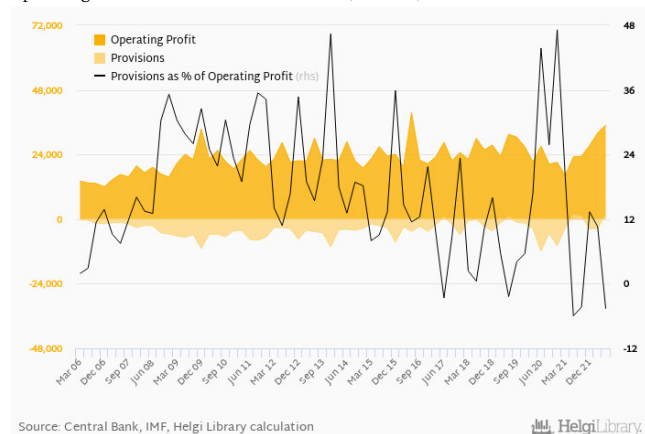


Provisions have "eaten" some -4.63% of operating profit in the second quarter of 2022 as cost of risk reached -0.078% of average loans. That is compared to an average of 14.3% of operating profit and 0.345% cost of risk seen in the last three years.

The volume of non-performing loans decreased by 15.1% qoq to CZK 89.8 bil and represented 2.27% of total loans at the end of June. Provisions covered 80.4% of NPLs, up from 75.0% a year ago:

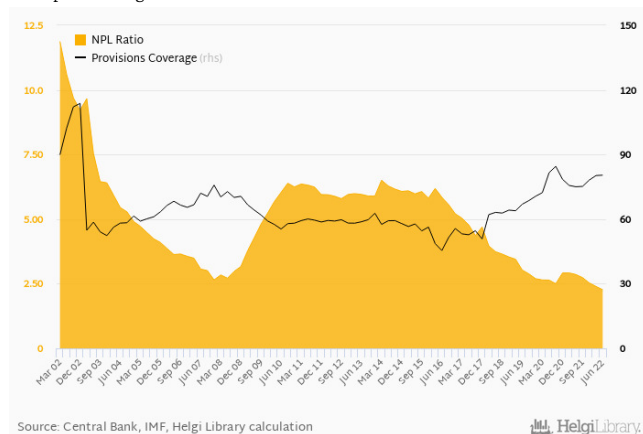
### Banks' Operating Profit vs. Provisions in Czechia

Operating Profit and Loan Loss Provisions (CZK mil)



### Banks' Asset Quality in Czechia

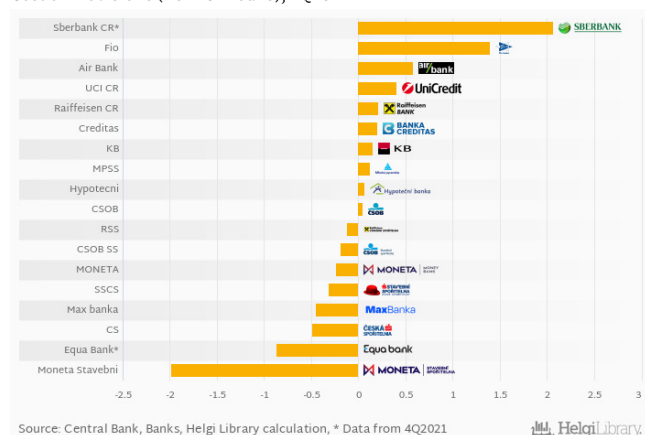
Non-performing Loans and Cumulated Provisions



Within the sector, Fio banka had to create the most provisions in the second quarter of 2022 relative to its loans (1.40%) and Moneta Stavebni Sporitelna the least (-1.98%). The cost of risk therefore "erased" 9.19% of Fio banka's operating profit created during the quarter. In terms of overall asset quality, we estimate that Fio banka was operating with the highest share of non-performing loans, some 8.79% of customer loans at the end of June:

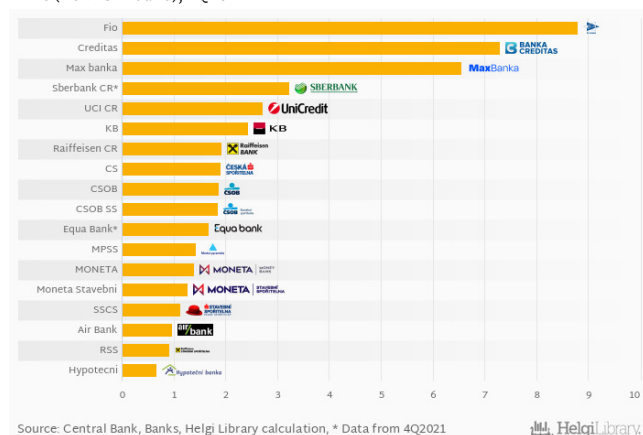
### Banks by Cost of Risk in Czechia

Cost of Provisions (As % Of Loans), 2Q2022



### Banks by NPL Ratio in Czechia

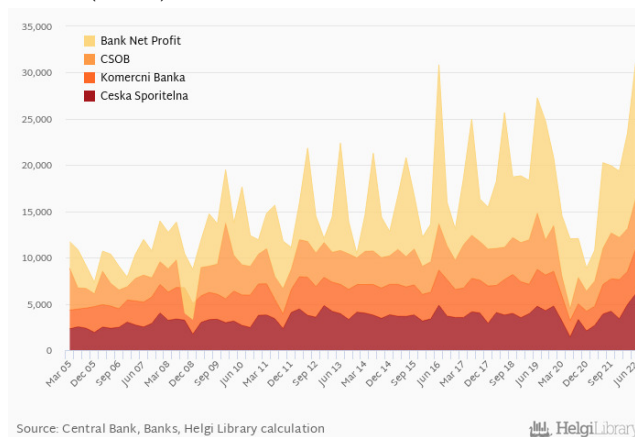
NPLs (As % Of Loans), 2Q2022



The three largest banks created 52.7% of sector's total profit in the second quarter of 2022, down when compared to 54.4% seen three years ago. In terms of revenue and operating profit, the trio generated 57.6% and 57.1% of the total:

### Largest Banks in Czechia by Profit

Net Profit (CZK mil)

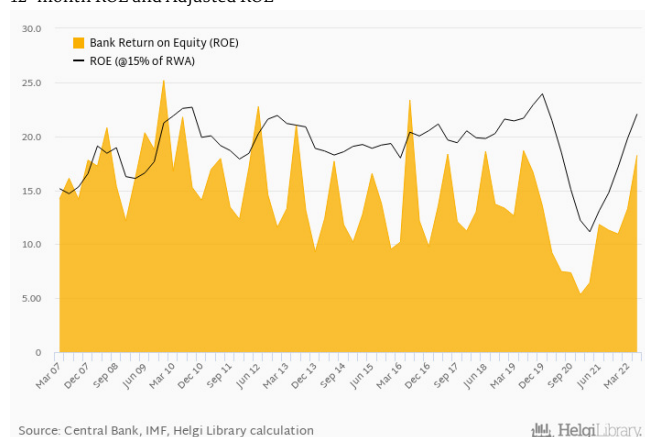


Overall, Czech banks generated its shareholders an annualized return on equity of 18.2% in the second quarter of 2022 and 13.5% return in the last four quarters. When equity "adjusted" to 15% of risk-weighted assets, the return on equity would have reached 29.3% in 2Q2022 and 22.6% in the last twelve months.

Fio banka generated its shareholders the highest return in the last quarter (ROE of 45.6%) followed by Moneta Stavebni Sporitelna (42.5%) and Air Bank (21.4%). When adjusted for the same level of equity (i.e. 15% of RWA), Fio banka, Moneta Stavebni Sporitelna and CSOB would have made it to the top of the list:

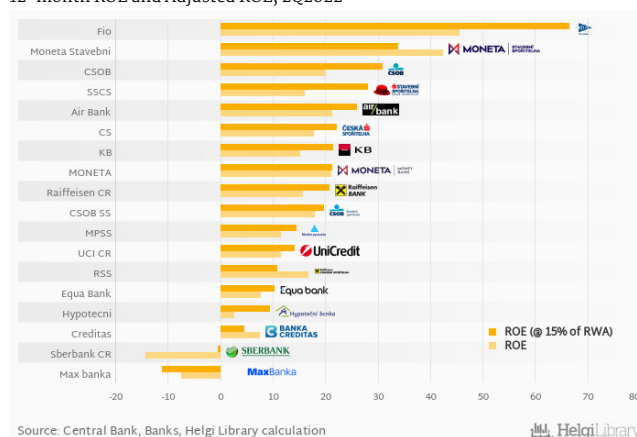
### Banks' ROE vs. Adjusted ROE in Czechia

12-month ROE and Adjusted ROE



### Banks in Czechia by ROE

12-month ROE and Adjusted ROE, 2Q2022



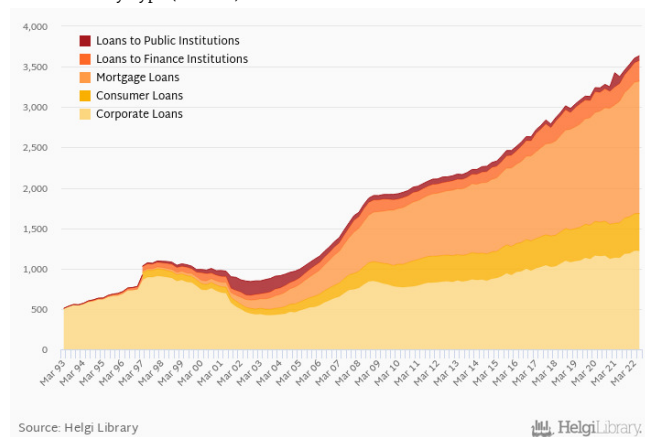
## Lending

### Loan Growth & Market Share

Loans increased by 0.834% qoq to CZK 3,958 bil during the second quarter of 2022. This implies an annual growth rate of 6.93% in the last 12 months. In the last decade, bank loans have grown by 5.38% a year on average:

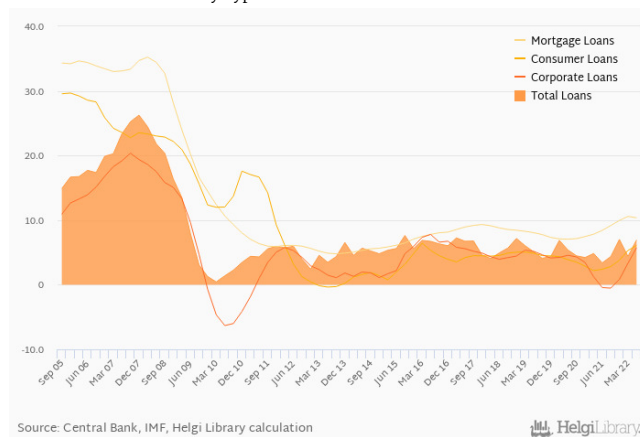
#### Banks' Loan Book in Czechia

Bank Loans by Type (CZK bil)



#### Banks' Loan Growth in Czechia

12-month Loan Growth by Type

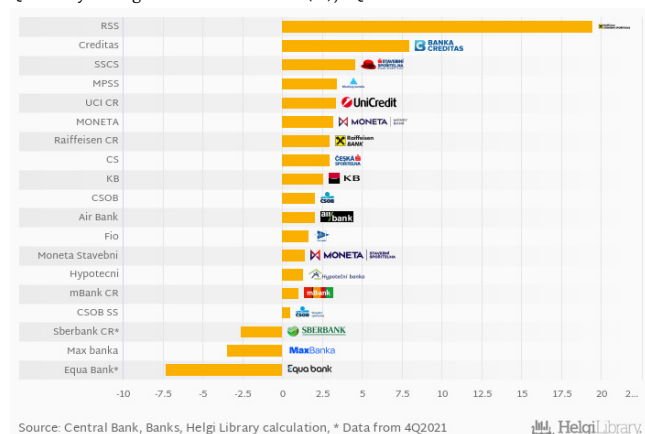


As seen above, residential mortgage loans grew 8.80% yoy in the last 12 months and were up 0.673% qoq in the last quarter. At the end of June, mortgages formed 41.4% of total loans. Consumer loans increased 0.846% qoq (up 6.44% yoy) and represented 11.7% of total bank loans while corporate loans fell 0.112% qoq and were up 7.71% yoy to CZK 1,221 bil (or 30.8% of loans).

The comparison of 17 Czech banks shows Raiffeisen Stavebni Sporitelna has grown the fastest in relative terms within the last quarter (19.5% qoq), followed by Banka Creditas and Stavebni Sporitelna Ceske Sporitelny. In absolute terms, however, Ceska Sporitelna grabbed the largest piece of the pie when compared to the previous quarter (CZK 24,835 mil) followed by CSOB and Komerční Banka:

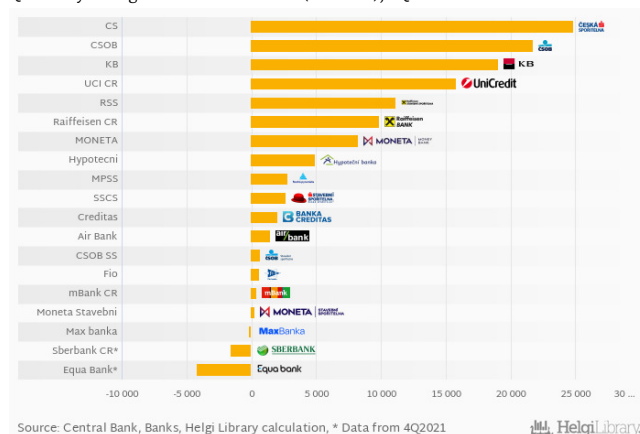
#### Relative Loan Growth in Czechia by Bank

Quarterly Change in Customer Loans (%), 2Q2022



#### Absolute Loan Growth in Czechia by Bank

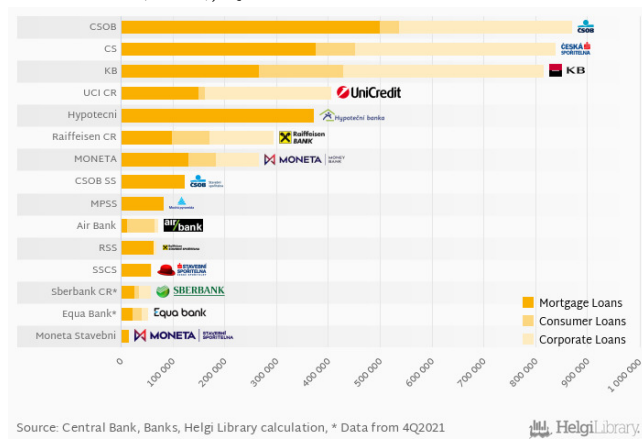
Quarterly change in Customer Loans (CZK mil), 2Q2022



Overall, CSOB remains the largest lender with 27.4% of the market followed by Ceska Sporitelna with a 21.9% market share and Komerční Banka (19.1%). At the end of June 2022, most of CSOB's loans came from residential mortgages (46.1% of total). Corporate loans formed 30.8% and consumer loans represented a further 3.34% of the total loan book:

### The Largest Banks in Czechia by Loans

Customer Loans (CZK bil), 2Q2022



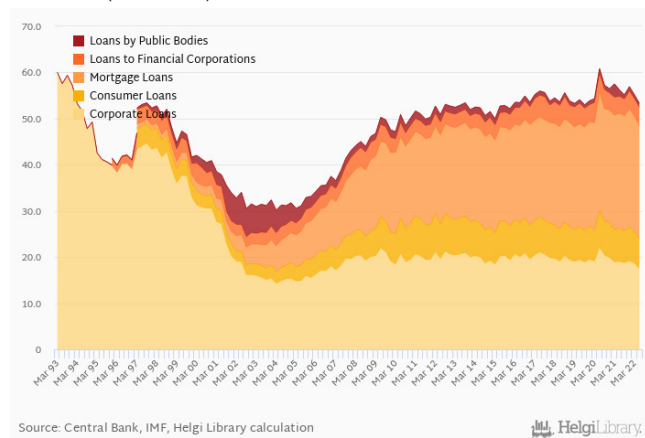
As partly seen above, the three largest banks held 68.4% of the loan market at the end of June (up from 66.4% a year ago) while the five largest banks provided 90.0% of loans (compared to 88.2% a year ago).

### Lending Penetration and Loans Segments

At the end of June 2022, bank loans in the Czech Republic represented 59.0% of GDP, up from 57.4% seen a decade ago. By comparison, the figure was 32.9% back in 2000. Although this is one of the highest rates within emerging Europe, the penetration remains relatively low when compared to the most developed economies:

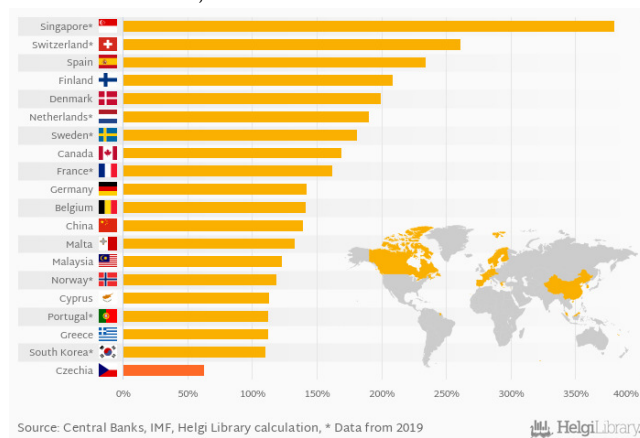
#### Bank Loan Penetration in Czechia

Bank Loans (as % of GDP)



#### Bank Loans to GDP by Country

Bank Loans as % of GDP, 2021



As with other emerging economies, retail loans have been growing much faster than corporate loans in the last two decades. This is partly due to structural changes of the economy and society and especially households investments into residential property. At the end of June 2022, retail loans formed 30.1% of GDP, up from 6.31% some two decades ago. In other words, the average Czech owed the bank USD 8,253 at the end of 2Q2022 compared to only USD 514 in 2000.

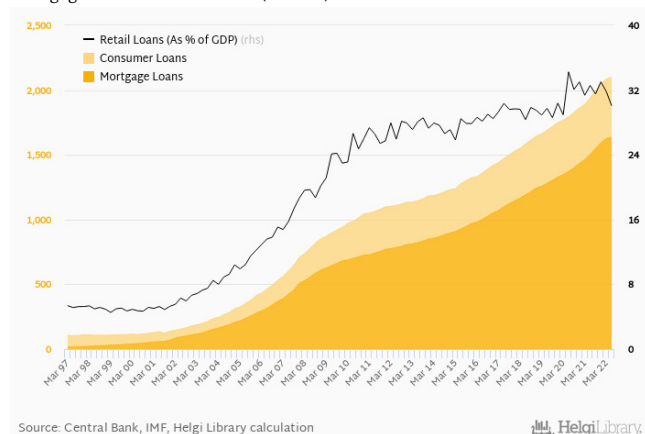
The mortgage boom is largely responsible for this. Residential mortgage loans have grown from CZK 97.0 bil in 2002 to CZK 1,638 bil, i.e. from 3.60% to 24.4% of GDP. At the end of 2Q2022, mortgages represented 41.4% of total bank loans, up from 10.9% back in 2002. This translates into an average growth of 15.2% a year.

The average mortgage loan (or outstanding bank balance) amounted to USD 64,757 at the end of 2021. We estimate that some 25.0% of households have a mortgage loan, up from 19.0% five years ago. In spite of the impressive growth, mortgage penetration remains relatively low when compared to the richest countries where more than a third of households have a mortgage loan and mortgages represent 50–100% of GDP.

Consumer bank loans have increased by 3.65% a year on average since 2012. At the end of June, they represented 6.61% of GDP. This translates into an average of CZK 43,221 owed per person assuming each citizen had a consumer loan.

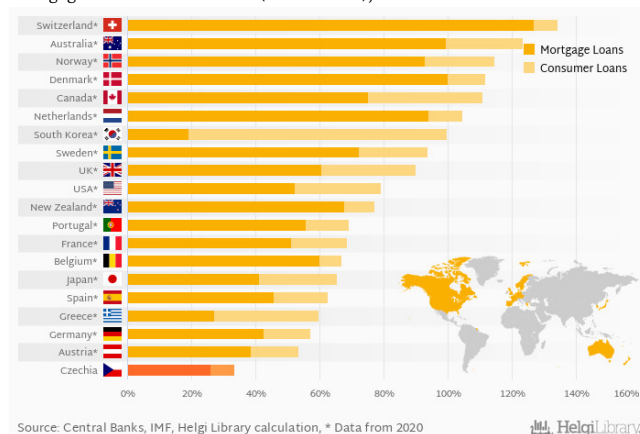
### Retail Loan Expansion in Czechia

Mortgage and Consumer Loans (CZK bil)



### Retail Loans to GDP by Country

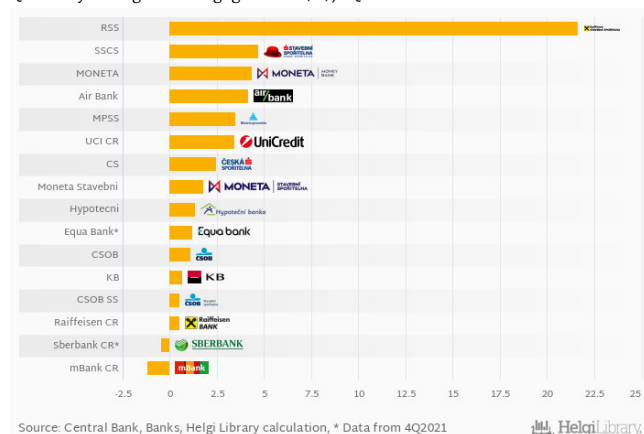
Mortgage and Consumer Loans (As % of GDP), 2021



The comparison suggests Raiffeisen Stavebni Sporitelna has grown the fastest in mortgages in relative terms within the last quarter (21.6% qoq), followed by Stavebni Sporitelna Ceske Sporitelny and MONETA Money Bank. In absolute terms, Raiffeisen Stavebni Sporitelna also appears to have captured most of the new market when compared to the previous quarter (CZK 11,249 mil) followed by Ceska Sporitelna (CZK 9,000 mil) and CSOB (CZK 5,497 mil):

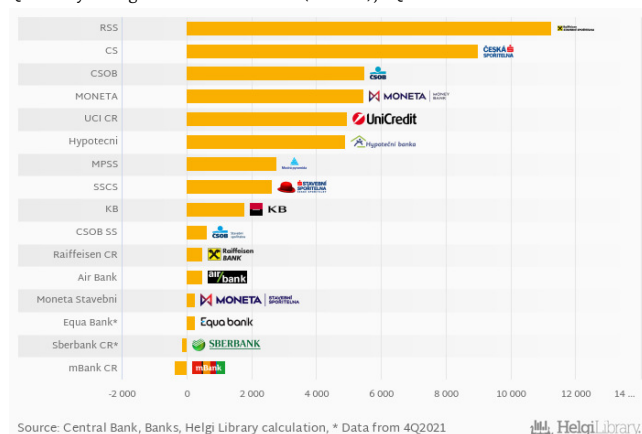
### Relative Mortgage Loan Growth in Czechia by Bank

Quarterly Change in Mortgage Loans (%), 2Q2022



### Absolute Mortgage Loan Growth in Czechia by Bank

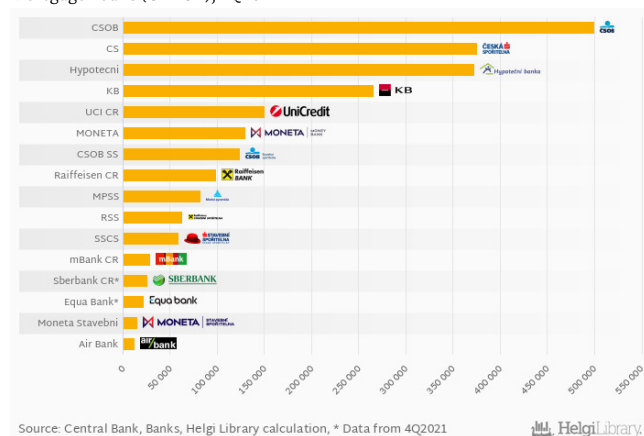
Quarterly change in Customer Loans (CZK bil), 2Q2022



Overall, CSOB was the largest mortgage lender with 30.5% of the market followed by Ceska Sporitelna (with a 22.9% share) and Komerční Banka (16.3%). Looking at the last 12 months, Air Bank gained the most in market share – 33.9 bp to 0.763% – compared to Raiffeisen Stavebni Sporitelna's 18.9 bp (to 3.86%) and Modra Pyramida Stavebni Sporitelna's 18.8 bp (a market share of 5.03%):

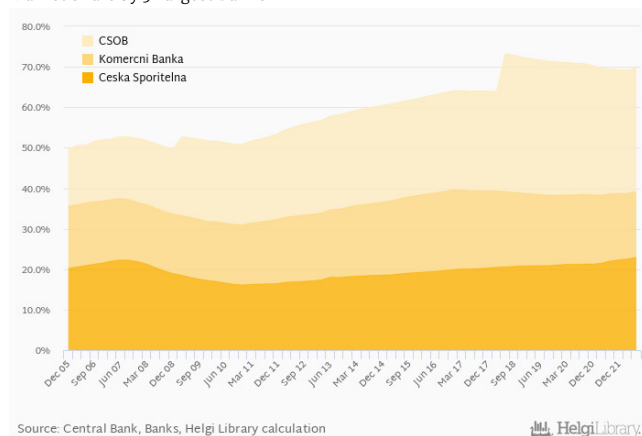
### Banks in Czechia by Mortgage Loans

Mortgage Loans (CZK bil), 2Q2022



### Three Largest Mortgage Lenders in Czechia

Market Share by 3 Largest Banks



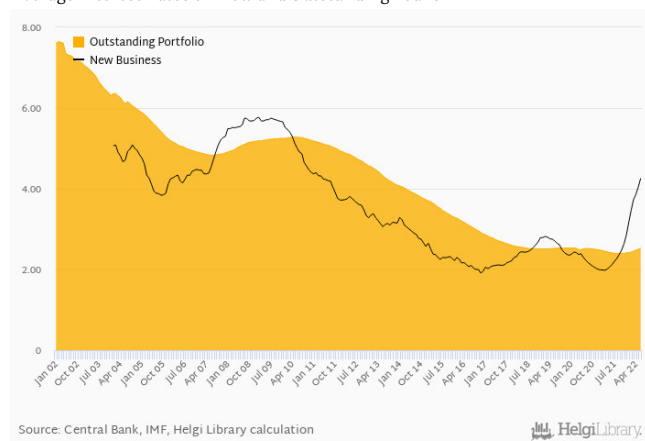
We estimate that the combined trio of largest banks held 69.7% of outstanding mortgage loans and 59.9% of consumer loans in June 2022.

## Interest Yields & Rates

Average asset yield fell to 4.27% in the second quarter of 2022, up 2.42 bp when compared to the same period of last year. Banks charged on average 2.53% on mortgage loans (up 0.120 bp compared to last year's 2.41%), interest on consumer loans reached 8.22% (down 0.180 bp from 8.40%) and corporate loans were priced at 6.97% (up 4.34 bp) in the second quarter of 2022.

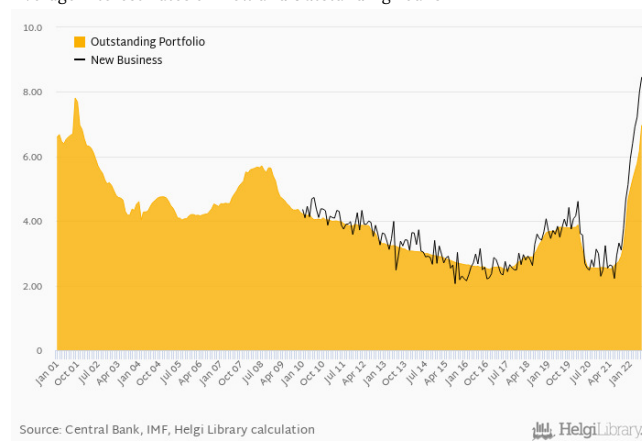
### Interest Rates on New Mortgage Loans in Czechia

Average Interest Rates on New and Outstanding Loans



### Interest Rates on New Corporate Loans in Czechia

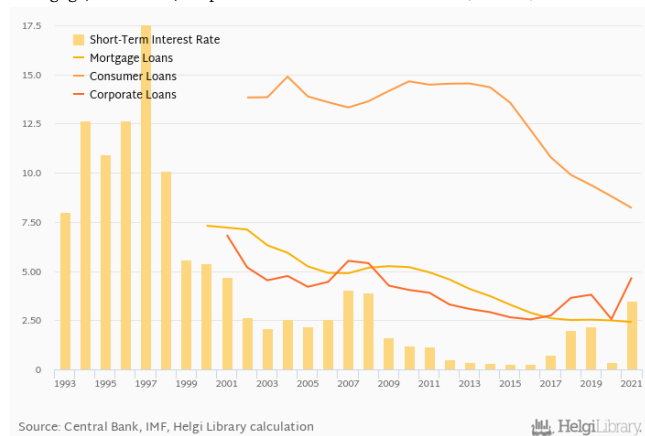
Average Interest Rates on New and Outstanding Loans



If we take a look at new business, new mortgages stood at 4.26% in the second quarter of 2022, 1.73 bp above the outstanding portfolio. New consumer loans were priced at 8.84% (0.620 bp above outstanding) and average interest rate on new corporate loans reached 8.46% (1.49 bp above the average portfolio):

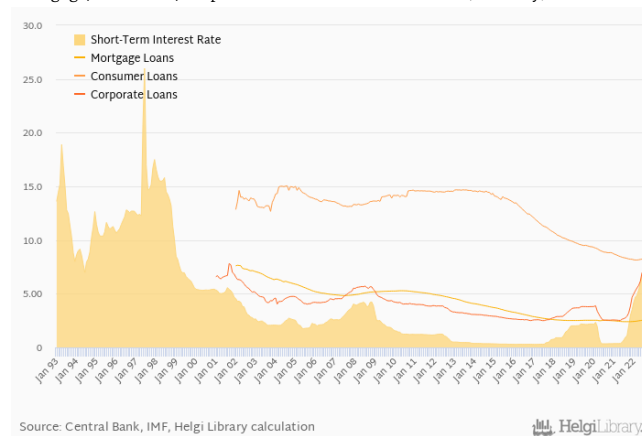
### Interest Yield on Outstanding Loans in Czechia

Mortgage/Consumer/Corporate Loans vs. Interbank Rate (Annual)



### Interest Yield on Outstanding Loans in Czechia

Mortgage/Consumer/Corporate Loans vs. Interbank Rate (Monthly)



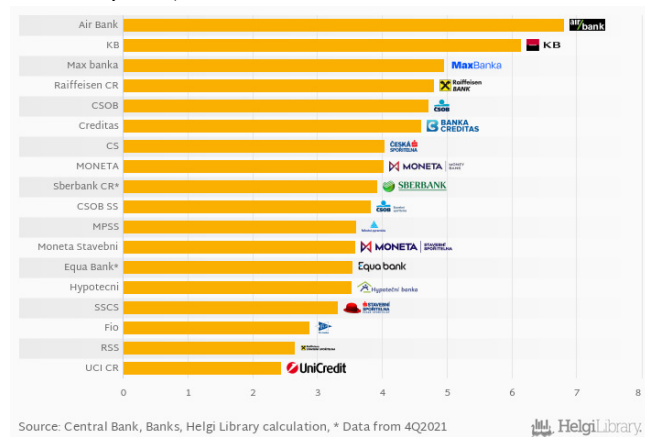
In the arena of 16 Czech banks, Air Bank has been operating with the highest asset yield in the second quarter of 2022 (6.81% on total assets), followed by Komerční Banka (6.15%) and Max banka (4.96%). At the other end of the spectrum was UniCredit Bank Czecho-Slovakia with only 2.44% and Raiffeisen Stavební Spořitelna with 2.66% of average assets.



In terms of momentum, Air Bank increased its asset yield the most in the last 12 months, by 1.66 bp to 6.81%, followed by Komerční Banka (up by 1.05 bp) and CSOB Stavební Spořitelna (up by 0.761 bp):

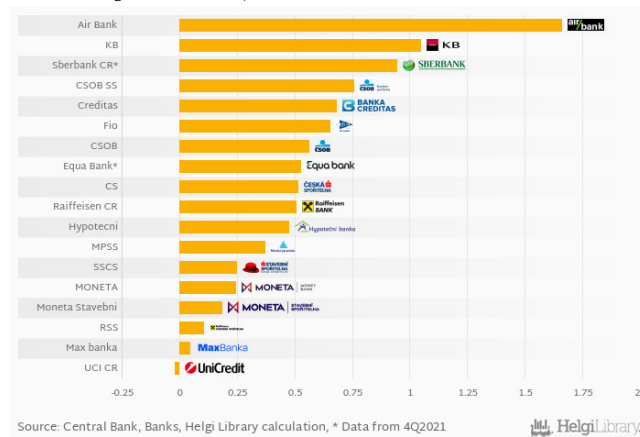
### Bank Asset Yield in Czechia

Asset Yield by Banks, 2Q2022



### Bank Asset Yield Change in Czechia

Annual Change in Asset Yield, 2Q2022

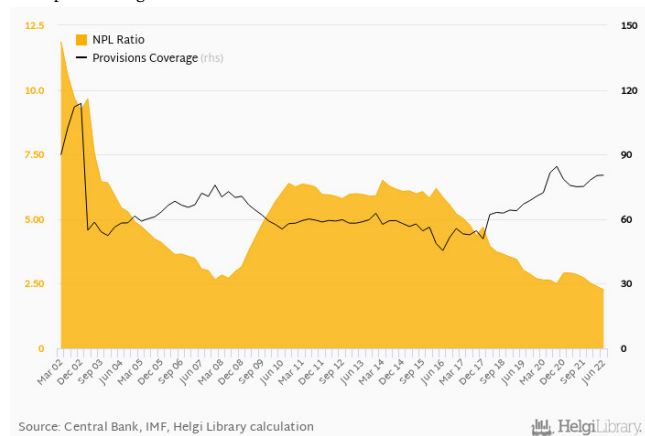


The volume of non-performing loans decreased 4.61% qoq to CZK 89.8 bil and their share fell to 2.27% of total loans at the end of June 2022. Specific provisions covered 80.4% of non-performing loans, up from 75.0% seen a year ago.

Cost of risk amounted to -0.078% of loans in the second quarter of 2022 as banks released CZK 1,617 mil in provisions. That is 0.423 bp less when compared to the average 0.345% seen in the last three years. Provisions have "eaten" -4.63% of banks operating profit in the last quarter, down from the 14.3% average seen in the last three years:

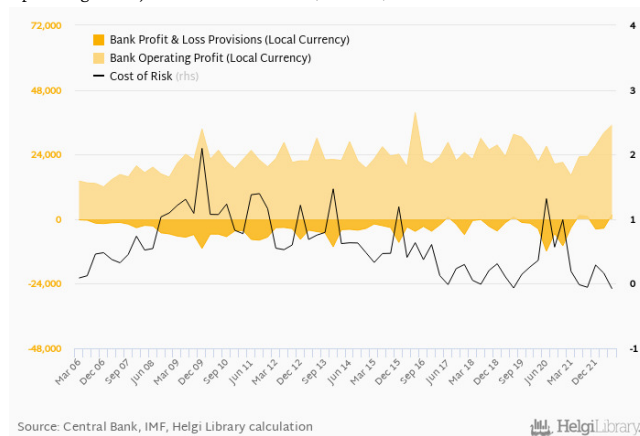
### Banks' Asset Quality in Czechia

Non-performing Loans and Cumulated Provisions



### Banks' Operating Profit vs. Provisions in Czechia

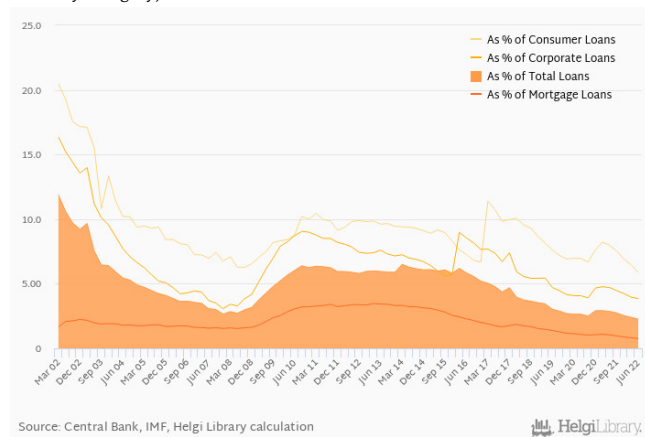
Operating Profit, Loan Loss Provisions (CZK mil) & Cost of Risk



Mortgage loans traditionally represent the best level of quality with only 0.750% of them not performing (down from 1.05% a year ago). On the other hand, some 3.85% of corporate loans were classified (from 4.70% last year) as well as 5.88% of consumer loans (compared to 7.97% a year ago):

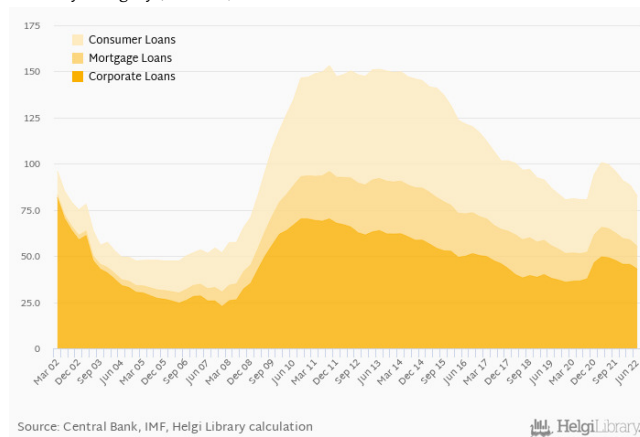
### Share of Non-Performing Loans in Czechia

Loans by Category, %



### Non-performing Loans by Type in Czechia

Loans by Category (CZK mil)

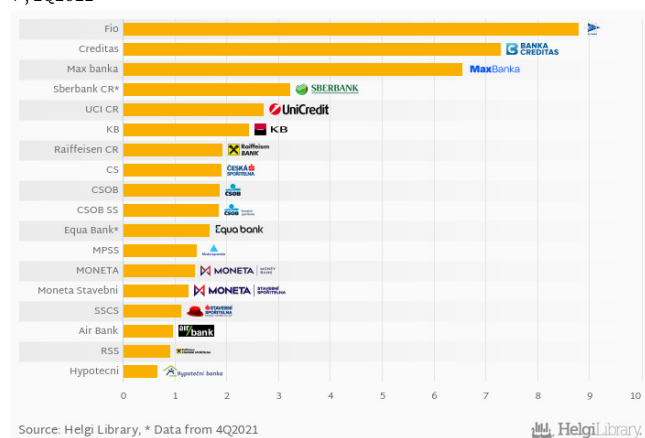


We estimate that Hypotecní Banka operated with the highest-quality performing loan portfolio – only 0.664% of loans were not performing at the end of June 2022. On the other hand, we assume Fio banka reported the highest NPL ratio with 8.79%. Overall, the asset quality risk appears sufficiently covered with provisions accounting for 80.4% of bad loans across the sector.

We estimate that Banka Creditas had the highest volume of non-performing loans not covered by provisions when compared to bank's equity at the end of the second quarter of 2022 (32.9%), followed by Fio banka (18.7%) and Modra Pyramida Stavební Sporitelna. Having said that, the comparison does not take into account size and quality of the loan collateral, for example, which covers a major part of mortgage backed loans:

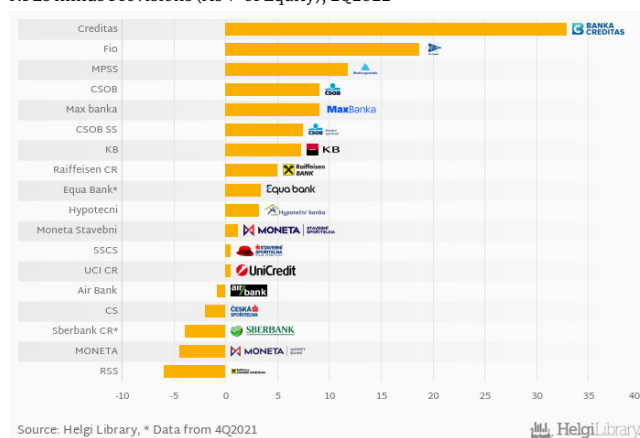
### NPL Ratio by Bank

%, 2Q2022



### Uncovered NPLs

NPLs minus Provisions (As % of Equity), 2Q2022



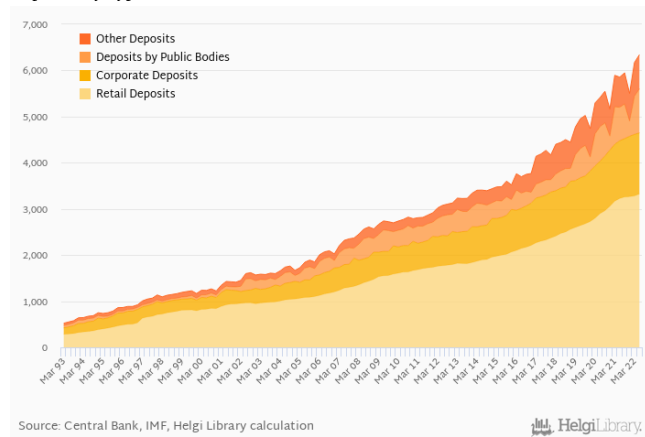
## Deposits

### Deposit Growth & Market Share

Customer deposits increased 2.73% qoq to CZK 6,340 bil during the second quarter of 2022. This means an annual growth rate of 8.29%, which is above the average growth of 7.50% we have seen in deposits in the last decade:

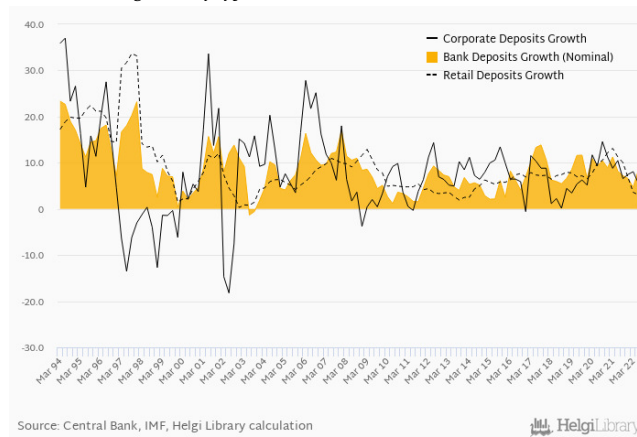
#### Customer Deposits in Czechia

Deposits by Type (CZK bil)



#### Deposit Growth in Czechia

12-month loan growth by type

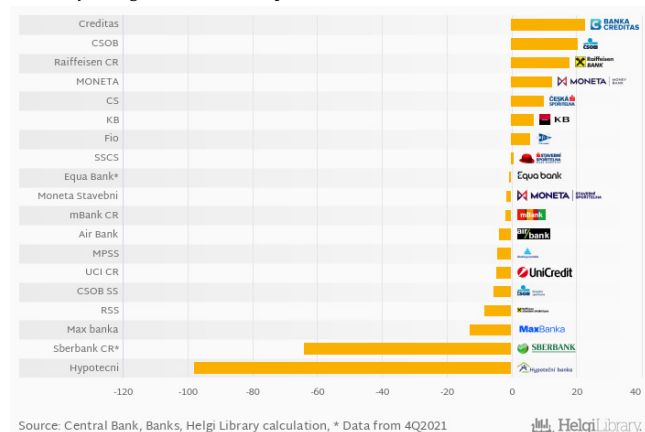


As partly seen above, households deposits grew 1.28% qoq and 3.05% yoy in the last 12 months and represented 52.4% of total customer deposits at the end of June 2022. Corporate deposits decreased by 0.868% qoq (or 5.63% yoy) and made up 20.9% of total while the remaining 26.7% comprised other deposits (to financial and public institutions) compared to 23.5% a year ago.

Banka Creditas appears to have grown the fastest in deposits in relative terms last quarter (22.6% qoq) compared to the next bunch of Czech banks, followed by CSOB and Raiffeisenbank Czech Republic. In absolute terms, when compared to the previous quarter, however, most new deposits went to Komerční Banka (CZK 52,350 mil) followed by CSOB and Raiffeisenbank Czech Republic :

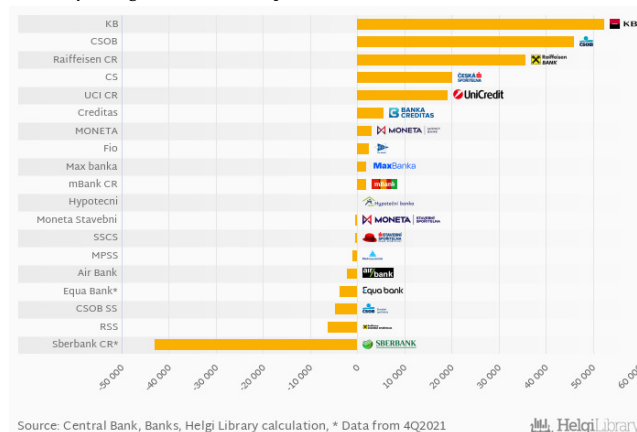
#### Relative Deposit Growth in Czechia by Bank

Quarterly change in Customer Deposit (%)



#### Absolute Deposit Growth in Czechia by Bank

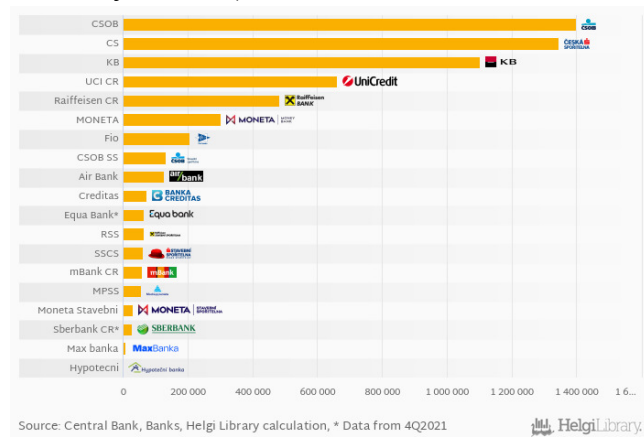
Quarterly change in Customer Deposit (CZK bil)



Overall, CSOB is the largest deposit collector with a 22.1% market share followed by Ceska Sporitelna (21.2%) and Komerční Banka (17.4%) on our calculation:

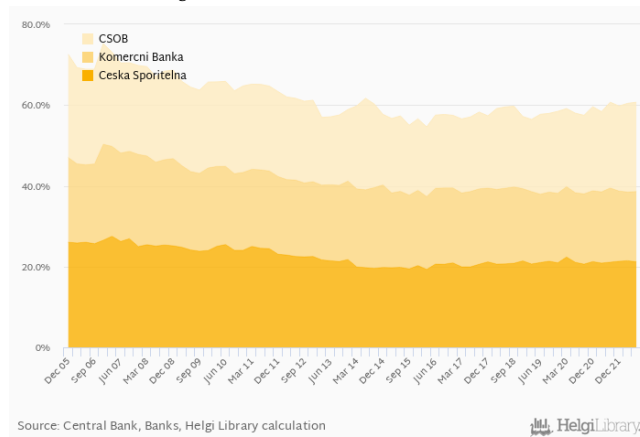
### Czech Banks by Deposits

Customer Deposits (CZK bil), 2Q2022



### Three Largest Banks by Customer Deposits in Czechia

Market Share of 3 Largest Banks



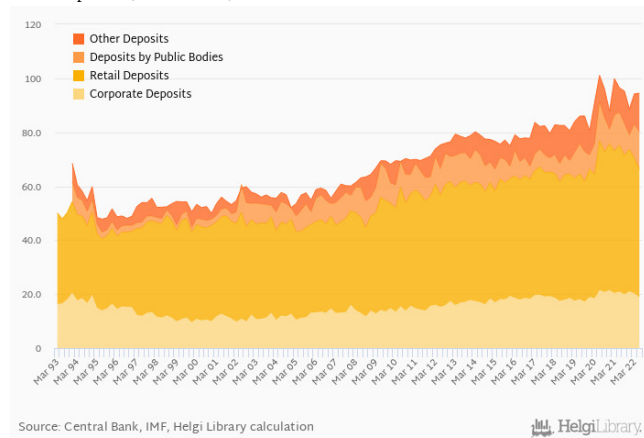
The three largest banks held 60.7% of customer deposits at the end of second quarter of 2022. When compared to the same period of last year, we estimate that they have gained 2.33% of the market.

### Penetration and Funding

At the end of June 2022, customer deposits in Czechia reached 94.5% of GDP, up from 75.3% seen a decade ago.

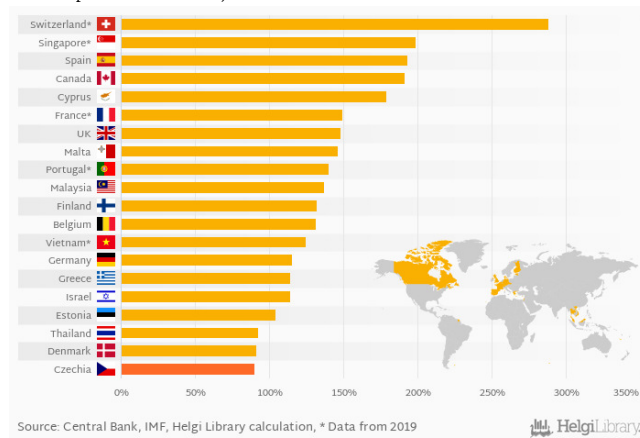
### Bank Deposit Penetration in Czechia

Bank Deposits (as % of GDP)



### Deposits to GDP by Country

Bank Deposits as % of GDP, 2021

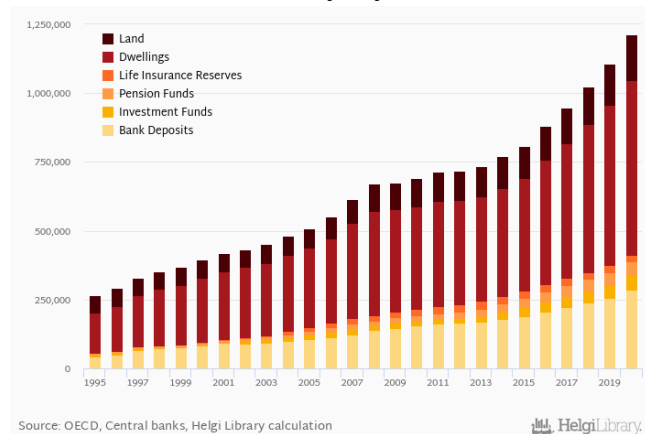


Thanks partly to relatively lower development and penetration of alternative investments and financial services such as pension and mutual funds, or insurance, bank deposits represent the biggest chunk of a household's financial wealth.

In absolute terms, however, the volume of household deposits is still much smaller in Central Europe compared to its western European peers.

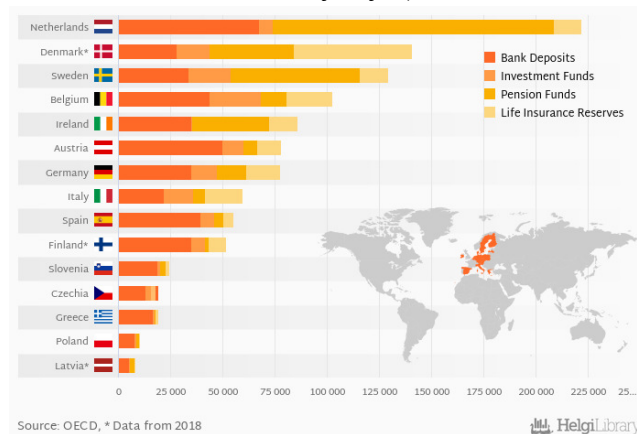
### Households' Wealth in Czechia

Breakdown of Households' Assets (CZK per capita)



### Households' Wealth by Country

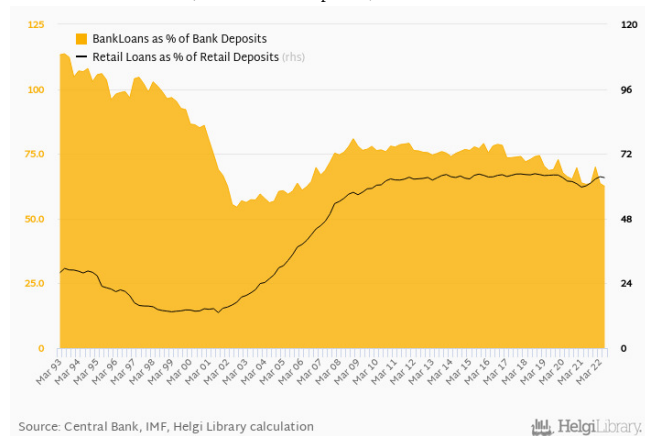
Breakdown of Households Assets (USD per capita), 2020



Household deposits serve as the prime source of loan funding in most central European countries. Loan to deposit ratio accounted for 62.4% in Czechia at the end of second quarter of 2022, down from 63.2% a year ago and 76.1% in 2012. When comparing only household loans and deposits, the ratio was 63.2% at the end of June 2022:

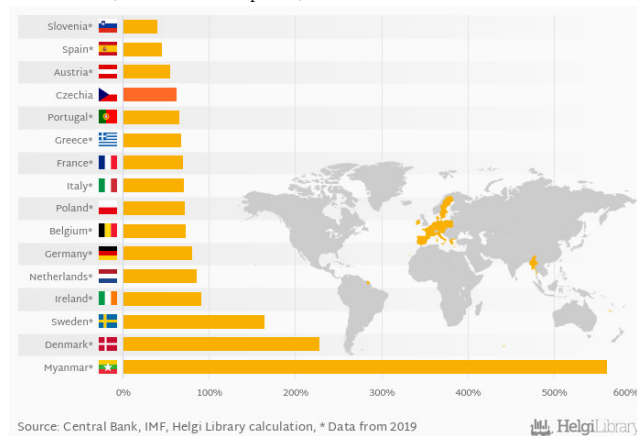
### Bank Loans to Deposits in Czechia

Total and Retail Loans (as % of Bank Deposits)



### Retail Loans As % of Retail Deposits by Country

Retail Loans (As % of Retail Deposits)



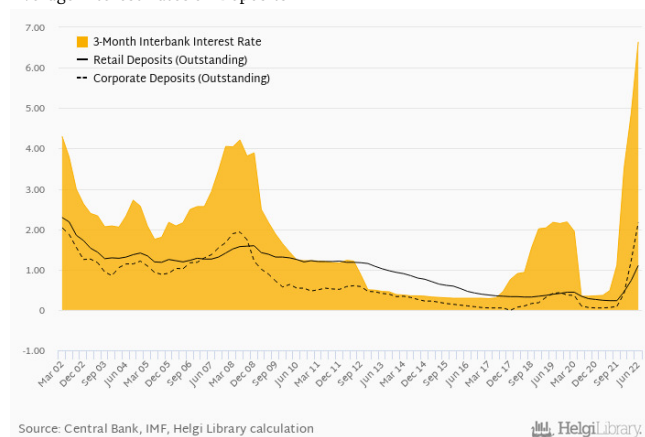
## Interest Cost & Rates

Average cost of funding grew to 2.64% in the second quarter of 2022, down 2.09 bp when compared to the same period of last year. Banks paid on average 2.16% on outstanding corporate deposits (up 0.940 bp) and 1.10% on household deposits (up 0.370 bp).

Current account deposits represented 78.0% of the total as low interest and excess of liquidity did not inspire retailers to save nor banks to offer attractive rates. The share of current accounts increased from 56.9% of the total a decade ago:

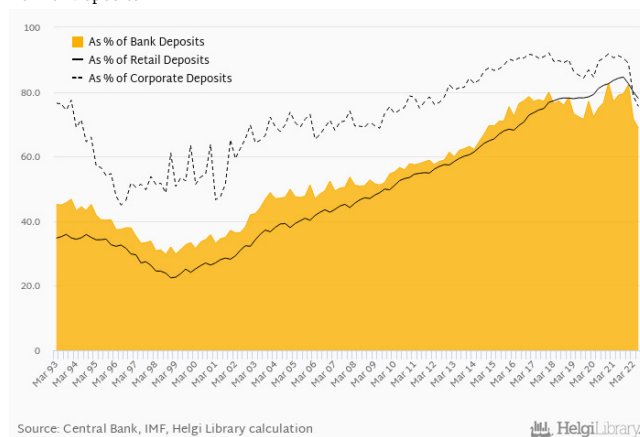
### Cost of Bank Deposits in Czechia

Average Interest Rates on Deposits



### Share of Current Account Bank Deposits in Czechia

As % of Deposits

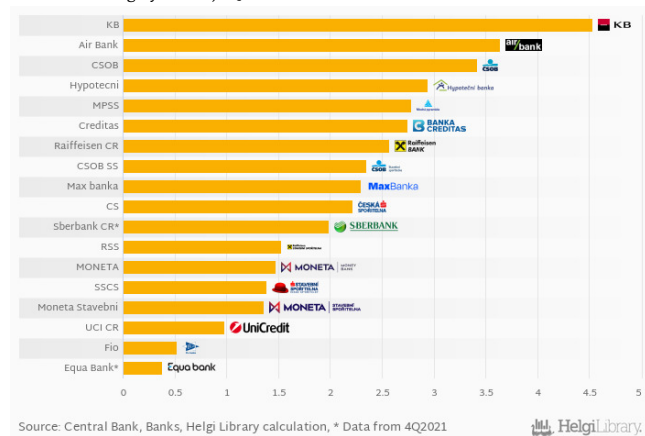


With regard to the 16 banks below, **Fio banka** has been operating with the lowest cost of funding in the second quarter of 2022 (0.524% on total liabilities), followed by **UniCredit Bank Czech-Slovakia** (0.976%) and **Moneta Stavebni Sporitelna** (1.36%). At the other end of the spectrum was **Komerční Banka** with 4.53% and **Air Bank** with 3.64%.

In terms of momentum, **Air Bank's** cost of funds increased the most in the last 12 months, from -0.079% to from 3.64%, followed by **Komerční Banka** (up by 3.66 bp) and **CSOB** (up 2.75 bp):

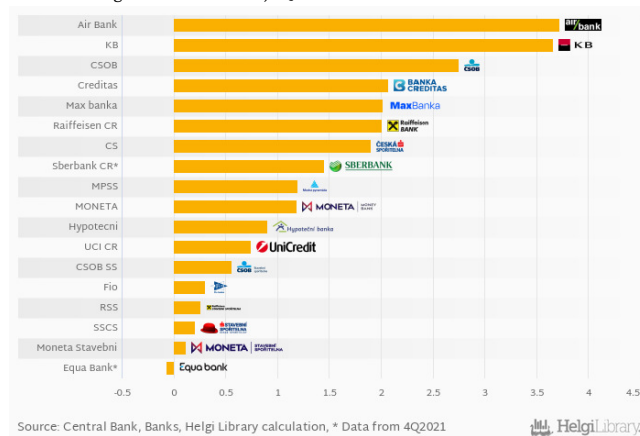
### Cost of Funding in Czechia by Bank

Cost of Funding by Banks, 2Q2022



### Cost of Funding Change by Bank in Czechia

Annual Change in Cost of Funds, 2Q2022



## Capitalization & Profitability

### Capitalization

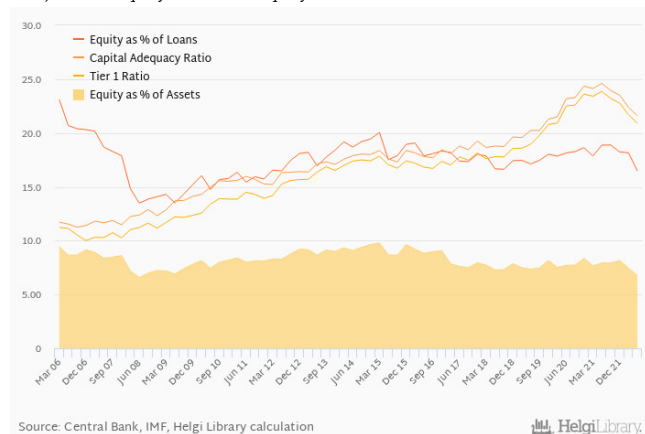
Czech banks operated with capital adequacy ratio of 21.6% at the end of the second quarter of 2022, down 3.00 bp when compared to the same period of last year. Historically in between 1Q2006 – 2Q2022, the ratio reached a high of 24.6% in 2Q2021 and a low of 11.3% in 3Q2006.

Sector's Tier 1 ratio reached 20.9% and equity accounted for 16.5% of loans. This is up 3.11 bp and down 0.906 bp when compared to five years ago.

Hypoteční Banka reported the highest capital adequacy ratio (45.3%) followed by Max banka (30.2%) and Stavební Sporitelna Ceske Sporitelny. Moneta Stavební Sporitelna and Raiffeisen Stavební Sporitelna managed to operate with relatively low capital ratios of 13.1% and 16.4%, respectively:

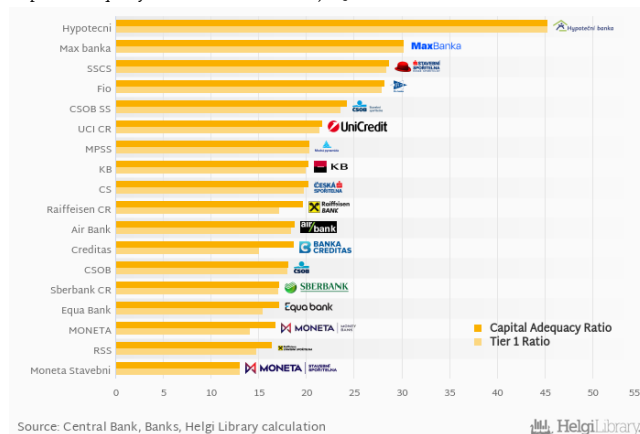
#### Banks' Capitalization in Czechia

CAR, Tier 1 & Equity to Loans & Equity to Assets



#### Banks in Czechia by Capitalization

Capital Adequacy Ratio and Tier 1 Ratio, 2Q2022





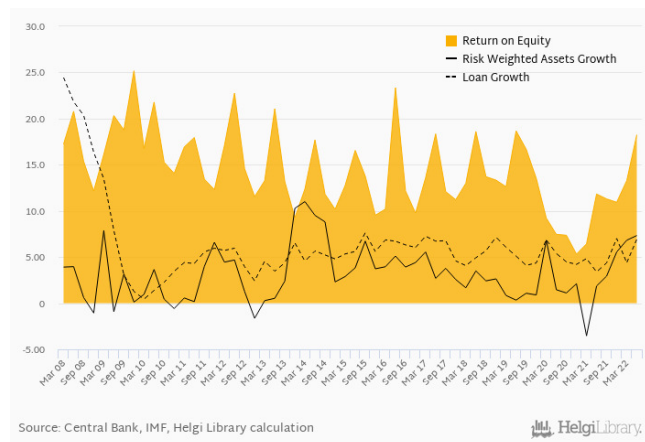
## Return on Equity

Risk weighted assets have been growing by 3.58% a year since 2012 while banks' profits generated return on equity of 13.0% on average during that time. In other words, profits created enough room to both, fund asset growth as well as pay dividends to shareholders in the last decade.

Fio banka achieved the highest ROE in the last three years (34.7%) followed by Moneta Stavebni Sporitelna (20.8%) and Air Bank (15.6%). When adjusted to the same level of capital (15% of risk-weighted assets), Fio banka would be the most profitable with a ROE of 66.6% in the last twelve months:

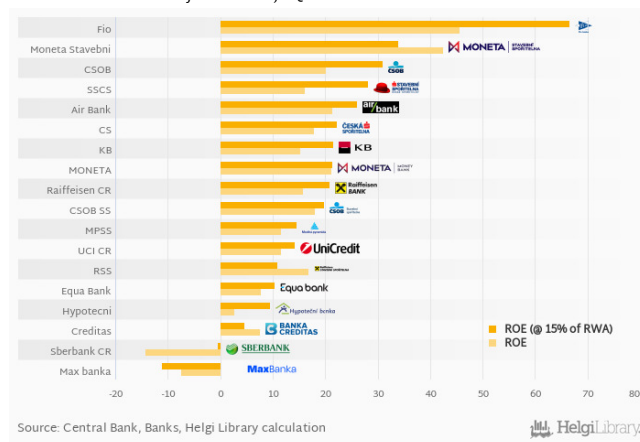
### Banks' Growth of Risk vs. Profitability in Czechia

ROE vs. RWA and Loan Growth



### Banks in Czechia by ROE

12-month ROE and Adjusted ROE, 2Q2022

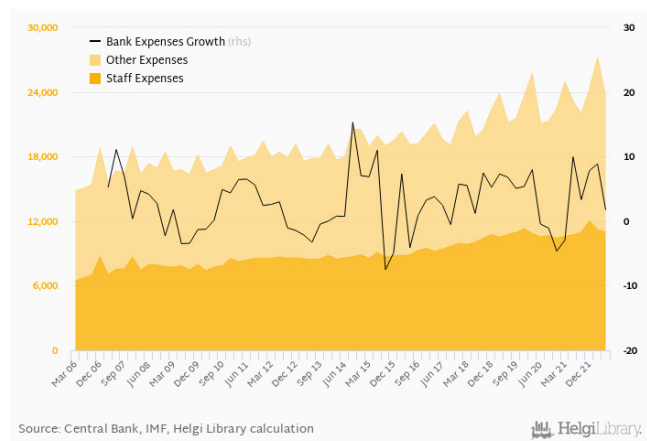


## Cost Efficiency & Infrastructure

### Cost Efficiency

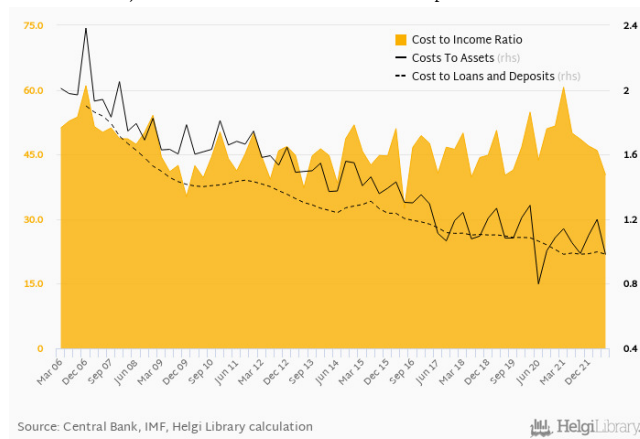
Operating costs rose 1.74% yoy and cost to income fell to 40.3% last quarter. When compared to total assets, operating costs reached 0.981%, down 0.073 bp yoy.

#### Banks' Cost Breakdown in Czechia



#### Banks' Cost Efficiency in Czechia

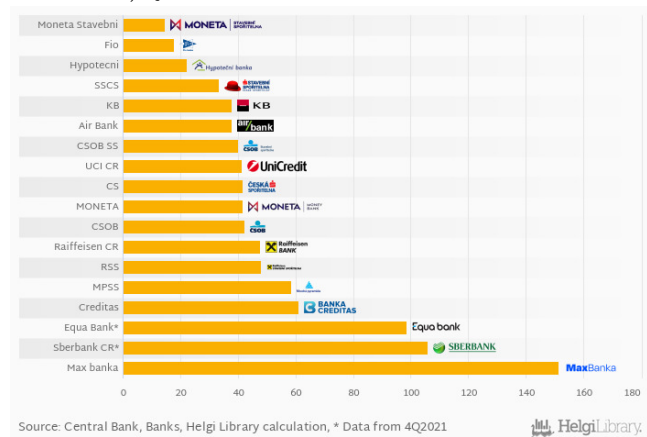
Cost to Income, Cost to Assets and Cost to Loans & Deposits



Moneta Stavebni Sportelna achieved the lowest costs when compared to income followed by Fio banka and Hypotecni Banka:

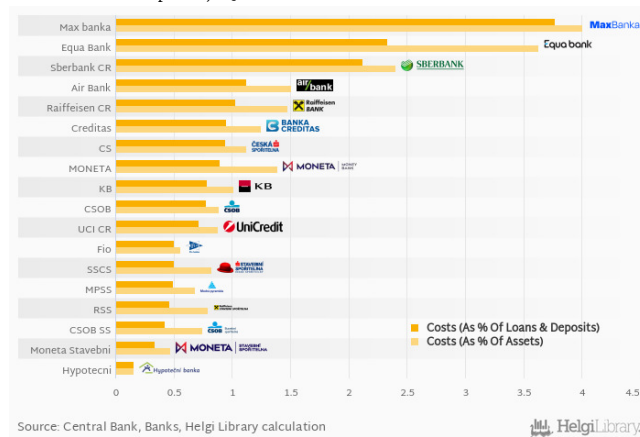
#### Banks by Cost to Income in Czechia

Cost to Income, 2Q2022



#### Banks in Czechia by Cost to Loans & Deposits

Cost to Loans & Deposits, 2Q2022

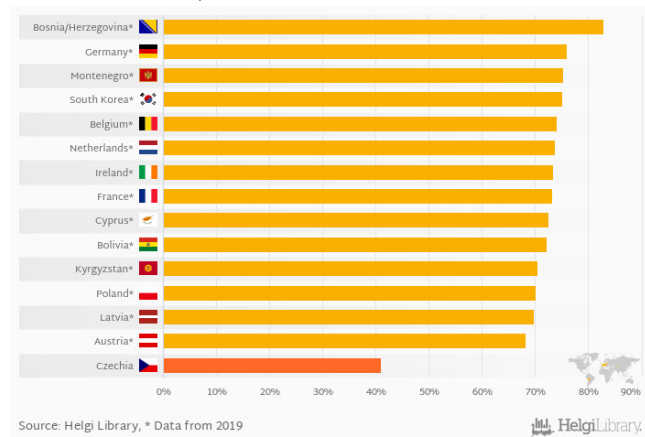


When cost efficiency is adjusted for balance sheet utilization, i.e. when operating costs are compared to the sum of loans and deposits instead of total assets, Hypotecni Banka and Moneta Stavebni Sportelna had the highest efficiency from this point of view, as seen above.

In a comparison of 79 countries, Czech banks ranked 5th in terms of cost efficiency measured by lowest operating costs as % of their assets for 2020:

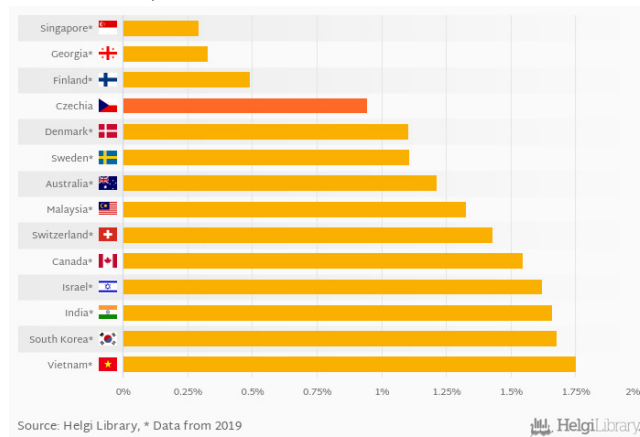
### Cost to Income by Country

Cost as % of Income (%), 2021



### Cost to Assets by Country

Cost to Assets (%), 2021

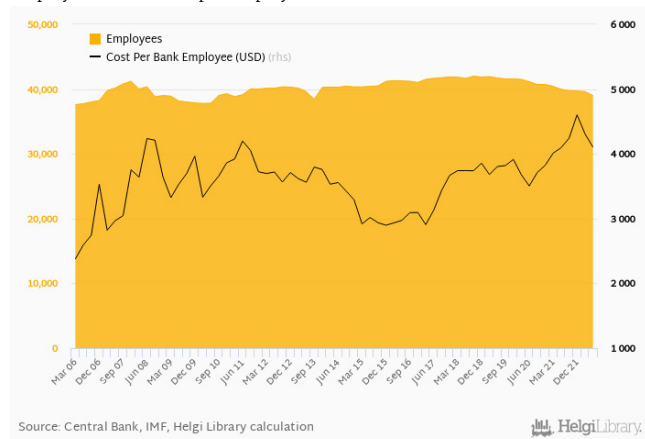


Staffing accounted for 46.7% of operating expenditures as the sector had 39,012 employees with an average cost of CZK 93,928 per month per person. This cost per employee is 4.88% higher than a year ago and 24.5% above the year 2017.

From a peak of 2,235 in 2Q2014, the number of branches has continued to decrease. At the end of the second quarter of 2022, commercial banks operated through a network of 1,543 branches. On the other hand, the number of ATMs increased to 5,559, up 34.5% when compared to five years ago:

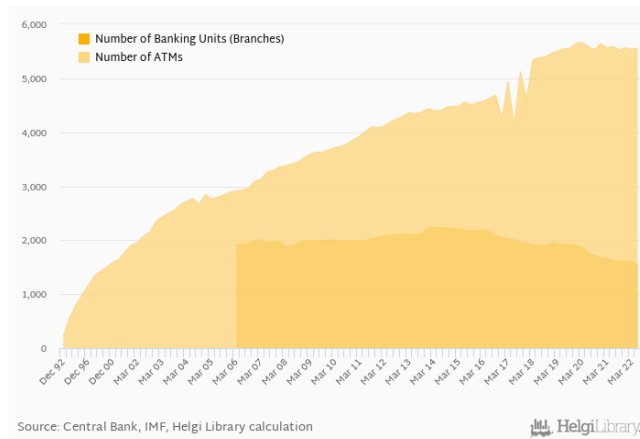
### Banks' Staff Costs in Czechia

Employees & Staff Cost per Employee



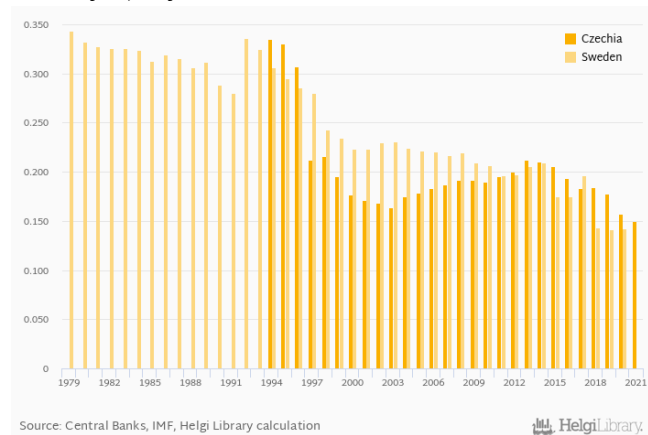
### Bank's Branches & ATMs in Czechia

Branches and ATMs



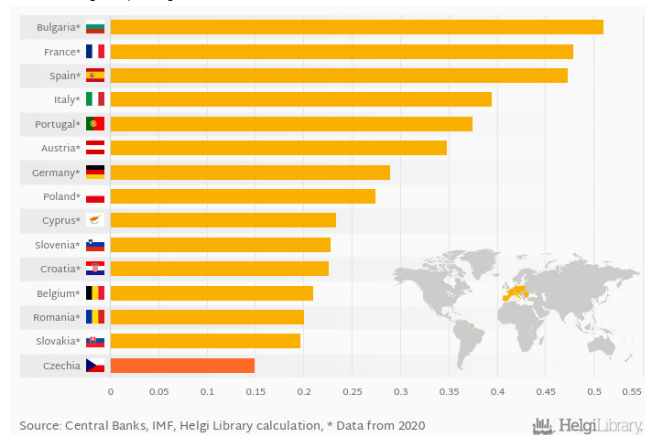
## Sweden vs. Czechia

Branches per 1,000 persons



## Bank Branch Penetration by Country

Branches per 1,000 persons



# Komerční Banka

## Quarterly Results – 2Q2022

Komerční Banka made a net profit of CZK 4,849 mil in the second quarter of 2022, up 51.8% when compared to the previous year. Total revenues increased 31.2% yoy to CZK 9,690 mil, ROE amounted to 15.2% and the NPL ratio stood at 2.43%. Komerční Banka stock depreciated by 22.7% in the second quarter of 2022 to CZK 663 per share and the stock traded at a 12-month trailing PE of 6.45x and PBV of 0.999x based on the closing price at the end of the quarter.

- ✓ Revenues increased 31.2% yoy to CZK 9,690 mil in the second quarter of 2022. Interest income formed 75.4% of total revenues with the net interest margin increasing 0.50072 pp to 2.02% of total assets. Fees added a further 15.2% to total revenue generated in 2Q2022, down from an average of 17.4% as seen in the previous two years.
- ✓ Operating costs grew by 4.7% yoy to CZK 3,655 mil, so cost to income ratio reached 37.7%, down by 22.9% compared to the previous two years. Staff accounted for 52.4% of total operating expenditures. At the end of second quarter of 2022, Komerční Banka operated a network of 218 branches and 7,522 employees.
- ✓ Loans and deposits grew by 2.58% and 4.98% qoq respectively, so loan to deposit ratio reached 68.6% at the end of 2Q2022. That's up from 67.1% the previous year. Equity reached 8.41% of assets and capital adequacy ratio amounted to 20.3% at the end of the second quarter of 2022.
- ✓ NPLs were 2.43% of total loans at the end of the quarter. Provisions covered 51.2% of non-performing loans
- ✓ Komerční Banka stock traded at CZK 663 per share at the end of second quarter of 2022 implying a market capitalization of USD 5,252 mil. This put stock at a 12-month trailing price to earnings of 6.45x and price to book value of 0.999x as of the end of 2Q2022.

Sector:  
Banking

Country:  
Czechia

Share Price:  
CZK 663

Market Capitalization:  
USD 5,252 mil

Shares Outstanding:  
189 mil

Employees:  
7,522

Clients:  
N/A

Branches:  
218

Capital Adequacy Ratio:  
20.3%

NPL Ratio:  
2.43%

Provision Coverage:  
51.2%

KEY FIGURES									
	REVENUES	NET PROFIT	EPS	EPS GROWTH	PER	PBV	ROE	DPS	DIV. YIELD
	CZK mil	CZK mil	CZK	%			%	CZK	%
2Q2022	9,690	4,849	103	51.8	6.45	0.999	15.2	...	...
2021	31,347	12,992	68.8	59.2	13.6	1.39	10.7	23.9	2.55
2020	29,663	8,157	43.2	-44.7	15.2	1.06	7.23	28.0	4.26
2019	32,573	14,901	78.1	-0.583	10.6	1.44	14.1	0	0
2018	32,203	14,846	78.6	3.24	10.8	1.55	14.6	51.0	6.02
2017	31,060	14,930	76.1	5.12	12.0	1.72	14.5	47.0	5.14
2016	31,753	13,689	72.4	4.24	12.2	1.59	12.9	40.0	4.52

Source: Company Data, Helgi Library, Valuation multiples calculated based on historical prices

Data tells a story



## Komerční Banka – Financials

INCOME STATEMENT		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Interest Income	CZK mil	7,923	7,668	7,448	7,516	8,547	12,046	16,867	22,214
Interest Cost	CZK mil	2,668	2,406	2,444	2,564	3,156	5,599	10,011	14,912
Net Interest Income	CZK mil	5,255	5,262	5,004	4,952	5,391	6,447	6,856	7,302
Net Fee Income	CZK mil	1,234	1,350	1,374	1,418	1,376	1,544	1,493	1,477
Other Income	CZK mil	774	706	1,044	1,013	1,056	728	1,128	911
Total Revenues	CZK mil	7,263	7,318	7,422	7,383	7,823	8,719	9,477	9,690
Staff Cost	CZK mil	1,927	1,836	1,824	1,843	1,933	1,939	1,871	1,916
Depreciation	CZK mil	675	771	692	703	713	695	738	752
Other Cost	CZK mil	881	956	1,825	945	876	1,111	2,159	987
Operating Cost	CZK mil	3,483	3,563	4,341	3,491	3,522	3,745	4,768	3,655
Operating Profit	CZK mil	3,780	3,755	3,081	3,892	4,301	4,974	4,709	6,035
Provisions	CZK mil	1,678	1,170	586	82.0	51.0	12.0	278	284
Pre-Tax Profit	CZK mil	2,104	2,632	2,557	3,904	4,315	5,244	4,446	5,961
Net Profit	CZK mil	1,698	2,122	2,064	3,194	3,502	4,232	3,577	4,849

BALANCE SHEET		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Cash & Cash Equivalents	CZK mil	47,764	23,547	23,612	24,279	79,070	29,947	57,491	21,383
Interbank Loans	CZK mil	314,422	262,606	368,290	377,833	374,771	257,196	349,137	455,150
Customer Loans	CZK mil	683,684	679,956	679,531	692,814	709,811	724,587	738,500	757,528
Investments	CZK mil	169,207	172,233	182,495	194,730	187,178	205,238	225,947	229,564
Property and Equipment	CZK mil	9,970	9,758	9,736	9,602	9,352	8,983	8,732	8,685
Intangible Assets	CZK mil	10,204	6,898	7,097	7,315	7,483	7,878	8,055	8,335
Total Assets	CZK mil	1,263,530	1,167,130	1,283,490	1,318,600	1,378,940	1,244,350	1,398,300	1,489,020
Shareholders' Equity	CZK mil	114,680	117,058	119,129	122,870	127,173	126,782	129,556	125,276
Liabilities	CZK mil	1,148,850	1,050,070	1,164,360	1,195,730	1,251,760	1,117,570	1,268,740	1,363,740
Interbank Borrowing	CZK mil	144,759	120,501	120,328	131,222	135,872	158,262	216,316	267,895
Customer Deposits	CZK mil	966,117	906,217	1,012,480	1,032,790	1,093,860	956,929	1,051,290	1,103,640
Issued Debt Securities	CZK mil	3,789	3,777	16,972	16,567	16,571	16,156	15,068	21,354
Other Liabilities	CZK mil	34,187	19,578	14,582	15,156	5,463	-13,776	-13,930	-29,149

RATIOS		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
ROE	%	5.97	7.33	6.99	10.6	11.2	13.3	11.2	15.2
ROA	%	0.541	0.698	0.674	0.982	1.04	1.29	1.08	1.34
Costs (As % Of Assets)	%	1.11	1.17	1.42	1.07	1.04	1.14	1.44	1.01
Costs (As % Of Income)	%	48.0	48.7	58.5	47.3	45.0	43.0	50.3	37.7
Capital Adequacy Ratio	%	21.6	22.3	22.5	23.2	23.0	21.3	20.2	20.3
Net Interest Margin	%	1.67	1.73	1.63	1.52	1.60	1.97	2.08	2.02
Interest Income (As % Of Revenues)	%	72.4	71.9	67.4	67.1	68.9	73.9	72.3	75.4
Fee Income (As % Of Revenues)	%	17.0	18.4	18.5	19.2	17.6	17.7	15.8	15.2
Staff Cost (As % Of Total Cost)	%	55.3	51.5	42.0	52.8	54.9	51.8	39.2	52.4
Equity (As % Of Assets)	%	9.08	10.0	9.28	9.32	9.22	10.2	9.27	8.41
Loans (As % Of Deposits)	%	70.8	75.0	67.1	67.1	64.9	75.7	70.2	68.6
Loans (As % Assets)	%	54.1	58.3	52.9	52.5	51.5	58.2	52.8	50.9
NPLs (As % Of Loans)	%	2.29	2.63	2.92	2.85	2.65	2.47	2.43	2.43
Provisions (As % Of NPLs)	%	52.4	50.2	48.5	49.2	52.0	51.6	51.5	51.2

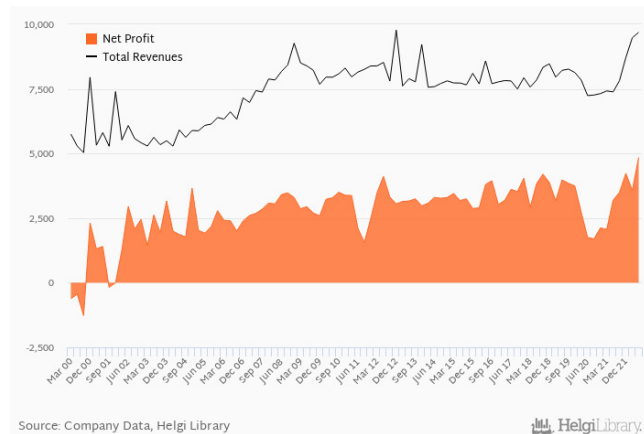
VALUATION		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Market Capitalisation	USD mil	3,976	5,776	...	6,668	7,603	8,044	7,369	5,252
Number Of Shares	mil	189	190	189	189	189	189	189	189
Share Price	CZK	486	657	687	757	887	935	857	663
Earnings Per Share (EPS)	CZK	35.7	43.7	43.7	67.6	74.2	89.6	75.8	103
Book Value Per Share	CZK	607	617	631	651	673	671	686	663
Price/Earnings (P/E)		13.6	15.0	15.7	11.2	12.0	10.4	11.3	6.45
Price/Book Value (P/BV)		0.800	1.06	1.09	1.16	1.32	1.39	1.25	0.999

Source: Company Data, Helgi Library

## Komerční Banka in Pictures

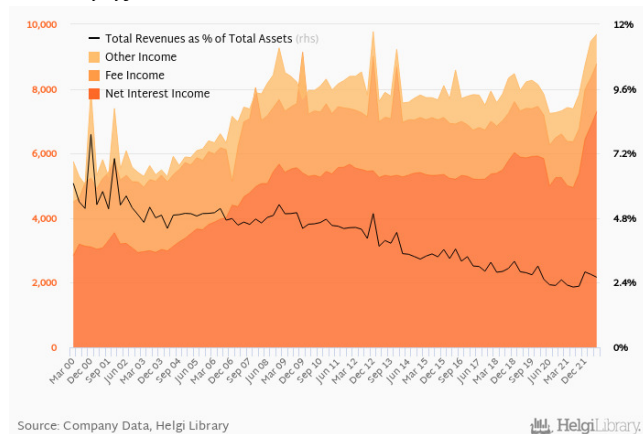
### Revenue & Profitability

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



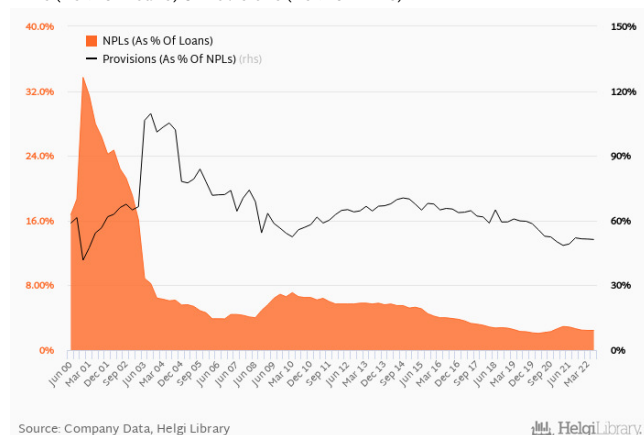
### Revenue Breakdown

Revenue by Type of Income (CZK mil)



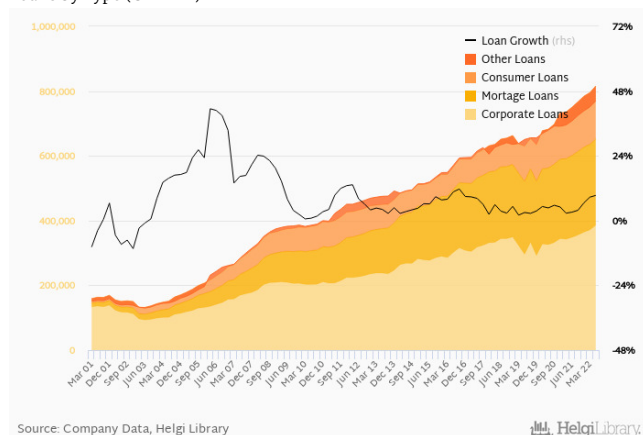
### Asset Quality

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



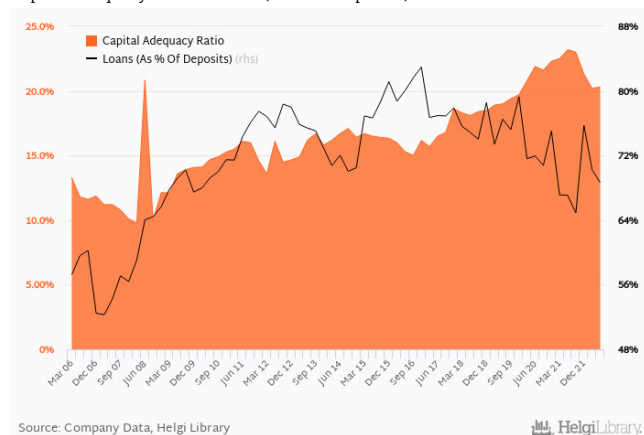
### Loan Breakdown

Loans by Type (CZK mil)



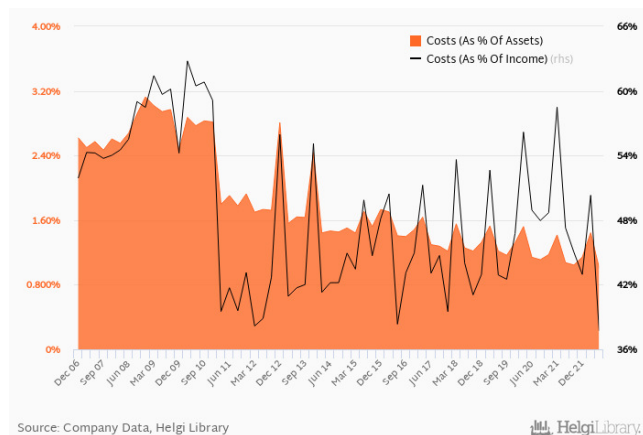
### Capital & Liquidity

Capital Adequacy Ratio & Loans (As % Of Deposits)



### Cost Efficiency

Costs As % Of Assets & Income

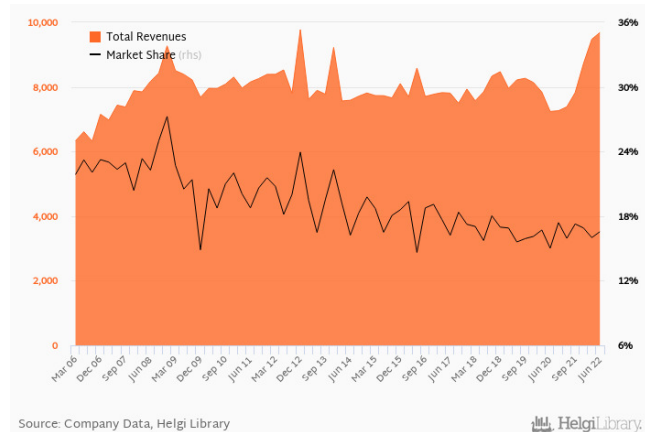




## Komerční Banka – Market Share Development

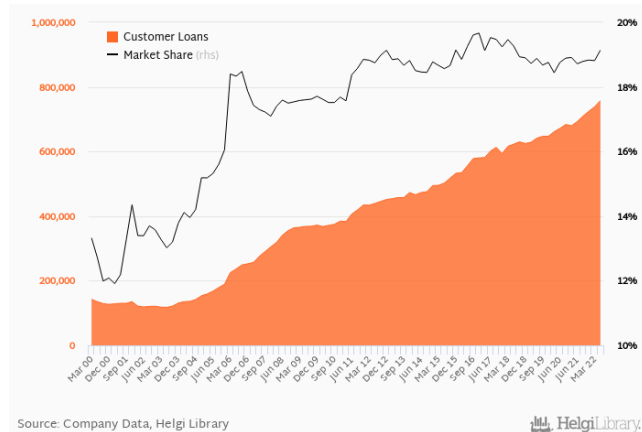
### Market Share in Bank Revenues

Total Revenues (CZK mil)



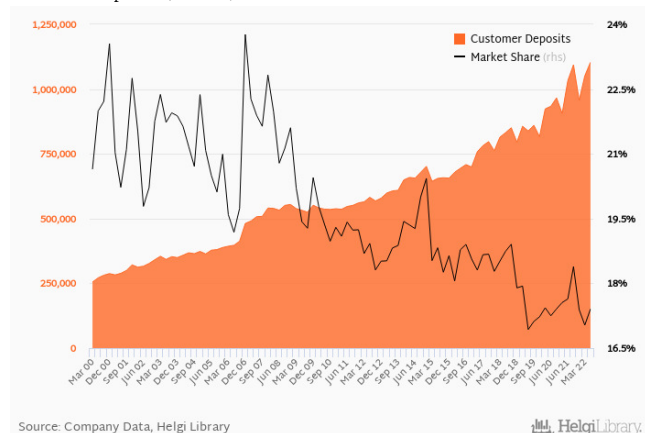
### Market Share in Bank Loans

Customer Loans (CZK bil) & Market Share (%)



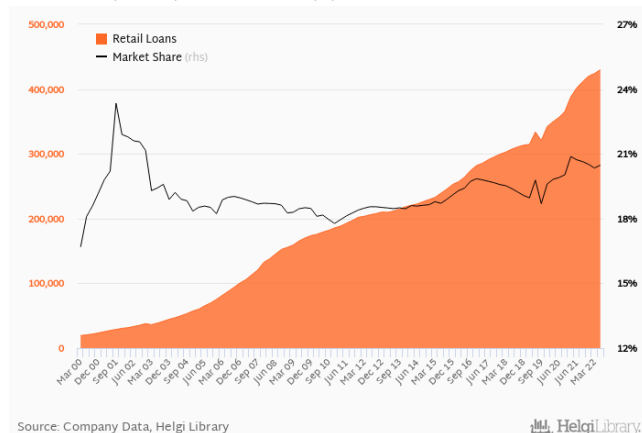
### Market Share in Bank Deposits

Customer Deposits (CZK bil)



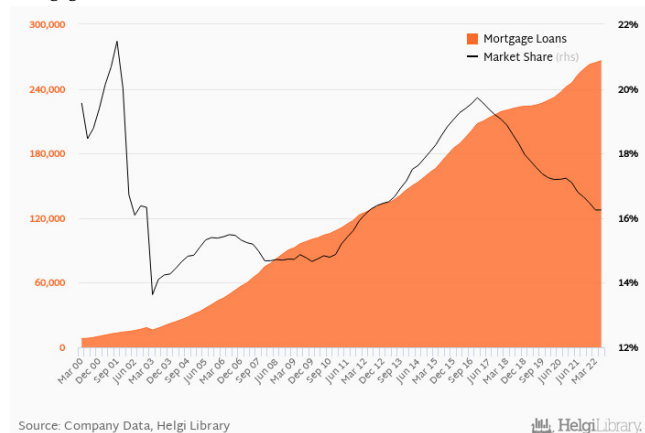
### Market Share in Retail Loans

Retail Loans (CZK bil) & Market Share (%)



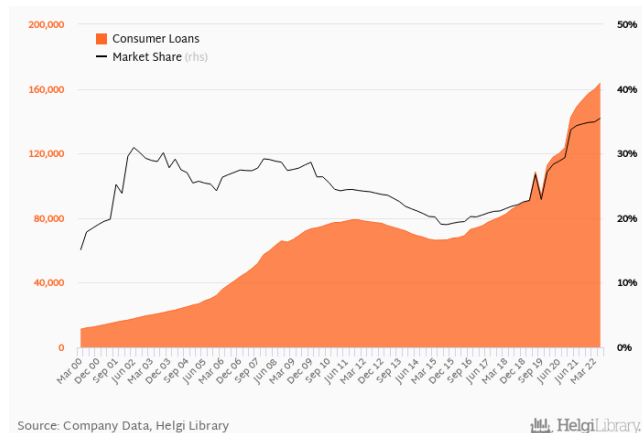
### Market Share in Mortgage Loans

Mortgage Loans (CZK mil) & Market Share (%)



### Market Share in Consumer Loans

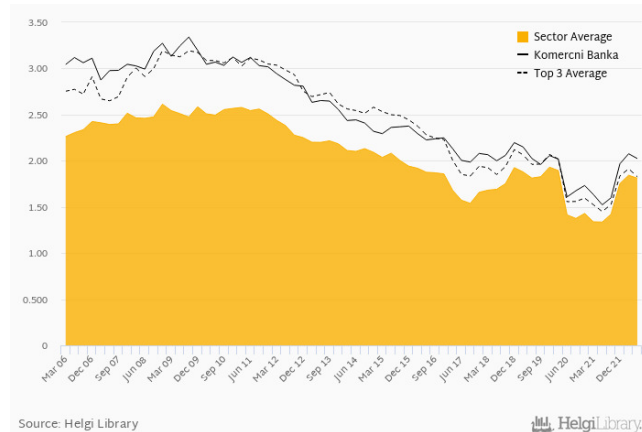
Consumer Loans (CZK mil)



## Komerční Banka – Comparison with Sector

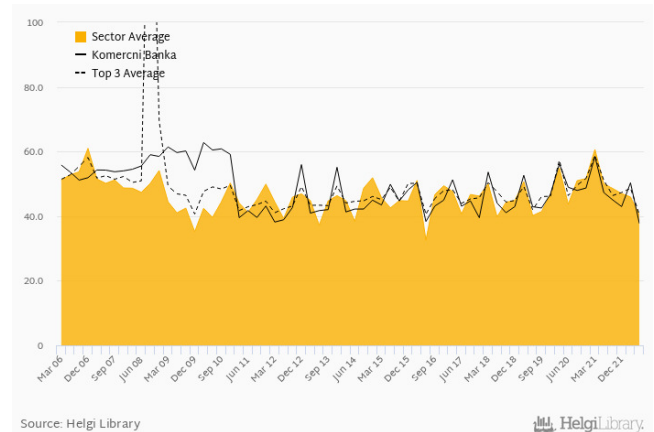
### Net Interest Margin vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



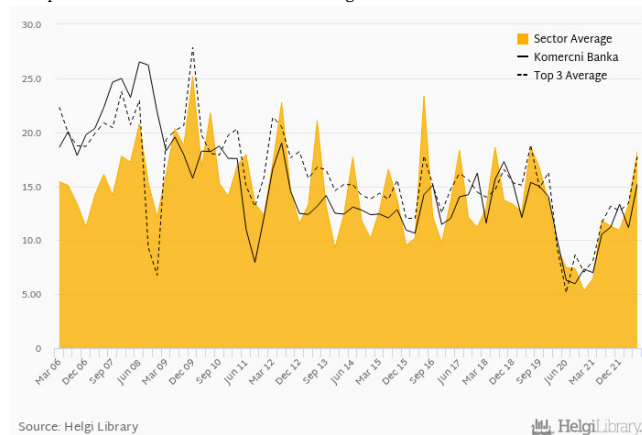
### Cost to Income vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



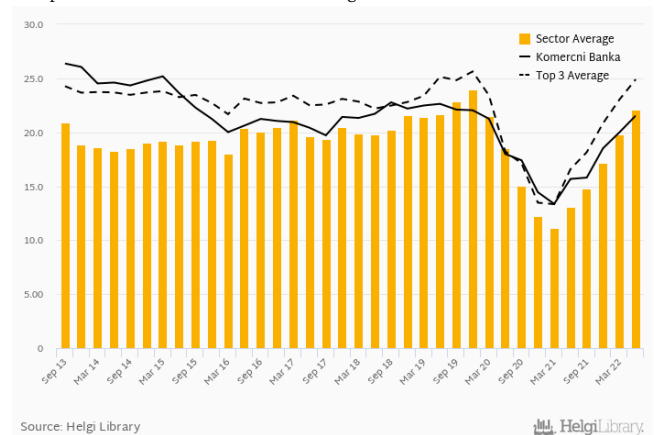
### Return on Equity vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



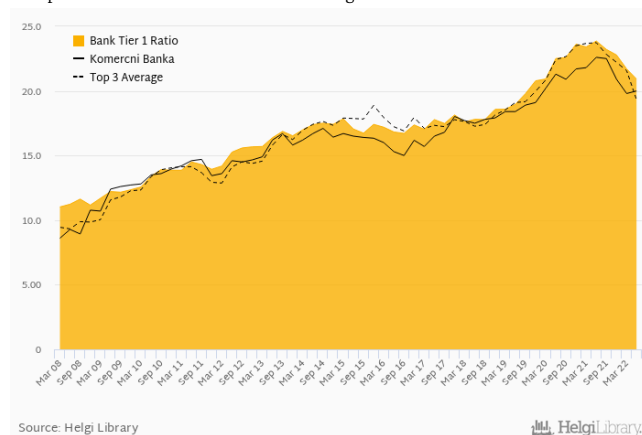
### Adjusted ROE vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



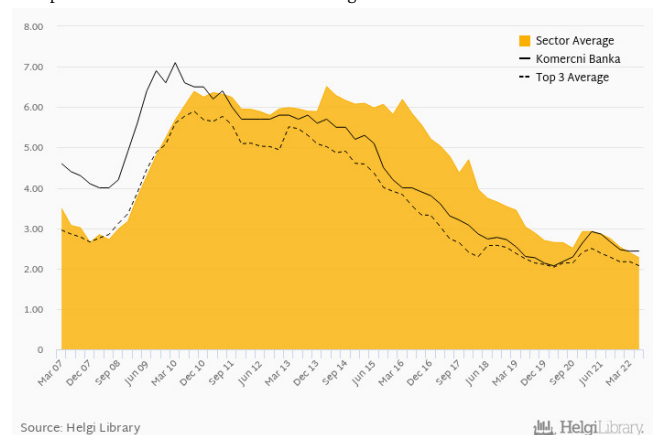
### Tier 1 Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



### NPL Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



# UniCredit Bank Czecho-Slovakia

## Quarterly Results – 2Q2022

UniCredit Bank Czecho-Slovakia made a net profit of CZK 2,173 mil in the second quarter of 2022, up 2.83% when compared to the previous year. Total revenues increased 11.2% yoy to CZK 4,903 mil, ROE amounted to 11.6% and the NPL ratio stood at 2.73%. In the last three years, the bank grew its loans by 11.1% a year, revenues fell by 0.394% and net profit decreased by 5.46% a year, on average.

- ✓ Revenues increased 11.2% yoy to CZK 4,903 mil in the second quarter of 2022. Interest income formed 72.8% of total revenues with the net interest margin increasing 0.39029 pp to 1.55% of total assets. Fees added a further 18.1% to total revenue generated in 2Q2022, down from an average of 18.2% as seen in the previous two years.
- ✓ Operating costs grew by 5.17% yoy to CZK 2,033 mil, so cost to income ratio reached 41.5%, up by 3.64% compared to the previous two years. Staff accounted for 43.3% of total operating expenditures. At the end of second quarter of 2022, UniCredit Bank Czecho-Slovakia operated a network of 109 branches and 2,855 employees.
- ✓ Loans and deposits grew by 3.41% and 2.98% qoq respectively, so loan to deposit ratio reached 72.6% at the end of 2Q2022. That's up from 66.8% the previous year. Equity reached 7.60% of assets and capital adequacy ratio amounted to 21.7% at the end of the second quarter of 2022.
- ✓ NPLs were 2.73% of total loans at the end of the quarter. Provisions covered 97.1% of non-performing loans
- ✓ When compared to selected peers, UniCredit Bank Czecho-Slovakia was 1.45 pp less profitable in terms of ROE, achieved 2.43 pp better cost efficiency when measured by cost to income ratio and grew its loans by 4.71 pp slower based on a last year comparison.

**Sector:**  
Banking

**Country:**  
Czechia

**Employees:**  
2,855

**Clients:**  
N/A

**Branches:**  
109

**ATMs:**  
N/A

**Bank Cards:**  
N/A

**Capital Adequacy Ratio:**  
21.7%

**Tier 1 Ratio:**  
21.4%

KEY FIGURES									
	REVENUES	REVENUE GROWTH	NET PROFIT	PROFIT GROWTH	ROE	COST TO INCOME	LOAN / DEPOSITS	EQUITY / ASSETS	NPL RATIO
	CZK mil	%	CZK mil	%	%	%	%	%	%
2Q2022	4,903	11.2	2,173	2.83	11.6	41.5	72.6	7.60	2.73
2021	19,113	5.73	6,981	31.3	8.34	47.2	103	11.8	2.50
2020	18,078	-14.3	5,317	-47.5	6.48	47.8	109	12.9	3.29
2019	21,086	0.726	10,122	13.0	13.1	40.2	106	11.4	2.31
2018	20,934	12.4	8,957	17.5	12.2	41.5	110	11.3	2.67
2017	18,621	4.16	7,626	26.2	11.0	47.3	107	10.6	3.42
2016	17,877	7.38	6,045	7.22	9.42	48.5	104	10.5	4.13

Source: Company Data, Helgi Library

Data tells a story



## UniCredit Bank Czecho-Slovakia – Financials

INCOME STATEMENT		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Interest Income	CZK mil	2,355	2,813	3,164	3,284	3,400	4,015	4,869	5,636
Interest Cost	CZK mil	-79.5	211	546	514	521	699	1,385	2,068
Net Interest Income	CZK mil	2,434	2,602	2,618	2,770	2,879	3,316	3,484	3,568
Net Fee Income	CZK mil	753	821	722	825	812	838	926	885
Other Income	CZK mil	613	1,169	593	815	666	524	1,267	450
Total Revenues	CZK mil	3,800	4,592	3,933	4,410	4,357	4,679	5,677	4,903
Staff Cost	CZK mil	848	840	809	853	845	883	830	881
Depreciation	CZK mil	224	284	237	240	250	421	274	269
Other Cost	CZK mil	632	705	839	840	893	1,209	905	884
Operating Cost	CZK mil	1,704	1,829	1,886	1,933	1,988	2,513	2,009	2,033
Operating Profit	CZK mil	2,096	2,763	2,048	2,477	2,369	2,166	3,668	2,869
Provisions	CZK mil	338	1,124	660	-40.4	-107	1,305	363	476
Pre-Tax Profit	CZK mil	1,759	1,661	1,026	2,650	2,726	1,303	2,785	2,658
Net Profit	CZK mil	1,417	1,363	813	2,113	2,170	1,018	2,348	2,173

BALANCE SHEET		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Cash & Cash Equivalents	CZK mil	21,157	7,207	23,118	26,350	93,729	18,901	81,621	29,437
Interbank Loans	CZK mil	426,493	137,110	416,722	406,473	320,785	123,973	306,363	319,524
Customer Loans	CZK mil	377,893	446,164	482,133	462,549	470,540	456,965	464,032	479,837
Investments	CZK mil	25,782	21,545	51,199	50,189	52,883	70,345	99,019	108,282
Property and Equipment	CZK mil	3,443	3,591	3,553	3,552	3,530	3,437	3,428	3,484
Intangible Assets	CZK mil	2,091	2,352	2,380	2,418	2,506	2,629	2,548	2,475
Total Assets	CZK mil	904,070	648,589	973,295	942,894	871,002	680,396	901,976	943,363
Shareholders' Equity	CZK mil	77,739	82,538	81,108	82,732	82,814	77,961	78,443	71,712
Liabilities	CZK mil	826,331	566,051	892,187	860,162	788,188	602,435	823,532	871,651
Interbank Borrowing	CZK mil	121,545	94,950	112,023	110,826	128,277	49,902	78,353	87,543
Customer Deposits	CZK mil	642,795	422,485	727,268	692,394	597,807	465,198	641,797	660,950
Issued Debt Securities	CZK mil	10,839	10,058	27,555	29,530	32,942	58,673	67,528	75,550
Other Liabilities	CZK mil	51,152	38,558	25,341	27,412	29,162	28,663	35,855	47,608

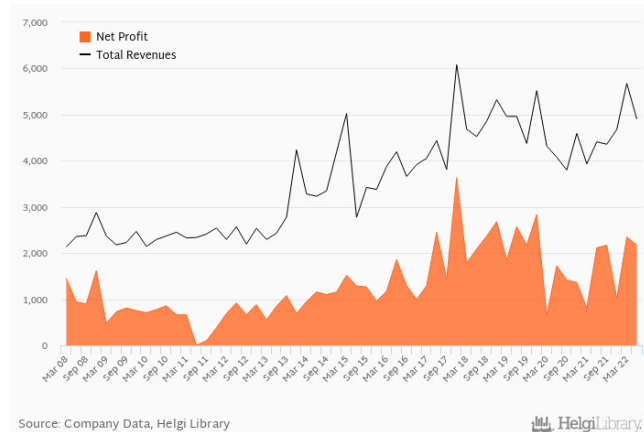
RATIOS		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
ROE	%	7.36	6.80	3.97	10.3	10.5	5.06	12.0	11.6
ROA	%	0.617	0.702	0.401	0.882	0.957	0.525	1.19	0.942
Costs (As % Of Assets)	%	0.742	0.942	0.930	0.807	0.877	1.30	1.02	0.882
Costs (As % Of Income)	%	44.8	39.8	47.9	43.8	45.6	53.7	35.4	41.5
Capital Adequacy Ratio	%	20.3	23.6	22.4	22.2	22.2	21.9	21.8	21.7
Net Interest Margin	%	1.06	1.34	1.29	1.16	1.27	1.71	1.76	1.55
Interest Income (As % Of Revenues)	%	64.1	56.7	66.6	62.8	66.1	70.9	61.4	72.8
Fee Income (As % Of Revenues)	%	19.8	17.9	18.4	18.7	18.6	17.9	16.3	18.1
Staff Cost (As % Of Total Cost)	%	49.8	45.9	42.9	44.1	42.5	35.1	41.3	43.3
Equity (As % Of Assets)	%	8.60	12.7	8.33	8.77	9.51	11.5	8.70	7.60
Loans (As % Of Deposits)	%	58.8	106	66.3	66.8	78.7	98.2	72.3	72.6
Loans (As % Assets)	%	41.8	68.8	49.5	49.1	54.0	67.2	51.4	50.9
NPLs (As % Of Loans)	%	2.26	3.26	3.32	3.81	2.98	2.98	2.85	2.73
Provisions (As % Of NPLs)	%	99.1	73.8	75.9	73.9	77.3	80.9	88.8	97.1

Source: Company Data, Helgi Library

## UniCredit Bank Czecho-Slovakia in Pictures

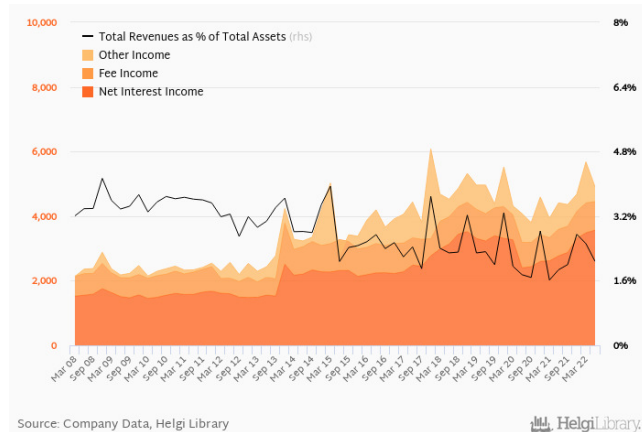
### Revenue & Profitability

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



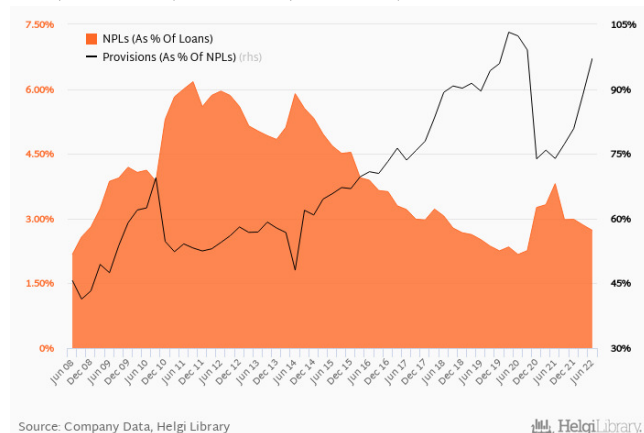
### Revenue Breakdown

Revenue by Type of Income (CZK mil)



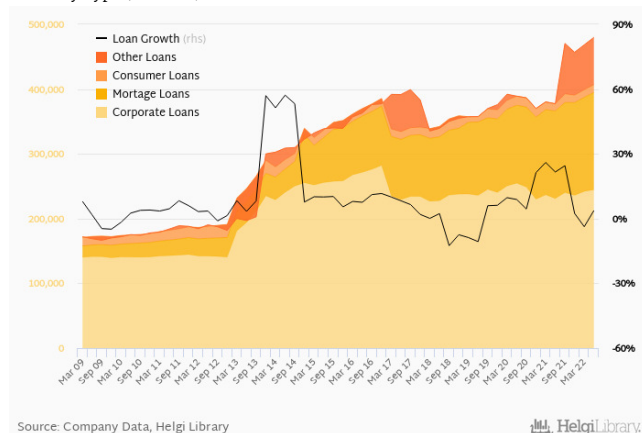
### Asset Quality

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



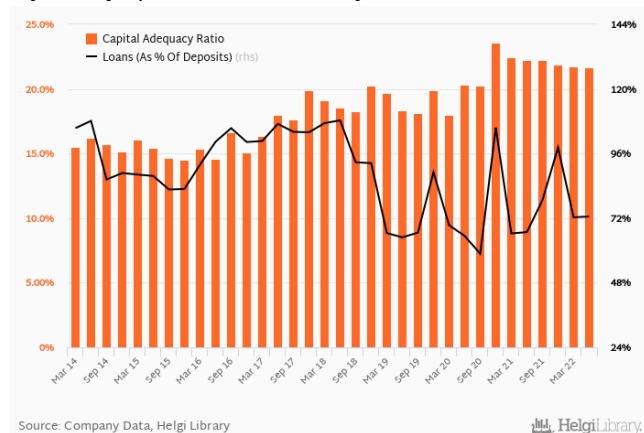
### Loan Breakdown

Loans by Type (CZK mil)



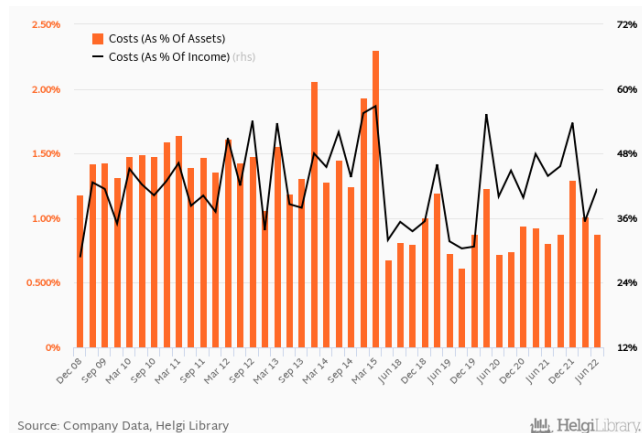
### Capital & Liquidity

Capital Adequacy Ratio & Loans (As % Of Deposits)



### Cost Efficiency

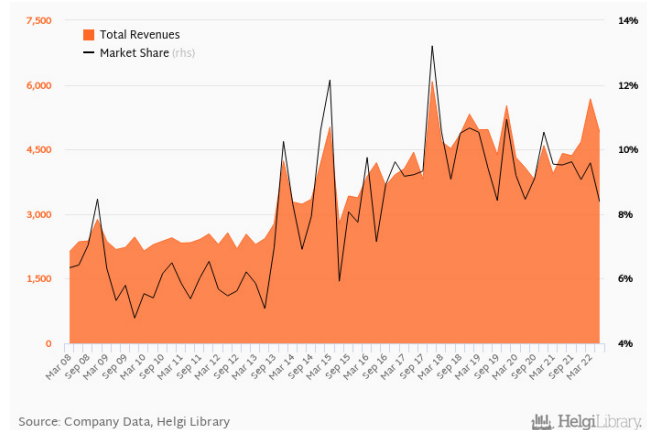
Costs As % Of Assets & Income



## UniCredit Bank Czecho-Slovakia – Market Share Development

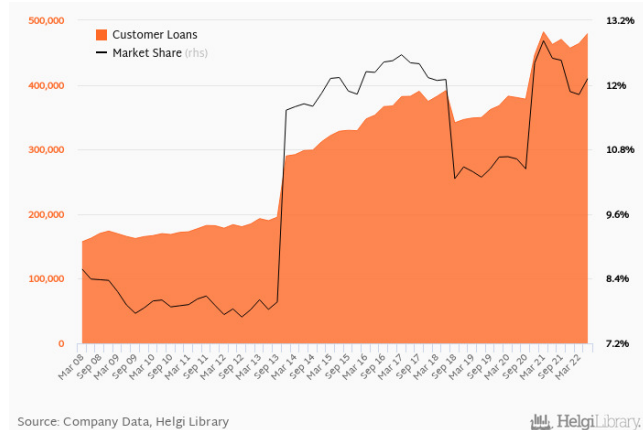
### Market Share in Bank Revenues

Total Revenues (CZK mil)



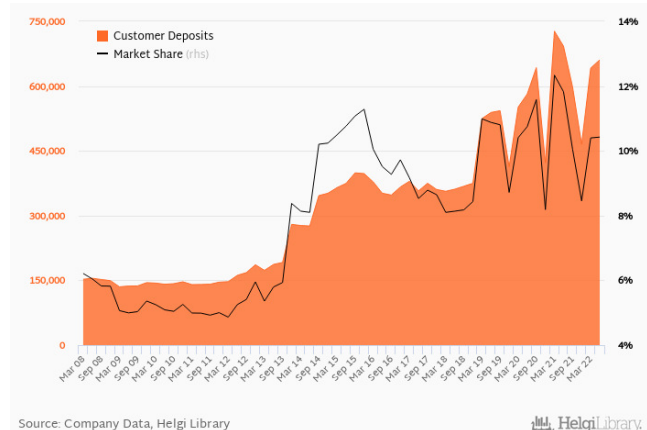
### Market Share in Bank Loans

Customer Loans (CZK bil) & Market Share (%)



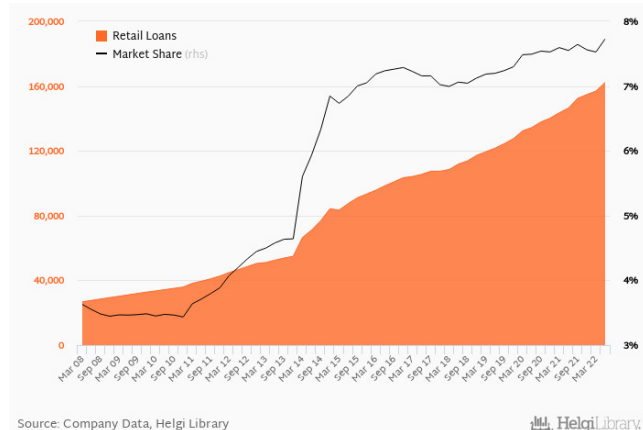
### Market Share in Bank Deposits

Customer Deposits (CZK bil)



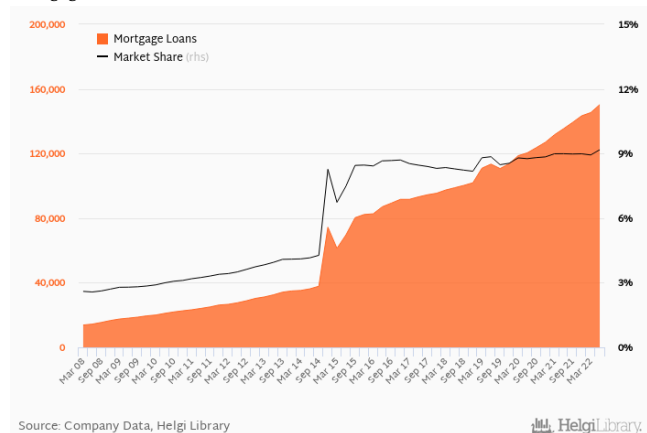
### Market Share in Retail Loans

Retail Loans (CZK bil) & Market Share (%)



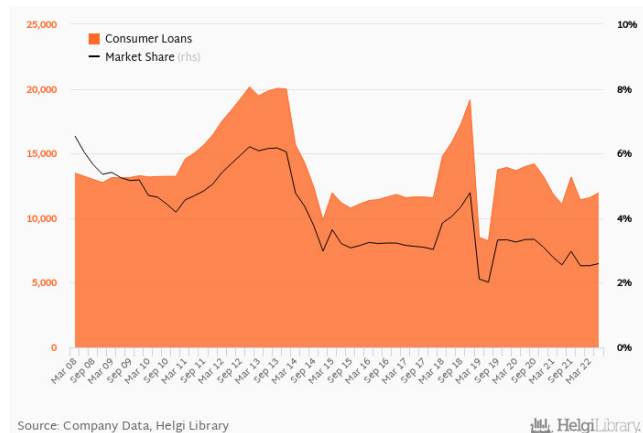
### Market Share in Mortgage Loans

Mortgage Loans (CZK mil) & Market Share (%)



### Market Share in Consumer Loans

Consumer Loans (CZK mil)

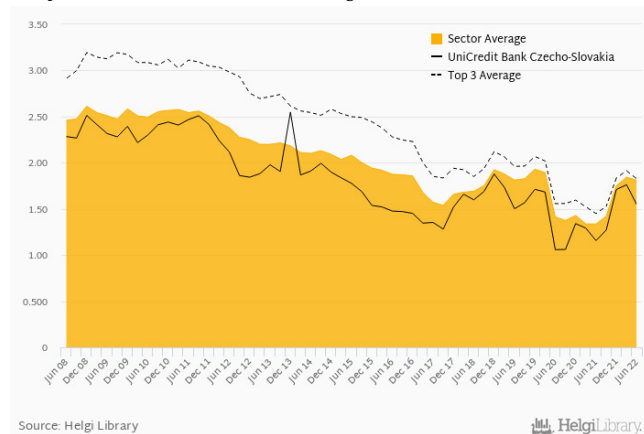




## UniCredit Bank Czecho-Slovakia – Comparison with Sector

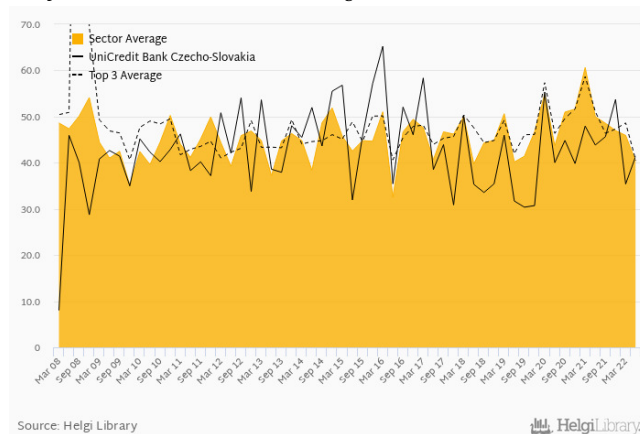
### Net Interest Margin vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



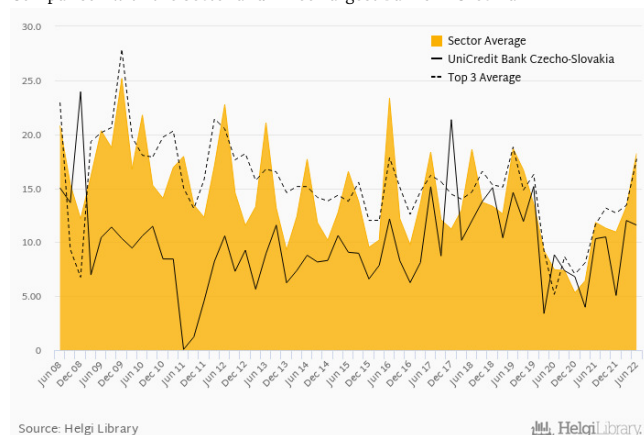
### Cost to Income vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



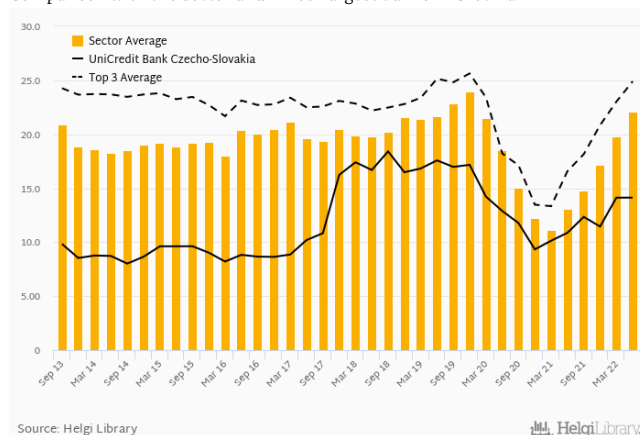
### Return on Equity vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



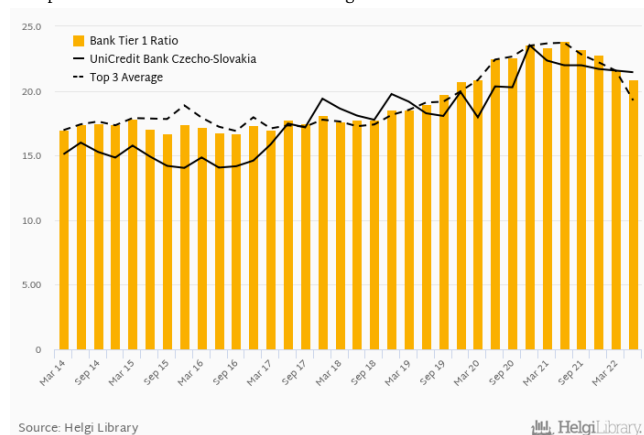
### Adjusted ROE vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



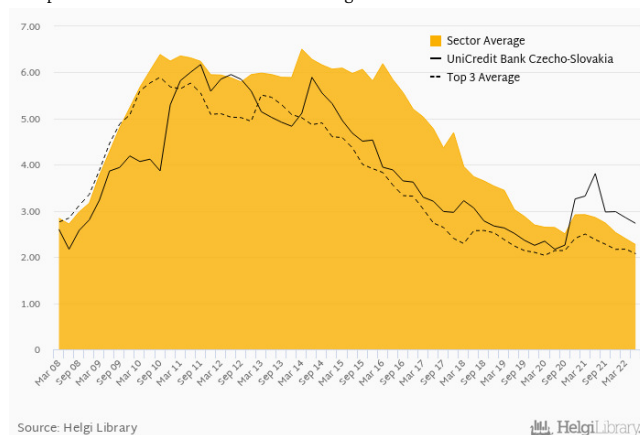
### Tier 1 Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



### NPL Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia





## CSOB

## Quarterly Results – 2Q2022

CSOB made a net profit of CZK 5,472 mil in the second quarter of 2022, up 40.1% when compared to the previous year. Total revenues increased 43.2% yoy to CZK 11,437 mil, ROE amounted to 20.1% and the NPL ratio stood at 1.88%. In the last three years, the bank grew its loans by 10.1% a year, revenues rose by 0.08% and net profit decreased by 3.55% a year, on average.

- ✓ Revenues increased 43.2% yoy to CZK 11,437 mil in the second quarter of 2022. Interest income formed 70.6% of total revenues with the net interest margin increasing 0.36253 pp to 1.48% of total assets. Fees added a further 17.8% to total revenue generated in 2Q2022, down from an average of 21.0% as seen in the previous two years.
- ✓ Operating costs grew by 3.55% yoy to CZK 4,847 mil, so cost to income ratio reached 42.4%, up by 4.54% compared to the previous two years. Staff accounted for 49.5% of total operating expenditures. At the end of second quarter of 2022, CSOB operated a network of 203 branches and 8,043 employees.
- ✓ Loans and deposits grew by 2.04% and 3.4% qoq respectively, so loan to deposit ratio reached 77.5% at the end of 2Q2022. That's down from 84.2% the previous year. Equity reached 4.42% of assets and capital adequacy ratio amounted to 18.2% at the end of the second quarter of 2022.
- ✓ NPLs were 1.88% of total loans at the end of the quarter. Provisions covered 46.7% of non-performing loans
- ✓ When compared to selected peers, CSOB was 7.08 pp more profitable in terms of ROE, achieved 1.53 pp better cost efficiency when measured by cost to income ratio and grew its loans by 2.60 pp faster based on a last year comparison.

**Sector:**  
Banking

**Country:**  
Czechia

**Employees:**  
8,043

**Clients:**  
N/A

**Branches:**  
203

**ATMs:**  
1,018

**Bank Cards:**  
N/A

**Capital Adequacy Ratio:**  
18.2%

**Tier 1 Ratio:**  
18.0%

KEY FIGURES									
	REVENUES	REVENUE GROWTH	NET PROFIT	PROFIT GROWTH	ROE	COST TO INCOME	LOAN / DEPOSITS	EQUITY / ASSETS	NPL RATIO
	CZK mil	%	CZK mil	%	%	%	%	%	%
2Q2022	11,437	43.2	5,472	40.1	20.1	42.4	77.5	4.42	1.88
2021	35,724	1.34	16,160	90.4	14.4	55.5	87.7	6.50	1.57
2020	35,251	-16.9	8,488	-56.9	8.27	54.6	86.9	6.09	2.00
2019	42,404	14.3	19,691	25.0	20.8	44.9	87.3	6.02	2.18
2018	37,102	-0.261	15,757	-10.0	17.1	47.9	87.1	6.65	3.06
2017	37,199	9.27	17,517	15.7	19.3	43.7	90.6	7.03	2.04
2016	34,043	4.61	15,141	8.07	16.9	46.0	79.4	8.17	3.03

Source: Company Data, Helgi Library



## CSOB – Financials

INCOME STATEMENT		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Interest Income	CZK mil	6,828	7,799	7,862	8,092	8,912	12,109	20,839	25,864
Interest Cost	CZK mil	1,174	2,434	2,722	2,920	3,220	5,213	13,049	17,784
Net Interest Income	CZK mil	5,654	5,365	5,140	5,172	5,692	6,896	7,790	8,080
Net Fee Income	CZK mil	1,909	1,814	1,871	1,959	1,987	2,011	2,072	2,036
Other Income	CZK mil	871	973	1,445	855	1,395	1,301	2,041	1,321
Total Revenues	CZK mil	8,434	8,152	8,456	7,986	9,074	10,208	11,903	11,437
Staff Cost	CZK mil	2,259	2,546	2,215	2,349	2,255	2,693	2,581	2,401
Depreciation	CZK mil	602	411	553	579	584	626	616	639
Other Cost	CZK mil	1,712	1,980	2,862	1,753	1,595	1,770	3,230	1,807
Operating Cost	CZK mil	4,573	4,937	5,630	4,681	4,434	5,089	6,427	4,847
Operating Profit	CZK mil	3,861	3,215	2,826	3,305	4,640	5,119	5,476	6,590
Provisions	CZK mil	455	630	-329	-1,297	-1,277	-350	-102	125
Pre-Tax Profit	CZK mil	3,396	2,569	3,143	4,590	5,905	5,441	5,554	6,466
Net Profit	CZK mil	2,842	2,169	2,739	3,906	4,960	4,555	4,612	5,472

BALANCE SHEET		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Cash & Cash Equivalents	CZK mil	32,640	29,595	22,553	28,524	81,408	39,762	380,369	26,274
Interbank Loans	CZK mil	628,016	645,750	628,540	722,288	694,450	609,800	585,375	873,704
Customer Loans	CZK mil	920,349	949,972	1,036,040	977,331	983,713	1,026,500	1,063,640	1,085,350
Investments	CZK mil	160,752	116,579	118,521	147,498	143,090	110,241	151,265	171,510
Property and Equipment	CZK mil	13,470	14,690	14,676	14,352	13,440	13,643	13,226	12,988
Intangible Assets	CZK mil	10,792	10,767	10,871	10,984	11,123	11,164	11,129	11,384
Total Assets	CZK mil	1,771,220	1,756,440	1,823,050	1,893,080	1,920,620	1,805,480	2,202,320	2,177,240
Shareholders' Equity	CZK mil	105,174	106,992	109,192	113,069	117,798	117,378	121,442	96,275
Liabilities	CZK mil	1,666,050	1,649,450	1,713,860	1,780,010	1,802,820	1,688,100	2,080,880	2,080,960
Interbank Borrowing	CZK mil	98,200	57,422	94,215	108,903	107,954	25,057	178,087	309,470
Customer Deposits	CZK mil	1,078,050	1,072,770	1,141,560	1,161,370	1,261,420	1,156,900	1,353,500	1,399,570
Issued Debt Securities	CZK mil	356,416	425,293	373,579	365,473	331,561	421,603	411,084	229,075
Other Liabilities	CZK mil	133,380	93,963	104,503	144,266	101,893	84,539	138,202	142,852

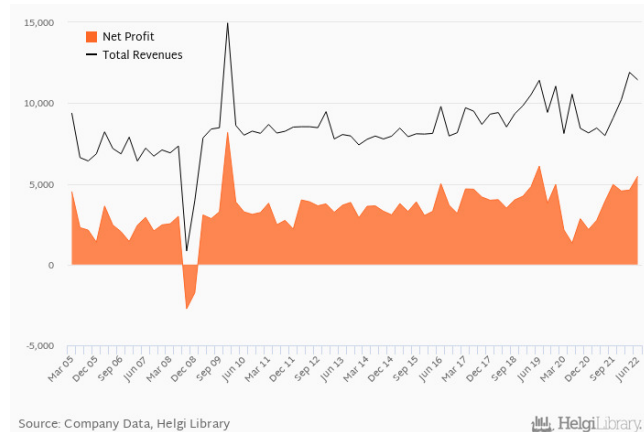
RATIOS		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
ROE	%	11.0	8.18	10.1	14.1	17.2	15.5	15.4	20.1
ROA	%	0.646	0.492	0.612	0.841	1.04	0.978	0.921	1.000
Costs (As % Of Assets)	%	1.04	1.12	1.26	1.01	0.930	1.09	1.28	0.885
Costs (As % Of Income)	%	54.2	60.6	66.6	58.6	48.9	49.9	54.0	42.4
Capital Adequacy Ratio	%	23.2	24.2	24.8	24.2	23.3	22.7	21.7	18.2
Net Interest Margin	%	1.28	1.22	1.15	1.11	1.19	1.48	1.55	1.48
Interest Income (As % Of Revenues)	%	67.0	65.8	60.8	64.8	62.7	67.6	65.4	70.6
Fee Income (As % Of Revenues)	%	22.6	22.3	22.1	24.5	21.9	19.7	17.4	17.8
Staff Cost (As % Of Total Cost)	%	49.4	51.6	39.3	50.2	50.9	52.9	40.2	49.5
Equity (As % Of Assets)	%	5.94	6.09	5.99	5.97	6.13	6.50	5.51	4.42
Loans (As % Of Deposits)	%	85.4	88.6	90.8	84.2	78.0	88.7	78.6	77.5
Loans (As % Assets)	%	52.0	54.1	56.8	51.6	51.2	56.9	48.3	49.8
NPLs (As % Of Loans)	%	2.24	2.39	2.28	2.18	2.08	1.93	1.98	1.88
Provisions (As % Of NPLs)	%	49.2	48.7	49.3	48.6	48.8	49.4	47.2	46.7

Source: Company Data, Helgi Library

## CSOB in Pictures

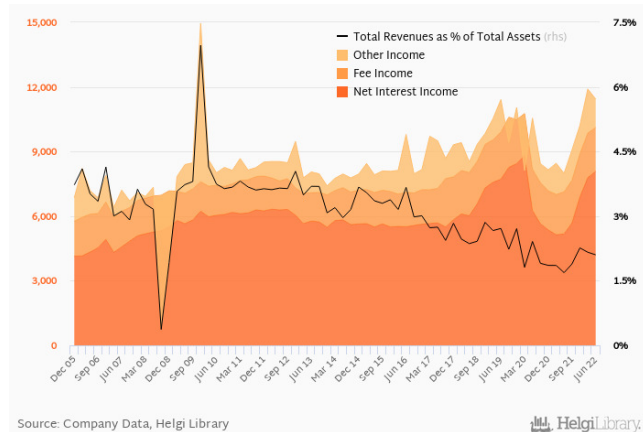
### Revenue & Profitability

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



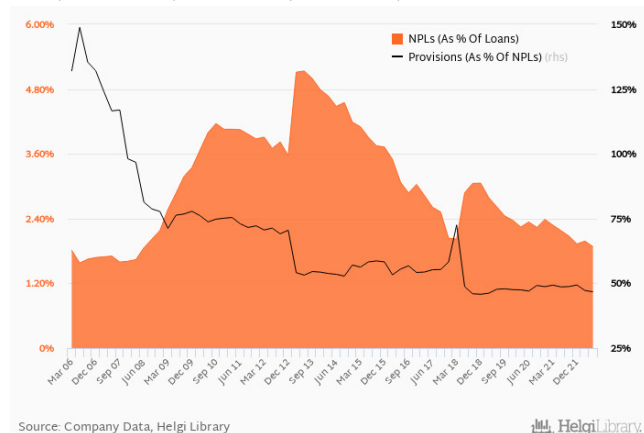
### Revenue Breakdown

Revenue by Type of Income (CZK mil)



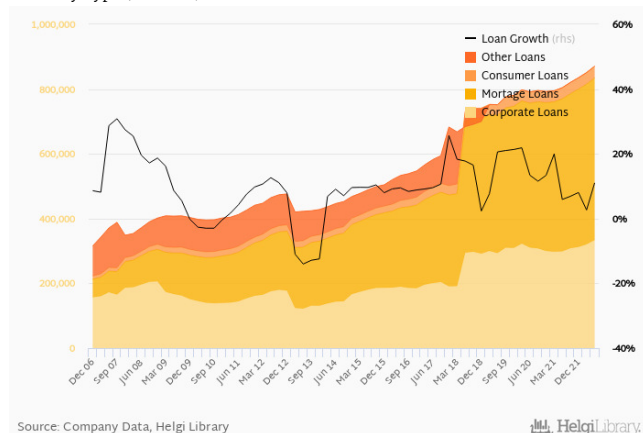
### Asset Quality

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



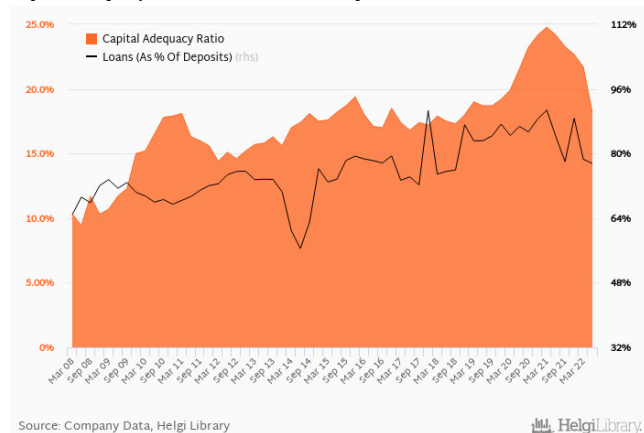
### Loan Breakdown

Loans by Type (CZK mil)



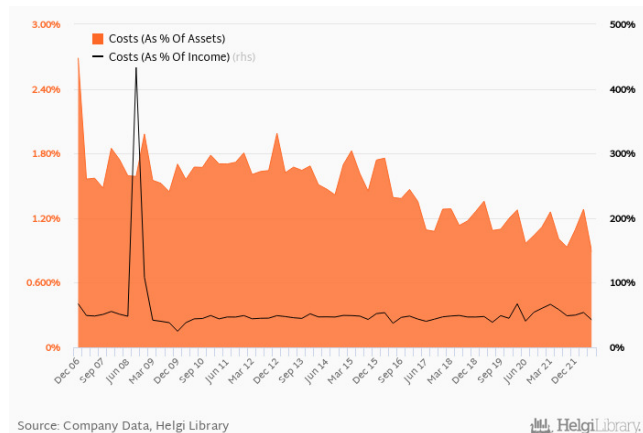
### Capital & Liquidity

Capital Adequacy Ratio & Loans (As % Of Deposits)



### Cost Efficiency

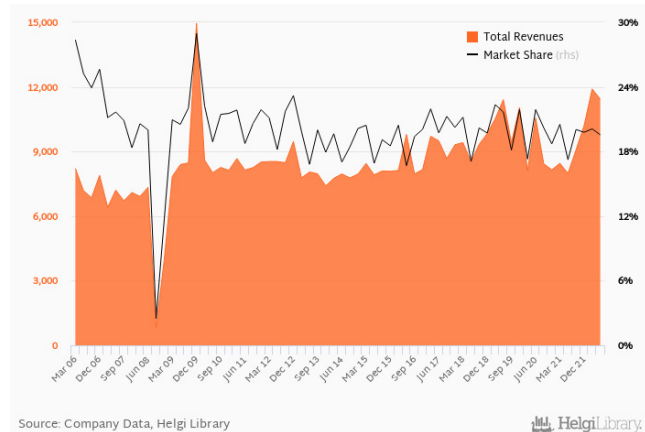
Costs As % Of Assets & Income



## CSOB – Market Share Development

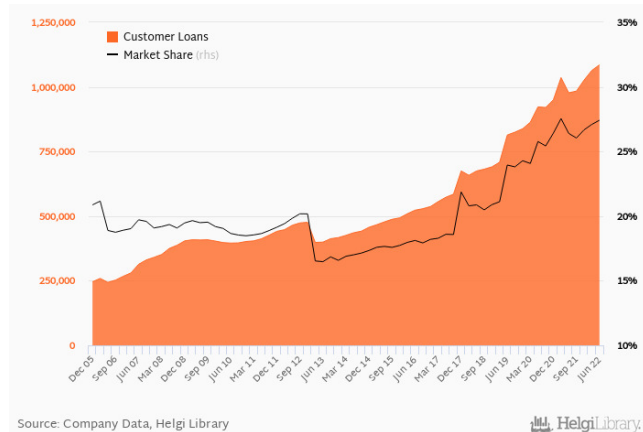
### Market Share in Bank Revenues

Total Revenues (CZK mil)



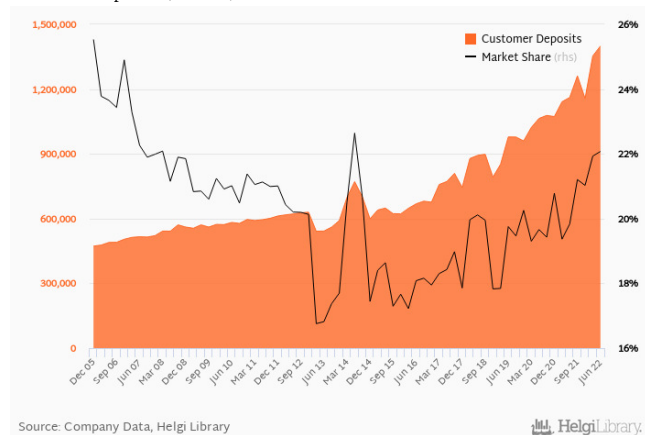
### Market Share in Bank Loans

Customer Loans (CZK bil) & Market Share (%)



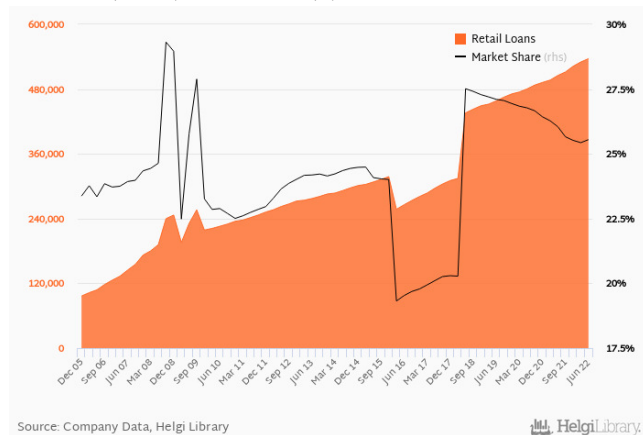
### Market Share in Bank Deposits

Customer Deposits (CZK bil)



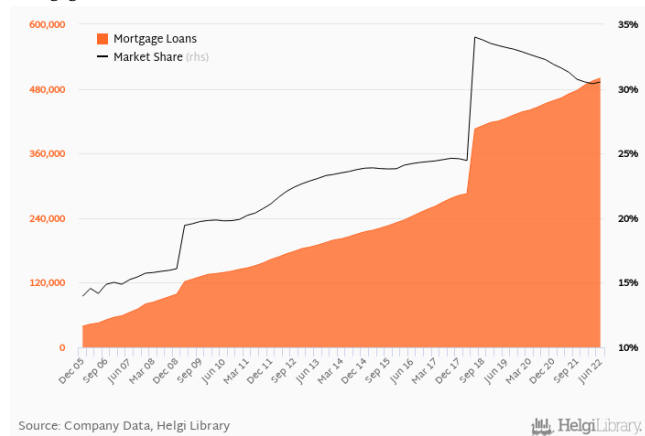
### Market Share in Retail Loans

Retail Loans (CZK bil) & Market Share (%)



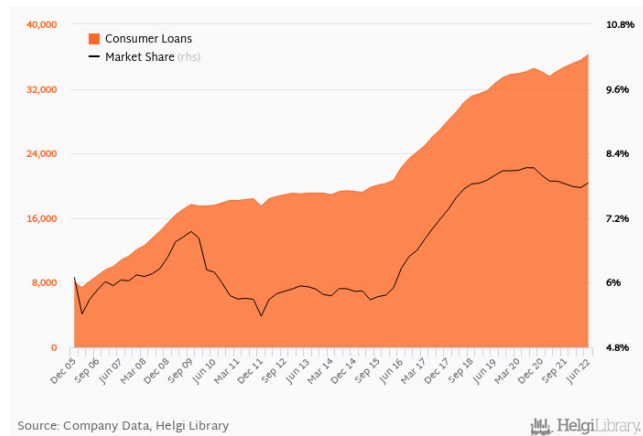
### Market Share in Mortgage Loans

Mortgage Loans (CZK mil) & Market Share (%)



### Market Share in Consumer Loans

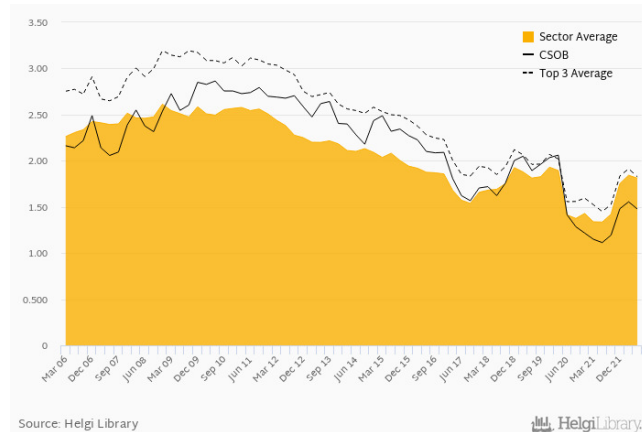
Consumer Loans (CZK mil)



## CSOB – Comparison with Sector

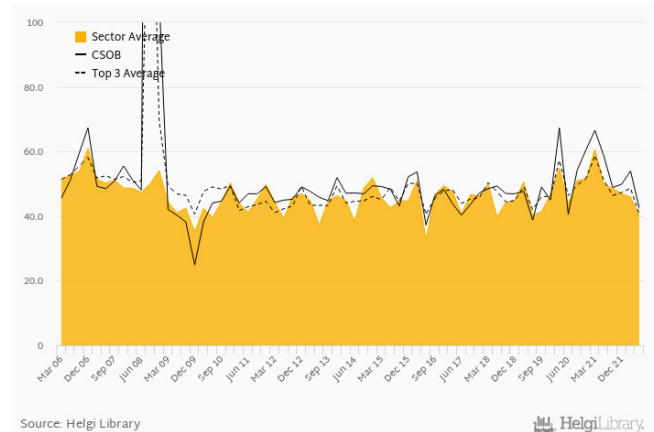
### Net Interest Margin vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



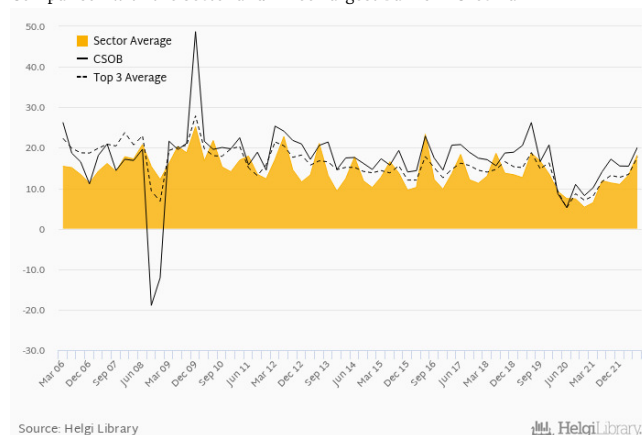
### Cost to Income vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



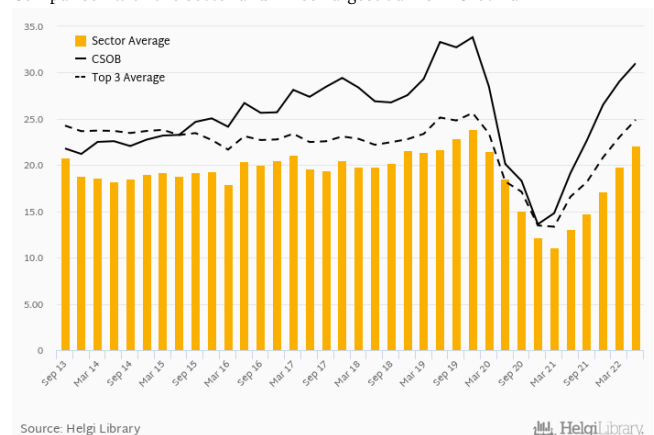
### Return on Equity vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



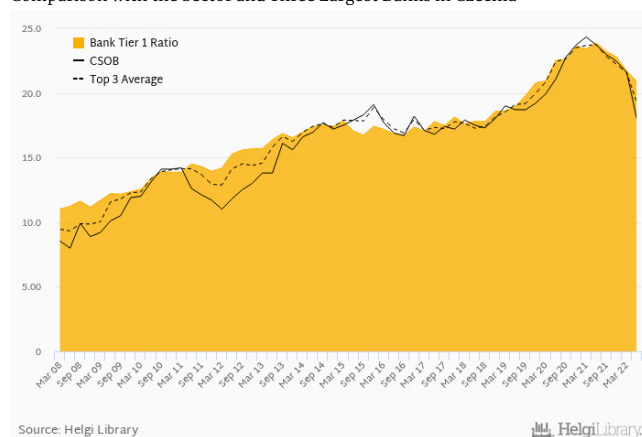
### Adjusted ROE vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



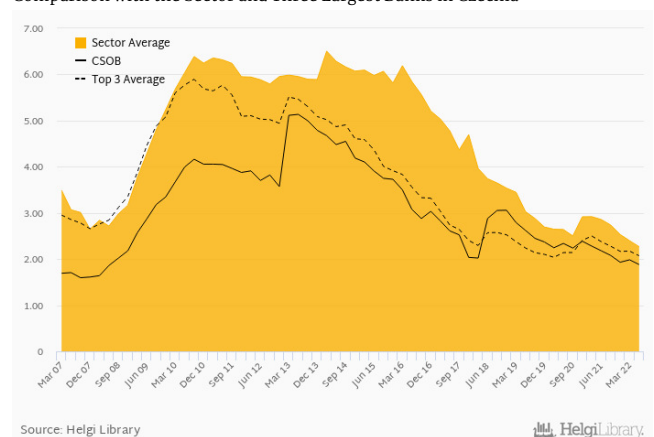
### Tier 1 Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



### NPL Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



# Ceska Sporitelna

## Quarterly Results – 2Q2022

Ceska Sporitelna made a net profit of CZK 6,084 mil in the second quarter of 2022, up 55.7% when compared to the previous year. Total revenues increased 22.9% yoy to CZK 12,539 mil, ROE amounted to 17.8% and the NPL ratio stood at 1.90%. In the last three years, the bank grew its loans by 6.05% a year, revenues rose by 5.61% and net profit increased by 8.54% a year, on average.

- ✓ Revenues increased 22.9% yoy to CZK 12,539 mil in the second quarter of 2022. Interest income formed 73.3% of total revenues with the net interest margin increasing 0.26648 pp to 1.98% of total assets. Fees added a further 18.6% to total revenue generated in 2Q2022, down from an average of 20.9% as seen in the previous two years.
- ✓ Operating costs grew by 7.69% yoy to CZK 5,207 mil, so cost to income ratio reached 41.5%, down by 16.3% compared to the previous two years. Staff accounted for 56.3% of total operating expenditures. At the end of second quarter of 2022, Ceska Sporitelna operated a network of 398 branches and 9,818 employees.
- ✓ Loans and deposits grew by 2.95% and 1.53% qoq respectively, so loan to deposit ratio reached 64.4% at the end of 2Q2022. That's down from 64.4% the previous year. Equity reached 6.84% of assets and capital adequacy ratio amounted to 20.3% at the end of the second quarter of 2022.
- ✓ NPLs were 1.90% of total loans at the end of the quarter. Provisions covered 115% of non-performing loans
- ✓ When compared to selected peers, Ceska Sporitelna was 4.78 pp more profitable in terms of ROE, achieved 2.38 pp better cost efficiency when measured by cost to income ratio and grew its loans by 1.50 pp faster based on a last year comparison.

**Sector:**  
Banking

**Country:**  
Czechia

**Employees:**  
9,818

**Clients:**  
N/A

**Branches:**  
398

**ATMs:**  
1,756

**Bank Cards:**  
3.28 mil

**Capital Adequacy Ratio:**  
20.3%

**Tier 1 Ratio:**  
19.8%

KEY FIGURES									
	REVENUES	REVENUE GROWTH	NET PROFIT	PROFIT GROWTH	ROE	COST TO INCOME	LOAN / DEPOSITS	EQUITY / ASSETS	NPL RATIO
	CZK mil	%	CZK mil	%	%	%	%	%	%
2Q2022	12,539	22.9	6,084	55.7	17.8	41.5	64.4	6.84	1.90
2021	42,354	5.50	14,208	42.0	9.71	48.2	70.0	8.72	2.10
2020	40,147	-4.18	10,006	-43.6	6.98	47.6	68.3	9.71	2.20
2019	41,899	7.19	17,743	15.5	13.6	46.2	72.6	9.42	1.80
2018	39,088	5.00	15,362	5.15	12.6	46.9	72.0	8.60	1.80
2017	37,227	-2.62	14,610	-5.48	12.0	49.0	72.3	9.10	2.10
2016	38,227	-3.81	15,457	8.14	12.8	47.5	73.2	11.4	3.12

Source: Company Data, Helgi Library

Data tells a story



## Ceska Sporitelna – Financials

INCOME STATEMENT		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Interest Income	CZK mil	8,762	8,732	8,181	8,492	8,781	11,606	15,465	18,751
Interest Cost	CZK mil	1,653	1,430	915	1,227	1,048	2,787	6,199	9,557
Net Interest Income	CZK mil	7,109	7,302	7,266	7,265	7,733	8,819	9,266	9,194
Net Fee Income	CZK mil	2,085	2,181	2,284	2,256	2,352	2,294	2,517	2,326
Other Income	CZK mil	915	587	545	683	604	253	1,047	1,019
Total Revenues	CZK mil	10,109	10,070	10,095	10,204	10,689	11,366	12,830	12,539
Staff Cost	CZK mil	2,584	2,145	2,631	2,633	2,685	3,061	2,721	2,929
Depreciation	CZK mil	657	747	675	670	682	693	655	666
Other Cost	CZK mil	1,467	1,717	1,838	1,532	1,469	1,829	1,957	1,612
Operating Cost	CZK mil	4,708	4,609	5,144	4,835	4,836	5,583	5,333	5,207
Operating Profit	CZK mil	5,401	5,461	4,951	5,369	5,853	5,783	7,497	7,332
Provisions	CZK mil	1,097	3,256	692	159	477	452	359	-1,035
Pre-Tax Profit	CZK mil	4,175	2,525	3,373	5,147	5,350	4,359	6,160	7,572
Net Profit	CZK mil	3,326	2,085	2,688	3,907	4,211	3,402	4,950	6,084

BALANCE SHEET		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Cash & Cash Equivalents	CZK mil	55,584	38,075	65,920	49,249	47,414	37,472	70,574	30,646
Interbank Loans	CZK mil	508,113	424,838	537,068	449,326	545,040	364,994	517,898	490,923
Customer Loans	CZK mil	760,465	749,415	761,514	787,046	805,369	821,840	840,515	865,350
Investments	CZK mil	283,230	293,488	314,391	352,392	351,650	376,398	403,860	412,995
Property and Equipment	CZK mil	11,755	12,735	12,457	12,248	12,114	12,201	11,988	11,562
Intangible Assets	CZK mil	5,788	6,083	5,926	5,924	5,916	6,301	6,125	6,045
Total Assets	CZK mil	1,642,940	1,537,780	1,716,120	1,676,700	1,785,500	1,641,740	1,871,840	1,843,840
Shareholders' Equity	CZK mil	149,054	149,346	150,281	153,304	150,265	143,196	147,166	126,076
Liabilities	CZK mil	1,493,890	1,388,430	1,565,830	1,523,400	1,635,240	1,498,550	1,724,670	1,717,760
Interbank Borrowing	CZK mil	298,267	91,335	170,102	166,238	230,426	49,695	176,974	203,869
Customer Deposits	CZK mil	1,144,360	1,096,670	1,258,530	1,222,760	1,255,270	1,173,890	1,324,230	1,344,480
Issued Debt Securities	CZK mil	6,165	169,498	102,408	102,399	115,046	213,357	153,703	84,674
Other Liabilities	CZK mil	45,101	30,935	34,798	32,001	34,502	61,604	69,765	84,744

RATIOS		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
ROE	%	9.01	5.59	7.18	10.3	11.1	9.27	13.6	17.8
ROA	%	0.804	0.524	0.661	0.921	0.973	0.794	1.13	1.31
Costs (As % Of Assets)	%	1.14	1.16	1.26	1.14	1.12	1.30	1.21	1.12
Costs (As % Of Income)	%	46.6	45.8	51.0	47.4	45.2	49.1	41.6	41.5
Capital Adequacy Ratio	%	24.7	25.6	25.4	25.4	23.5	23.8	21.2	20.3
Net Interest Margin	%	1.72	1.84	1.79	1.71	1.79	2.06	2.11	1.98
Interest Income (As % Of Revenues)	%	70.3	72.5	72.0	71.2	72.3	77.6	72.2	73.3
Fee Income (As % Of Revenues)	%	20.6	21.7	22.6	22.1	22.0	20.2	19.6	18.6
Staff Cost (As % Of Total Cost)	%	54.9	46.5	51.1	54.5	55.5	54.8	51.0	56.3
Equity (As % Of Assets)	%	9.07	9.71	8.76	9.14	8.42	8.72	7.86	6.84
Loans (As % Of Deposits)	%	66.5	68.3	60.5	64.4	64.2	70.0	63.5	64.4
Loans (As % Assets)	%	46.3	48.7	44.4	46.9	45.1	50.1	44.9	46.9
NPLs (As % Of Loans)	%	1.90	2.20	2.30	2.10	2.10	2.10	2.10	1.90
Provisions (As % Of NPLs)	%	114	115	112	114	114	114	109	115

Source: Company Data, Helgi Library

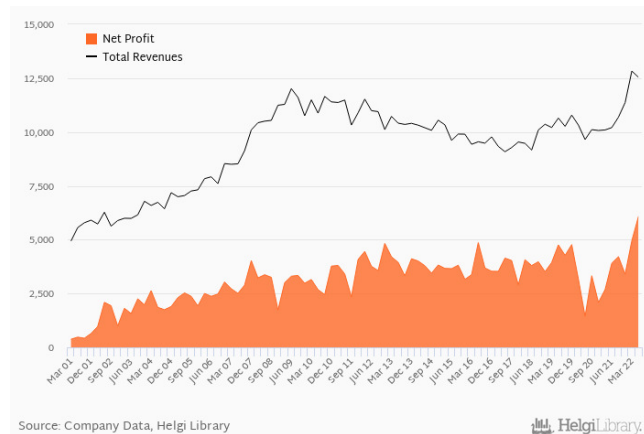




## Ceska Sporitelna in Pictures

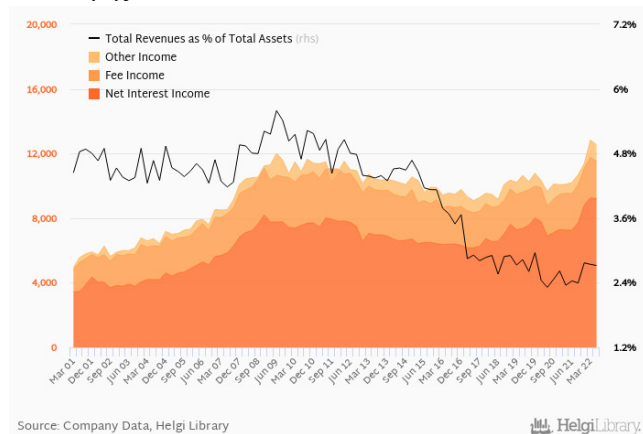
### Revenue & Profitability

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



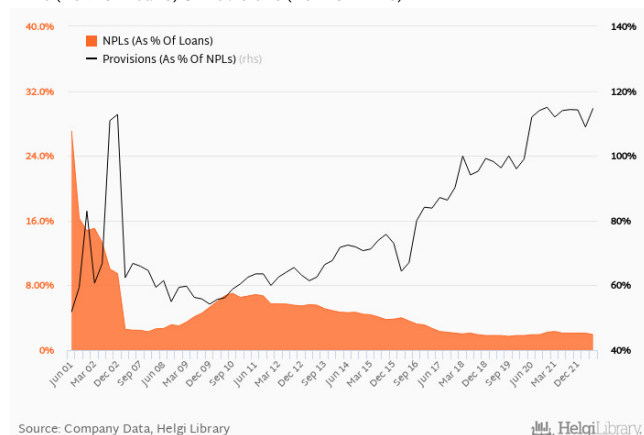
### Revenue Breakdown

Revenue by Type of Income (CZK mil)



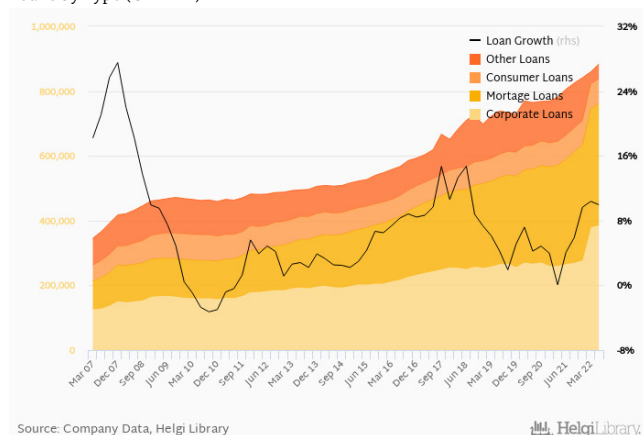
### Asset Quality

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



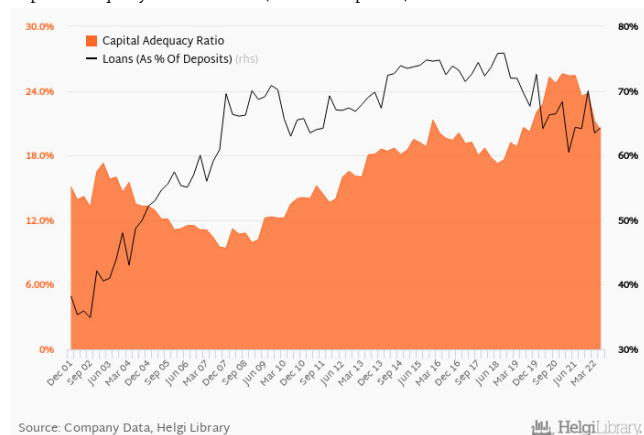
### Loan Breakdown

Loans by Type (CZK mil)



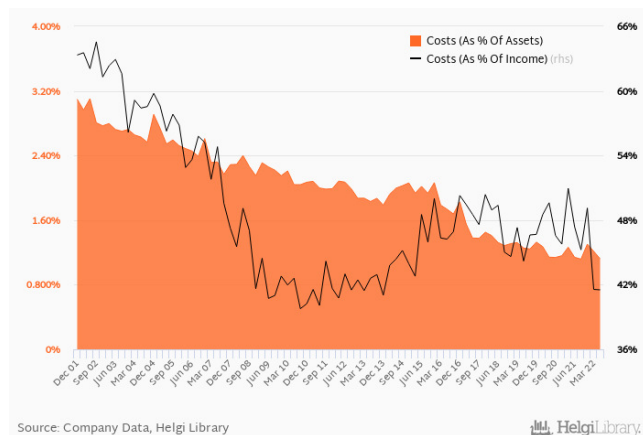
### Capital & Liquidity

Capital Adequacy Ratio & Loans (As % Of Deposits)



### Cost Efficiency

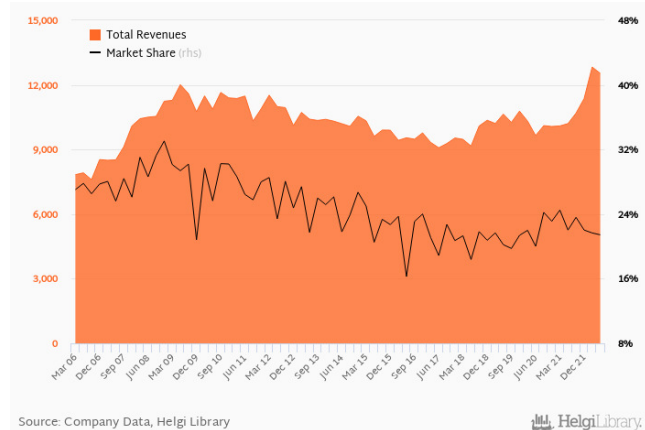
Costs As % Of Assets & Income



## Ceska Sporitelna – Market Share Development

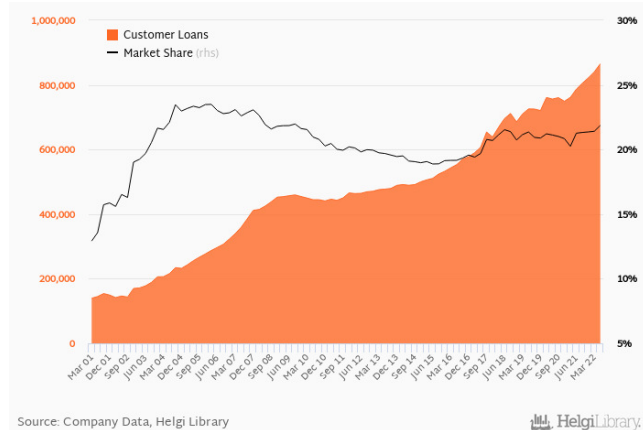
### Market Share in Bank Revenues

Total Revenues (CZK mil)



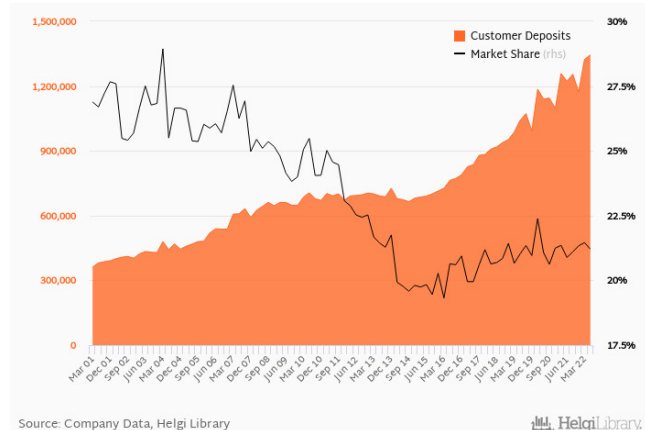
### Market Share in Bank Loans

Customer Loans (CZK bil) & Market Share (%)



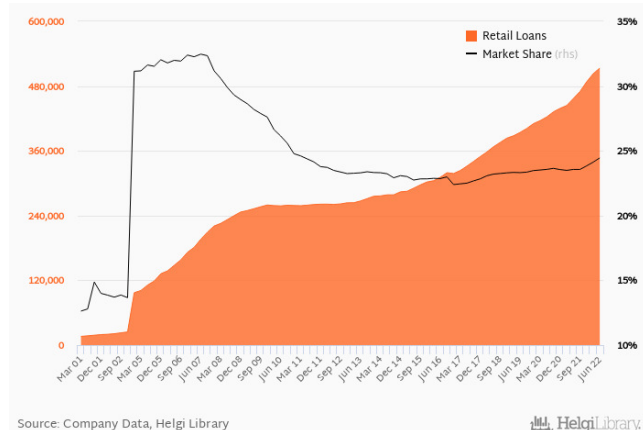
### Market Share in Bank Deposits

Customer Deposits (CZK bil)



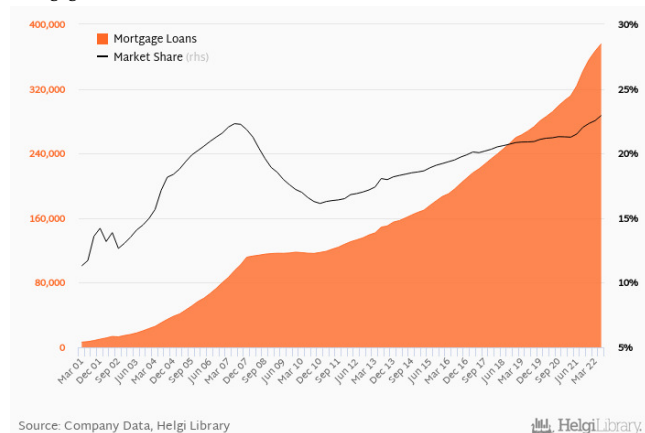
### Market Share in Retail Loans

Retail Loans (CZK bil) & Market Share (%)



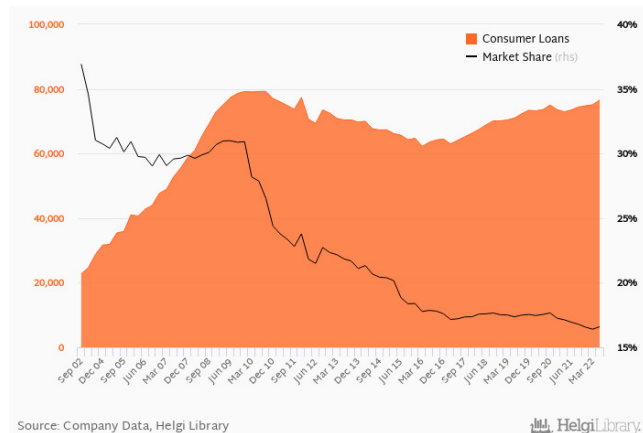
### Market Share in Mortgage Loans

Mortgage Loans (CZK mil) & Market Share (%)



### Market Share in Consumer Loans

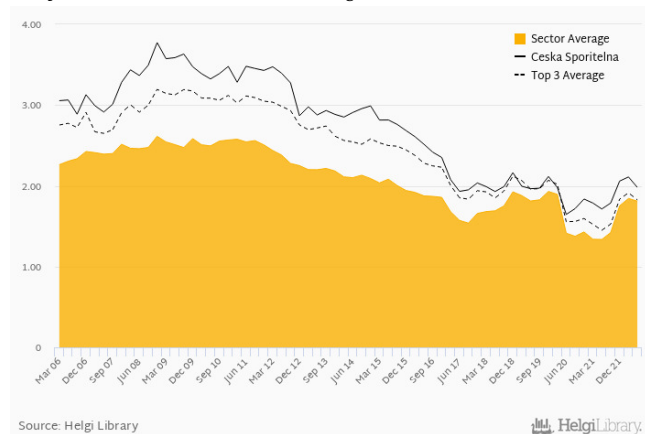
Consumer Loans (CZK mil)



## Ceska Sporitelna – Comparison with Sector

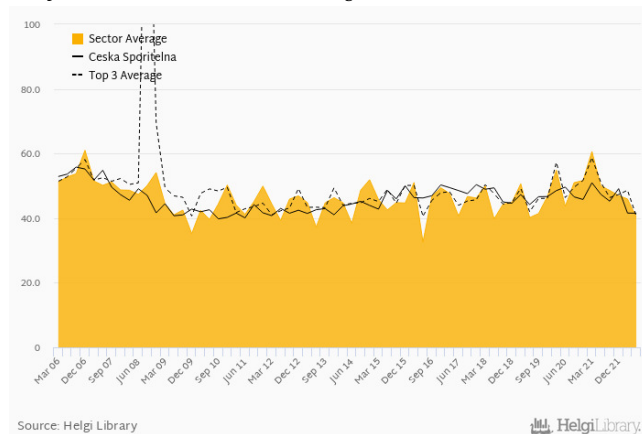
### Net Interest Margin vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



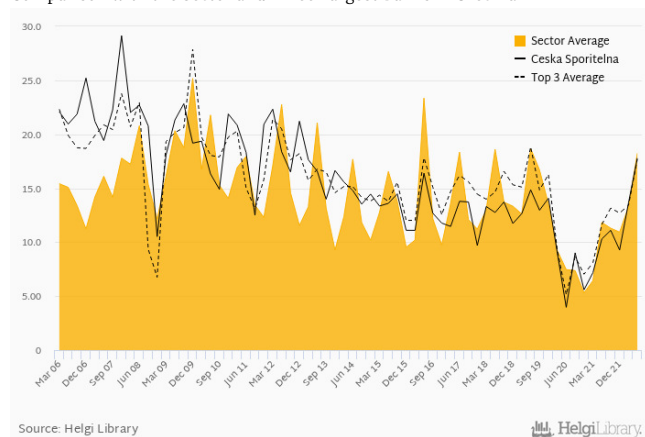
### Cost to Income vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



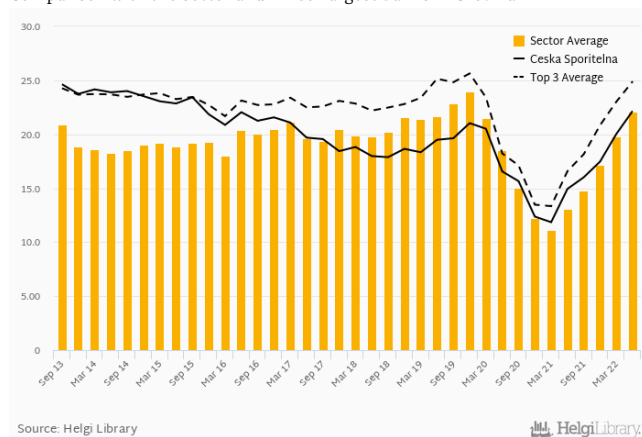
### Return on Equity vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



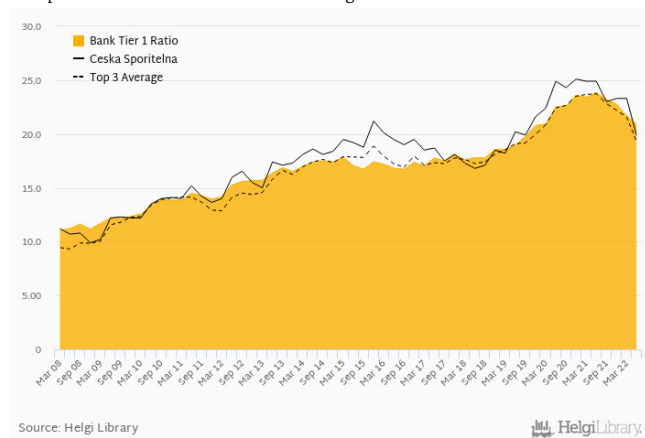
### Adjusted ROE vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



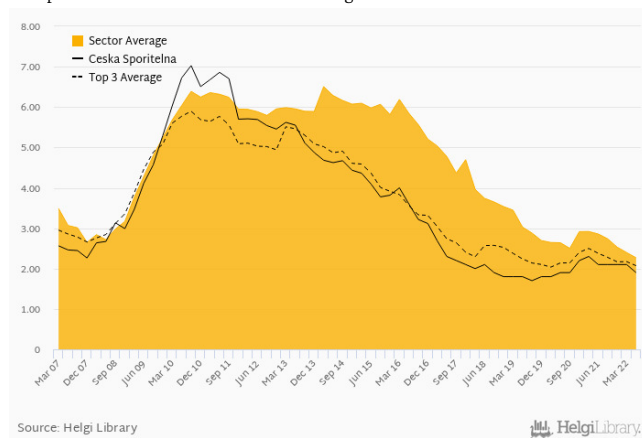
### Tier 1 Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



### NPL Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



# Max banka

## Quarterly Results – 2Q2022

Max banka made a net profit of CZK -38.4 mil in the second quarter of 2022, down 122% when compared to the previous year. Total revenues decreased 8.82% yoy to CZK 84.0 mil, ROE amounted to -7.50% and the NPL ratio stood at 6.56%. In the last three years, the bank grew its loans by -7.43% a year, revenues fell by 20.1% and net profit increased by 0% a year, on average.

- ✓ Revenues decreased 8.82% yoy to CZK 84.0 mil in the second quarter of 2022. Interest income formed 115% of total revenues with the net interest margin increasing 1.02872 pp to 3.03% of total assets. Fees added a further 2.21% to total revenue generated in 2Q2022, down from an average of 5.70% as seen in the previous two years.
- ✓ Operating costs grew by 2.31% yoy to CZK 127 mil, so cost to income ratio reached 151%, up by 35.2% compared to the previous two years. Staff accounted for 54.6% of total operating expenditures. At the end of second quarter of 2022, Max banka operated a network of 1.00 branches and 183 employees.
- ✓ Loans and deposits dropped by 3.47% and 28.9% qoq respectively, so loan to deposit ratio reached 62.1% at the end of 2Q2022. That's up from 60.5% the previous year. Equity reached 14.9% of assets and capital adequacy ratio amounted to 30.2% at the end of the second quarter of 2022.
- ✓ NPLs were 6.56% of total loans at the end of the quarter. Provisions covered 41.4% of non-performing loans
- ✓ When compared to selected peers, Max banka was 20.5 pp less profitable in terms of ROE, achieved 107 pp worse cost efficiency when measured by cost to income ratio and grew its loans by 19.1 pp slower based on a last year comparison.

**Sector:**  
Banking

**Country:**  
Czechia

**Employees:**  
183

**Clients:**  
N/A

**Branches:**  
1.00

**ATMs:**  
N/A

**Bank Cards:**  
N/A

**Capital Adequacy Ratio:**  
30.2%

**Tier 1 Ratio:**  
30.2%

KEY FIGURES									
	REVENUES	REVENUE GROWTH	NET PROFIT	PROFIT GROWTH	ROE	COST TO INCOME	LOAN / DEPOSITS	EQUITY / ASSETS	NPL RATIO
	CZK mil	%	CZK mil	%	%	%	%	%	%
2Q2022	84.0	-8.82	-38.4	122	-7.50	151	62.1	14.9	6.56
2021	409	13.6	-58.4	-73.6	-2.34	121	59.4	14.0	6.12
2020	360	-49.9	-221	-274	-7.83	147	67.0	16.8	0.669
2019	718	0.843	127	-36.8	4.42	78.8	56.8	14.0	0.702
2018	712	28.5	201	-383	6.84	71.2	53.7	11.3	5.96
2017	554	-51.4	-71.0	-122	-2.29	86.1	56.2	12.2	4.48
2016	1,139	106	325	209	11.0	35.3	66.8	13.7	6.47

Source: Company Data, Helgi Library

Data tells a story



## Max banka – Financials

INCOME STATEMENT		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Interest Income	CZK mil	96.9	97.8	89.5	91.0	109	148	174	157
Interest Cost	CZK mil	17.1	17.3	10.8	9.61	15.7	31.1	50.4	61.2
Net Interest Income	CZK mil	79.8	80.5	78.7	81.4	93.6	117	123	96.2
Net Fee Income	CZK mil	6.83	7.33	10.8	7.04	5.44	-2.17	2.57	1.86
Other Income	CZK mil	11.8	-8.42	9.93	3.64	0.711	3.01	-75.2	-14.1
Total Revenues	CZK mil	98.4	79.4	99.4	92.1	99.8	118	50.7	84.0
Staff Cost	CZK mil	72.8	78.3	69.7	69.2	67.3	75.7	70.3	69.4
Depreciation	CZK mil	11.3	80.7	12.3	12.1	12.7	30.8	13.2	13.8
Other Cost	CZK mil	40.3	22.3	43.1	42.9	34.5	22.9	46.4	43.9
Operating Cost	CZK mil	124	181	125	124	115	129	130	127
Operating Profit	CZK mil	-25.9	-102	-25.7	-32.1	-14.7	-11.8	-79.2	-43.1
Provisions	CZK mil	40.4	-1.66	3.07	-14.8	-18.1	-5.76	4.67	-5.94
Pre-Tax Profit	CZK mil	-66.3	-100	-28.8	-17.3	-8.24	-10.3	-85.5	-38.4
Net Profit	CZK mil	-66.3	-99.7	-28.8	-17.3	-8.24	-4.10	-85.5	-38.4

BALANCE SHEET		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Cash & Cash Equivalents	CZK mil	388	1,337	1,158	563	849	413	628	281
Interbank Loans	CZK mil	10,533	7,184	9,965	5,281	7,591	7,677	4,464	6,328
Customer Loans	CZK mil	5,385	5,763	6,025	5,776	6,589	6,304	5,345	5,160
Investments	CZK mil	1,224	1,236	1,170	1,332	1,676	1,611	1,035	1,264
Property and Equipment	CZK mil	226	214	223	205	203	181	196	191
Intangible Assets	CZK mil	46.9	62.6	44.2	79.3	89.3	96.0	105	116
Total Assets	CZK mil	18,107	16,101	18,926	13,572	17,090	16,384	11,903	13,477
Shareholders' Equity	CZK mil	2,809	2,704	2,875	2,554	2,633	2,288	2,092	2,008
Liabilities	CZK mil	15,298	13,397	16,051	11,018	14,457	14,096	9,811	11,469
Interbank Borrowing	CZK mil	2,000	2,000	2,000	1,028	2,901	2,862	2,769	2,570
Customer Deposits	CZK mil	12,888	11,016	13,645	9,539	11,130	10,616	6,452	8,316
Issued Debt Securities	CZK mil	0	0	0	0	0	0	0	0
Other Liabilities	CZK mil	410	381	406	451	426	618	590	584

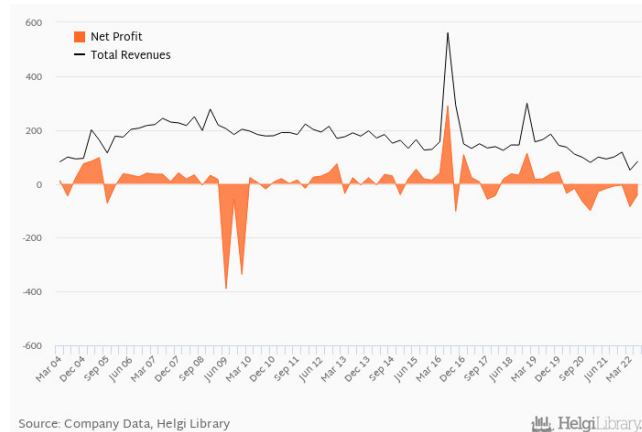
RATIOS		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
ROE	%	-9.35	-14.5	-4.12	-2.55	-1.27	-0.666	-15.6	-7.50
ROA	%	-1.46	-2.33	-0.657	-0.426	-0.215	-0.098	-2.42	-1.21
Costs (As % Of Assets)	%	2.74	4.24	2.86	3.06	2.99	3.09	3.67	4.01
Costs (As % Of Income)	%	126	228	126	135	115	110	256	151
Capital Adequacy Ratio	%	26.4	27.6	26.7	27.5	24.8	26.2	29.7	30.2
Net Interest Margin	%	1.76	1.88	1.80	2.00	2.44	2.79	3.49	3.03
Interest Income (As % Of Revenues)	%	81.1	101	79.1	88.4	93.8	99.3	243	115
Fee Income (As % Of Revenues)	%	6.94	9.24	10.9	7.65	5.45	-1.84	5.07	2.21
Staff Cost (As % Of Total Cost)	%	58.5	43.2	55.7	55.7	58.8	58.5	54.2	54.6
Equity (As % Of Assets)	%	15.5	16.8	15.2	18.8	15.4	14.0	17.6	14.9
Loans (As % Of Deposits)	%	41.8	52.3	44.2	60.5	59.2	59.4	82.8	62.1
Loans (As % Assets)	%	29.7	35.8	31.8	42.6	38.6	38.5	44.9	38.3
NPLs (As % Of Loans)	%	1.79	1.43	5.09	5.38	5.68	6.12	6.53	6.56
Provisions (As % Of NPLs)	%	215	239	65.9	57.0	48.2	39.6	41.0	41.4

Source: Company Data, Helgi Library

## Max banka in Pictures

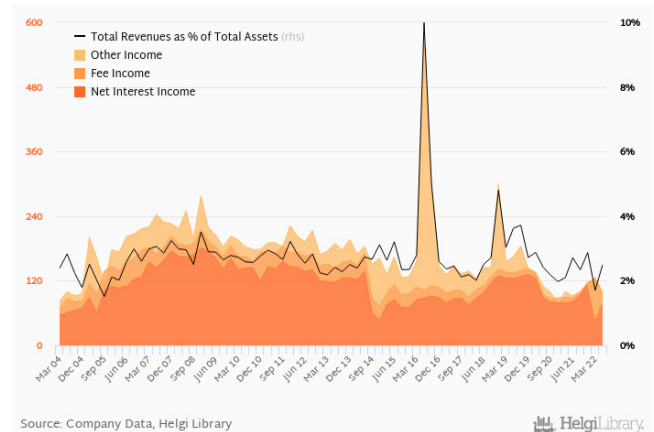
### Revenue & Profitability

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



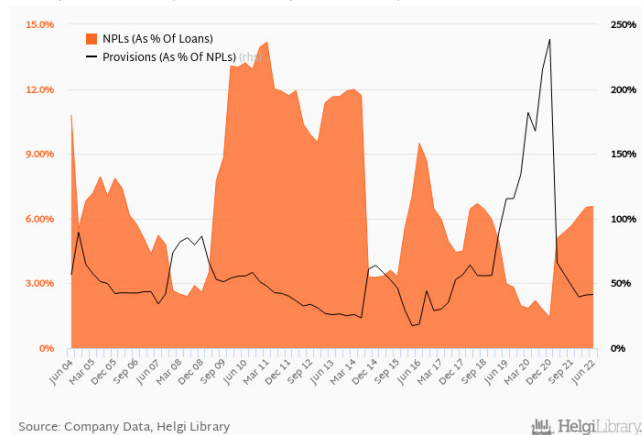
### Revenue Breakdown

Revenue by Type of Income (CZK mil)



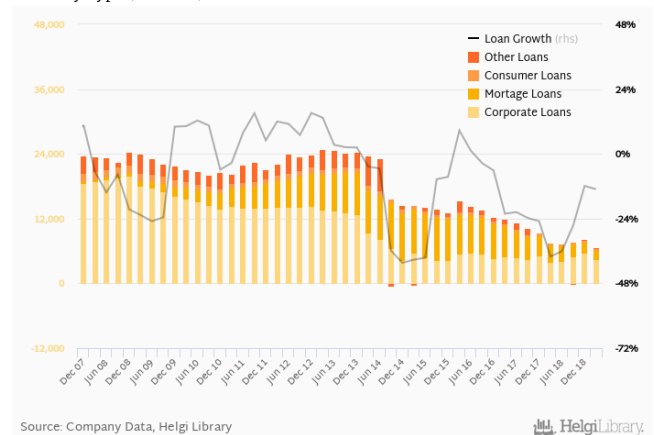
### Asset Quality

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



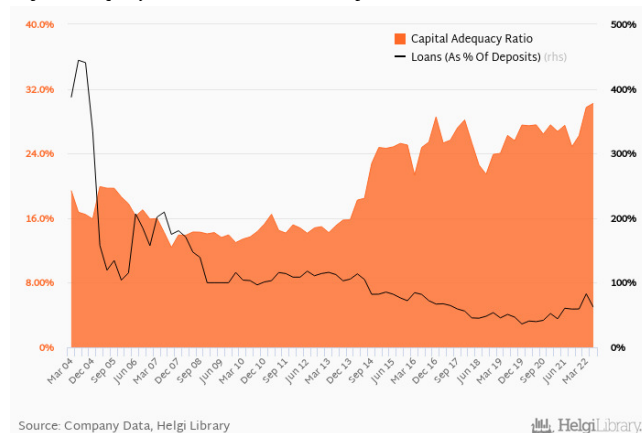
### Loan Breakdown

Loans by Type (CZK mil)



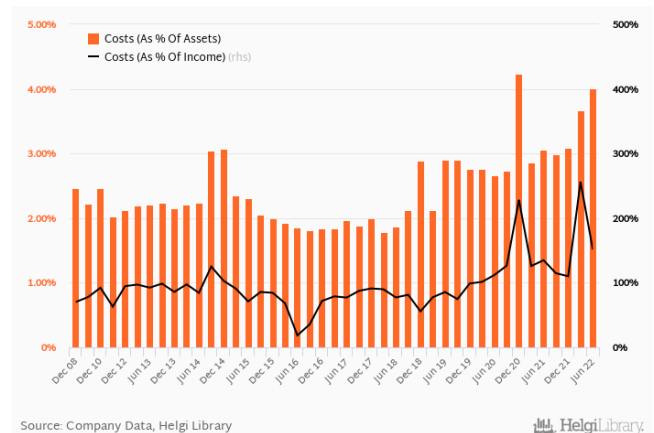
### Capital & Liquidity

Capital Adequacy Ratio & Loans (As % Of Deposits)



### Cost Efficiency

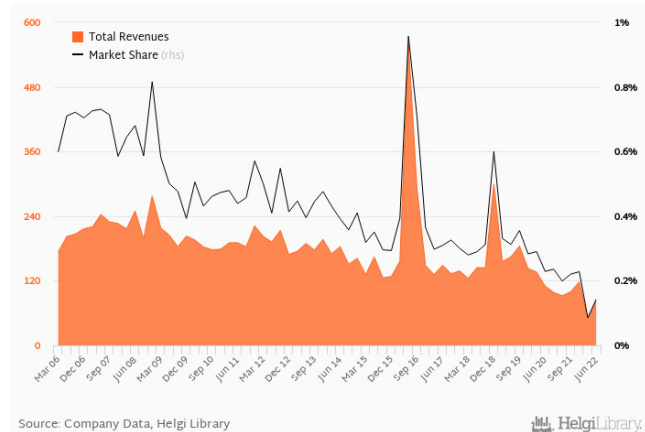
Costs As % Of Assets & Income



## Max banka – Market Share Development

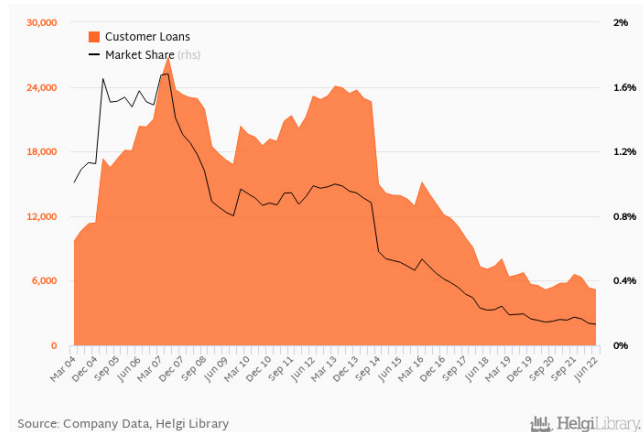
### Market Share in Bank Revenues

Total Revenues (CZK mil)



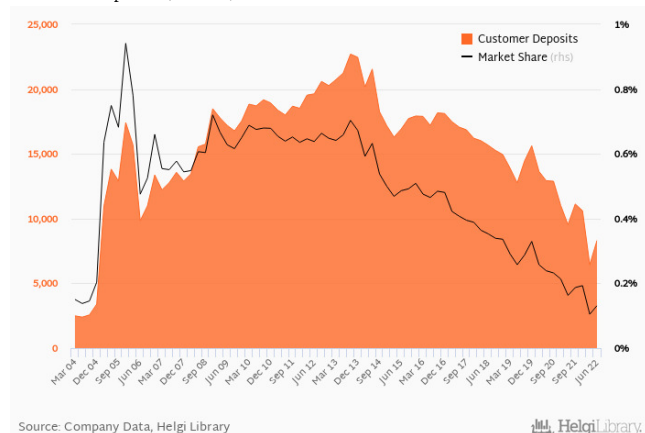
### Market Share in Bank Loans

Customer Loans (CZK bil) & Market Share (%)



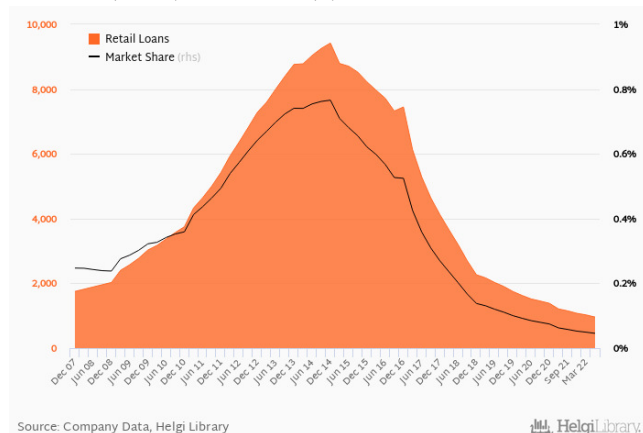
### Market Share in Bank Deposits

Customer Deposits (CZK bil)



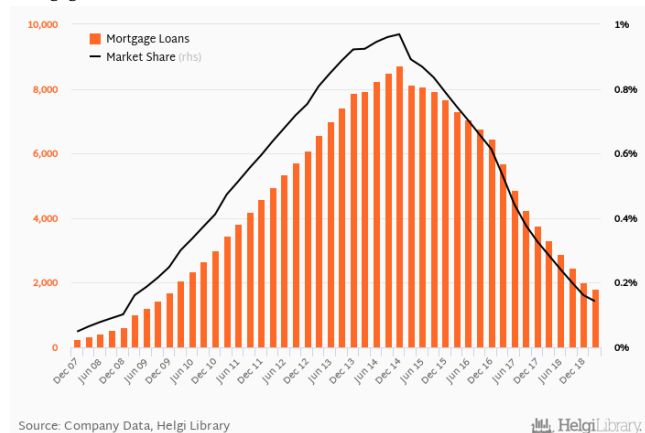
### Market Share in Retail Loans

Retail Loans (CZK bil) & Market Share (%)



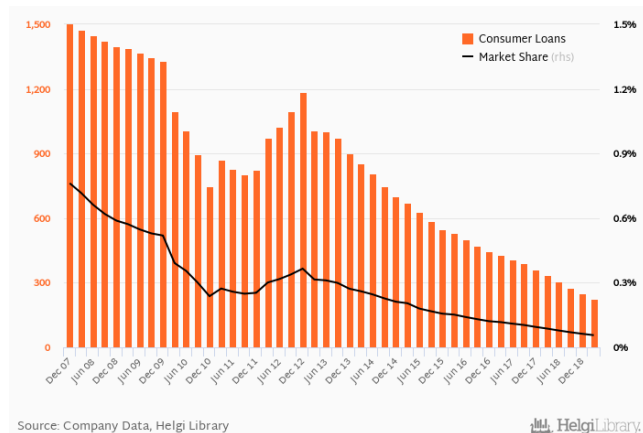
### Market Share in Mortgage Loans

Mortgage Loans (CZK mil) & Market Share (%)



### Market Share in Consumer Loans

Consumer Loans (CZK mil)

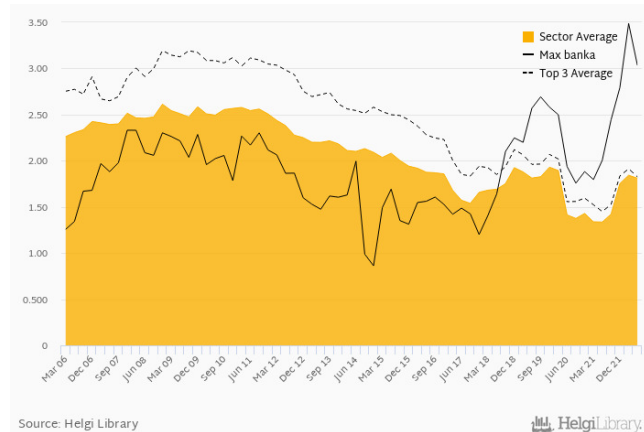




## Max banka – Comparison with Sector

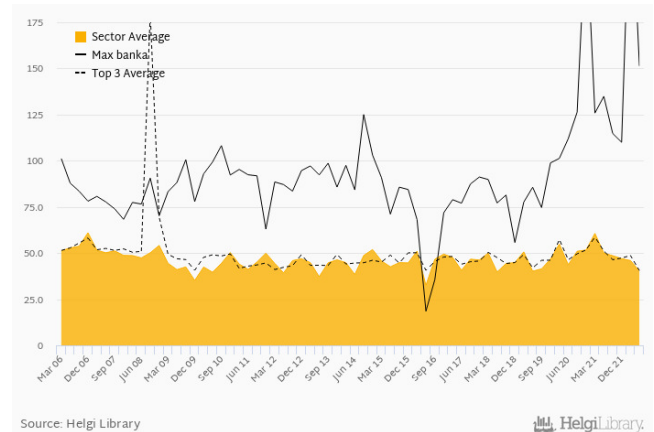
### Net Interest Margin vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



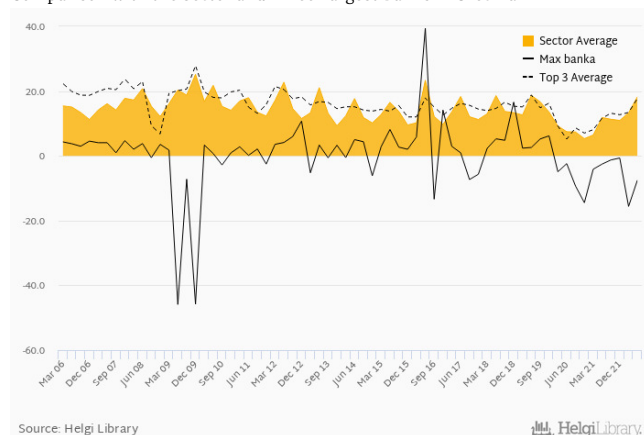
### Cost to Income vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



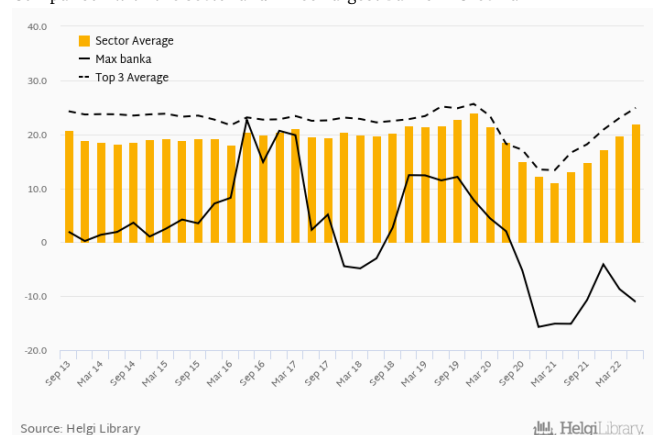
### Return on Equity vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



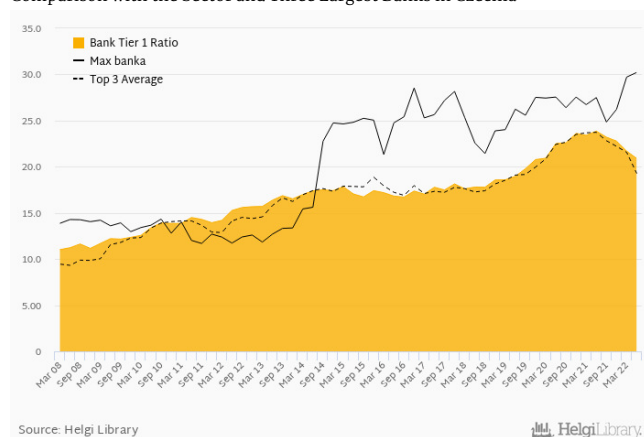
### Adjusted ROE vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



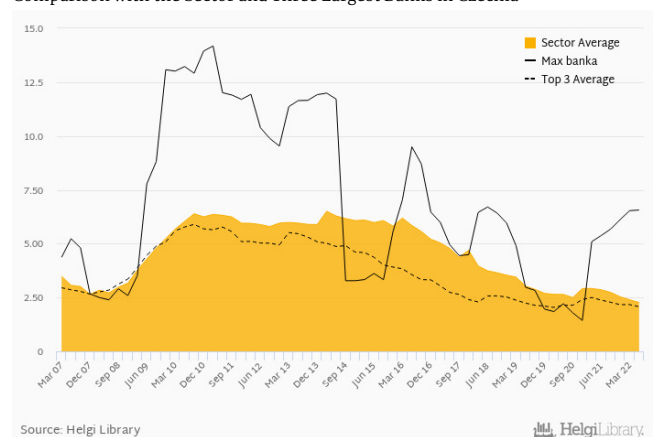
### Tier 1 Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



### NPL Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



# Raiffeisenbank Czech Republic

## Quarterly Results – 2Q2022

Raiffeisenbank Czech Republic made a net profit of CZK 1,816 mil in the second quarter of 2022, up 66.9% when compared to the previous year. Total revenues increased 68.2% yoy to CZK 4,441 mil, ROE amounted to 15.8% and the NPL ratio stood at 1.92%. In the last three years, the bank grew its loans by 17.7% a year, revenues rose by 14.7% and net profit decreased by 1.68% a year, on average.

- ✓ Revenues increased 68.2% yoy to CZK 4,441 mil in the second quarter of 2022. Interest income formed 79.4% of total revenues with the net interest margin increasing 1.07591 pp to 2.45% of total assets. Fees added a further 24.9% to total revenue generated in 2Q2022, down from an average of 32.0% as seen in the previous two years.
- ✓ Operating costs grew by 97% yoy to CZK 2,122 mil, so cost to income ratio reached 47.8%, down by 21% compared to the previous two years. Staff accounted for 46.9% of total operating expenditures. At the end of second quarter of 2022, Raiffeisenbank Czech Republic operated a network of 149 branches and 3,346 employees.
- ✓ Loans and deposits grew by 2.96% and 7.96% qoq respectively, so loan to deposit ratio reached 70.7% at the end of 2Q2022. That's up from 59.8% the previous year. Equity reached 7.86% of assets and capital adequacy ratio amounted to 19.6% at the end of the second quarter of 2022.
- ✓ NPLs were 1.92% of total loans at the end of the quarter. Provisions covered 64.5% of non-performing loans
- ✓ When compared to selected peers, Raiffeisenbank Czech Republic was 2.77 pp more profitable in terms of ROE, achieved 3.88 pp worse cost efficiency when measured by cost to income ratio and grew its loans by 30.8 pp faster based on a last year comparison.

**Sector:**  
Banking

**Country:**  
Czechia

**Employees:**  
3,346

**Clients:**  
N/A

**Branches:**  
149

**ATMs:**  
N/A

**Bank Cards:**  
N/A

**Capital Adequacy Ratio:**  
19.6%

**Tier 1 Ratio:**  
17.2%

KEY FIGURES									
	REVENUES	REVENUE GROWTH	NET PROFIT	PROFIT GROWTH	ROE	COST TO INCOME	LOAN / DEPOSITS	EQUITY / ASSETS	NPL RATIO
	CZK mil	%	CZK mil	%	%	%	%	%	%
2Q2022	4,441	68.2	1,816	66.9	15.8	47.8	70.7	7.86	1.92
2021	13,884	52.7	4,770	114	11.5	61.5	67.2	7.05	1.80
2020	9,090	-23.4	2,224	-53.0	6.40	75.7	61.8	7.64	2.30
2019	11,874	0.020	4,731	24.0	15.1	60.7	84.8	8.82	1.97
2018	11,872	4.71	3,815	23.7	13.2	53.2	87.3	8.17	1.91
2017	11,338	10.3	3,084	18.4	11.6	57.1	87.0	8.14	2.46
2016	10,283	10.6	2,604	-3.17	10.3	59.4	91.3	7.88	3.60

Source: Company Data, Helgi Library

Data tells a story



## Raiffeisenbank Czech Republic – Financials

INCOME STATEMENT		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Interest Income	CZK mil	2,737	2,643	2,199	2,267	2,553	3,330	5,749	6,923
Interest Cost	CZK mil	1,162	1,019	595	619	656	831	2,343	3,399
Net Interest Income	CZK mil	1,575	1,624	1,604	1,648	1,897	2,499	3,406	3,524
Net Fee Income	CZK mil	1,401	723	794	856	880	1,007	1,114	1,105
Other Income	CZK mil	-665	414	5.08	137	354	482	-178	-188
Total Revenues	CZK mil	2,312	2,761	2,403	2,641	3,131	3,988	4,342	4,441
Staff Cost	CZK mil	749	773	700	757	850	813	929	995
Depreciation	CZK mil	303	346	283	292	304	316	486	512
Other Cost	CZK mil	400	407	790	28.1	549	357	656	615
Operating Cost	CZK mil	1,453	1,527	1,774	1,077	1,703	1,487	2,071	2,122
Operating Profit	CZK mil	859	1,234	629	1,564	1,428	2,501	2,271	2,319
Provisions	CZK mil	413	546	-119	-169	-8.16	360	250	180
Pre-Tax Profit	CZK mil	504	533	744	1,343	1,449	2,137	1,477	2,187
Net Profit	CZK mil	367	435	599	1,088	1,203	1,797	1,193	1,816

BALANCE SHEET		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Cash & Cash Equivalents	CZK mil	18,773	9,865	11,604	20,976	31,385	14,604	17,960	22,663
Interbank Loans	CZK mil	114,013	107,251	143,235	208,403	6,147	9,118	15,980	20,339
Customer Loans	CZK mil	218,788	243,723	242,741	245,778	258,100	262,060	332,491	342,326
Investments	CZK mil	33,728	32,637	32,490	32,990	29,313	38,562	46,884	51,592
Property and Equipment	CZK mil	2,624	2,601	2,487	2,267	2,231	2,139	2,357	2,485
Intangible Assets	CZK mil	2,879	2,950	2,981	2,952	2,974	3,184	5,756	5,621
Total Assets	CZK mil	423,127	411,056	446,338	513,417	524,902	511,390	557,817	593,141
Shareholders' Equity	CZK mil	34,172	35,350	35,930	41,790	42,844	44,422	45,381	46,608
Liabilities	CZK mil	388,955	375,705	410,408	471,627	482,058	466,968	512,436	546,533
Interbank Borrowing	CZK mil	37,043	16,453	33,480	32,660	34,867	17,350	27,363	21,914
Customer Deposits	CZK mil	324,106	334,673	357,651	410,800	418,868	420,163	448,693	484,403
Issued Debt Securities	CZK mil	13,516	13,054	7,426	17,537	17,972	18,455	20,231	20,452
Other Liabilities	CZK mil	14,291	11,526	11,852	10,631	10,351	11,000	16,150	19,765

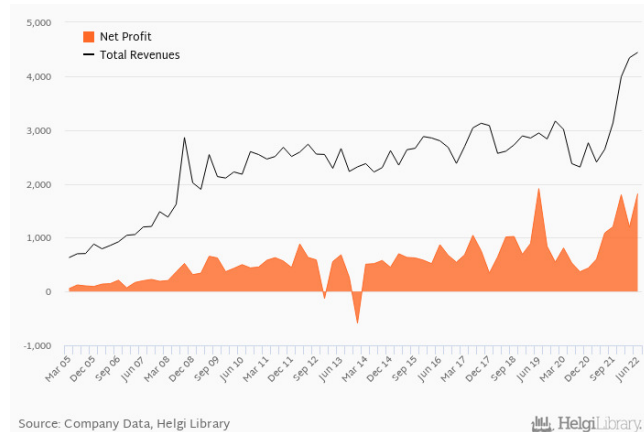
RATIOS		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
ROE	%	4.32	5.00	6.72	11.2	11.4	16.5	10.6	15.8
ROA	%	0.351	0.417	0.559	0.907	0.927	1.39	0.893	1.26
Costs (As % Of Assets)	%	1.39	1.46	1.65	0.898	1.31	1.15	1.55	1.47
Costs (As % Of Income)	%	62.8	55.3	73.8	40.8	54.4	37.3	47.7	47.8
Capital Adequacy Ratio	%	19.6	22.8	22.7	26.3	24.6	26.1	19.6	19.6
Net Interest Margin	%	1.51	1.56	1.50	1.37	1.46	1.93	2.55	2.45
Interest Income (As % Of Revenues)	%	68.1	58.8	66.8	62.4	60.6	62.7	78.4	79.4
Fee Income (As % Of Revenues)	%	60.6	26.2	33.0	32.4	28.1	25.2	25.7	24.9
Staff Cost (As % Of Total Cost)	%	51.6	50.7	39.5	70.3	49.9	54.7	44.8	46.9
Equity (As % Of Assets)	%	8.08	8.60	8.05	8.14	8.16	8.69	8.14	7.86
Loans (As % Of Deposits)	%	67.5	72.8	67.9	59.8	61.6	62.4	74.1	70.7
Loans (As % Assets)	%	51.7	59.3	54.4	47.9	49.2	51.2	59.6	57.7
NPLs (As % Of Loans)	%	1.75	2.65	2.49	1.73	2.72	2.07	2.11	1.92
Provisions (As % Of NPLs)	%	93.2	85.3	91.3	121	51.7	63.9	51.7	64.5

Source: Company Data, Helgi Library

## Raiffeisenbank Czech Republic in Pictures

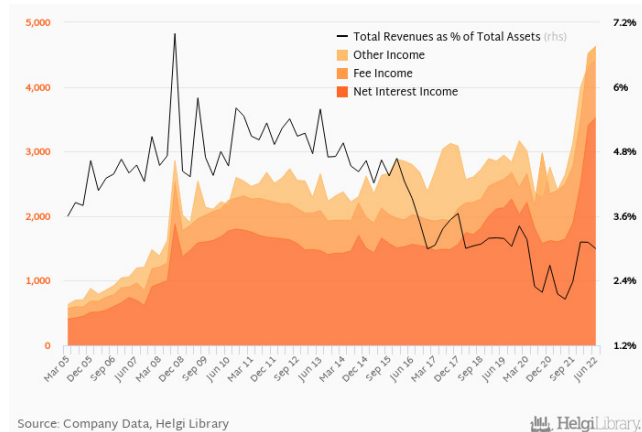
### Revenue & Profitability

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



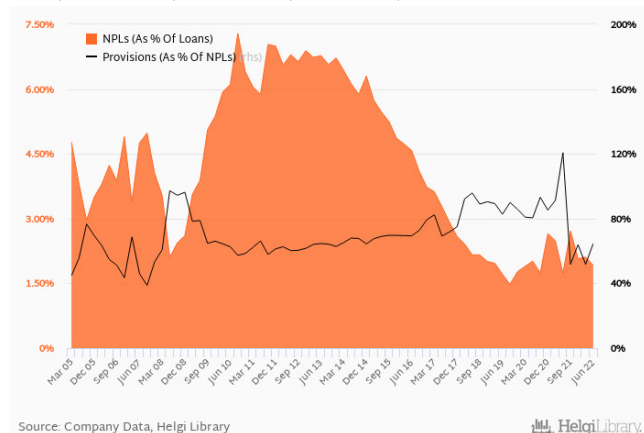
### Revenue Breakdown

Revenue by Type of Income (CZK mil)



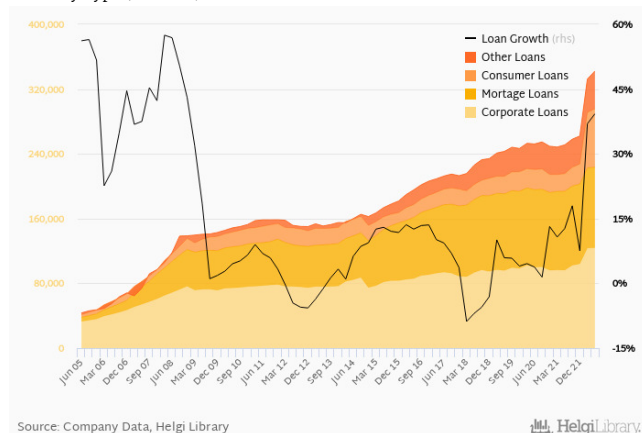
### Asset Quality

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



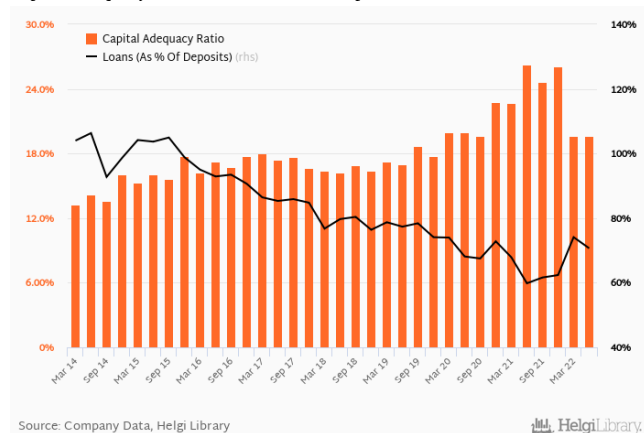
### Loan Breakdown

Loans by Type (CZK mil)



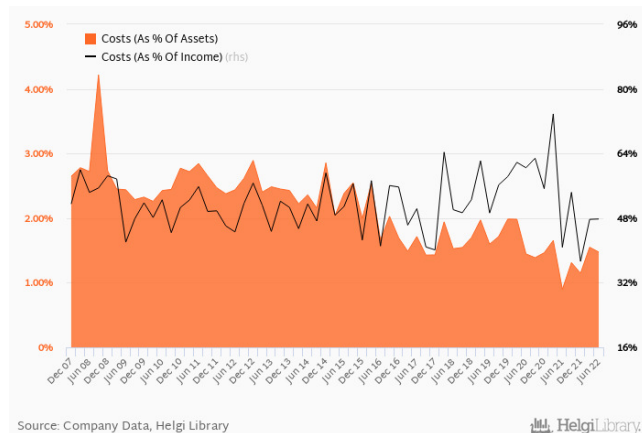
### Capital & Liquidity

Capital Adequacy Ratio & Loans (As % Of Deposits)



### Cost Efficiency

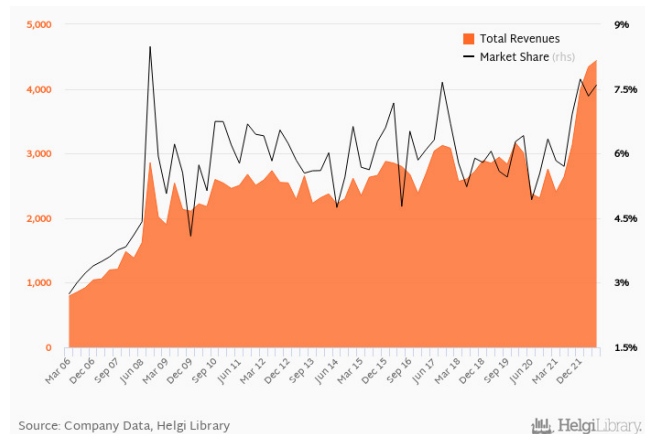
Costs As % Of Assets & Income



## Raiffeisenbank Czech Republic – Market Share Development

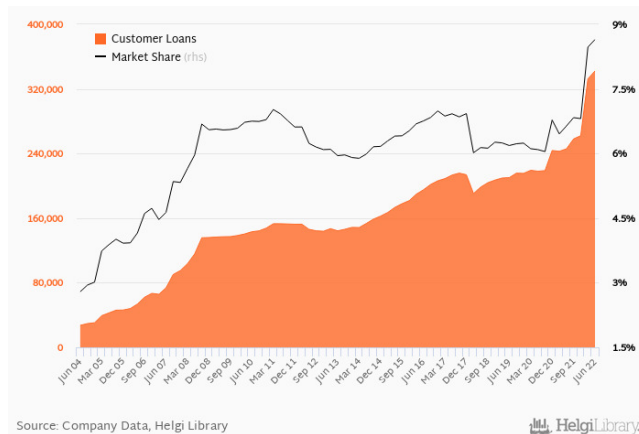
### Market Share in Bank Revenues

Total Revenues (CZK mil)



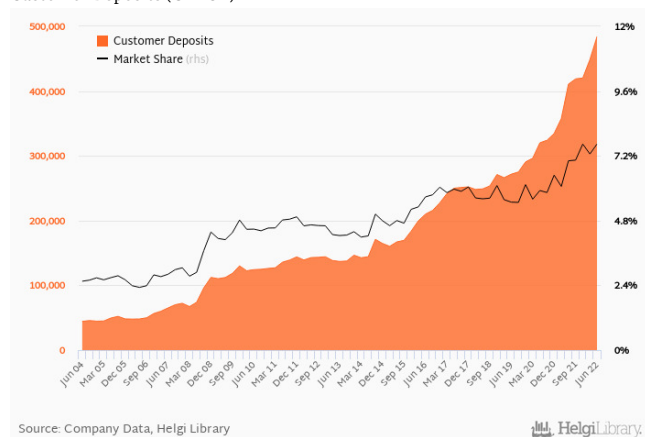
### Market Share in Bank Loans

Customer Loans (CZK bil) & Market Share (%)



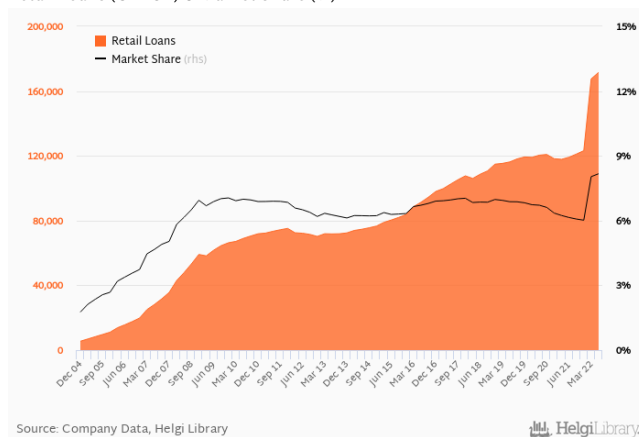
### Market Share in Bank Deposits

Customer Deposits (CZK bil)



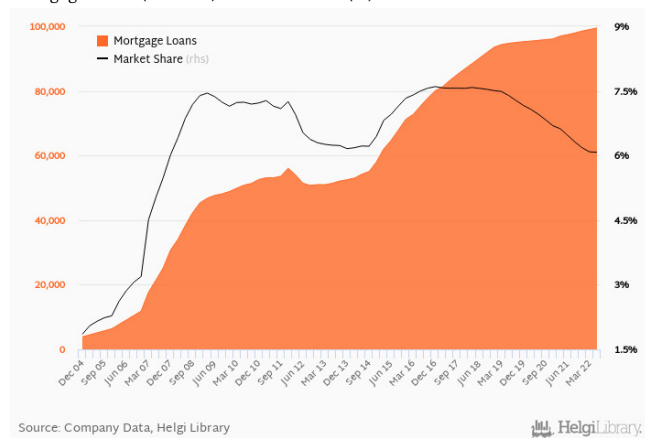
### Market Share in Retail Loans

Retail Loans (CZK bil) & Market Share (%)



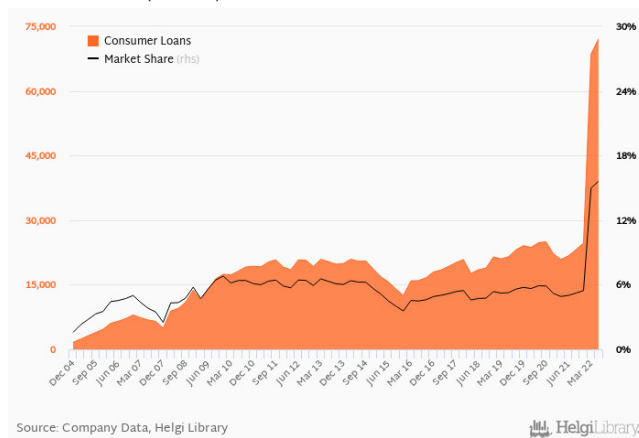
### Market Share in Mortgage Loans

Mortgage Loans (CZK mil) & Market Share (%)



### Market Share in Consumer Loans

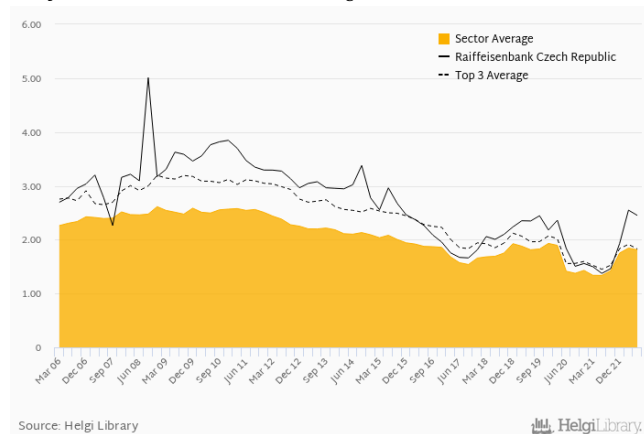
Consumer Loans (CZK mil)



## Raiffeisenbank Czech Republic – Comparison with Sector

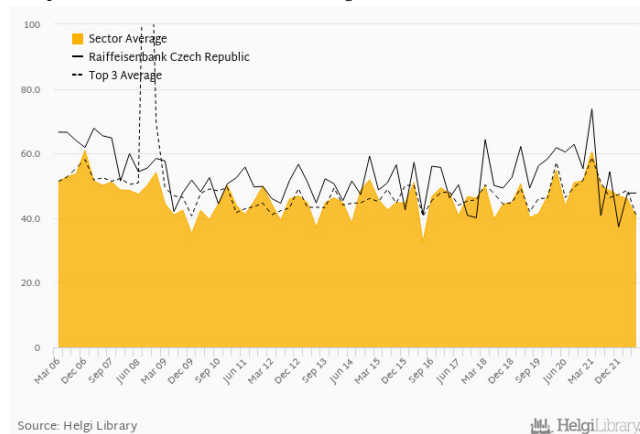
### Net Interest Margin vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



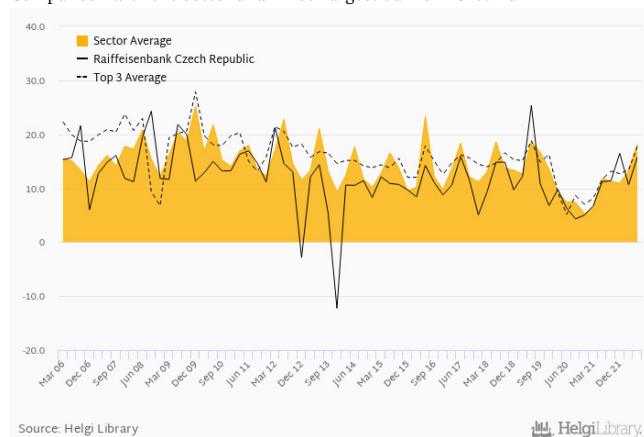
### Cost to Income vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



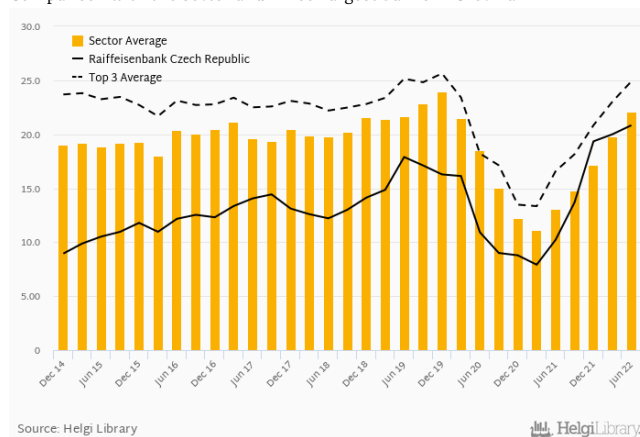
### Return on Equity vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



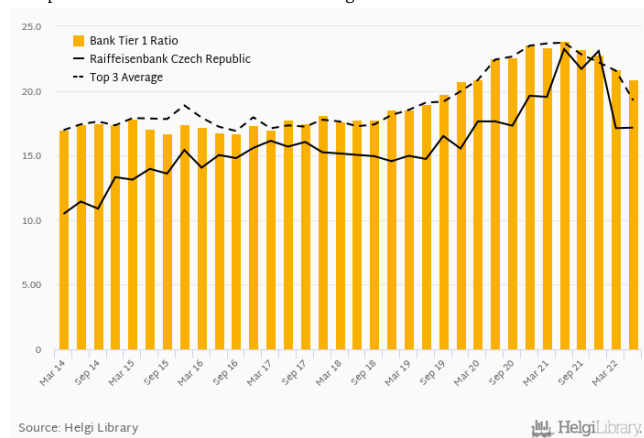
### Adjusted ROE vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



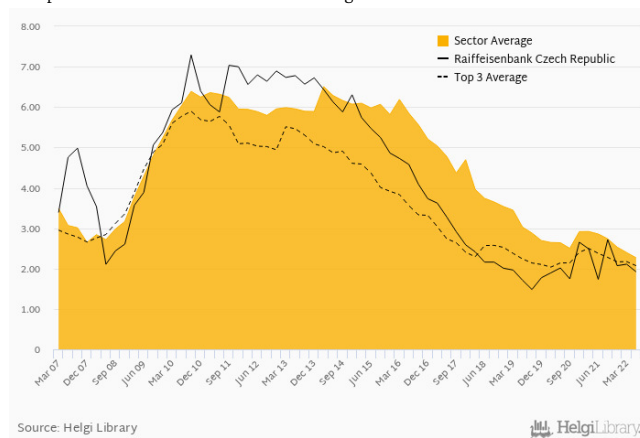
### Tier 1 Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



### NPL Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



# MONETA Money Bank

## Quarterly Results – 2Q2022

MONETA Money Bank made a net profit of CZK 1,582 mil in the second quarter of 2022, up 89.9% when compared to the previous year. Total revenues increased 13.4% yoy to CZK 3,066 mil, ROE amounted to 21.3% and the NPL ratio stood at 1.40%. MONETA Money Bank stock depreciated by 4.3% in the second quarter of 2022 to CZK 85.7 per share and the stock traded at a 12-month trailing PE of 6.92x and PBV of 1.52x based on the closing price at the end of the quarter.

- ✓ Revenues increased 13.4% yoy to CZK 3,066 mil in the second quarter of 2022. Interest income formed 80.2% of total revenues with the net interest margin increasing 0.08192 pp to 2.68% of total assets. Fees added a further 17.8% to total revenue generated in 2Q2022, down from an average of 18.0% as seen in the previous two years.
- ✓ Operating costs dropped by 4.35% yoy to CZK 1,275 mil, so cost to income ratio reached 41.6%, up by 13% compared to the previous two years. Staff accounted for 47.9% of total operating expenditures. At the end of second quarter of 2022, MONETA Money Bank operated a network of 154 branches and 2,880 employees.
- ✓ Loans and deposits grew by 3.2% and 1.03% qoq respectively, so loan to deposit ratio reached 88.0% at the end of 2Q2022. That's down from 89.1% the previous year. Equity reached 7.84% of assets and capital adequacy ratio amounted to 16.8% at the end of the second quarter of 2022.
- ✓ NPLs were 1.40% of total loans at the end of the quarter. Provisions covered 134% of non-performing loans
- ✓ MONETA Money Bank stock traded at CZK 85.7 per share at the end of second quarter of 2022 implying a market capitalization of USD 1,838 mil. This put stock at a 12-month trailing price to earnings of 6.92x and price to book value of 1.52x as of the end of 2Q2022.

Sector:  
Banking

Country:  
Czechia

Share Price:  
CZK 85.7

Market Capitalization:  
USD 1,838 mil

Shares Outstanding:  
511 mil

Employees:  
2,880

Clients:  
N/A

Branches:  
154

Capital Adequacy Ratio:  
16.8%

NPL Ratio:  
1.40%

Provision Coverage:  
134%

KEY FIGURES									
	REVENUES	NET PROFIT	EPS	EPS GROWTH	PER	PBV	ROE	DPS	DIV. YIELD
	CZK mil	CZK mil	CZK	%			%	CZK	%
2Q2022	3,066	1,582	12.4	89.9	6.92	1.52	21.3	...	...
2021	11,168	3,984	7.80	53.2	12.0	1.62	14.1	3.00	3.20
2020	12,098	2,601	5.09	-35.3	13.4	1.28	10.1	0	0
2019	10,519	4,019	7.86	-4.31	10.8	1.78	16.2	3.30	3.88
2018	10,162	4,200	8.22	7.06	8.82	1.47	16.5	9.45	13.0
2017	10,241	3,923	7.68	-3.23	10.7	1.63	14.8	8.00	9.71
2016	11,058	4,054	7.93	-10.2	10.1	1.50	14.7	9.80	12.3

Source: Company Data, Helgi Library, Valuation multiples calculated based on historical prices

Data tells a story





## MONETA Money Bank – Financials

INCOME STATEMENT		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Interest Income	CZK mil	2,380	2,348	2,284	2,267	2,378	2,720	3,351	3,704
Interest Cost	CZK mil	337	235	210	211	217	402	928	1,246
Net Interest Income	CZK mil	2,043	2,113	2,074	2,056	2,161	2,318	2,423	2,458
Net Fee Income	CZK mil	500	482	499	495	473	583	516	545
Other Income	CZK mil	218	149	109	153	147	100	85.0	63.0
Total Revenues	CZK mil	2,761	2,744	2,682	2,704	2,781	3,001	3,024	3,066
Staff Cost	CZK mil	634	685	601	600	628	733	586	611
Depreciation	CZK mil	292	288	314	300	289	293	312	311
Other Cost	CZK mil	457	488	602	433	345	400	622	353
Operating Cost	CZK mil	1,383	1,461	1,517	1,333	1,262	1,426	1,520	1,275
Operating Profit	CZK mil	1,378	1,283	1,165	1,371	1,519	1,575	1,504	1,791
Provisions	CZK mil	554	475	418	334	-299	242	-95.0	-155
Pre-Tax Profit	CZK mil	824	808	747	1,037	1,818	1,333	1,599	1,946
Net Profit	CZK mil	716	685	598	833	1,466	1,087	1,290	1,582

BALANCE SHEET		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Cash & Cash Equivalents	CZK mil	10,017	7,782	7,962	7,824	8,760	11,204	12,124	12,080
Interbank Loans	CZK mil	54,189	22,872	25,662	10,473	13,181	15,602	39,605	26,372
Customer Loans	CZK mil	220,576	226,072	232,325	239,330	247,572	255,612	257,610	265,860
Investments	CZK mil	29,072	37,167	44,422	51,912	51,484	50,994	51,435	56,145
Property and Equipment	CZK mil	2,749	2,696	2,620	2,552	2,472	2,631	2,536	2,416
Intangible Assets	CZK mil	2,871	2,957	2,980	3,016	3,095	3,184	3,267	3,313
Total Assets	CZK mil	321,060	300,958	317,392	316,449	327,527	340,222	367,489	367,095
Shareholders' Equity	CZK mil	26,384	27,050	27,636	28,463	29,926	29,481	30,771	28,776
Liabilities	CZK mil	294,676	273,908	289,756	287,986	297,601	310,741	336,718	338,319
Interbank Borrowing	CZK mil	3,260	1,977	8,662	7,413	17,549	12,580	22,723	21,117
Customer Deposits	CZK mil	275,033	258,906	268,250	268,613	268,276	285,145	299,125	302,199
Issued Debt Securities	CZK mil	8,864	7,393	7,341	7,380	7,362	7,106	9,392	9,398
Other Liabilities	CZK mil	7,519	5,632	5,503	4,580	4,414	5,910	5,478	5,605

RATIOS		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
ROE	%	11.0	10.3	8.75	11.9	20.1	14.6	17.1	21.3
ROA	%	0.888	0.881	0.774	1.05	1.82	1.30	1.46	1.72
Costs (As % Of Assets)	%	1.72	1.88	1.96	1.68	1.57	1.71	1.72	1.39
Costs (As % Of Income)	%	50.1	53.2	56.6	49.3	45.4	47.5	50.3	41.6
Capital Adequacy Ratio	%	17.4	18.2	18.5	19.2	18.7	17.1	17.7	16.8
Net Interest Margin	%	2.53	2.72	2.68	2.59	2.68	2.78	2.74	2.68
Interest Income (As % Of Revenues)	%	74.0	77.0	77.3	76.0	77.7	77.2	80.1	80.2
Fee Income (As % Of Revenues)	%	18.1	17.6	18.6	18.3	17.0	19.4	17.1	17.8
Staff Cost (As % Of Total Cost)	%	45.8	46.9	39.6	45.0	49.8	51.4	38.6	47.9
Equity (As % Of Assets)	%	8.22	8.99	8.71	8.99	9.14	8.67	8.37	7.84
Loans (As % Of Deposits)	%	80.2	87.3	86.6	89.1	92.3	89.6	86.1	88.0
Loans (As % Assets)	%	68.7	75.1	73.2	75.6	75.6	75.1	70.1	72.4
NPLs (As % Of Loans)	%	1.50	2.30	2.80	2.50	2.40	2.20	1.80	1.40
Provisions (As % Of NPLs)	%	166	110	94.4	98.9	96.1	101	121	134

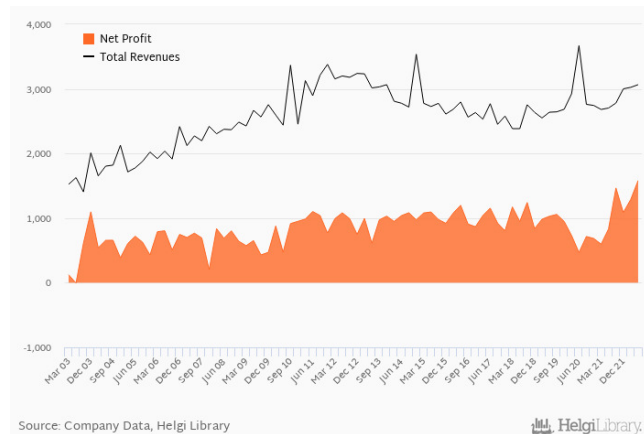
VALUATION		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Market Capitalisation	USD mil	1,170	1,625	1,914	1,947	2,048	2,182	2,084	1,838
Number Of Shares	mil	511	511	511	511	511	511	511	511
Share Price	CZK	53.2	68.0	83.5	81.7	88.3	93.8	89.6	85.7
Earnings Per Share (EPS)	CZK	5.60	5.36	4.68	6.52	11.5	8.51	10.1	12.4
Book Value Per Share	CZK	51.6	52.9	54.1	55.7	58.6	57.7	60.2	56.3
Price/Earnings (P/E)		9.49	12.7	17.8	12.5	7.69	11.0	8.87	6.92
Price/Book Value (P/BV)		1.03	1.28	1.54	1.47	1.51	1.62	1.49	1.52

Source: Company Data, Helgi Library

## MONETA Money Bank in Pictures

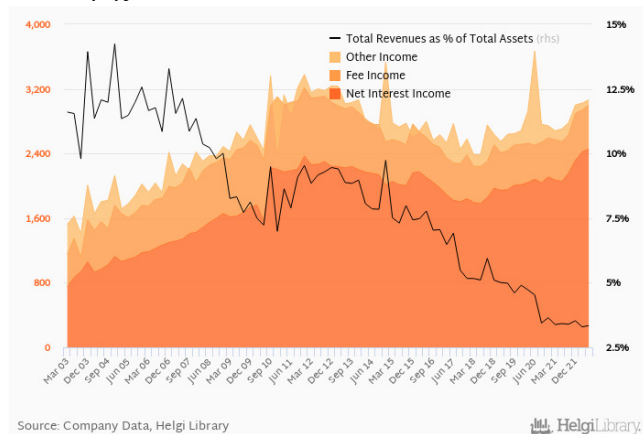
### Revenue & Profitability

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



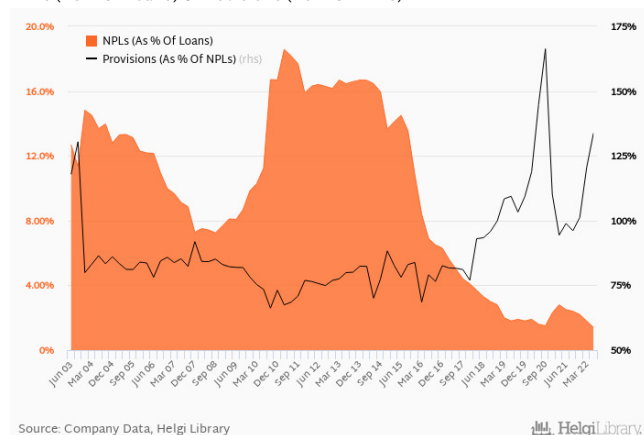
### Revenue Breakdown

Revenue by Type of Income (CZK mil)



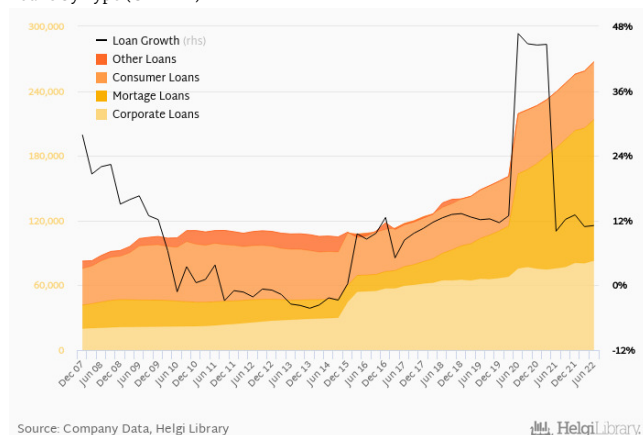
### Asset Quality

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



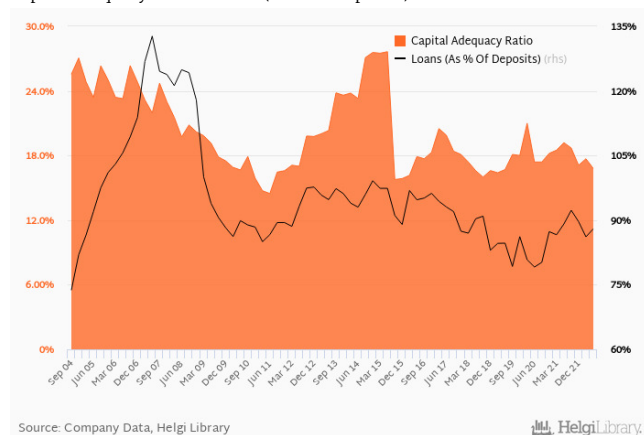
### Loan Breakdown

Loans by Type (CZK mil)



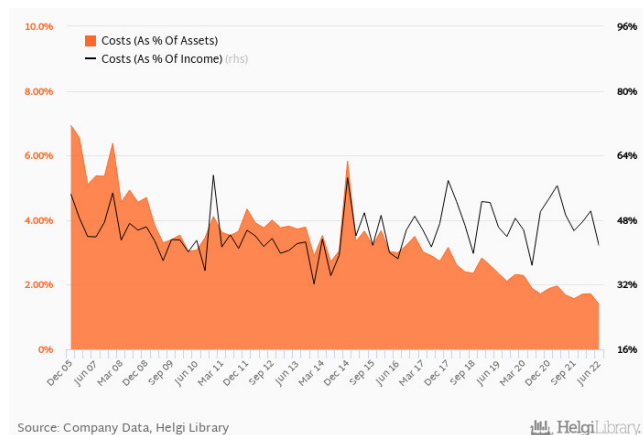
### Capital & Liquidity

Capital Adequacy Ratio & Loans (As % Of Deposits)



### Cost Efficiency

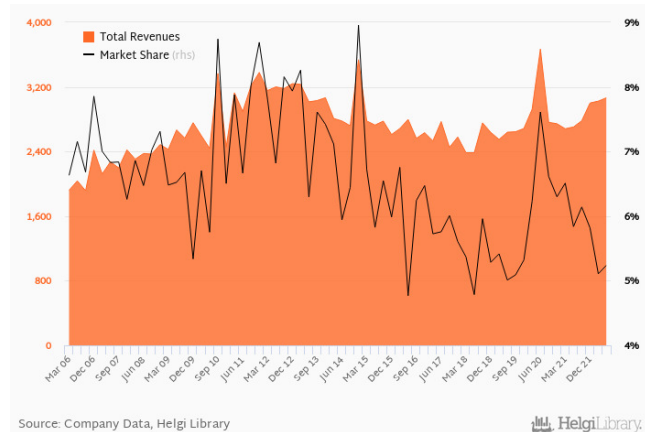
Costs As % Of Assets & Income



## MONETA Money Bank – Market Share Development

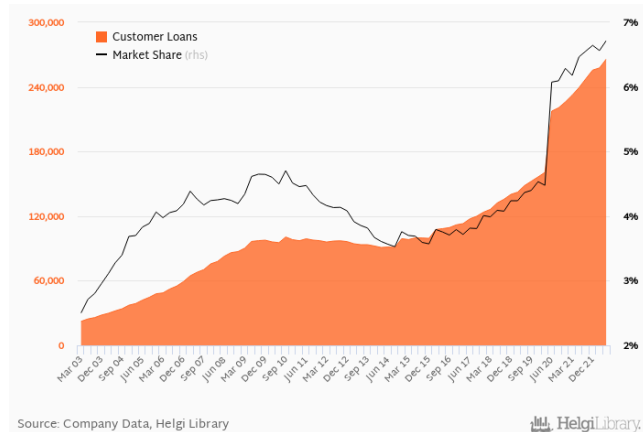
### Market Share in Bank Revenues

Total Revenues (CZK mil)



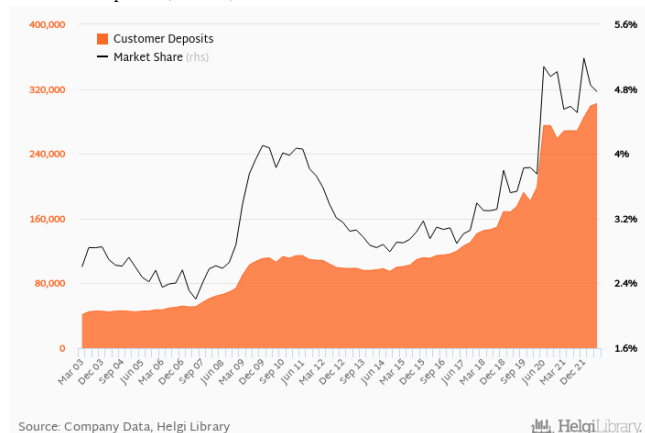
### Market Share in Bank Loans

Customer Loans (CZK bil) & Market Share (%)



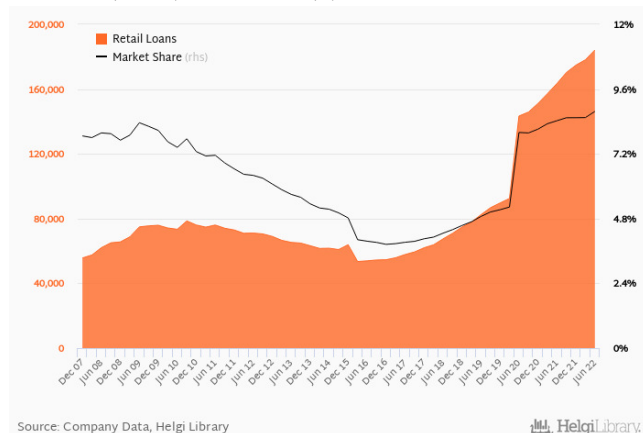
### Market Share in Bank Deposits

Customer Deposits (CZK bil)



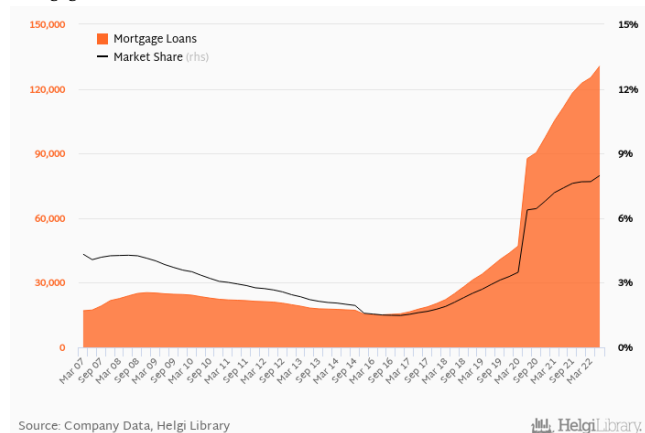
### Market Share in Retail Loans

Retail Loans (CZK bil) & Market Share (%)



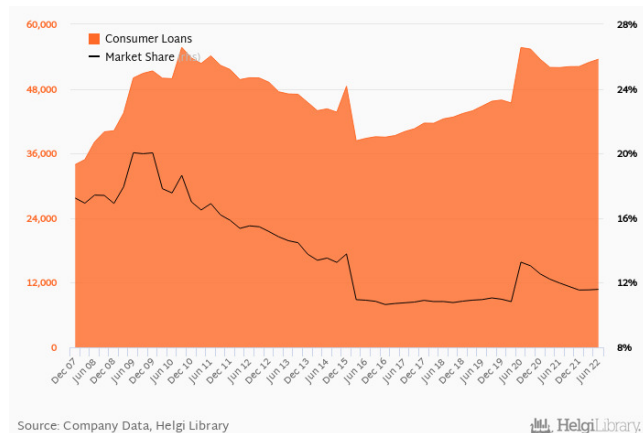
### Market Share in Mortgage Loans

Mortgage Loans (CZK mil) & Market Share (%)



### Market Share in Consumer Loans

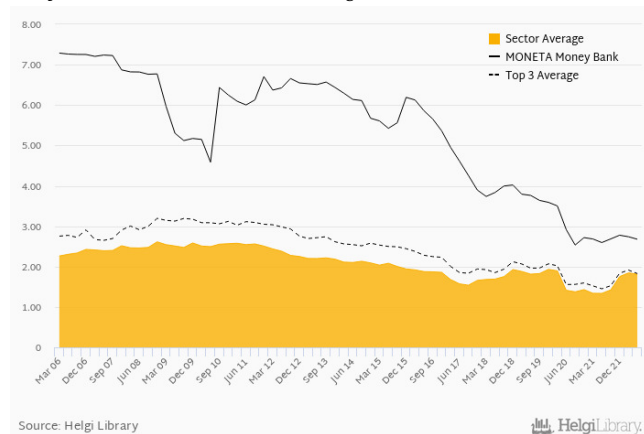
Consumer Loans (CZK mil)



## MONETA Money Bank – Comparison with Sector

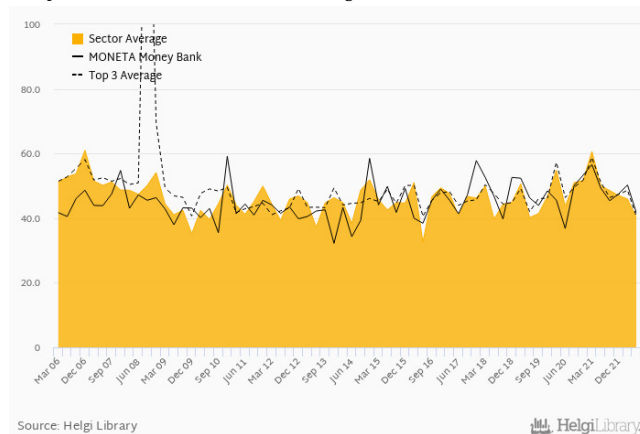
### Net Interest Margin vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



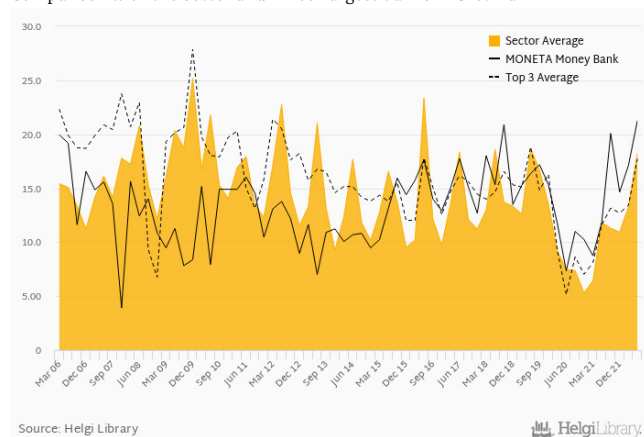
### Cost to Income vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



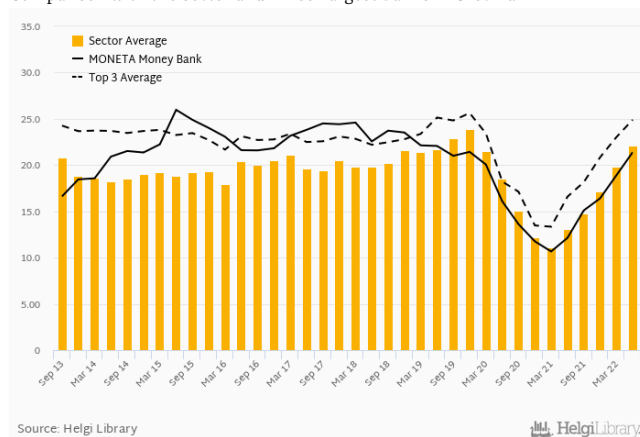
### Return on Equity vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



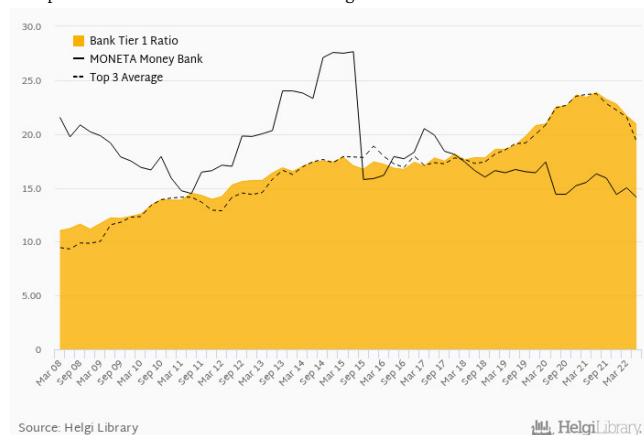
### Adjusted ROE vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



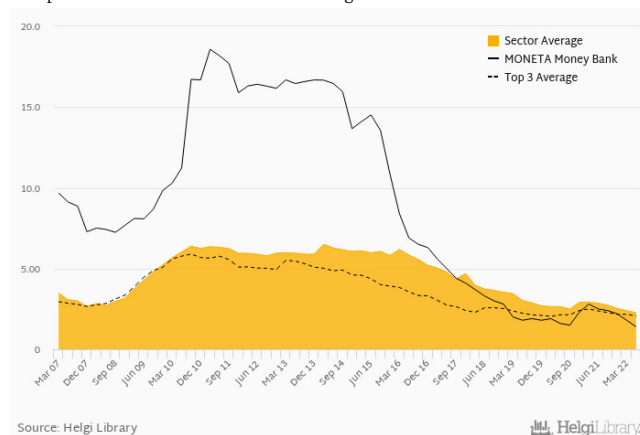
### Tier 1 Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



### NPL Ratio vs. Sector

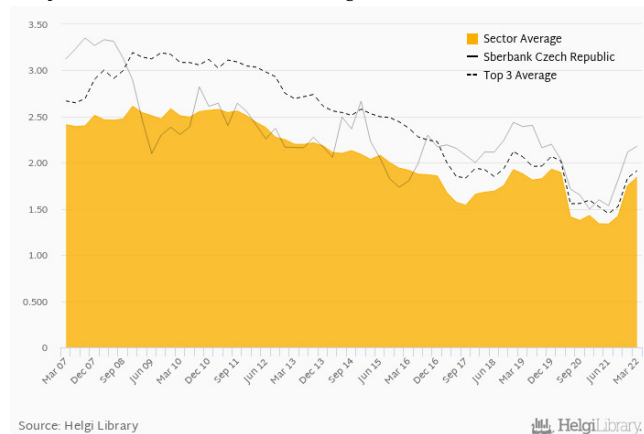
Comparison with the Sector and Three Largest Banks in Czechia



## Sberbank Czech Republic – Comparison with Sector

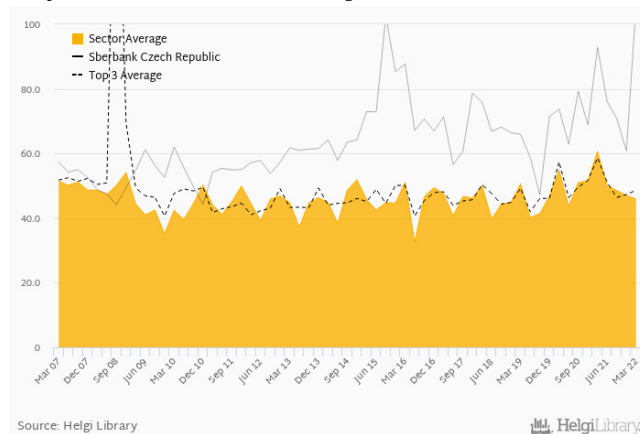
### Net Interest Margin vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



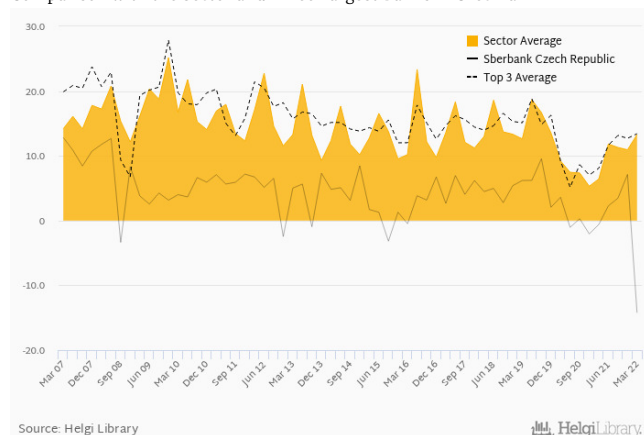
### Cost to Income vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



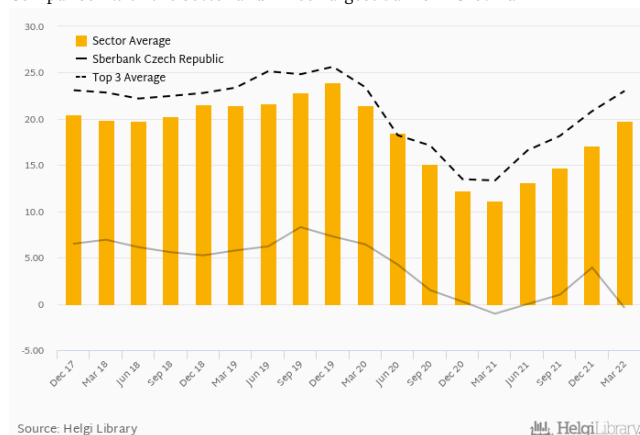
### Return on Equity vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



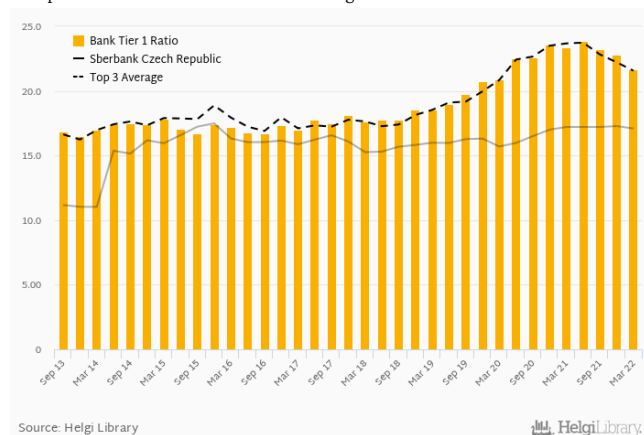
### Adjusted ROE vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



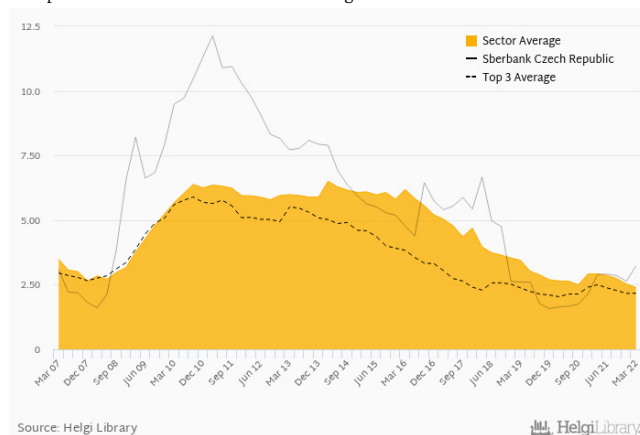
### Tier 1 Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



### NPL Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



# Fio banka

## Quarterly Results – 2Q2022

Fio banka made a net profit of CZK 1,058 mil in the second quarter of 2022, up 94.4% when compared to the previous year. Total revenues increased 112% yoy to CZK 1,720 mil, ROE amounted to 45.6% and the NPL ratio stood at 8.79%. In the last three years, the bank grew its loans by 30.4% a year, revenues rose by 26% and net profit increased by 25.9% a year, on average.

- ✓ Revenues increased 112% yoy to CZK 1,720 mil in the second quarter of 2022. Interest income formed 75.4% of total revenues with the net interest margin increasing 1.37693 pp to 2.38% of total assets. Fees added a further 13.0% to total revenue generated in 2Q2022, down from an average of 15.2% as seen in the previous two years.
- ✓ Operating costs grew by 33.3% yoy to CZK 305 mil, so cost to income ratio reached 17.7%, down by 48.7% compared to the previous two years. Staff accounted for 10.2% of total operating expenditures. At the end of second quarter of 2022, Fio banka operated a network of 110 branches and 97.0 employees.
- ✓ Loans and deposits grew by 1.64% and 1.24% qoq respectively, so loan to deposit ratio reached 18.2% at the end of 2Q2022. That's up from 17.1% the previous year. Equity reached 4.46% of assets and capital adequacy ratio amounted to 28.2% at the end of the second quarter of 2022.
- ✓ NPLs were 8.79% of total loans at the end of the quarter. Provisions covered 44.5% of non-performing loans
- ✓ When compared to selected peers, Fio banka was 32.6 pp more profitable in terms of ROE, achieved 26.2 pp better cost efficiency when measured by cost to income ratio and grew its loans by 4.31 pp faster based on a last year comparison.

**Sector:**  
Banking

**Country:**  
Czechia

**Employees:**  
97.0

**Clients:**  
N/A

**Branches:**  
110

**ATMs:**  
N/A

**Bank Cards:**  
N/A

**Capital Adequacy Ratio:**  
28.2%

**Tier 1 Ratio:**  
27.9%

KEY FIGURES									
	REVENUES	REVENUE GROWTH	NET PROFIT	PROFIT GROWTH	ROE	COST TO INCOME	LOAN / DEPOSITS	EQUITY / ASSETS	NPL RATIO
	CZK mil	%	CZK mil	%	%	%	%	%	%
2Q2022	1,720	112	1,058	94.4	45.6	17.7	18.2	4.46	8.79
2021	3,787	23.6	2,338	98.7	34.5	28.0	18.4	3.70	8.41
2020	3,064	-7.95	1,177	-34.8	23.4	31.6	15.0	3.07	13.6
2019	3,328	54.4	1,803	75.3	50.8	24.0	14.3	3.03	10.8
2018	2,155	44.4	1,028	152	47.8	31.8	12.6	2.12	5.59
2017	1,493	101	408	129	28.1	41.6	12.7	1.54	7.92
2016	743	-26.7	178	237	15.5	79.0	17.7	1.55	9.94

Source: Company Data, Helgi Library

Data tells a story



## Fio banka – Financials

INCOME STATEMENT		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Interest Income	CZK mil	473	494	491	623	671	1,028	1,197	1,570
Interest Cost	CZK mil	60.2	78.8	54.5	108	84.0	72.9	135	273
Net Interest Income	CZK mil	413	415	437	515	587	956	1,062	1,296
Net Fee Income	CZK mil	172	133	109	98.6	173	143	143	223
Other Income	CZK mil	154	152	201	197	206	165	180	200
Total Revenues	CZK mil	738	701	746	810	966	1,264	1,385	1,720
Staff Cost	CZK mil	20.4	70.4	23.5	25.9	27.8	82.3	26.6	31.2
Depreciation	CZK mil	38.8	62.9	2.74	36.2	28.3	31.2	3.87	3.68
Other Cost	CZK mil	172	127	192	167	195	249	261	270
Operating Cost	CZK mil	231	261	218	229	251	362	291	305
Operating Profit	CZK mil	508	440	528	581	716	901	1,094	1,415
Provisions	CZK mil	119	191	44.1	-81.3	-41.5	-32.3	118	130
Pre-Tax Profit	CZK mil	394	248	484	669	767	921	976	1,285
Net Profit	CZK mil	320	191	392	544	635	767	802	1,058

BALANCE SHEET		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Cash & Cash Equivalents	CZK mil	6,930	4,257	16,685	19,091	46,285	6,817	40,080	42,293
Interbank Loans	CZK mil	76,784	78,790	58,373	32,224	8,917	50,646	9,000	2,000
Customer Loans	CZK mil	25,764	26,145	30,349	33,293	35,000	37,454	36,938	37,542
Investments	CZK mil	76,408	71,154	99,029	116,564	119,521	118,082	127,901	135,946
Property and Equipment	CZK mil	281	500	511	486	369	355	369	376
Intangible Assets	CZK mil	3.13	2.72	2.57	2.55	2.53	3.23	3.10	2.98
Total Assets	CZK mil	188,665	182,535	207,045	203,809	212,531	214,685	215,925	219,946
Shareholders' Equity	CZK mil	5,426	5,602	5,994	6,538	7,173	7,940	8,747	9,801
Liabilities	CZK mil	183,238	176,933	201,051	197,271	205,359	206,745	207,178	210,146
Interbank Borrowing	CZK mil	0	0	0	0	0	0	0	0
Customer Deposits	CZK mil	180,598	175,175	198,521	194,550	202,279	203,626	203,504	206,035
Issued Debt Securities	CZK mil	0	0	0	0	0	589	609	601
Other Liabilities	CZK mil	2,640	1,759	2,530	2,721	3,080	2,530	3,066	3,509

RATIOS		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
ROE	%	24.2	13.8	27.0	34.7	37.0	40.6	38.5	45.6
ROA	%	0.719	0.411	0.805	1.06	1.22	1.44	1.49	1.94
Costs (As % Of Assets)	%	0.519	0.562	0.448	0.446	0.482	0.678	0.541	0.560
Costs (As % Of Income)	%	31.3	37.2	29.3	28.3	25.9	28.7	21.0	17.7
Capital Adequacy Ratio	%	21.4	21.0	19.8	20.9	21.3	22.6	25.4	28.2
Net Interest Margin	%	0.929	0.895	0.897	1.00	1.13	1.79	1.97	2.38
Interest Income (As % Of Revenues)	%	55.9	59.3	58.5	63.5	60.7	75.6	76.7	75.4
Fee Income (As % Of Revenues)	%	23.3	19.0	14.6	12.2	17.9	11.3	10.3	13.0
Staff Cost (As % Of Total Cost)	%	8.85	27.0	10.8	11.3	11.1	22.7	9.14	10.2
Equity (As % Of Assets)	%	2.88	3.07	2.89	3.21	3.37	3.70	4.05	4.46
Loans (As % Of Deposits)	%	14.3	14.9	15.3	17.1	17.3	18.4	18.2	18.2
Loans (As % Assets)	%	13.7	14.3	14.7	16.3	16.5	17.4	17.1	17.1
NPLs (As % Of Loans)	%	11.9	12.9	12.8	11.7	10.0	8.41	8.80	8.79
Provisions (As % Of NPLs)	%	37.5	42.1	39.7	37.6	40.0	41.2	43.2	44.5

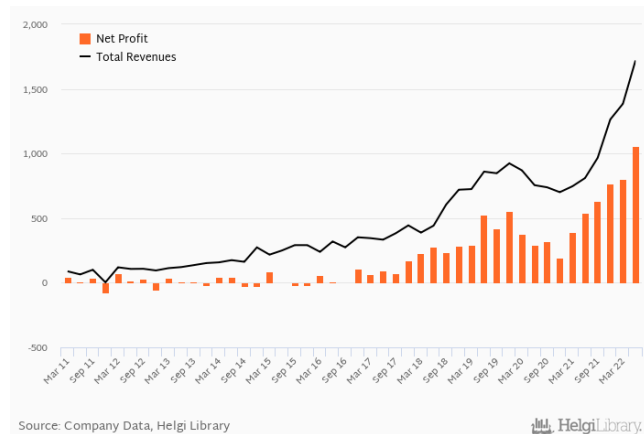
Source: Company Data, Helgi Library



## Fio banka in Pictures

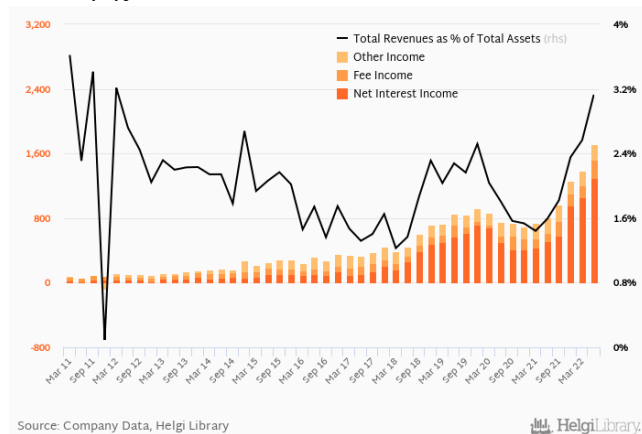
### Revenue & Profitability

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



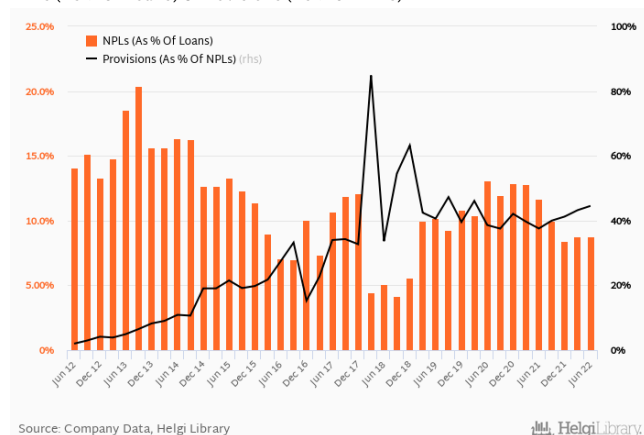
### Revenue Breakdown

Revenue by Type of Income (CZK mil)



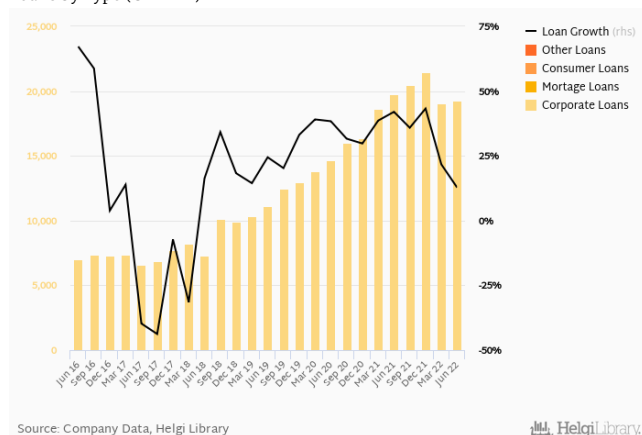
### Asset Quality

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



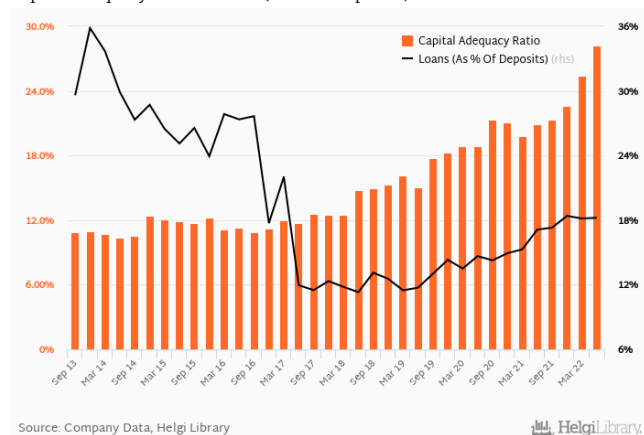
### Loan Breakdown

Loans by Type (CZK mil)



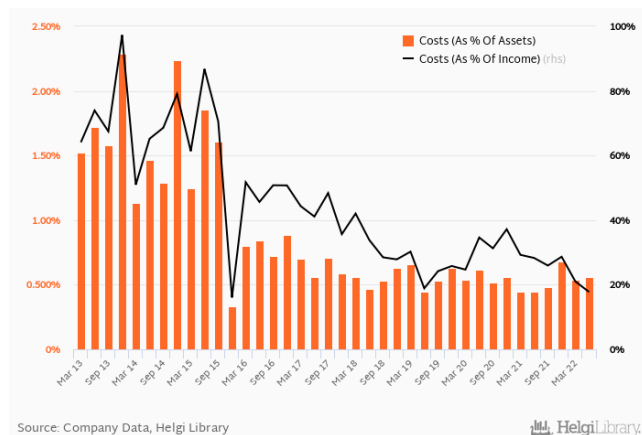
### Capital & Liquidity

Capital Adequacy Ratio & Loans (As % Of Deposits)



### Cost Efficiency

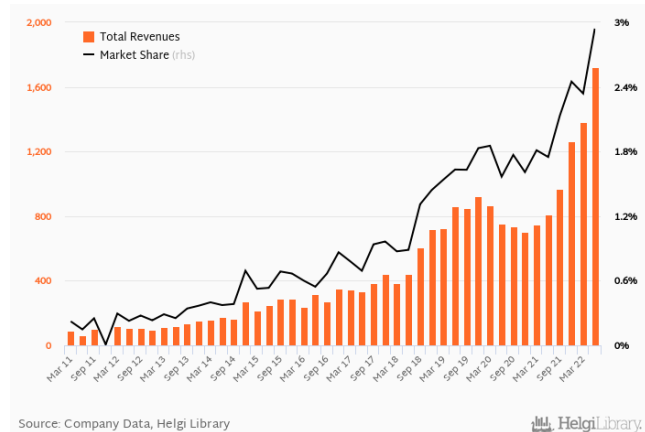
Costs As % Of Assets & Income



## Fio banka – Market Share Development

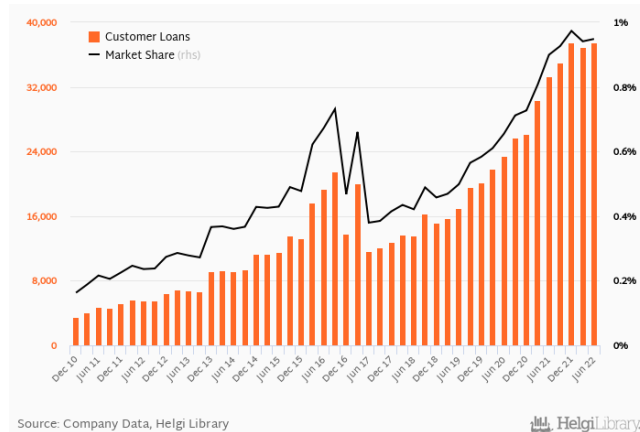
### Market Share in Bank Revenues

Total Revenues (CZK mil)



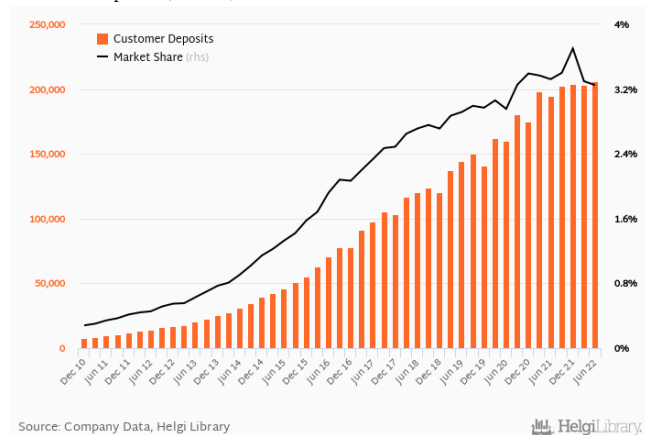
### Market Share in Bank Loans

Customer Loans (CZK bil) & Market Share (%)



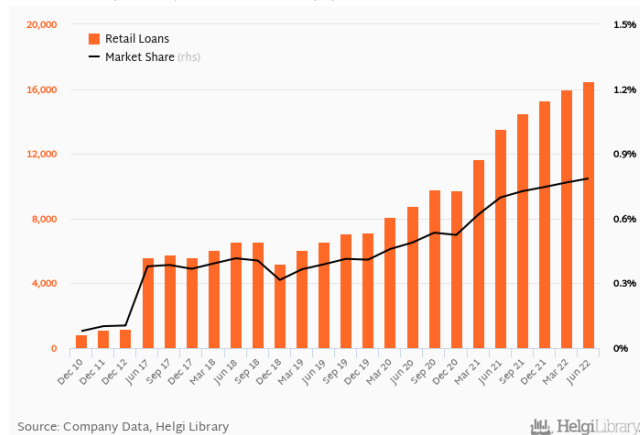
### Market Share in Bank Deposits

Customer Deposits (CZK bil)



### Market Share in Retail Loans

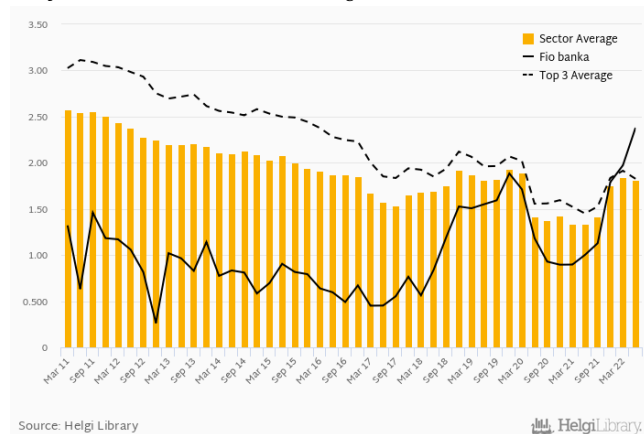
Retail Loans (CZK bil) & Market Share (%)



## Fio banka – Comparison with Sector

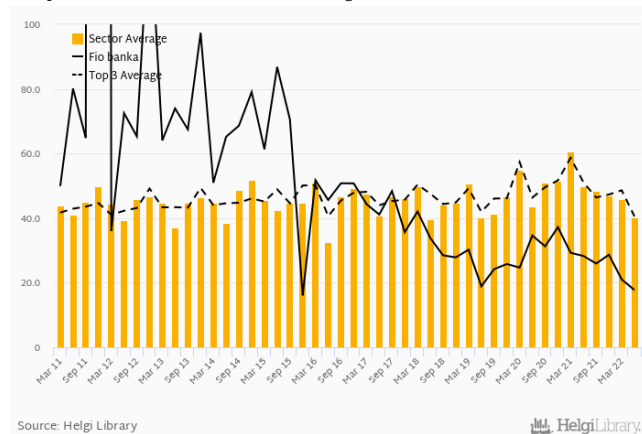
### Net Interest Margin vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



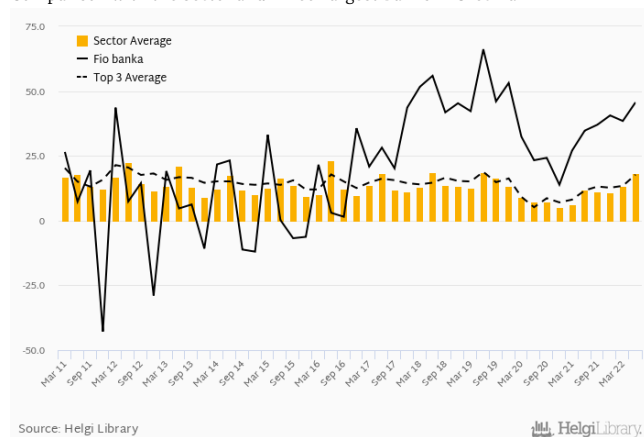
### Cost to Income vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



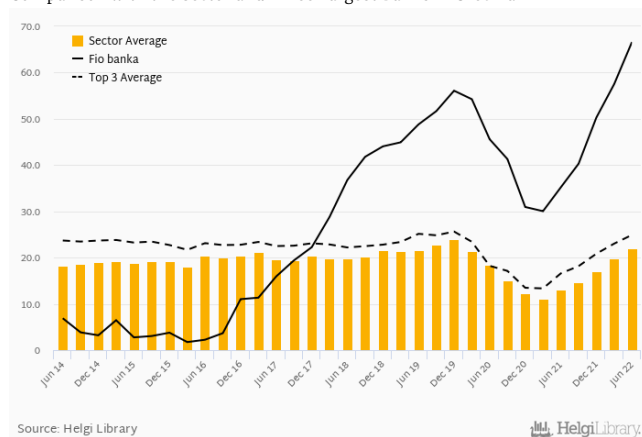
### Return on Equity vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



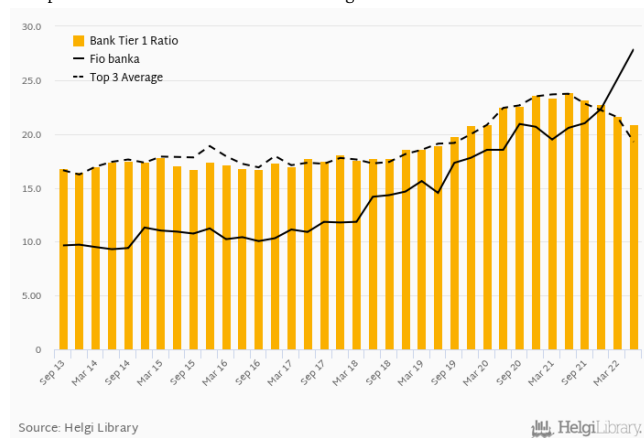
### Adjusted ROE vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



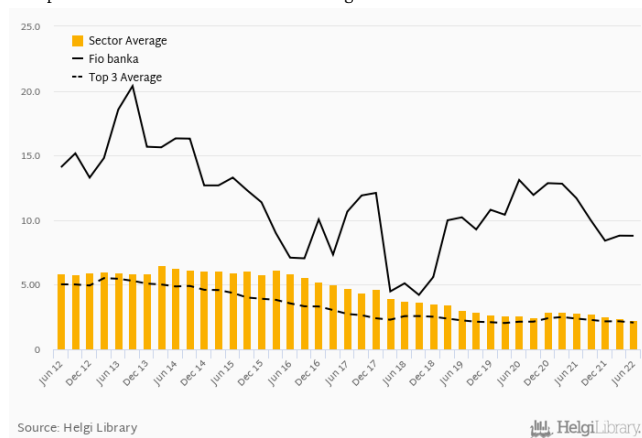
### Tier 1 Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



### NPL Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



# CSOB Stavebni Sporitelna

## Quarterly Results – 2Q2022

CSOB Stavebni Sporitelna made a net profit of CZK 380 mil in the second quarter of 2022, up 73.9% when compared to the previous year. Total revenues increased 55.5% yoy to CZK 685 mil, ROE amounted to 18.0% and the NPL ratio stood at 1.85%. In the last three years, the bank grew its loans by 2.26% a year, revenues rose by 0.028% and net profit increased by 11.4% a year, on average.

- ✓ Revenues increased 55.5% yoy to CZK 685 mil in the second quarter of 2022. Interest income formed 86.8% of total revenues with the net interest margin increasing 0.789192 pp to 1.62% of total assets. Fees added a further 17.8% to total revenue generated in 2Q2022, down from an average of 31.4% as seen in the previous two years.
- ✓ Operating costs dropped by 7.67% yoy to CZK 274 mil, so cost to income ratio reached 40.0%, down by 10.5% compared to the previous two years. Staff accounted for 21.6% of total operating expenditures. At the end of second quarter of 2022, CSOB Stavebni Sporitelna operated a network of 235 branches and 187 employees.
- ✓ Loans and deposits grew by 0.516% and 3.5% qoq respectively, so loan to deposit ratio reached 93.8% at the end of 2Q2022. That's up from 86.8% the previous year. Equity reached 5.72% of assets and capital adequacy ratio amounted to 24.2% at the end of the second quarter of 2022.
- ✓ NPLs were 1.85% of total loans at the end of the quarter. Provisions covered 73.1% of non-performing loans
- ✓ When compared to selected peers, CSOB Stavebni Sporitelna was 4.94 pp more profitable in terms of ROE, achieved 3.93 pp better cost efficiency when measured by cost to income ratio and grew its loans by 6.27 pp slower based on a last year comparison.

**Sector:**  
Banking

**Country:**  
Czechia

**Employees:**  
187

**Clients:**  
N/A

**Branches:**  
235

**ATMs:**  
N/A

**Bank Cards:**  
N/A

**Capital Adequacy Ratio:**  
24.2%

**Tier 1 Ratio:**  
23.6%

KEY FIGURES									
	REVENUES	REVENUE GROWTH	NET PROFIT	PROFIT GROWTH	ROE	COST TO INCOME	LOAN / DEPOSITS	EQUITY / ASSETS	NPL RATIO
	CZK mil	%	CZK mil	%	%	%	%	%	%
2Q2022	685	55.5	380	73.9	18.0	40.0	93.8	5.72	1.85
2021	1,663	-28.2	680	37.9	8.83	76.3	87.8	5.58	1.95
2020	2,317	-16.6	493	-48.9	6.93	57.0	89.4	4.66	2.28
2019	2,776	7.58	965	10.5	12.2	49.9	86.6	4.92	3.14
2018	2,581	-7.46	873	-16.3	9.86	51.0	85.1	5.78	4.36
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

Source: Company Data, Helgi Library

Data tells a story



## CSOB Stavebni Sporitelna – Financials

INCOME STATEMENT		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Interest Income	CZK mil	955	934	938	953	948	807	1,155	1,409
Interest Cost	CZK mil	570	634	611	640	599	656	667	814
Net Interest Income	CZK mil	385	300	327	313	349	151	488	595
Net Fee Income	CZK mil	150	132	139	148	138	138	132	122
Other Income	CZK mil	83.0	-87.3	61.8	-19.8	-14.7	-65.5	51.7	-31.9
Total Revenues	CZK mil	619	345	528	441	472	223	672	685
Staff Cost	CZK mil	101	83.4	75.0	47.8	65.7	53.9	71.2	59.2
Depreciation	CZK mil	6.15	9.91	74.9	70.3	68.4	64.7	65.0	65.2
Other Cost	CZK mil	180	287	245	179	172	153	217	150
Operating Cost	CZK mil	287	381	394	297	306	271	353	274
Operating Profit	CZK mil	332	-35.4	133	144	166	-48.4	318	411
Provisions	CZK mil	131	-230	-17.1	-131	-85.6	-212	-66.6	-58.8
Pre-Tax Profit	CZK mil	201	195	152	275	252	163	385	471
Net Profit	CZK mil	162	158	126	218	203	132	312	380

BALANCE SHEET		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Cash & Cash Equivalents	CZK mil	675	1,354	525	1,418	900	1,281	1,169	1,389
Interbank Loans	CZK mil	11,907	7,261	13,795	13,586	13,713	13,508	10,735	5,307
Customer Loans	CZK mil	119,045	125,879	120,493	121,807	122,847	123,203	123,819	124,458
Investments	CZK mil	5,247	5,289	5,293	5,273	4,778	11,393	11,209	10,873
Property and Equipment	CZK mil	204	201	191	142	139	120	106	100
Intangible Assets	CZK mil	787	784	720	684	633	631	575	534
Total Assets	CZK mil	148,172	149,823	151,314	151,115	150,515	150,909	150,336	144,206
Shareholders' Equity	CZK mil	6,802	6,986	7,044	8,194	8,463	8,420	8,661	8,254
Liabilities	CZK mil	141,370	142,837	144,270	142,921	142,052	142,488	141,675	135,952
Interbank Borrowing	CZK mil	0	0	0	0	0	0	0	0
Customer Deposits	CZK mil	137,920	139,279	139,492	140,291	140,251	140,385	137,463	132,654
Issued Debt Securities	CZK mil	0	0	0	0	0	0	0	0
Other Liabilities	CZK mil	3,449	3,559	4,778	2,630	1,801	2,103	4,212	3,298

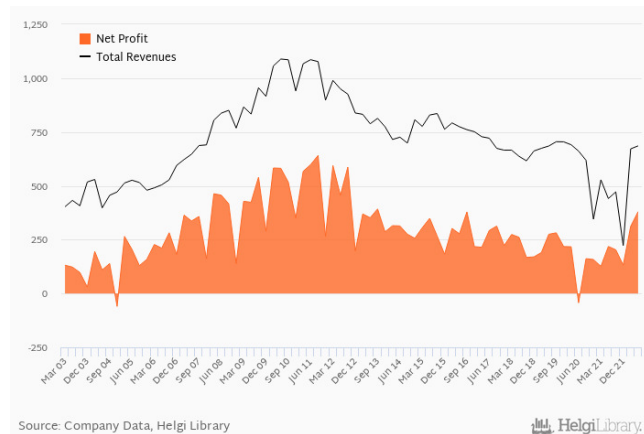
RATIOS		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
ROE	%	9.65	9.16	7.20	11.5	9.75	6.27	14.6	18.0
ROA	%	0.437	0.424	0.335	0.578	0.539	0.351	0.828	1.03
Costs (As % Of Assets)	%	0.774	1.02	1.05	0.785	0.812	0.720	0.938	0.744
Costs (As % Of Income)	%	46.4	110	74.7	67.3	64.9	122	52.6	40.0
Capital Adequacy Ratio	%	17.8	17.7	17.1	17.7	16.0	21.3	22.1	24.2
Net Interest Margin	%	1.04	0.806	0.869	0.827	0.925	0.400	1.30	1.62
Interest Income (As % Of Revenues)	%	62.3	87.0	62.0	70.9	73.9	67.6	72.6	86.8
Fee Income (As % Of Revenues)	%	24.3	38.3	26.3	33.5	29.2	61.8	19.7	17.8
Staff Cost (As % Of Total Cost)	%	35.1	21.9	19.0	16.1	21.5	19.9	20.2	21.6
Equity (As % Of Assets)	%	4.59	4.66	4.66	5.42	5.62	5.58	5.76	5.72
Loans (As % Of Deposits)	%	86.3	90.4	86.4	86.8	87.6	87.8	90.1	93.8
Loans (As % Assets)	%	80.3	84.0	79.6	80.6	81.6	81.6	82.4	86.3
NPLs (As % Of Loans)	%	2.78	2.28	2.46	2.22	2.16	1.95	1.90	1.85
Provisions (As % Of NPLs)	%	78.9	75.6	76.8	79.4	77.7	75.1	74.0	73.1

Source: Company Data, Helgi Library

## CSOB Stavebni Sporitelna in Pictures

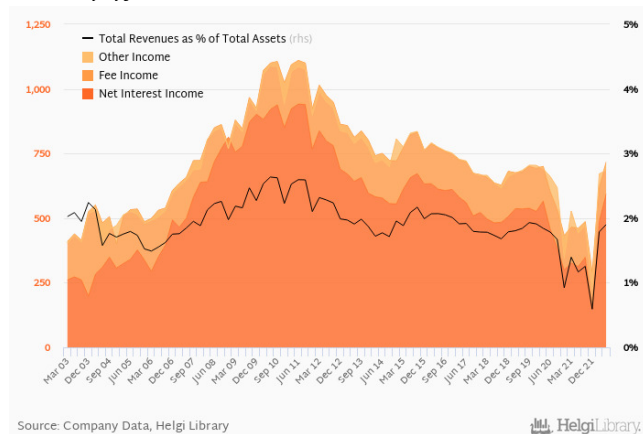
### Revenue & Profitability

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



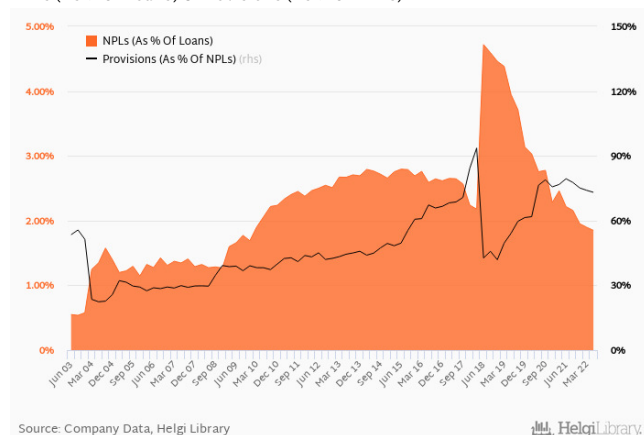
### Revenue Breakdown

Revenue by Type of Income (CZK mil)



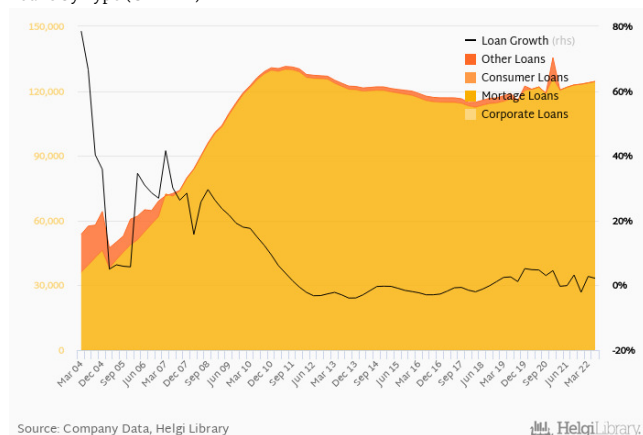
### Asset Quality

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



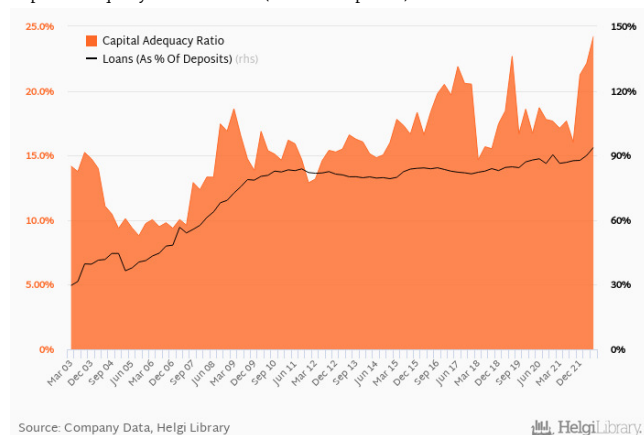
### Loan Breakdown

Loans by Type (CZK mil)



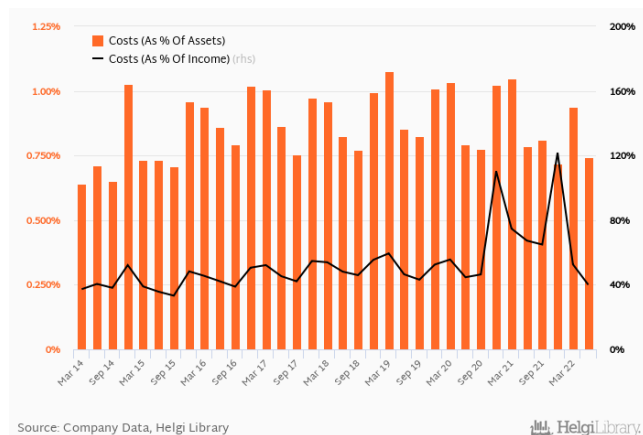
### Capital & Liquidity

Capital Adequacy Ratio & Loans (As % Of Deposits)



### Cost Efficiency

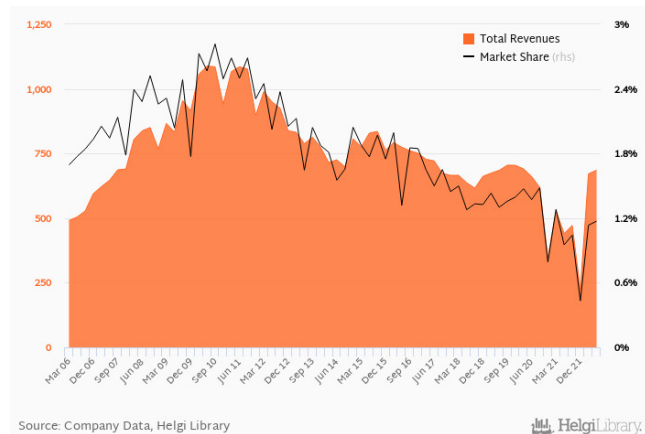
Costs As % Of Assets & Income



## CSOB Stavebni Sporitelna – Market Share Development

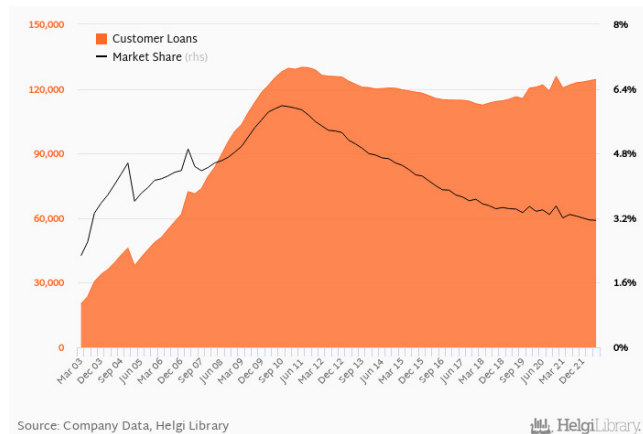
### Market Share in Bank Revenues

Total Revenues (CZK mil)



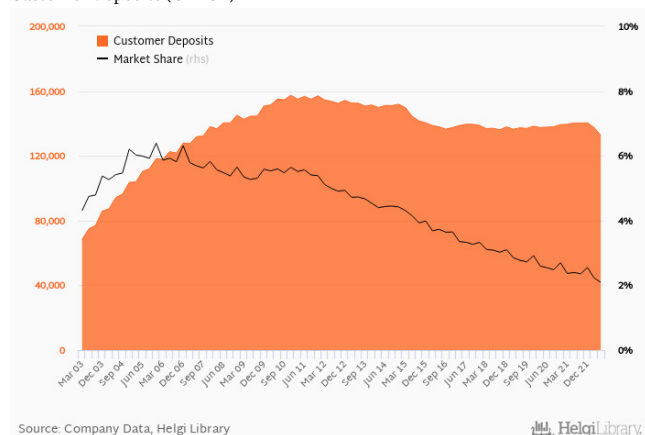
### Market Share in Bank Loans

Customer Loans (CZK bil) & Market Share (%)



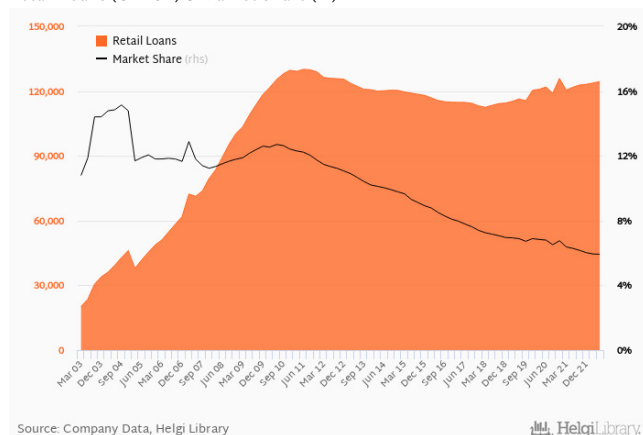
### Market Share in Bank Deposits

Customer Deposits (CZK bil)



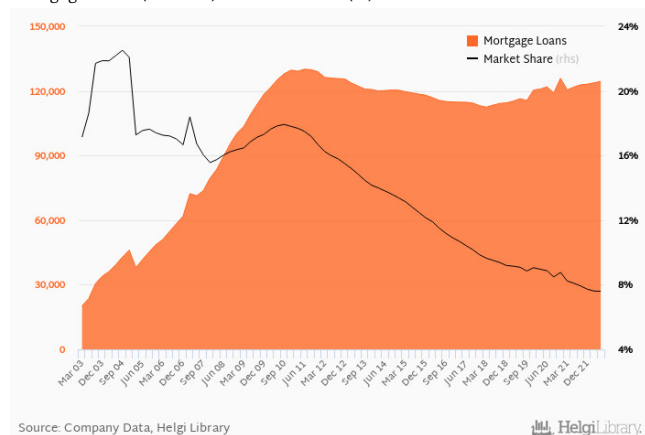
### Market Share in Retail Loans

Retail Loans (CZK bil) & Market Share (%)



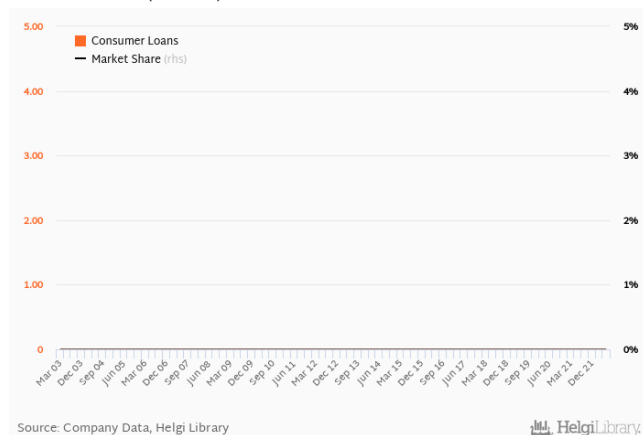
### Market Share in Mortgage Loans

Mortgage Loans (CZK mil) & Market Share (%)



### Market Share in Consumer Loans

Consumer Loans (CZK mil)

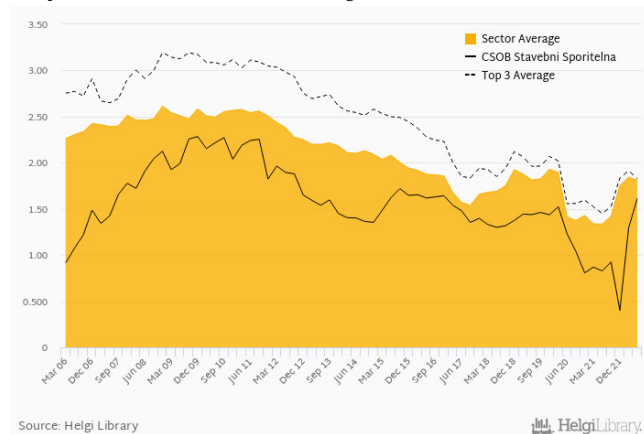




## CSOB Stavebni Sporitelna – Comparison with Sector

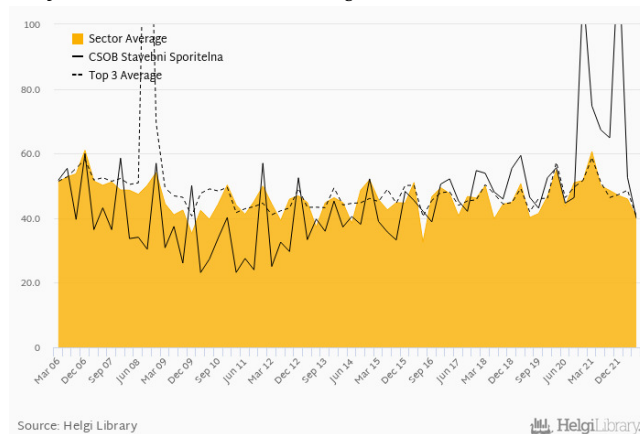
### Net Interest Margin vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



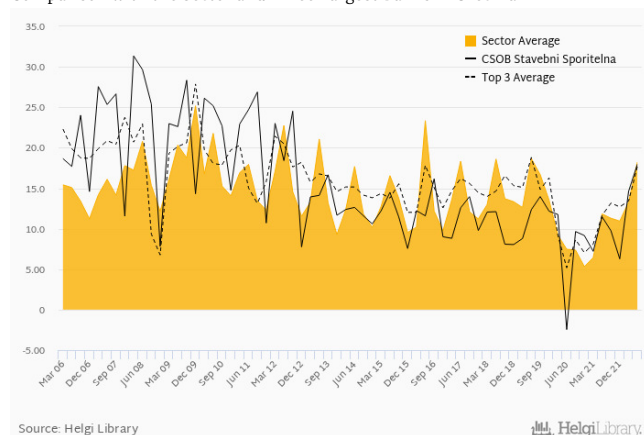
### Cost to Income vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



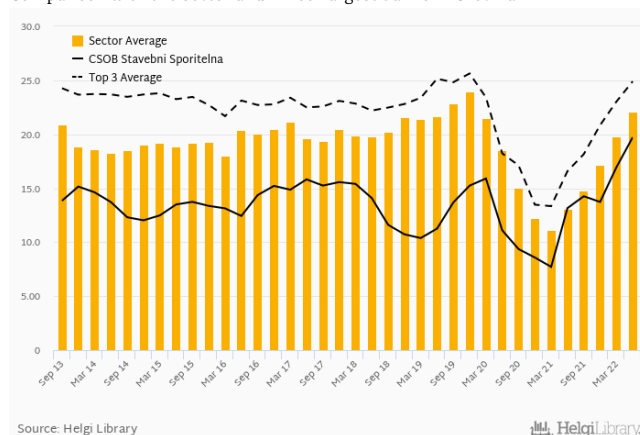
### Return on Equity vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



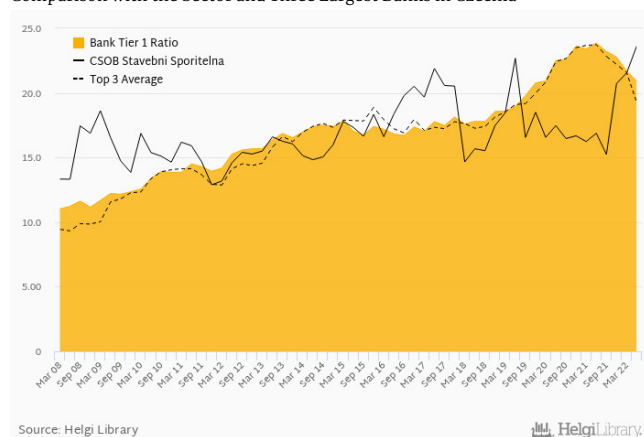
### Adjusted ROE vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



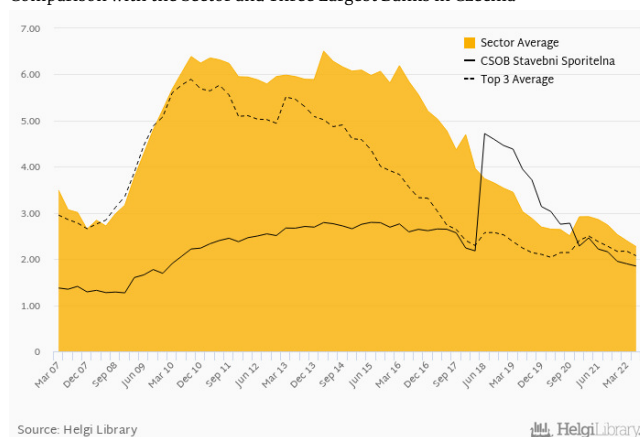
### Tier 1 Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



### NPL Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



# Modra Pyramida Stavebni Sportelna

## Quarterly Results – 2Q2022

Modra Pyramida Stavebni Sportelna made a net profit of CZK 186 mil in the second quarter of 2022, up 79.8% when compared to the previous year. Total revenues increased 3.43% yoy to CZK 298 mil, ROE amounted to 11.6% and the NPL ratio stood at 1.43%. In the last three years, the bank grew its loans by 15.5% a year, revenues fell by 4.95% and net profit decreased by 2.31% a year, on average.

- ✓ Revenues increased 3.43% yoy to CZK 298 mil in the second quarter of 2022. Interest income formed 86.4% of total revenues with the net interest margin decreasing 0.08967 pp to 1.01% of total assets. Fees added a further 14.3% to total revenue generated in 2Q2022, up from an average of 12.2% as seen in the previous two years.
- ✓ Operating costs grew by 11.6% yoy to CZK 175 mil, so cost to income ratio reached 58.6%, up by 6.88% compared to the previous two years. Staff accounted for 52.7% of total operating expenditures. At the end of second quarter of 2022, Modra Pyramida Stavebni Sportelna operated a network of 192 branches and 320 employees.
- ✓ Loans and deposits grew by 3.45% and 1.66% qoq respectively, so loan to deposit ratio reached 143% at the end of 2Q2022. That's up from 115% the previous year. Equity reached 6.30% of assets and capital adequacy ratio amounted to 20.4% at the end of the second quarter of 2022.
- ✓ NPLs were 1.43% of total loans at the end of the quarter. Provisions covered 34.7% of non-performing loans
- ✓ When compared to selected peers, Modra Pyramida Stavebni Sportelna was 1.43 pp less profitable in terms of ROE, achieved 14.7 pp worse cost efficiency when measured by cost to income ratio and grew its loans by 10.2 pp faster based on a last year comparison.

**Sector:**  
Banking

**Country:**  
Czechia

**Employees:**  
320

**Clients:**  
N/A

**Branches:**  
192

**ATMs:**  
N/A

**Bank Cards:**  
N/A

**Capital Adequacy Ratio:**  
20.4%

**Tier 1 Ratio:**  
20.4%

KEY FIGURES									
	REVENUES	REVENUE GROWTH	NET PROFIT	PROFIT GROWTH	ROE	COST TO INCOME	LOAN / DEPOSITS	EQUITY / ASSETS	NPL RATIO
	CZK mil	%	CZK mil	%	%	%	%	%	%
2Q2022	298	3.43	186	79.8	11.6	58.6	143	6.30	1.43
2021	1,150	-1.02	463	43.4	7.44	57.2	127	6.44	1.53
2020	1,161	-15.3	323	-54.3	5.30	56.1	106	7.01	1.67
2019	1,371	2.19	708	-1.86	11.9	48.5	91.4	7.06	1.62
2018	1,342	-11.3	721	-19.6	11.8	49.1	82.1	7.15	2.03
2017	1,513	-1.25	897	1.52	14.3	43.2	70.6	7.55	2.61
2016	1,532	-3.89	883	-3.49	12.9	39.7	58.8	7.40	4.17

Source: Company Data, Helgi Library

Data tells a story



## Modra Pyramida Stavebni Sportelna – Financials

INCOME STATEMENT		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Interest Income	CZK mil	660	587	587	596	604	666	802	925
Interest Cost	CZK mil	368	345	342	342	351	420	540	668
Net Interest Income	CZK mil	292	242	245	254	253	246	262	258
Net Fee Income	CZK mil	29.0	24.3	36.5	34.1	40.9	38.2	40.9	42.6
Other Income	CZK mil	0.328	1.55	0.432	0.169	0.387	1.57	0.228	-1.99
Total Revenues	CZK mil	322	268	282	288	294	286	303	298
Staff Cost	CZK mil	85.0	72.7	79.4	86.3	83.8	89.4	83.3	92.1
Depreciation	CZK mil	18.1	18.4	19.8	19.8	19.8	17.0	19.0	18.8
Other Cost	CZK mil	60.2	57.1	76.6	50.6	55.3	59.9	87.5	64.0
Operating Cost	CZK mil	163	148	176	157	159	166	190	175
Operating Profit	CZK mil	158	120	106	132	135	119	113	123
Provisions	CZK mil	78.5	75.0	8.74	14.7	26.3	-94.8	-25.9	26.0
Pre-Tax Profit	CZK mil	79.9	44.5	97.3	117	109	214	139	218
Net Profit	CZK mil	77.7	44.2	87.5	104	95.2	177	115	186

BALANCE SHEET		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Cash & Cash Equivalents	CZK mil	595	2,571	772	533	533	990	80.6	124
Interbank Loans	CZK mil	3,976	4.27	1,900	4,801	1,300	0.057	3,204	3,675
Customer Loans	CZK mil	61,799	64,372	67,206	69,699	73,200	76,982	79,906	82,665
Investments	CZK mil	21,091	21,067	21,091	18,190	18,190	17,613	17,606	16,084
Property and Equipment	CZK mil	423	412	405	391	391	106	99.9	94.7
Intangible Assets	CZK mil	271	289	307	348	348	372	390	428
Total Assets	CZK mil	89,108	89,311	91,535	94,091	94,091	96,437	101,794	103,240
Shareholders' Equity	CZK mil	6,212	6,256	6,344	6,543	6,543	6,207	6,322	6,509
Liabilities	CZK mil	82,896	83,055	85,191	87,548	87,548	90,230	95,471	96,732
Interbank Borrowing	CZK mil	21,611	21,243	23,807	24,979	26,695	28,790	35,790	38,223
Customer Deposits	CZK mil	59,921	60,790	60,450	60,421	60,293	60,844	58,816	57,843
Issued Debt Securities	CZK mil	0	0	0	0	0	0	0	0
Other Liabilities	CZK mil	1,364	1,022	933	2,148	559	596	865	666

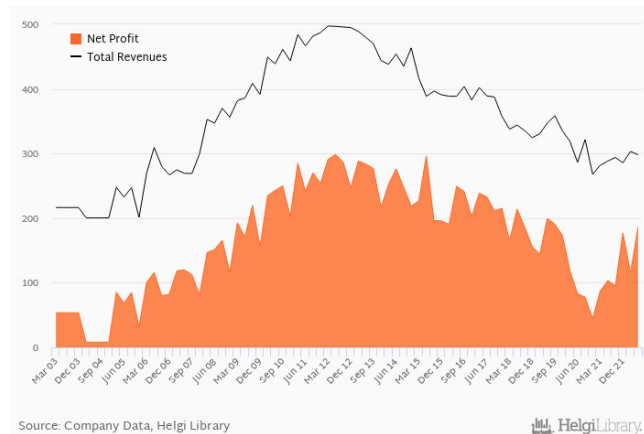
RATIOS		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
ROE	%	5.03	2.84	5.55	6.43	5.82	11.1	7.36	11.6
ROA	%	0.355	0.198	0.387	0.446	0.405	0.744	0.465	0.726
Costs (As % Of Assets)	%	0.745	0.664	0.778	0.675	0.676	0.698	0.766	0.682
Costs (As % Of Income)	%	50.7	55.3	62.4	54.4	54.1	58.2	62.6	58.6
Capital Adequacy Ratio	%	30.1	22.3	30.4	29.0	25.0	20.7	20.4	20.4
Net Interest Margin	%	1.33	1.08	1.08	1.09	1.07	1.03	1.06	1.01
Interest Income (As % Of Revenues)	%	90.9	90.3	86.9	88.1	86.0	86.1	86.4	86.4
Fee Income (As % Of Revenues)	%	9.03	9.09	13.0	11.8	13.9	13.4	13.5	14.3
Staff Cost (As % Of Total Cost)	%	52.1	49.0	45.2	55.1	52.7	53.8	43.9	52.7
Equity (As % Of Assets)	%	6.97	7.01	6.93	6.95	6.95	6.44	6.21	6.30
Loans (As % Of Deposits)	%	103	106	111	115	121	127	136	143
Loans (As % Assets)	%	69.4	72.1	73.4	74.1	77.8	79.8	78.5	80.1
NPLs (As % Of Loans)	%	1.33	1.67	1.84	1.78	1.71	1.53	1.45	1.43
Provisions (As % Of NPLs)	%	54.3	24.7	41.9	42.2	42.8	34.7	33.3	34.7

Source: Company Data, Helgi Library

## Modra Pyramida Stavebni Sporitelna in Pictures

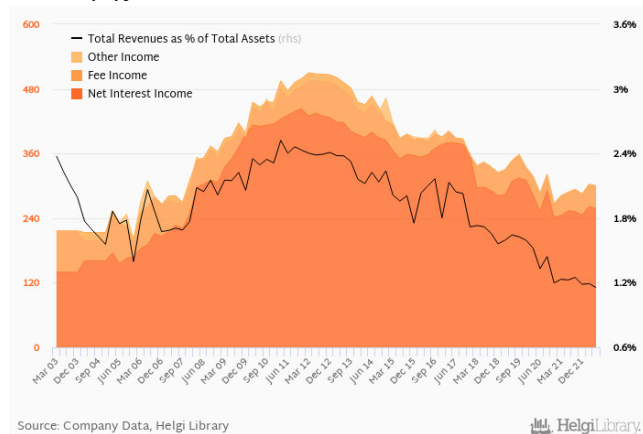
### Revenue & Profitability

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



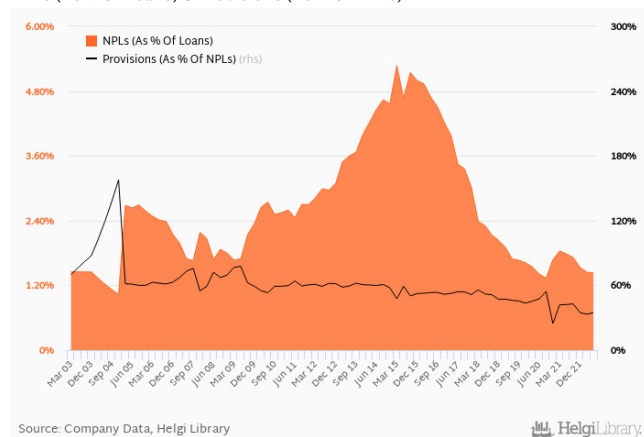
### Revenue Breakdown

Revenue by Type of Income (CZK mil)



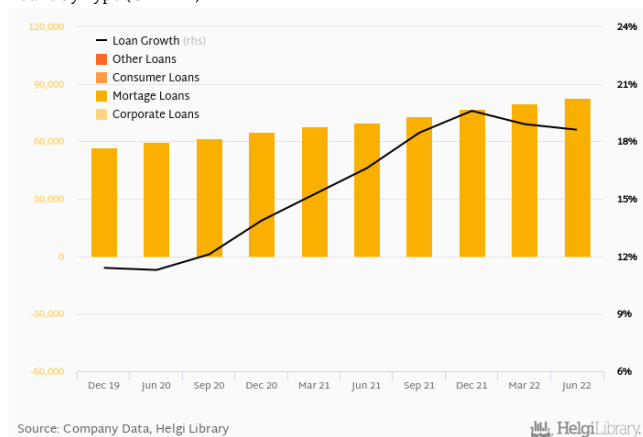
### Asset Quality

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



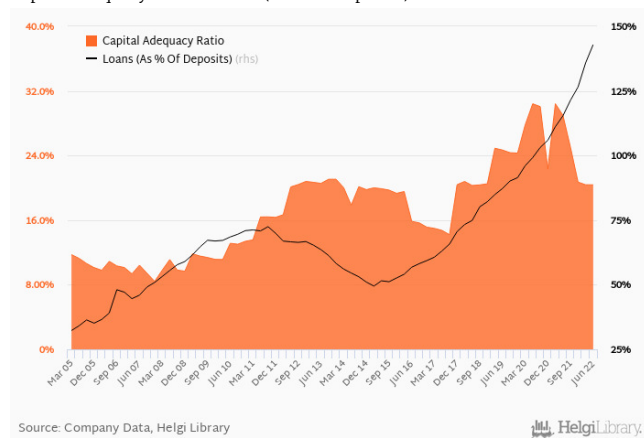
### Loan Breakdown

Loans by Type (CZK mil)



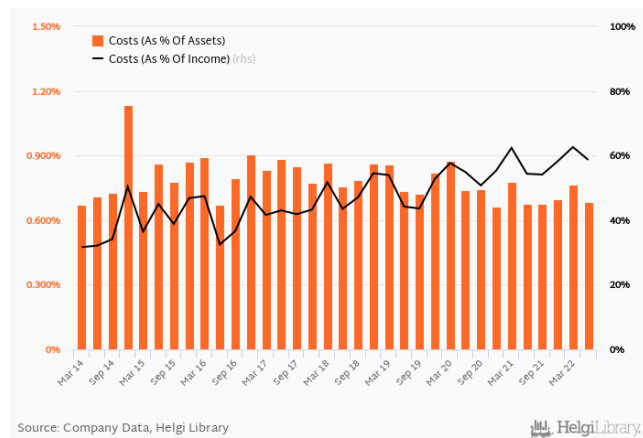
### Capital & Liquidity

Capital Adequacy Ratio & Loans (As % Of Deposits)



### Cost Efficiency

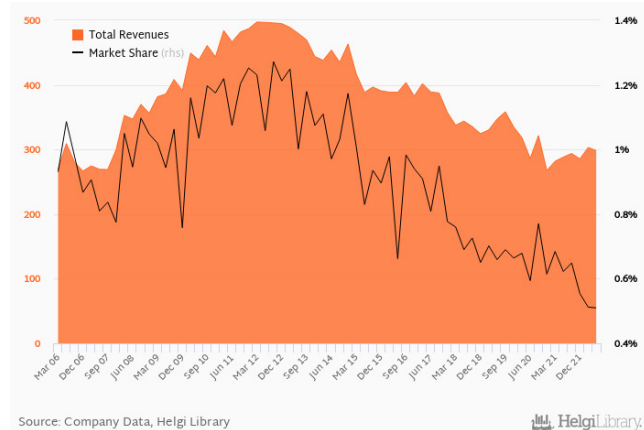
Costs As % Of Assets & Income



## Modra Pyramida Stavebni Sporitelna – Market Share Development

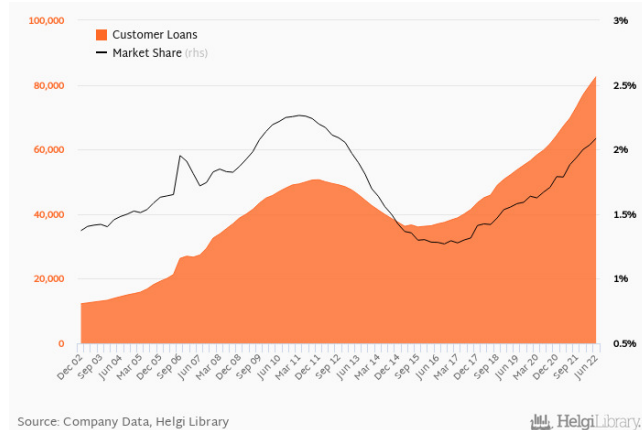
### Market Share in Bank Revenues

Total Revenues (CZK mil)



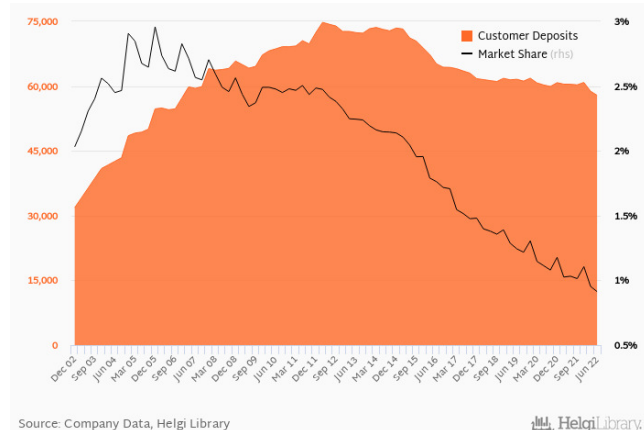
### Market Share in Bank Loans

Customer Loans (CZK bil) & Market Share (%)



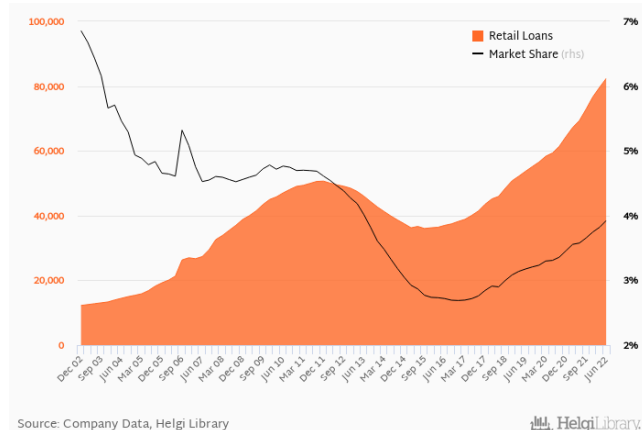
### Market Share in Bank Deposits

Customer Deposits (CZK bil)



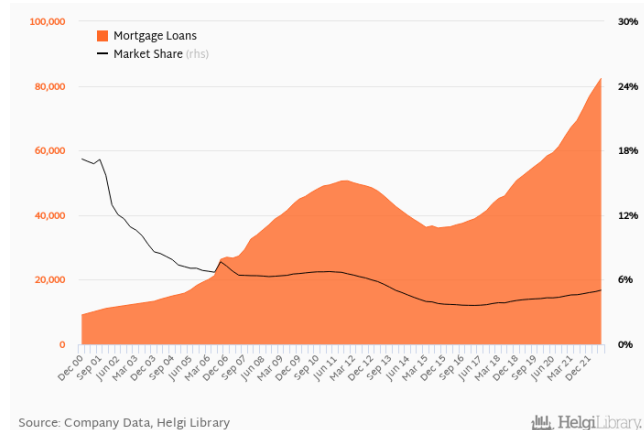
### Market Share in Retail Loans

Retail Loans (CZK bil) & Market Share (%)



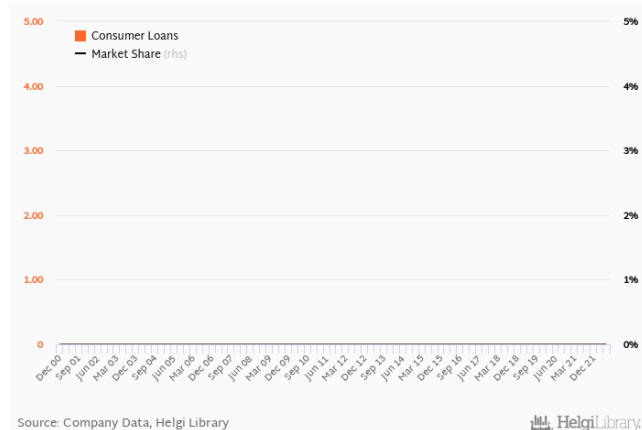
### Market Share in Mortgage Loans

Mortgage Loans (CZK mil) & Market Share (%)



### Market Share in Consumer Loans

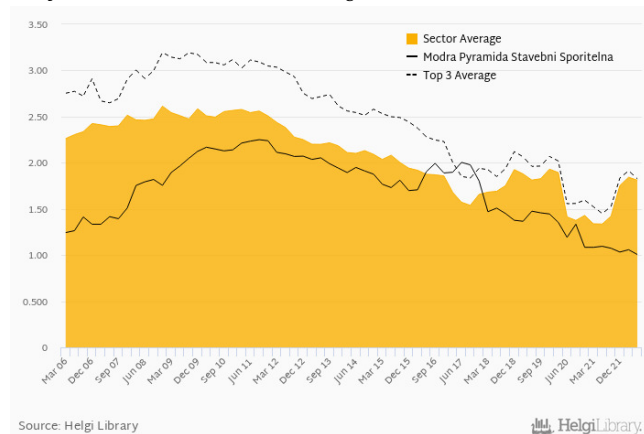
Consumer Loans (CZK mil)



## Modra Pyramida Stavebni Sporitelna – Comparison with Sector

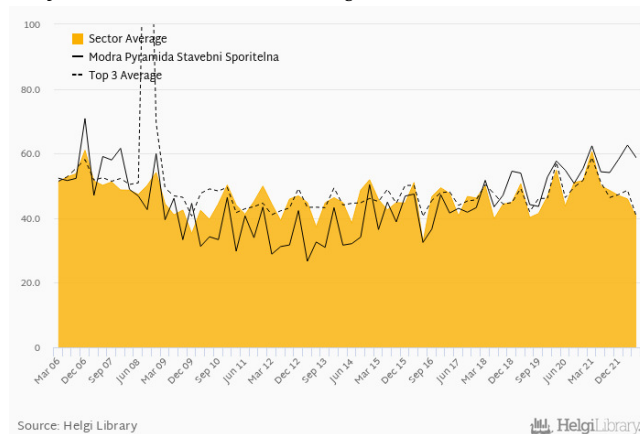
### Net Interest Margin vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



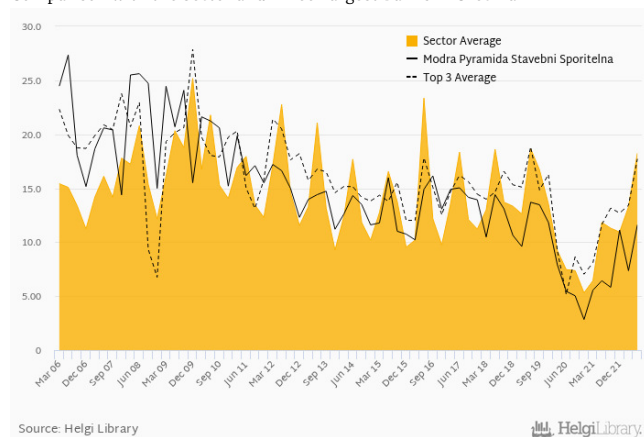
### Cost to Income vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



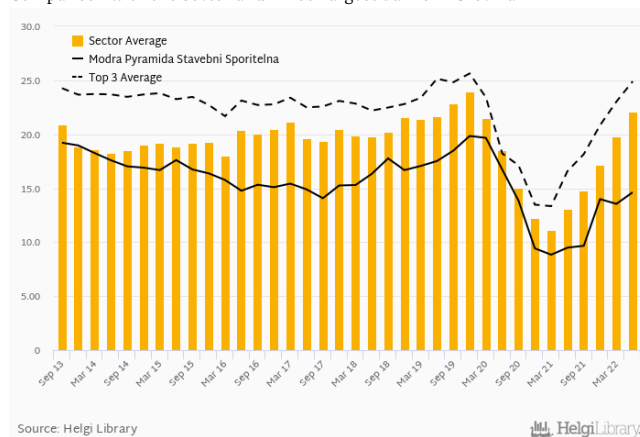
### Return on Equity vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



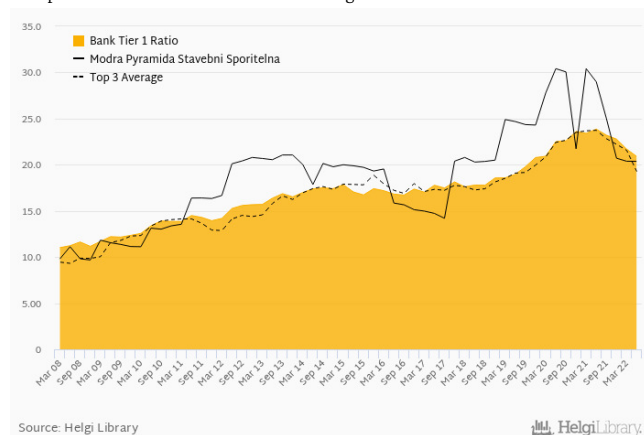
### Adjusted ROE vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



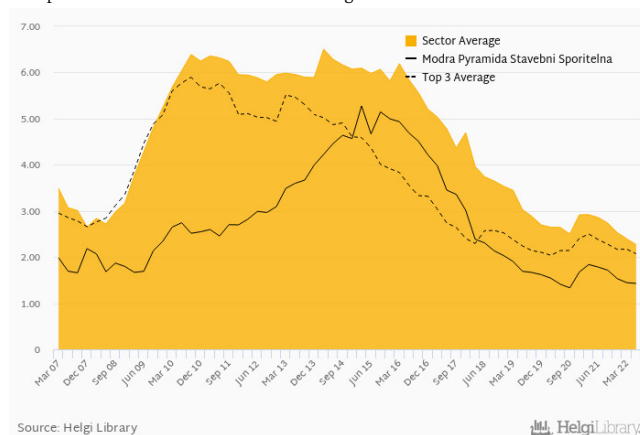
### Tier 1 Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



### NPL Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



# Raiffeisen Stavebni Sporitelna

## Quarterly Results – 2Q2022

Raiffeisen Stavebni Sporitelna made a net profit of CZK 237 mil in the second quarter of 2022, up 105% when compared to the previous year. Total revenues increased 22% yoy to CZK 316 mil, ROE amounted to 16.9% and the NPL ratio stood at 0.921%. In the last three years, the bank grew its loans by 8.96% a year, revenues fell by 1.35% and net profit increased by 16.1% a year, on average.

- ✓ Revenues increased 22% yoy to CZK 316 mil in the second quarter of 2022. Interest income formed 75.2% of total revenues with the net interest margin increasing 0.18249 pp to 1.24% of total assets. Fees added a further 15.5% to total revenue generated in 2Q2022, down from an average of 18.3% as seen in the previous two years.
- ✓ Operating costs dropped by 7.06% yoy to CZK 152 mil, so cost to income ratio reached 48.2%, down by 11.8% compared to the previous two years. Staff accounted for 22.5% of total operating expenditures. At the end of second quarter of 2022, Raiffeisen Stavebni Sporitelna operated a network of 179 branches and 83.0 employees.
- ✓ Loans and deposits grew by 19.5% and 9.02% qoq respectively, so loan to deposit ratio reached 107% at the end of 2Q2022. That's up from 84.0% the previous year. Equity reached 7.54% of assets and capital adequacy ratio amounted to 16.4% at the end of the second quarter of 2022.
- ✓ NPLs were 0.921% of total loans at the end of the quarter. Provisions covered 154% of non-performing loans
- ✓ When compared to selected peers, Raiffeisen Stavebni Sporitelna was 3.86 pp more profitable in terms of ROE, achieved 4.27 pp worse cost efficiency when measured by cost to income ratio and grew its loans by 8.74 pp faster based on a last year comparison.

**Sector:**  
Banking

**Country:**  
Czechia

**Employees:**  
83.0

**Clients:**  
N/A

**Branches:**  
179

**ATMs:**  
N/A

**Bank Cards:**  
N/A

**Capital Adequacy Ratio:**  
16.4%

**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	%	%	%	%	%	%
2Q2022	316	22.0	237	105	16.9	48.2	107	7.54	0.921
2021	1,145	-2.16	443	104	8.33	58.3	91.4	6.85	0.994
2020	1,170	-7.29	217	-59.5	4.24	48.4	82.5	6.94	1.29
2019	1,262	2.36	536	4.00	11.0	42.9	82.2	6.98	1.80
2018	1,233	13.3	516	16.1	10.8	45.1	79.3	6.90	2.33
2017	1,088	10.9	444	-16.2	9.29	44.6	68.0	7.10	2.95
2016	981	3.70	530	35.2	11.2	47.9	63.2	7.22	3.48

Source: Company Data, Helgi Library

Data tells a story





## Raiffeisen Stavebni Sporitelna – Financials

INCOME STATEMENT		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Interest Income	CZK mil	456	445	431	425	438	540	498	509
Interest Cost	CZK mil	221	222	224	223	222	224	241	271
Net Interest Income	CZK mil	235	223	207	201	216	316	257	238
Net Fee Income	CZK mil	62.3	52.9	58.0	61.8	41.2	43.1	52.2	49.0
Other Income	CZK mil	-3.54	-31.0	0.389	-3.87	1.72	2.18	0.110	29.5
Total Revenues	CZK mil	293	276	265	259	259	361	309	316
Staff Cost	CZK mil	70.3	73.3	69.3	63.0	45.9	43.8	34.3	34.3
Depreciation	CZK mil	24.6	19.7	23.5	24.4	25.1	25.8	17.9	17.9
Other Cost	CZK mil	38.3	36.1	101	76.6	87.0	81.4	114	100
Operating Cost	CZK mil	133	129	194	164	158	151	167	152
Operating Profit	CZK mil	160	147	71.4	95.3	101	210	142	164
Provisions	CZK mil	12.1	192	-45.3	-47.7	-65.0	80.9	30.7	-19.0
Pre-Tax Profit	CZK mil	148	-42.0	117	143	166	129	112	274
Net Profit	CZK mil	119	-34.7	93.8	116	133	101	89.3	237

BALANCE SHEET		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Cash & Cash Equivalents	CZK mil	1,036	552	991	974	1,473	521	1,184	1,167
Interbank Loans	CZK mil	4,756	7,938	306	6.81	7.43	7,906	12,475	1,503
Customer Loans	CZK mil	56,975	57,045	58,229	58,361	61,348	64,361	57,247	68,393
Investments	CZK mil	10,158	8,255	7,963	7,976	4,741	4,749	4,754	4,765
Property and Equipment	CZK mil	566	76.0	66.8	78.6	69.2	59.3	53.6	30.3
Intangible Assets	CZK mil	...	220	217	220	227	240	230	232
Total Assets	CZK mil	72,393	75,310	76,164	75,799	75,718	78,990	77,090	76,103
Shareholders' Equity	CZK mil	5,256	5,229	5,315	5,431	5,314	5,415	5,504	5,741
Liabilities	CZK mil	67,137	70,081	70,849	70,368	70,405	73,575	71,586	70,361
Interbank Borrowing	CZK mil	0	0	0	0	0	2,302	638	5,465
Customer Deposits	CZK mil	66,391	69,182	70,004	69,465	69,623	70,395	70,004	63,688
Issued Debt Securities	CZK mil	681	302	737	841	690	648	760	1,103
Other Liabilities	CZK mil	65.5	597	109	62.8	91.5	231	185	105

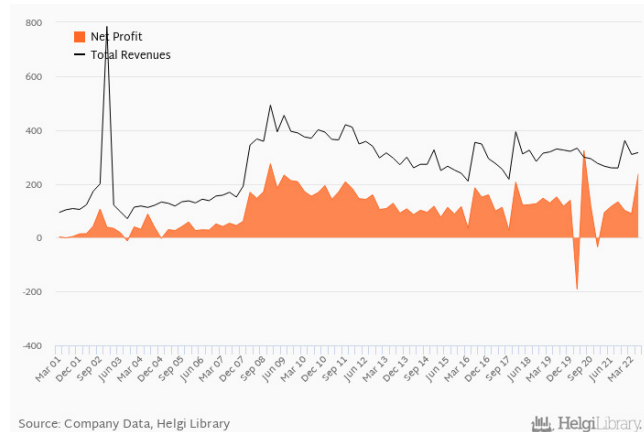
RATIOS		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
ROE	%	9.06	-2.65	7.11	8.62	9.91	7.52	6.55	16.9
ROA	%	0.658	-0.188	0.495	0.610	0.703	0.521	0.458	1.24
Costs (As % Of Assets)	%	0.736	0.700	1.02	0.863	0.834	0.781	0.854	0.796
Costs (As % Of Income)	%	45.4	46.8	73.1	63.2	61.0	41.8	53.9	48.2
Capital Adequacy Ratio	%	17.2	17.2	17.0	16.5	15.4	15.2	15.5	16.4
Net Interest Margin	%	1.30	1.21	1.09	1.06	1.14	1.63	1.32	1.24
Interest Income (As % Of Revenues)	%	80.0	80.8	78.0	77.7	83.4	87.5	83.1	75.2
Fee Income (As % Of Revenues)	%	21.2	19.2	21.8	23.8	15.9	11.9	16.9	15.5
Staff Cost (As % Of Total Cost)	%	52.8	56.8	35.7	38.4	29.1	29.0	20.6	22.5
Equity (As % Of Assets)	%	7.26	6.94	6.98	7.16	7.02	6.85	7.14	7.54
Loans (As % Of Deposits)	%	85.8	82.5	83.2	84.0	88.1	91.4	81.8	107
Loans (As % Assets)	%	78.7	75.7	76.5	77.0	81.0	81.5	74.3	89.9
NPLs (As % Of Loans)	%	1.14	1.29	1.46	1.29	1.14	0.994	1.12	0.921
Provisions (As % Of NPLs)	%	126	141	119	131	136	149	153	154

Source: Company Data, Helgi Library

## Raiffeisen Stavebni Sporitelna in Pictures

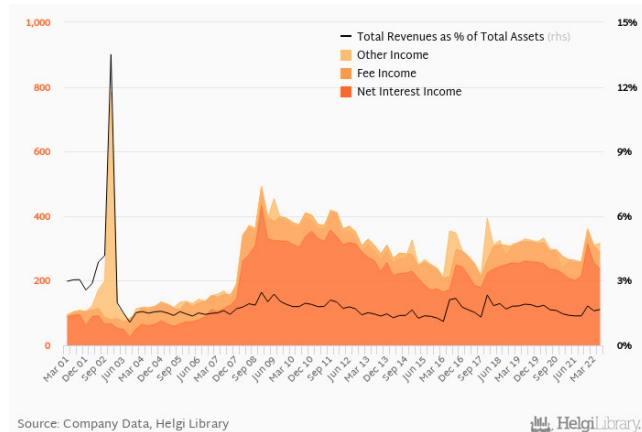
### Revenue & Profitability

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



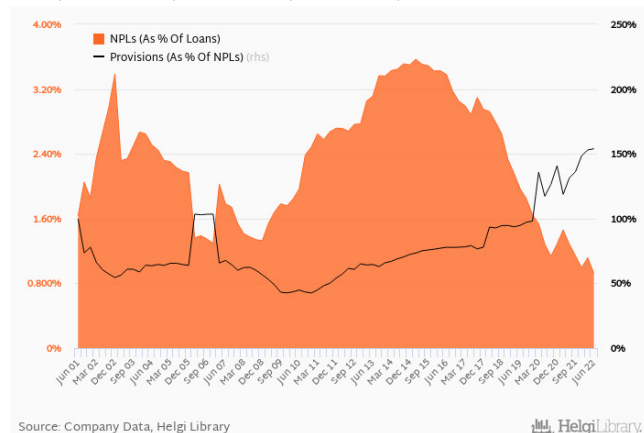
### Revenue Breakdown

Revenue by Type of Income (CZK mil)



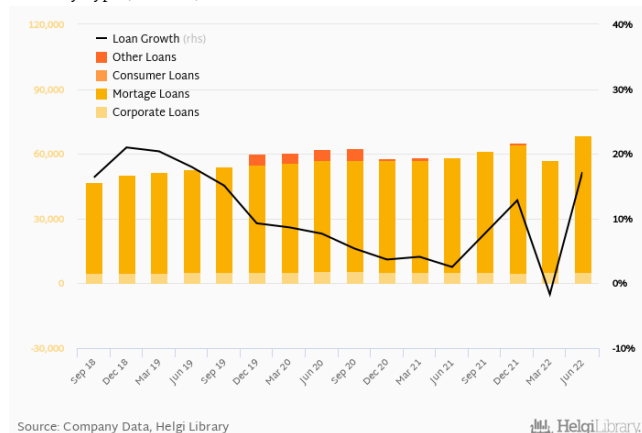
### Asset Quality

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



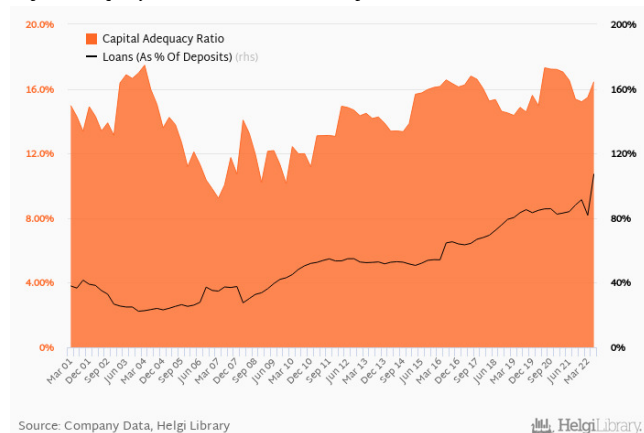
### Loan Breakdown

Loans by Type (CZK mil)



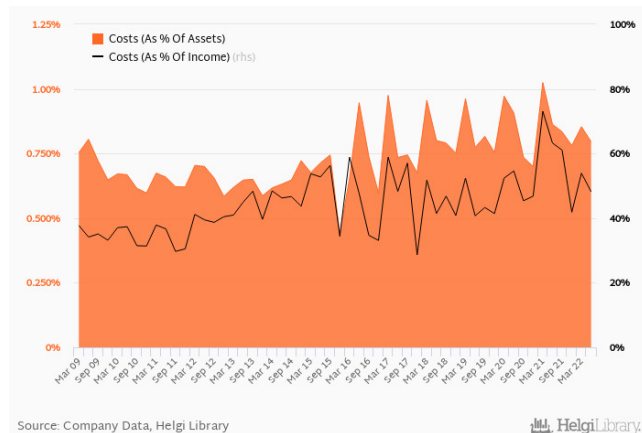
### Capital & Liquidity

Capital Adequacy Ratio & Loans (As % Of Deposits)



### Cost Efficiency

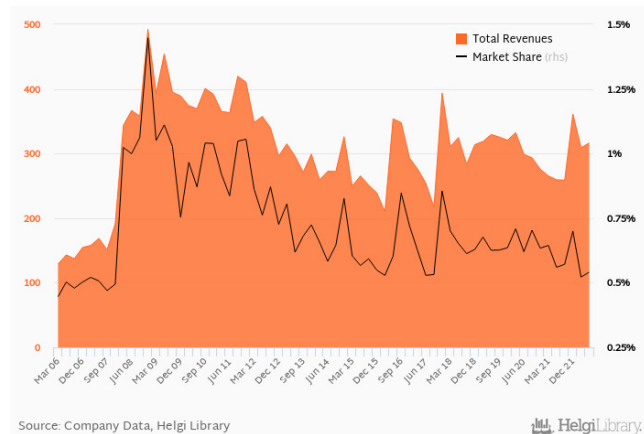
Costs As % Of Assets & Income



## Raiffeisen Stavebni Sporitelna – Market Share Development

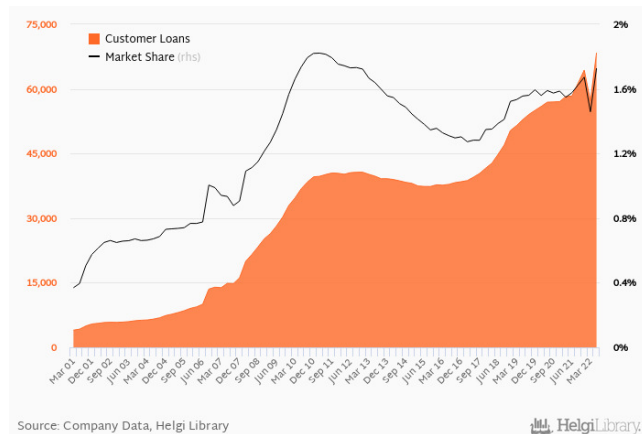
### Market Share in Bank Revenues

Total Revenues (CZK mil)



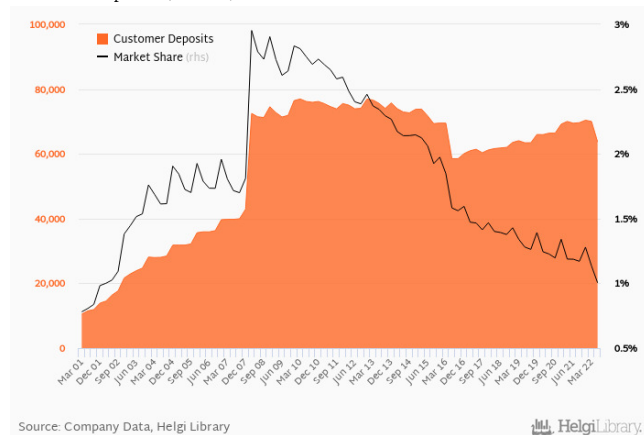
### Market Share in Bank Loans

Customer Loans (CZK bil) & Market Share (%)



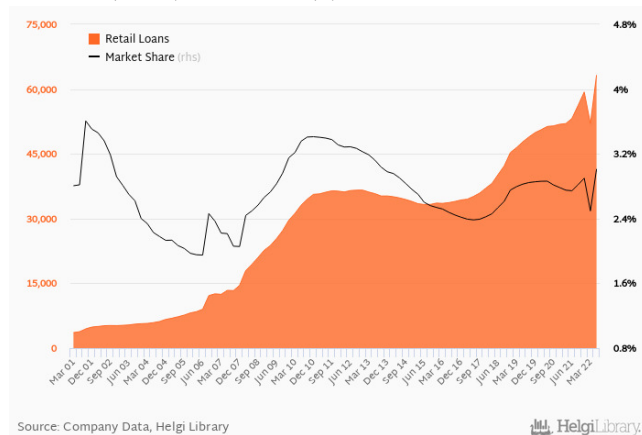
### Market Share in Bank Deposits

Customer Deposits (CZK bil)



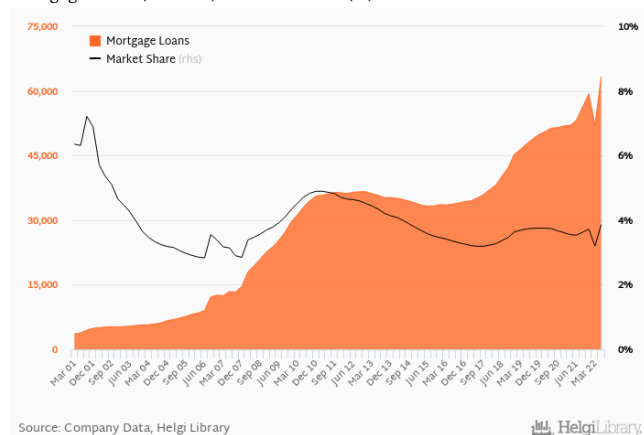
### Market Share in Retail Loans

Retail Loans (CZK bil) & Market Share (%)



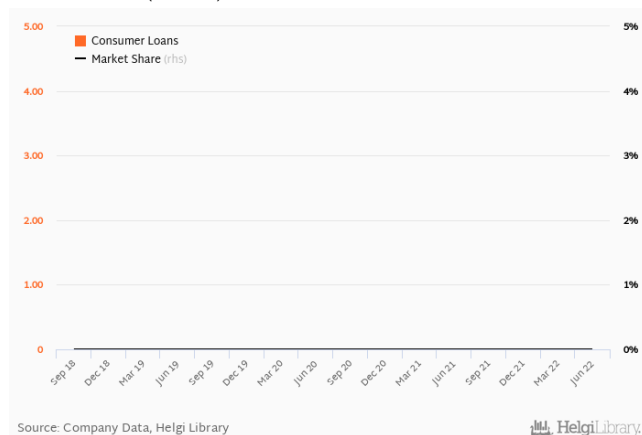
### Market Share in Mortgage Loans

Mortgage Loans (CZK mil) & Market Share (%)



### Market Share in Consumer Loans

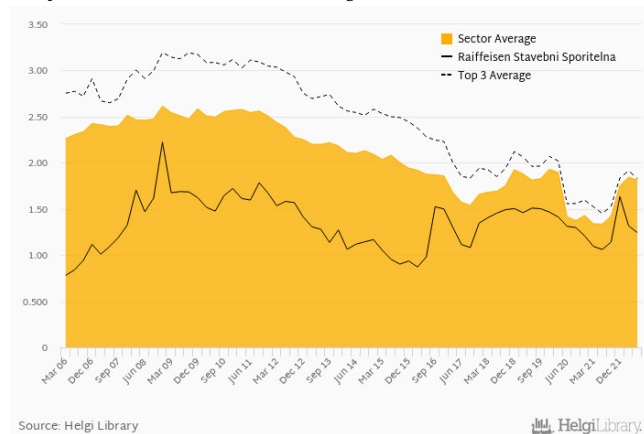
Consumer Loans (CZK mil)



## Raiffeisen Stavebni Sporitelna – Comparison with Sector

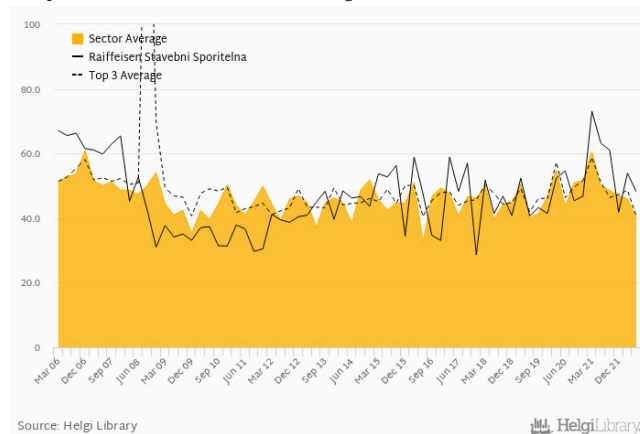
### Net Interest Margin vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



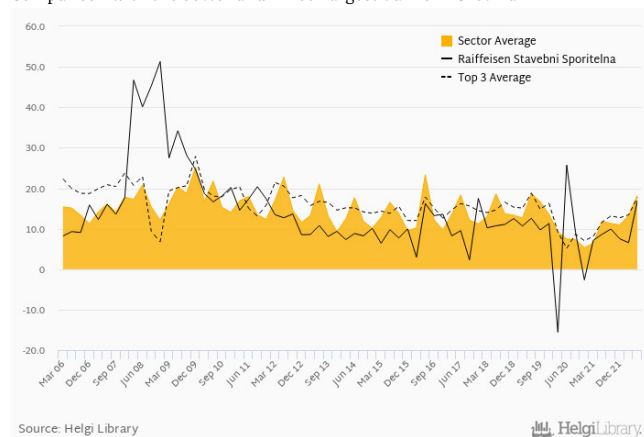
### Cost to Income vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



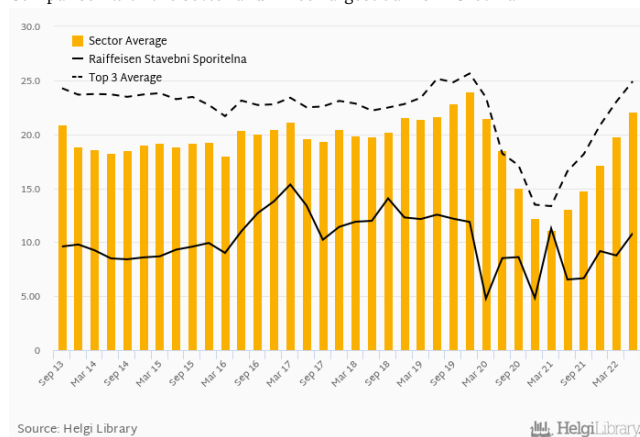
### Return on Equity vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



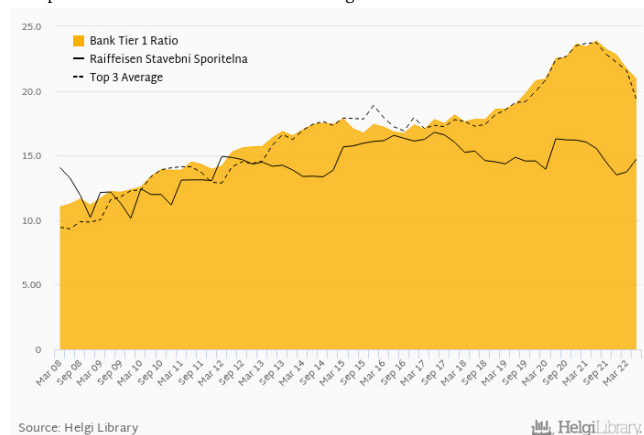
### Adjusted ROE vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



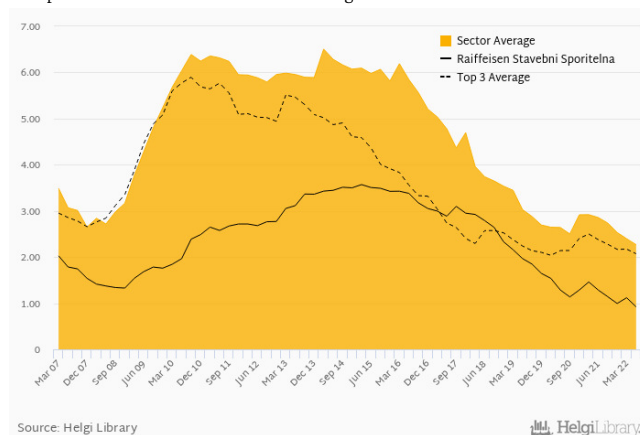
### Tier 1 Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



### NPL Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



# Stavebni Sporitelna Ceske Sporitelny

## Quarterly Results – 2Q2022

Stavebni Sporitelna Ceske Sporitelny made a net profit of CZK 294 mil in the second quarter of 2022, up 13% when compared to the previous year. Total revenues increased 23.6% yoy to CZK 465 mil, ROE amounted to 16.1% and the NPL ratio stood at 1.13%. In the last three years, the bank grew its loans by 11.3% a year, revenues rose by 4.95% and net profit increased by 4.68% a year, on average.

- ✓ Revenues increased 23.6% yoy to CZK 465 mil in the second quarter of 2022. Interest income formed 83.5% of total revenues with the net interest margin increasing 0.35877 pp to 2.07% of total assets. Fees added a further 16.0% to total revenue generated in 2Q2022, up from an average of 15.8% as seen in the previous two years.
- ✓ Operating costs grew by 14.6% yoy to CZK 155 mil, so cost to income ratio reached 33.3%, up by 18.5% compared to the previous two years. Staff accounted for 43.0% of total operating expenditures. At the end of second quarter of 2022, Stavebni Sporitelna Ceske Sporitelny operated a network of 1.00 branches and 195 employees.
- ✓ Loans and deposits grew by 4.59% and 0.838% qoq respectively, so loan to deposit ratio reached 95.3% at the end of 2Q2022. That's up from 82.6% the previous year. Equity reached 9.74% of assets and capital adequacy ratio amounted to 28.7% at the end of the second quarter of 2022.
- ✓ NPLs were 1.13% of total loans at the end of the quarter. Provisions covered 94.0% of non-performing loans
- ✓ When compared to selected peers, Stavebni Sporitelna Ceske Sporitelny was 3.02 pp more profitable in terms of ROE, achieved 10.6 pp better cost efficiency when measured by cost to income ratio and grew its loans by 7.56 pp faster based on a last year comparison.

**Sector:**  
Banking

**Country:**  
Czechia

**Employees:**  
195

**Clients:**  
N/A

**Branches:**  
1.00

**ATMs:**  
N/A

**Bank Cards:**  
N/A

**Capital Adequacy Ratio:**  
28.7%

**Tier 1 Ratio:**  
28.5%

KEY FIGURES									
	REVENUES	REVENUE GROWTH	NET PROFIT	PROFIT GROWTH	ROE	COST TO INCOME	LOAN / DEPOSITS	EQUITY / ASSETS	NPL RATIO
	CZK mil	%	CZK mil	%	%	%	%	%	%
2Q2022	465	23.6	294	13.0	16.1	33.3	95.3	9.74	1.13
2021	1,492	3.25	837	11.6	12.6	33.8	87.2	9.39	1.20
2020	1,445	-6.02	750	-23.3	12.7	33.6	73.9	8.51	1.41
2019	1,538	13.2	978	13.7	18.0	33.1	66.9	7.57	1.58
2018	1,358	9.78	860	26.4	16.5	34.9	68.8	7.39	1.64
2017	1,237	1.98	680	16.1	13.6	37.2	56.5	6.67	2.03
2016	1,213	-10.5	586	-9.57	12.4	35.0	45.8	5.95	2.43

Source: Company Data, Helgi Library

Data tells a story



## Stavebni Sporitelna Ceske Sporitelny – Financials

INCOME STATEMENT		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Interest Income	CZK mil	478	454	486	487	510	519	569	623
Interest Cost	CZK mil	196	197	190	187	182	183	193	235
Net Interest Income	CZK mil	282	257	295	300	328	335	376	388
Net Fee Income	CZK mil	62.6	51.1	66.3	71.8	63.4	20.2	70.5	74.6
Other Income	CZK mil	2.76	-21.5	2.16	4.33	2.79	2.79	2.37	2.32
Total Revenues	CZK mil	347	287	364	376	394	358	449	465
Staff Cost	CZK mil	56.8	60.4	55.7	54.9	53.8	59.4	56.1	66.6
Depreciation	CZK mil	11.9	12.0	11.6	11.7	11.4	11.2	10.7	13.0
Other Cost	CZK mil	45.2	39.7	50.5	68.5	41.9	73.7	65.2	75.2
Operating Cost	CZK mil	114	112	118	135	107	144	132	155
Operating Profit	CZK mil	233	174	246	241	287	214	317	310
Provisions	CZK mil	24.5	51.5	79.1	-70.2	125	-125	29.8	-46.9
Pre-Tax Profit	CZK mil	209	171	167	311	162	373	287	357
Net Profit	CZK mil	170	153	139	260	127	311	243	294

BALANCE SHEET		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Cash & Cash Equivalents	CZK mil	753	1,498	1,458	1,291	1,115	663	442	557
Interbank Loans	CZK mil	1,232	1,239	1,239	636	641	4,003	1,233	1,502
Customer Loans	CZK mil	48,376	49,614	50,171	52,128	53,880	55,970	57,820	60,476
Investments	CZK mil	12,990	14,314	13,039	13,637	12,030	13,329	13,369	13,246
Property and Equipment	CZK mil	410	313	310	306	302	340	341	48.5
Intangible Assets	CZK mil	...	93.0	89.6	85.2	83.9	82.8	79.2	76.7
Total Assets	CZK mil	69,383	73,860	69,835	70,198	70,053	74,496	73,402	76,423
Shareholders' Equity	CZK mil	6,150	6,282	6,376	6,637	6,747	6,996	7,207	7,441
Liabilities	CZK mil	63,233	67,578	63,459	63,561	63,306	67,500	66,195	68,982
Interbank Borrowing	CZK mil	0	0	71.2	72.7	76.2	2,750	1,705	5,026
Customer Deposits	CZK mil	62,715	63,828	63,024	63,085	62,785	64,186	64,007	63,471
Issued Debt Securities	CZK mil	0	0	0	0	0	0	0	0
Other Liabilities	CZK mil	518	451	364	404	445	564	483	486

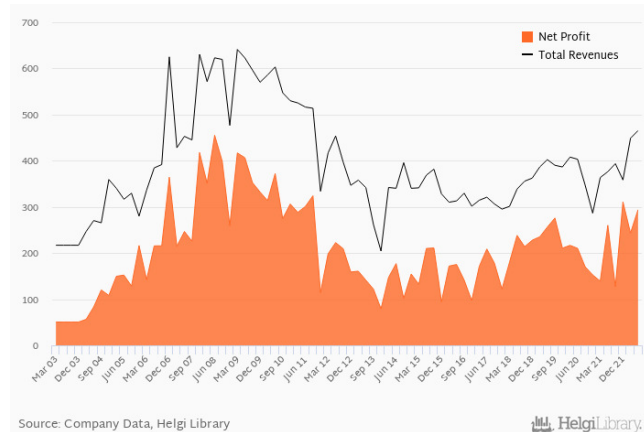
RATIOS		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
ROE	%	11.2	9.83	8.79	16.0	7.59	18.1	13.7	16.1
ROA	%	0.983	0.853	0.774	1.49	0.725	1.72	1.32	1.57
Costs (As % Of Assets)	%	0.657	0.626	0.657	0.772	0.611	0.799	0.715	0.826
Costs (As % Of Income)	%	32.8	39.1	32.4	35.9	27.2	40.3	29.4	33.3
Capital Adequacy Ratio	%	27.2	26.7	28.0	28.2	27.7	26.6	26.7	28.7
Net Interest Margin	%	1.63	1.44	1.64	1.71	1.87	1.86	2.03	2.07
Interest Income (As % Of Revenues)	%	81.2	89.7	81.2	79.8	83.2	93.6	83.8	83.5
Fee Income (As % Of Revenues)	%	18.0	17.8	18.2	19.1	16.1	5.65	15.7	16.0
Staff Cost (As % Of Total Cost)	%	49.9	53.9	47.3	40.6	50.3	41.2	42.5	43.0
Equity (As % Of Assets)	%	8.86	8.51	9.13	9.45	9.63	9.39	9.82	9.74
Loans (As % Of Deposits)	%	77.1	77.7	79.6	82.6	85.8	87.2	90.3	95.3
Loans (As % Assets)	%	69.7	67.2	71.8	74.3	76.9	75.1	78.8	79.1
NPLs (As % Of Loans)	%	1.34	1.41	1.51	1.40	1.32	1.20	1.18	1.13
Provisions (As % Of NPLs)	%	80.3	78.8	82.0	85.3	87.7	90.5	92.7	94.0

Source: Company Data, Helgi Library

## Stavebni Sporitelna Ceske Sporitelny in Pictures

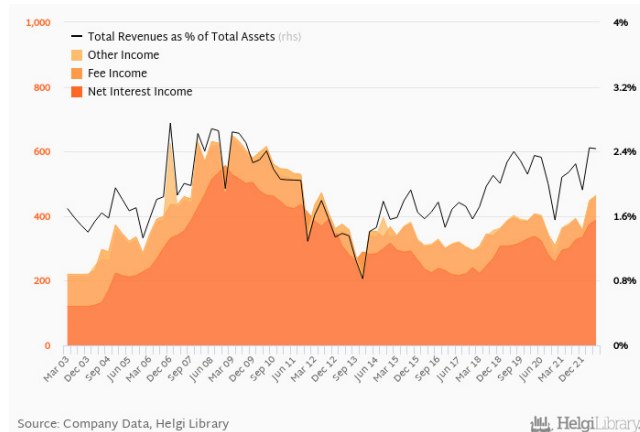
### Revenue & Profitability

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



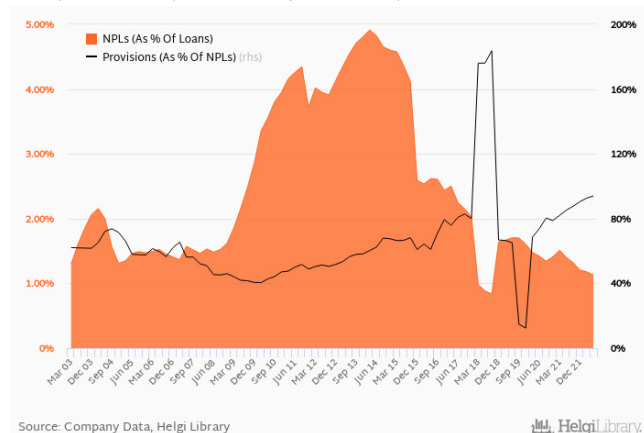
### Revenue Breakdown

Revenue by Type of Income (CZK mil)



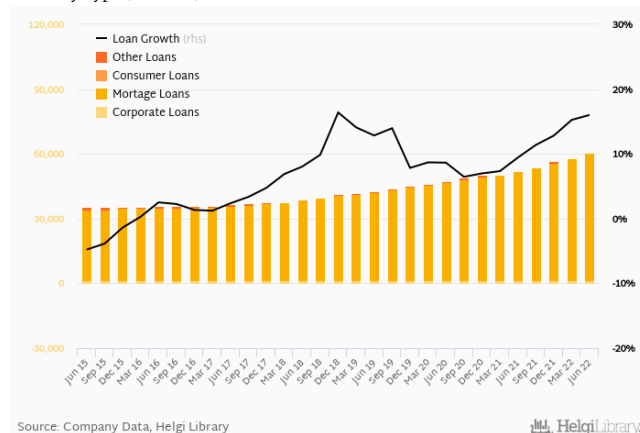
### Asset Quality

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



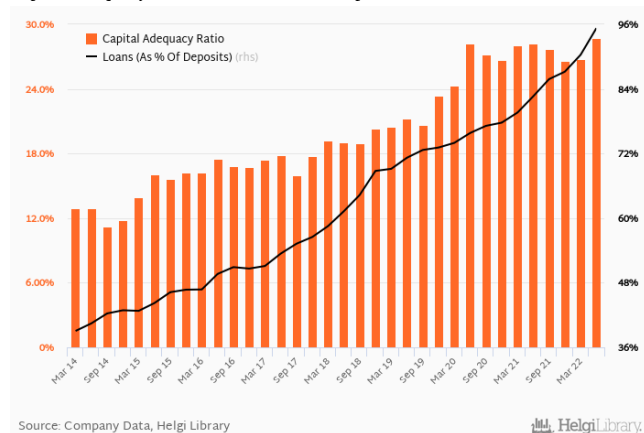
### Loan Breakdown

Loans by Type (CZK mil)



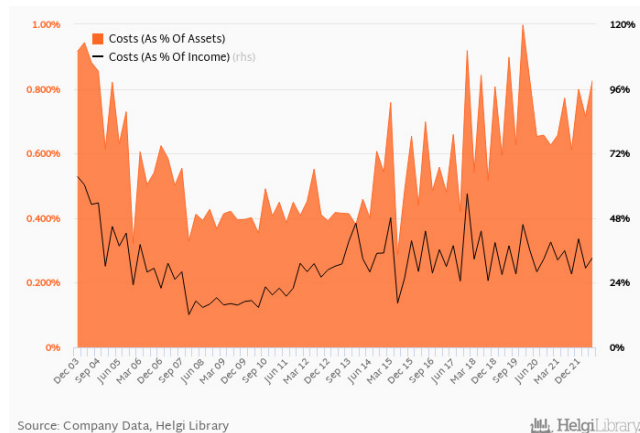
### Capital & Liquidity

Capital Adequacy Ratio & Loans (As % Of Deposits)



### Cost Efficiency

Costs As % Of Assets & Income

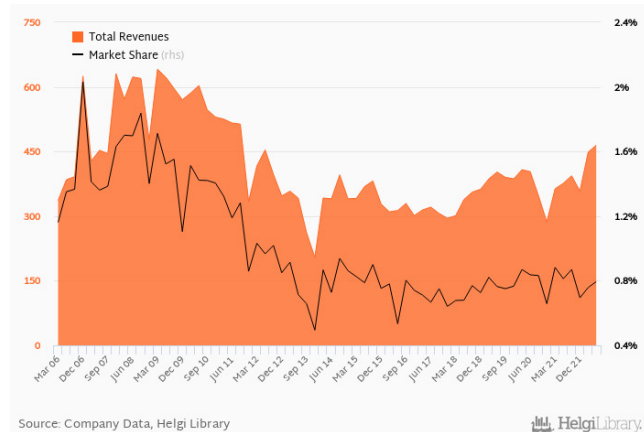




## Stavebni Sporitelna Ceske Sporitelny – Market Share Development

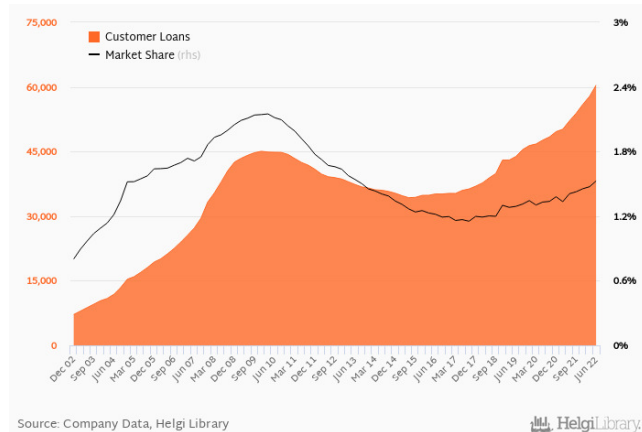
### Market Share in Bank Revenues

Total Revenues (CZK mil)



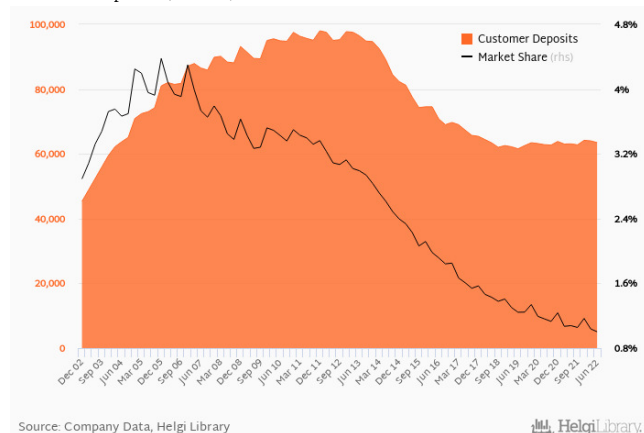
### Market Share in Bank Loans

Customer Loans (CZK bil) & Market Share (%)



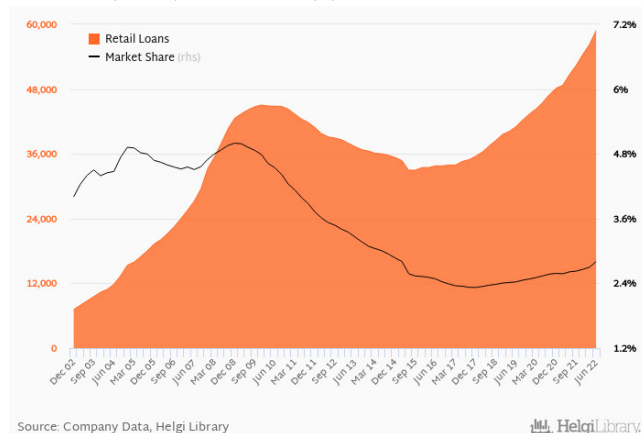
### Market Share in Bank Deposits

Customer Deposits (CZK bil)



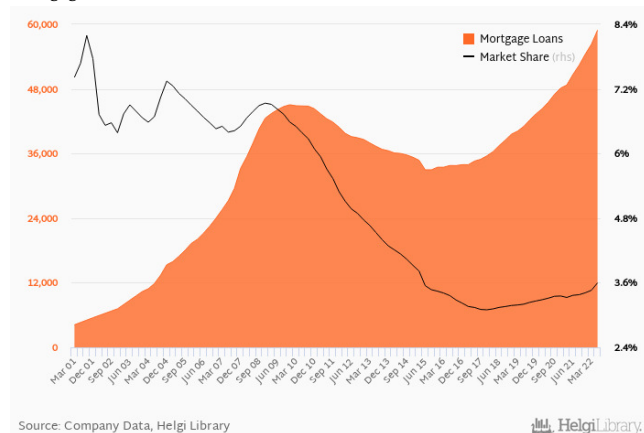
### Market Share in Retail Loans

Retail Loans (CZK bil) & Market Share (%)



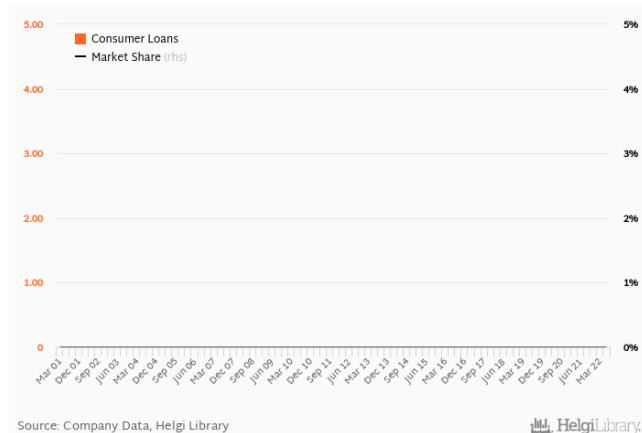
### Market Share in Mortgage Loans

Mortgage Loans (CZK mil) & Market Share (%)



### Market Share in Consumer Loans

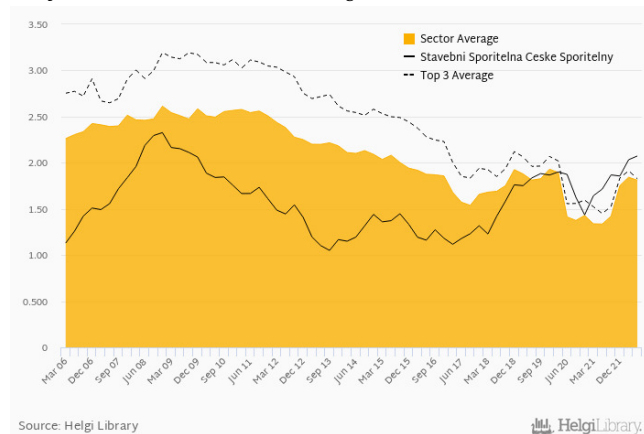
Consumer Loans (CZK mil)



## Stavebni Sporitelna Ceske Sporitelny – Comparison with Sector

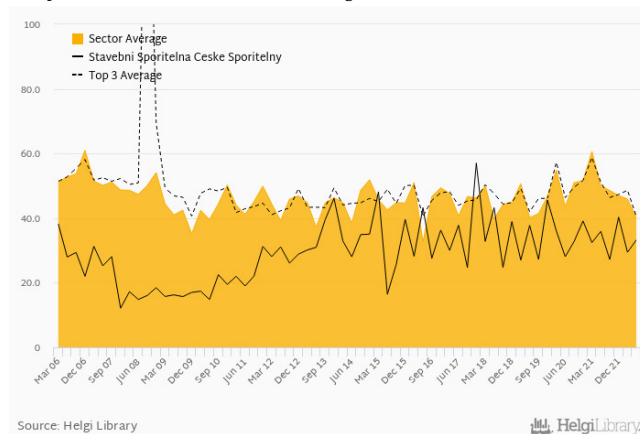
### Net Interest Margin vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



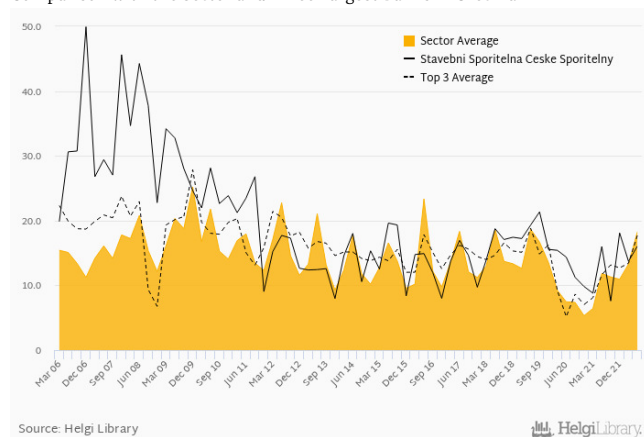
### Cost to Income vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



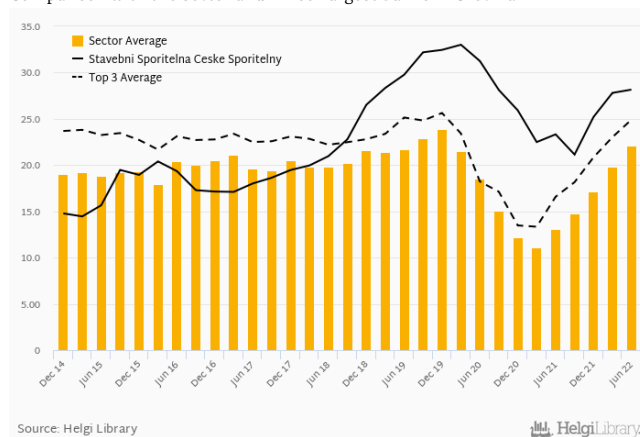
### Return on Equity vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



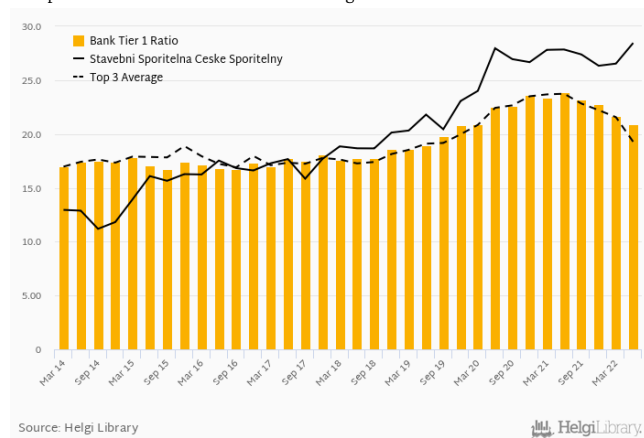
### Adjusted ROE vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



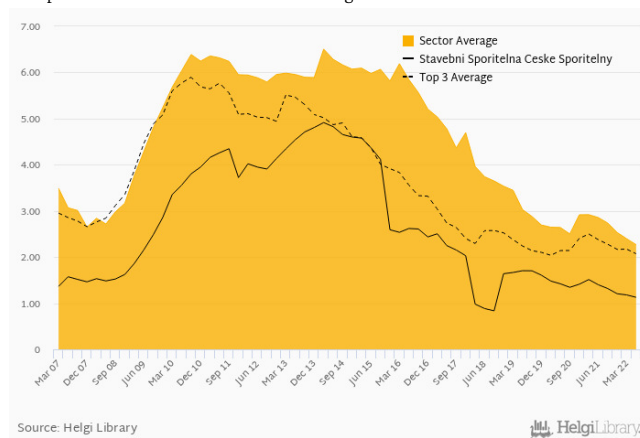
### Tier 1 Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



### NPL Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



# Moneta Stavebni Sporitelna

## Quarterly Results – 2Q2022

Moneta Stavebni Sporitelna made a net profit of CZK 253 mil in the second quarter of 2022, up 99.4% when compared to the previous year. Total revenues increased 30.9% yoy to CZK 272 mil, ROE amounted to 42.5% and the NPL ratio stood at 1.27%. In the last three years, the bank grew its loans by – 1.77% a year, revenues fell by 0.988% and net profit increased by 38.4% a year, on average.

- ✓ Revenues increased 30.9% yoy to CZK 272 mil in the second quarter of 2022. Interest income formed 71.6% of total revenues with the net interest margin increasing 0.42392 pp to 2.32% of total assets. Fees added a further 14.2% to total revenue generated in 2Q2022, down from an average of 16.1% as seen in the previous two years.
- ✓ Operating costs dropped by 35.6% yoy to CZK 39.7 mil, so cost to income ratio reached 14.6%, down by 66.5% compared to the previous two years. Staff accounted for 27.4% of total operating expenditures. At the end of second quarter of 2022, Moneta Stavebni Sporitelna operated a network of 1.00 branches and 49.0 employees.
- ✓ Loans and deposits grew by 1.45% and 1.38% qoq respectively, so loan to deposit ratio reached 53.7% at the end of 2Q2022. That's up from 52.2% the previous year. Equity reached 7.52% of assets and capital adequacy ratio amounted to 13.1% at the end of the second quarter of 2022.
- ✓ NPLs were 1.27% of total loans at the end of the quarter. Provisions covered 84.9% of non-performing loans
- ✓ When compared to selected peers, Moneta Stavebni Sporitelna was 29.5 pp more profitable in terms of ROE, achieved 29.3 pp better cost efficiency when measured by cost to income ratio and grew its loans by 7.19 pp slower based on a last year comparison.

**Sector:**  
Banking

**Country:**  
Czechia

**Employees:**  
49.0

**Clients:**  
N/A

**Branches:**  
1.00

**ATMs:**  
N/A

**Bank Cards:**  
N/A

**Capital Adequacy Ratio:**  
13.1%

**Tier 1 Ratio:**  
13.1%

KEY FIGURES									
	REVENUES	REVENUE GROWTH	NET PROFIT	PROFIT GROWTH	ROE	COST TO INCOME	LOAN / DEPOSITS	EQUITY / ASSETS	NPL RATIO
	CZK mil	%	CZK mil	%	%	%	%	%	%
2Q2022	272	30.9	253	99.4	42.5	14.6	53.7	7.52	1.27
2021	837	-28.7	547	19.4	22.0	33.5	51.3	6.79	1.40
2020	1,173	5.40	458	4.42	16.2	47.1	54.9	7.80	1.67
2019	1,113	4.86	439	45.5	14.2	57.9	58.0	8.58	3.86
2018	1,061	5.63	301	40.0	9.34	60.5	57.0	8.93	7.91
2017	1,005	4.88	215	0.140	6.40	57.9	61.8	8.89	3.99
2016	958	31.2	215	131	6.44	60.6	63.7	9.20	3.65

Source: Company Data, Helgi Library

Data tells a story



## Moneta Stavebni Sporitelna – Financials

INCOME STATEMENT		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Interest Income	CZK mil	279	251	251	258	259	265	289	300
Interest Cost	CZK mil	94.1	81.8	97.7	97.8	93.3	95.5	104	106
Net Interest Income	CZK mil	185	169	153	161	166	170	185	194
Net Fee Income	CZK mil	16.0	22.1	30.6	34.4	39.5	50.3	40.5	38.7
Other Income	CZK mil	-110	223	7.73	12.5	7.24	4.28	1.85	38.5
Total Revenues	CZK mil	91.0	414	192	208	213	225	227	272
Staff Cost	CZK mil	52.1	39.5	21.5	21.3	18.2	20.4	11.1	10.9
Depreciation	CZK mil	19.8	25.1	32.4	10.9	-29.5	46.6	7.11	5.94
Other Cost	CZK mil	24.6	52.0	52.1	29.4	29.7	27.5	43.4	22.9
Operating Cost	CZK mil	96.6	117	106	61.6	18.3	94.5	61.7	39.7
Operating Profit	CZK mil	-5.53	298	85.6	146	195	130	165	232
Provisions	CZK mil	-205	181	-18.2	-11.7	1.59	-97.0	-0.432	-81.2
Pre-Tax Profit	CZK mil	199	117	104	158	193	227	166	313
Net Profit	CZK mil	161	92.6	83.7	127	156	180	133	253

BALANCE SHEET		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Cash & Cash Equivalents	CZK mil	395	454	302	497	63.8	351	299	408
Interbank Loans	CZK mil	2,424	8,820	9,376	1,944	3,406	4,122	0	1.69
Customer Loans	CZK mil	16,543	16,933	16,869	16,295	16,185	16,331	16,264	16,500
Investments	CZK mil	8,103	7,316	...	...	...	...	...	...
Property and Equipment	CZK mil	...	40.0	38.3	33.6	9.94	3.17	1.75	0.558
Intangible Assets	CZK mil	...	108	85.1	84.6	83.3	83.4	79.0	77.9
Total Assets	CZK mil	33,568	33,740	34,016	33,745	33,414	34,427	33,630	33,417
Shareholders' Equity	CZK mil	3,243	2,632	2,702	2,221	2,369	2,337	2,256	2,512
Liabilities	CZK mil	30,325	31,108	31,314	31,523	31,045	32,090	31,374	30,905
Interbank Borrowing	CZK mil	9.09	9.00	8.73	8.51	87.5	8.30	0	0
Customer Deposits	CZK mil	29,943	30,827	30,929	31,187	30,711	31,817	31,162	30,732
Issued Debt Securities	CZK mil	0	0	0	0	0	0	0	0
Other Liabilities	CZK mil	374	272	376	328	247	264	212	173

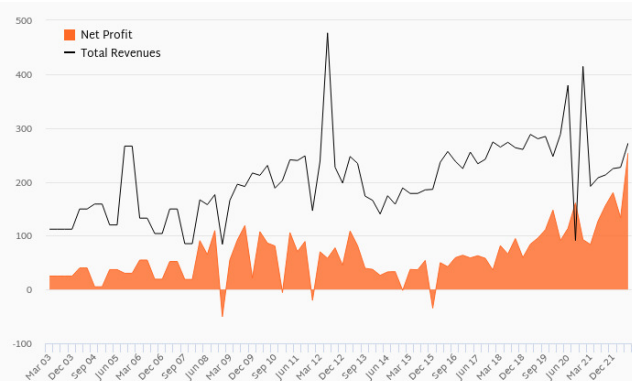
RATIOS		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
ROE	%	20.3	12.6	12.6	20.6	27.2	30.6	23.2	42.5
ROA	%	1.91	1.10	0.988	1.50	1.86	2.12	1.57	3.02
Costs (As % Of Assets)	%	1.15	1.39	1.25	0.728	0.218	1.11	0.725	0.474
Costs (As % Of Income)	%	106	28.2	55.3	29.7	8.60	42.1	27.2	14.6
Capital Adequacy Ratio	%	17.8	14.8	12.5	12.3	13.5	12.0	11.5	13.1
Net Interest Margin	%	2.19	2.01	1.81	1.90	1.98	2.00	2.17	2.32
Interest Income (As % Of Revenues)	%	203	40.9	80.0	77.4	78.0	75.7	81.3	71.6
Fee Income (As % Of Revenues)	%	17.6	5.33	16.0	16.6	18.6	22.4	17.8	14.2
Staff Cost (As % Of Total Cost)	%	54.0	33.9	20.3	34.6	99.3	21.5	18.0	27.4
Equity (As % Of Assets)	%	9.66	7.80	7.94	6.58	7.09	6.79	6.71	7.52
Loans (As % Of Deposits)	%	55.2	54.9	54.5	52.2	52.7	51.3	52.2	53.7
Loans (As % Assets)	%	49.3	50.2	49.6	48.3	48.4	47.4	48.4	49.4
NPLs (As % Of Loans)	%	3.15	1.67	1.62	1.60	1.51	1.40	1.35	1.27
Provisions (As % Of NPLs)	%	145	175	155	159	169	114	118	84.9

Source: Company Data, Helgi Library

## Moneta Stavebni Sporitelna in Pictures

### Revenue & Profitability

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

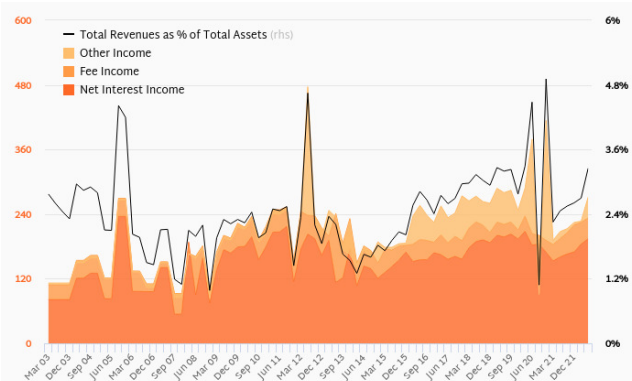


Source: Company Data, Helgi Library

Helgi Library

### Revenue Breakdown

Revenue by Type of Income (CZK mil)

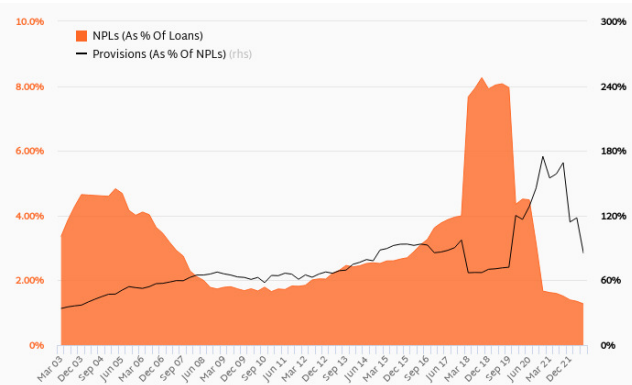


Source: Company Data, Helgi Library

Helgi Library

### Asset Quality

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

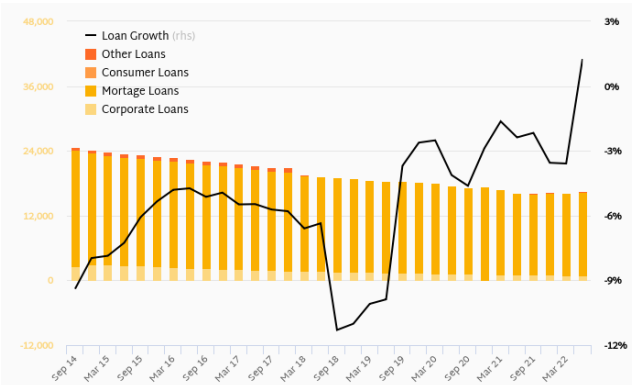


Source: Company Data, Helgi Library

Helgi Library

### Loan Breakdown

Loans by Type (CZK mil)

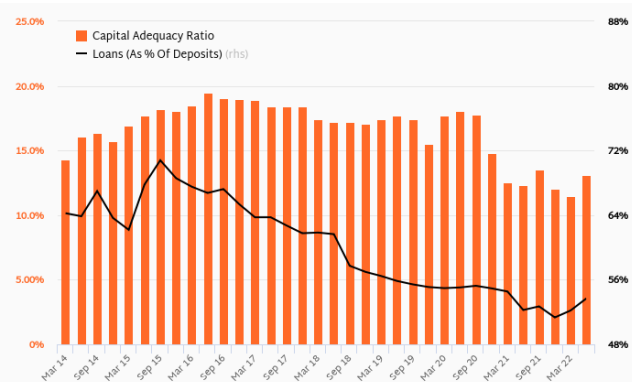


Source: Company Data, Helgi Library

Helgi Library

### Capital & Liquidity

Capital Adequacy Ratio & Loans (As % Of Deposits)

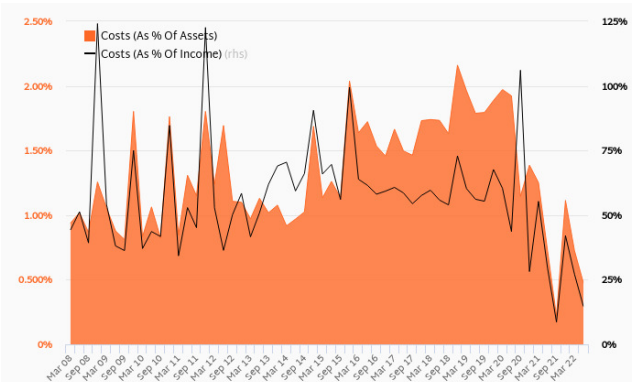


Source: Company Data, Helgi Library

Helgi Library

### Cost Efficiency

Costs As % Of Assets & Income



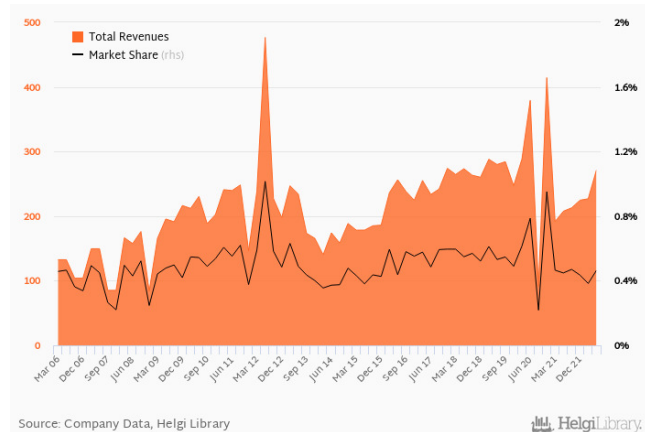
Source: Company Data, Helgi Library

Helgi Library

## Moneta Stavebni Sporitelna – Market Share Development

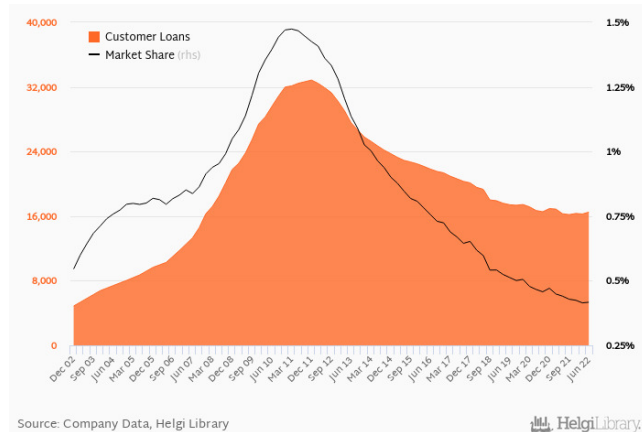
### Market Share in Bank Revenues

Total Revenues (CZK mil)



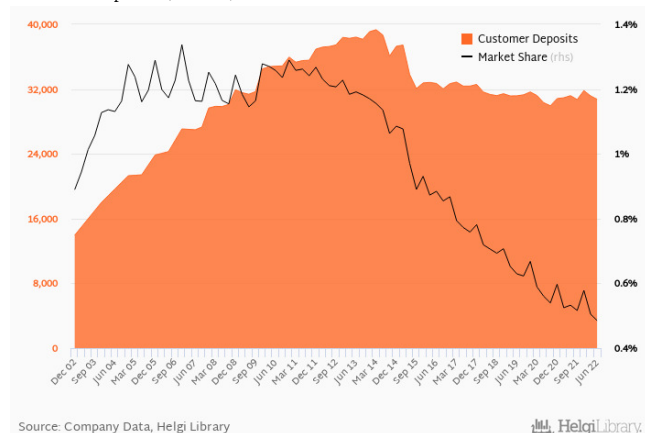
### Market Share in Bank Loans

Customer Loans (CZK bil) & Market Share (%)



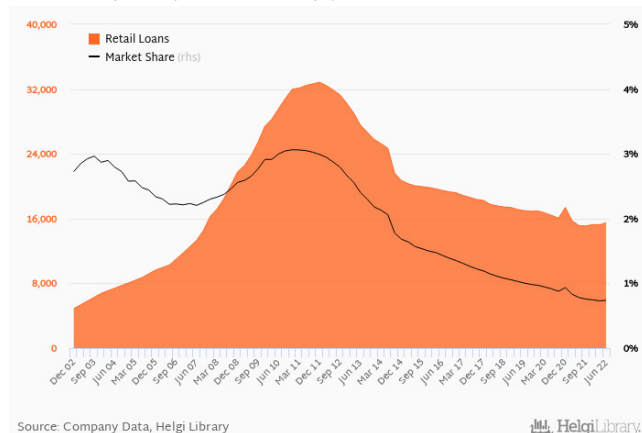
### Market Share in Bank Deposits

Customer Deposits (CZK bil)



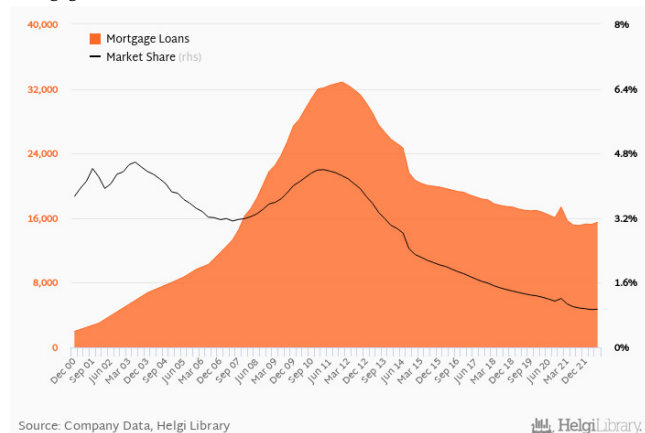
### Market Share in Retail Loans

Retail Loans (CZK bil) & Market Share (%)



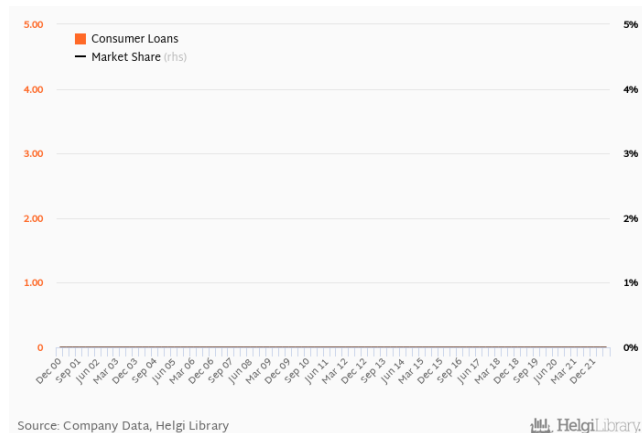
### Market Share in Mortgage Loans

Mortgage Loans (CZK mil) & Market Share (%)



### Market Share in Consumer Loans

Consumer Loans (CZK mil)

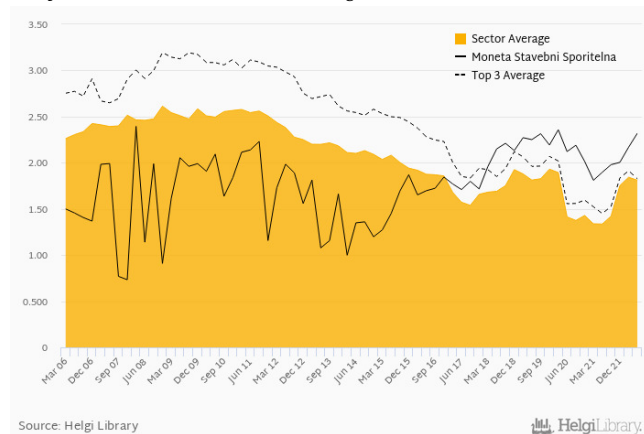




## Moneta Stavebni Sporitelna – Comparison with Sector

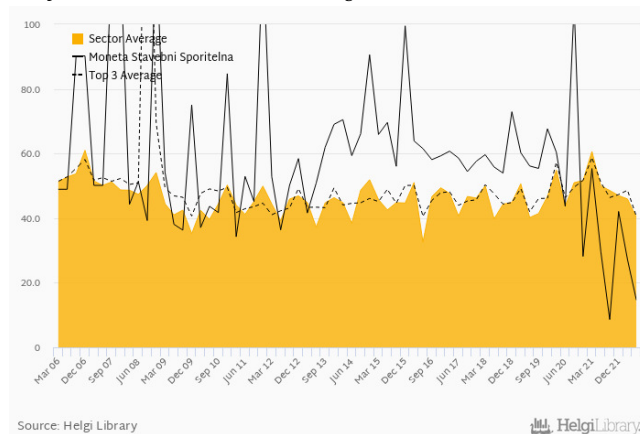
### Net Interest Margin vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



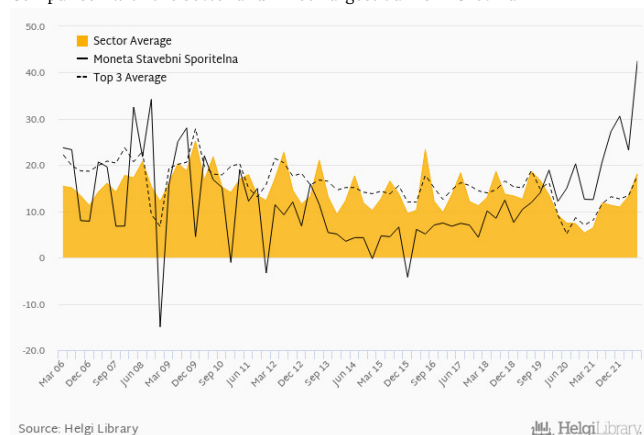
### Cost to Income vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



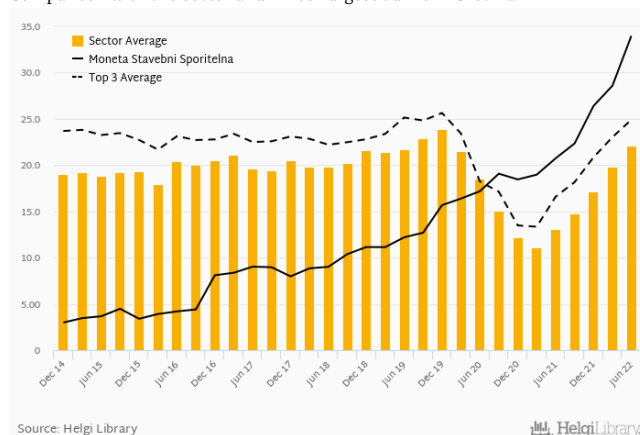
### Return on Equity vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



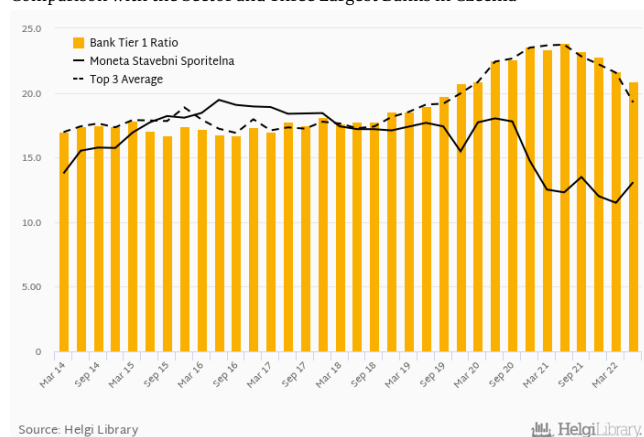
### Adjusted ROE vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



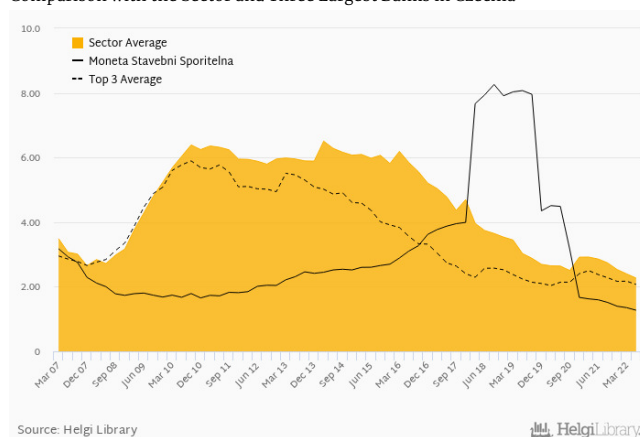
### Tier 1 Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



### NPL Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia





# Hypotecni Banka

## Quarterly Results – 2Q2022

Hypotecni Banka made a net profit of CZK 375 mil in the second quarter of 2022, down 10.3% when compared to the previous year. Total revenues increased 13.9% yoy to CZK 672 mil, ROE amounted to 2.74% and the NPL ratio stood at 0.664%. In the last three years, the bank grew its loans by 6.86% a year, revenues fell by 10.3% and net profit decreased by 14.5% a year, on average.

- ✓ Revenues increased 13.9% yoy to CZK 672 mil in the second quarter of 2022. Interest income formed 145% of total revenues with the net interest margin increasing 0.458198 pp to 1.02% of total assets. Fees added a further 6.31% to total revenue generated in 2Q2022, up from an average of 4.38% as seen in the previous two years.
- ✓ Operating costs dropped by 11.1% yoy to CZK 148 mil, so cost to income ratio reached 22.1%, down by 26.7% compared to the previous two years. Staff accounted for 17.5% of total operating expenditures.
- ✓ Loans and deposits grew by 1.33% and 0.315% qoq respectively, so loan to deposit ratio reached 115% at the end of 2Q2022. That's up from 114% the previous year. Equity reached 14.4% of assets and capital adequacy ratio amounted to 45.3% at the end of the second quarter of 2022.
- ✓ NPLs were 0.664% of total loans at the end of the quarter. Provisions covered 27.7% of non-performing loans
- ✓ When compared to selected peers, Hypotecni Banka was 10.3 pp less profitable in terms of ROE, achieved 21.8 pp better cost efficiency when measured by cost to income ratio and grew its loans by 0.479 pp slower based on a last year comparison.

**Sector:**

Banking

**Country:**

Czechia

**Employees:**

73.0

**Clients:**

N/A

**Branches:**

N/A

**ATMs:**

N/A

**Bank Cards:**

N/A

**Capital Adequacy Ratio:**

45.3%

**Tier 1 Ratio:**

45.3%

KEY FIGURES									
	REVENUES	REVENUE GROWTH	NET PROFIT	PROFIT GROWTH	ROE	COST TO INCOME	LOAN / DEPOSITS	EQUITY / ASSETS	NPL RATIO
	CZK mil	%	CZK mil	%	%	%	%	%	%
2Q2022	672	13.9	375	-10.3	2.74	22.1	115	14.4	0.664
2021	2,104	-35.7	1,478	-5.63	2.94	47.9	116	14.5	0.723
2020	3,271	-13.0	1,566	-36.0	3.42	29.8	113	13.6	0.342
2019	3,760	-2.21	2,446	3.91	5.64	26.3	114	13.8	0.420
2018	3,845	-13.4	2,354	-16.8	5.77	25.8	113	13.7	1.27
2017	4,439	-12.3	2,828	-11.8	7.69	22.1	114	13.7	1.66
2016	5,061	1.52	3,206	7.22	9.45	21.1	112	13.0	2.32

Source: Company Data, Helgi Library

Data tells a story



## Hypotecni Banka – Financials

INCOME STATEMENT		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Interest Income	CZK mil	1,932	2,103	2,066	2,051	2,014	1,855	2,860	3,378
Interest Cost	CZK mil	1,266	1,447	1,460	1,554	1,518	1,228	2,002	2,405
Net Interest Income	CZK mil	665	656	606	497	496	628	858	973
Net Fee Income	CZK mil	51.3	23.9	58.4	39.1	37.9	-51.2	39.2	42.4
Other Income	CZK mil	-16.3	1.37	-46.4	54.0	-75.0	-139	-151	-344
Total Revenues	CZK mil	700	682	618	590	459	437	746	672
Staff Cost	CZK mil	121	103	91.7	35.2	28.1	32.8	29.1	26.0
Depreciation	CZK mil	32.9	31.4	32.2	26.6	27.9	28.1	27.7	28.2
Other Cost	CZK mil	51.5	87.8	264	105	109	227	517	94.3
Operating Cost	CZK mil	206	222	388	167	165	288	574	148
Operating Profit	CZK mil	495	460	230	423	294	149	173	523
Provisions	CZK mil	188	-701	-43.1	-81.9	-279	-142	-114	58.7
Pre-Tax Profit	CZK mil	306	662	273	505	572	467	492	464
Net Profit	CZK mil	247	536	220	418	463	377	398	375

BALANCE SHEET		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Cash & Cash Equivalents	CZK mil	1,770	1,868	2,044	1,828	1,903	438	2,020	89.4
Interbank Loans	CZK mil	1,767	6,623	6,635	6,635	8,810	7,057	10,654	11,790
Customer Loans	CZK mil	337,230	333,835	341,165	345,715	351,188	361,296	368,369	373,274
Investments	CZK mil	0	0	0	0	0	...	...	...
Property and Equipment	CZK mil	904	304	169	87.6	91.1	75.4	70.6	65.4
Intangible Assets	CZK mil	...	536	535	542	548	563	558	558
Total Assets	CZK mil	343,655	346,505	352,417	355,695	360,559	368,462	379,086	384,610
Shareholders' Equity	CZK mil	46,521	47,077	47,312	49,679	53,168	53,586	53,989	55,399
Liabilities	CZK mil	297,134	299,428	305,106	306,016	307,391	314,877	325,097	329,211
Interbank Borrowing	CZK mil	0	0	0	0	59.2	112	186	955
Customer Deposits	CZK mil	138	143	111	90.3	2.13	1.96	1.98	1.97
Issued Debt Securities	CZK mil	291,505	295,325	301,617	303,445	304,798	311,156	320,866	324,146
Other Liabilities	CZK mil	5,490	3,960	3,378	2,481	2,532	3,606	4,044	4,108

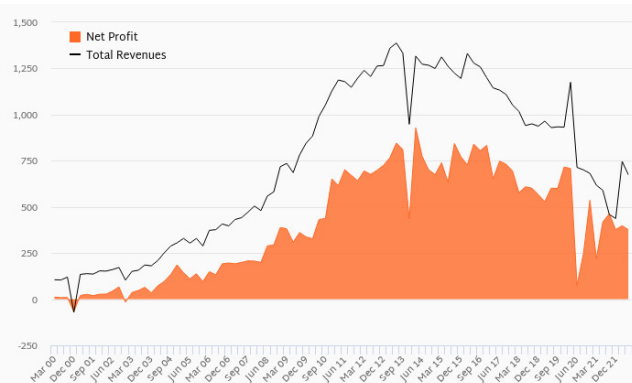
RATIOS		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
ROE	%	2.13	4.58	1.86	3.45	3.60	2.83	2.96	2.74
ROA	%	0.290	0.622	0.251	0.473	0.517	0.414	0.426	0.393
Costs (As % Of Assets)	%	0.241	0.257	0.444	0.189	0.184	0.316	0.614	0.156
Costs (As % Of Income)	%	29.4	32.6	62.8	28.3	35.9	65.9	76.9	22.1
Capital Adequacy Ratio	%	45.7	45.9	46.0	44.8	47.3	45.2	44.3	45.3
Net Interest Margin	%	0.780	0.761	0.693	0.561	0.554	0.689	0.919	1.02
Interest Income (As % Of Revenues)	%	95.0	96.3	98.1	84.2	108	144	115	145
Fee Income (As % Of Revenues)	%	7.32	3.50	9.46	6.62	8.27	-11.7	5.25	6.31
Staff Cost (As % Of Total Cost)	%	59.0	46.3	23.6	21.1	17.1	11.4	5.07	17.5
Equity (As % Of Assets)	%	13.5	13.6	13.4	14.0	14.7	14.5	14.2	14.4
Loans (As % Of Deposits)	%	116	113	113	114	115	116	115	115
Loans (As % Assets)	%	98.1	96.3	96.8	97.2	97.4	98.1	97.2	97.1
NPLs (As % Of Loans)	%	0.956	0.880	0.813	0.829	0.775	0.723	0.693	0.664
Provisions (As % Of NPLs)	%	50.3	45.5	48.0	43.4	37.1	30.1	29.0	27.7

Source: Company Data, Helgi Library

## Hypotecni Banka in Pictures

### Revenue & Profitability

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

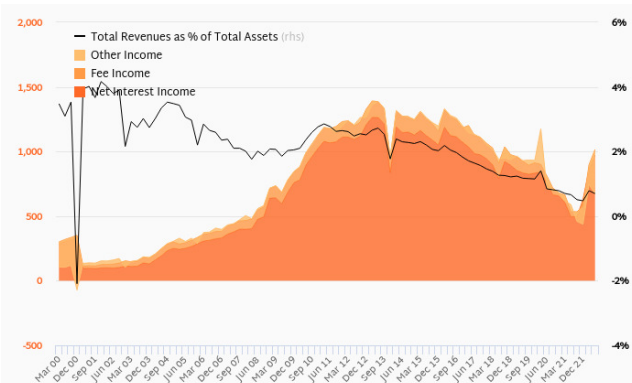


Source: Company Data, Helgi Library

HelgiLibrary

### Revenue Breakdown

Revenue by Type of Income (CZK mil)

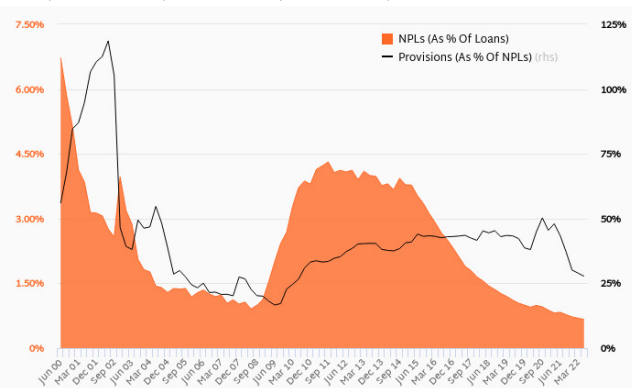


Source: Company Data, Helgi Library

HelgiLibrary

### Asset Quality

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

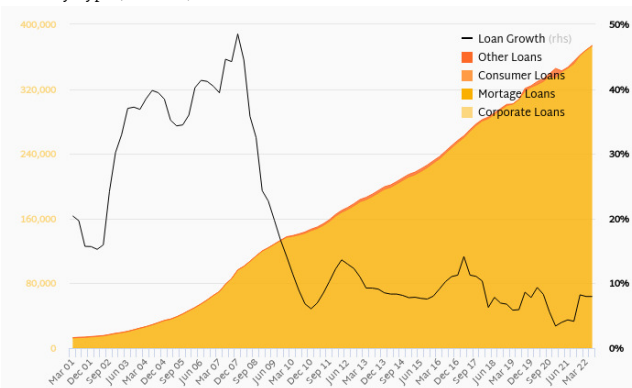


Source: Company Data, Helgi Library

HelgiLibrary

### Loan Breakdown

Loans by Type (CZK mil)

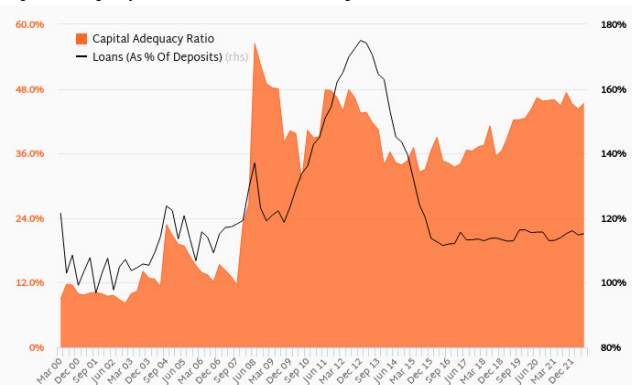


Source: Company Data, Helgi Library

HelgiLibrary

### Capital & Liquidity

Capital Adequacy Ratio & Loans (As % Of Deposits)

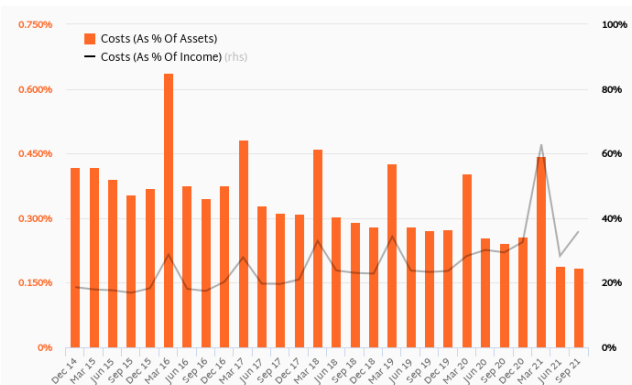


Source: Company Data, Helgi Library

HelgiLibrary

### Cost Efficiency

Costs As % Of Assets & Income



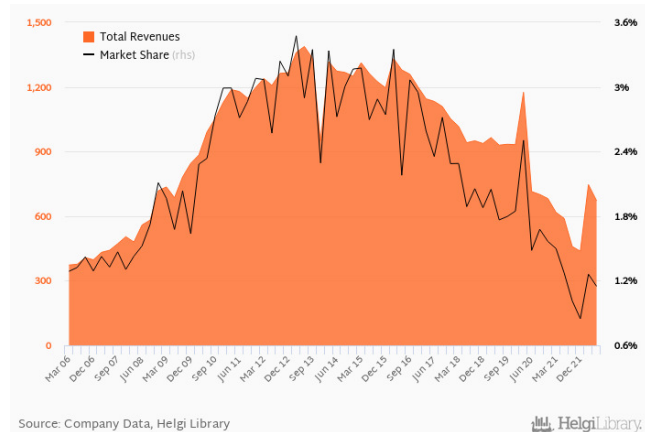
Source: Company Data, Helgi Library

HelgiLibrary

## Hypotecni Banka – Market Share Development

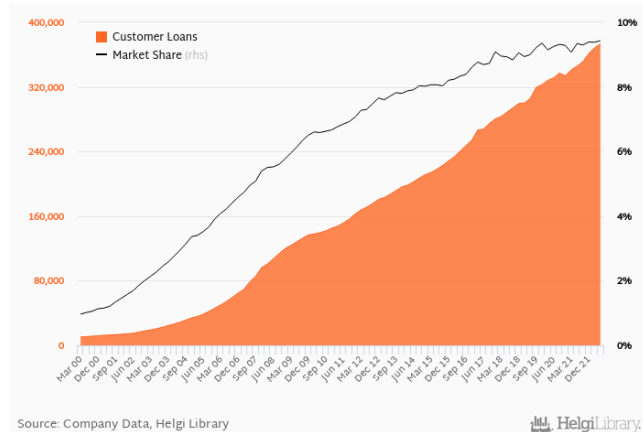
### Market Share in Bank Revenues

Total Revenues (CZK mil)



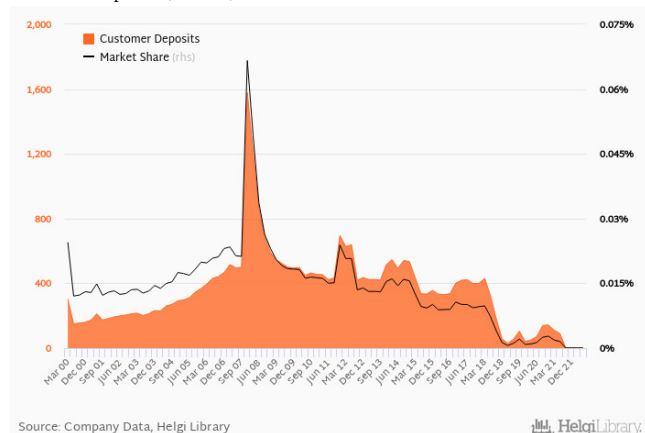
### Market Share in Bank Loans

Customer Loans (CZK bil) & Market Share (%)



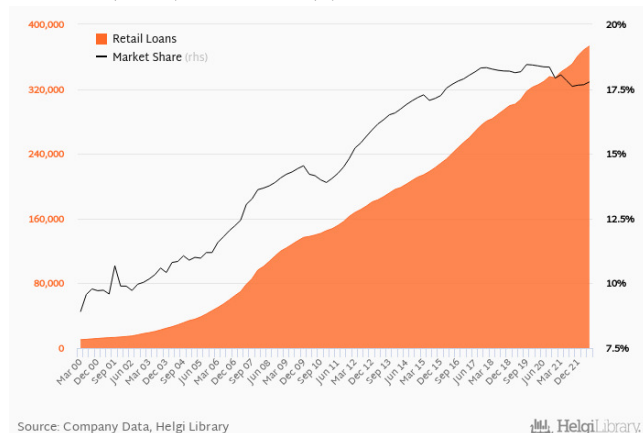
### Market Share in Bank Deposits

Customer Deposits (CZK bil)



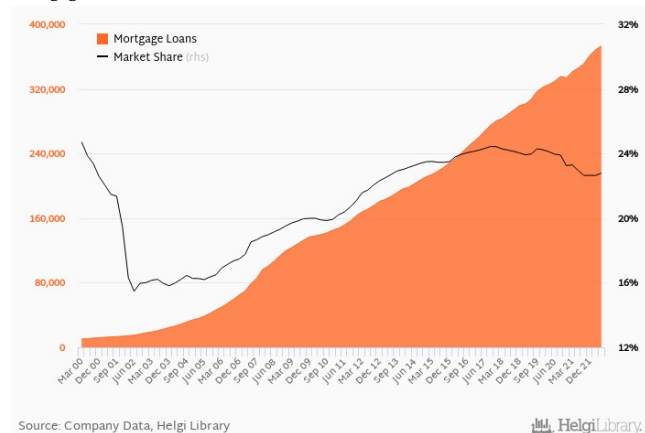
### Market Share in Retail Loans

Retail Loans (CZK bil) & Market Share (%)



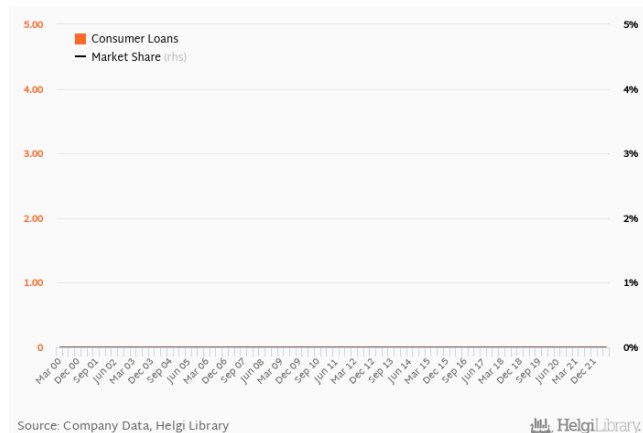
### Market Share in Mortgage Loans

Mortgage Loans (CZK mil) & Market Share (%)



### Market Share in Consumer Loans

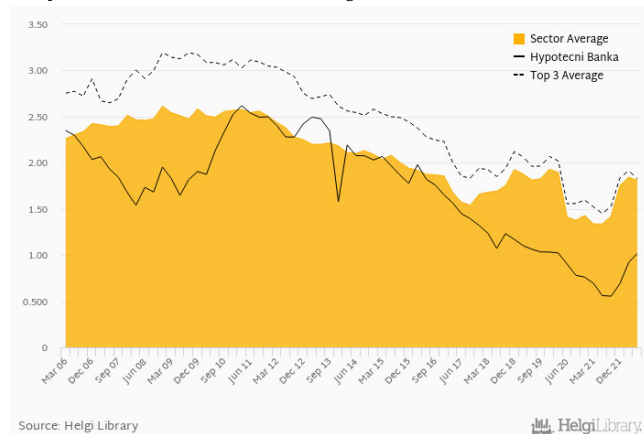
Consumer Loans (CZK mil)



## Hypotecni Banka – Comparison with Sector

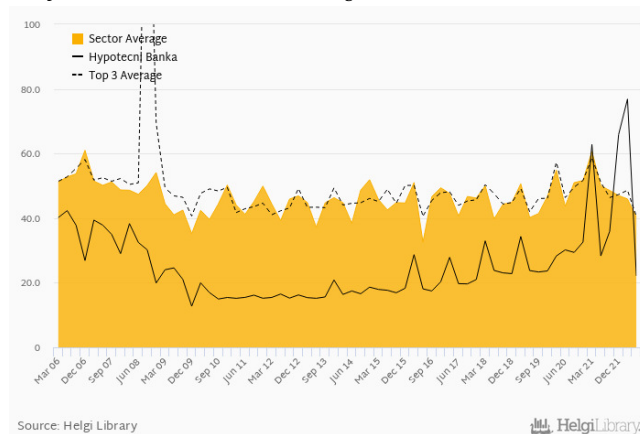
### Net Interest Margin vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



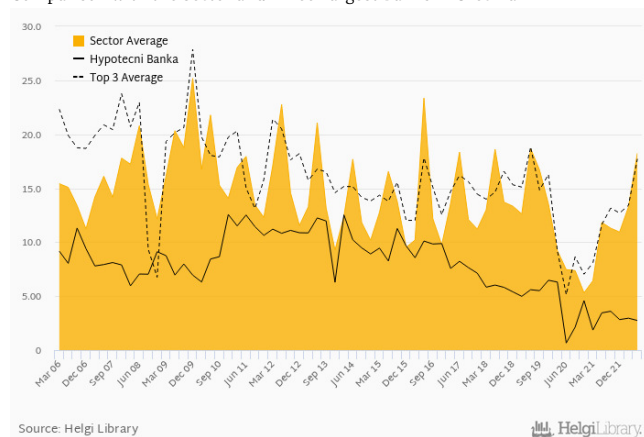
### Cost to Income vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



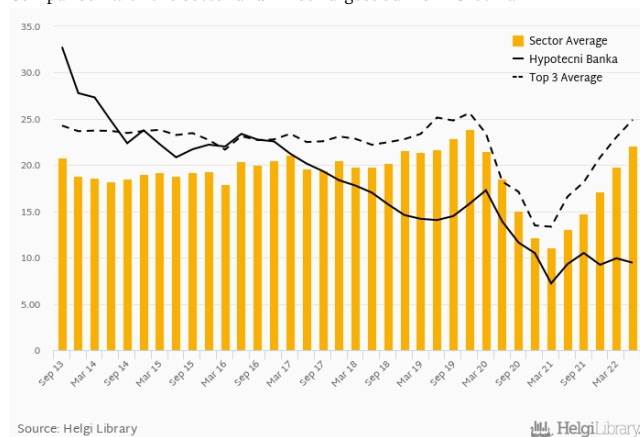
### Return on Equity vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



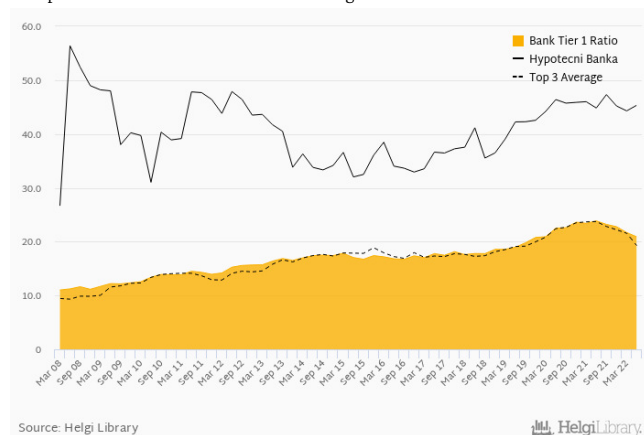
### Adjusted ROE vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



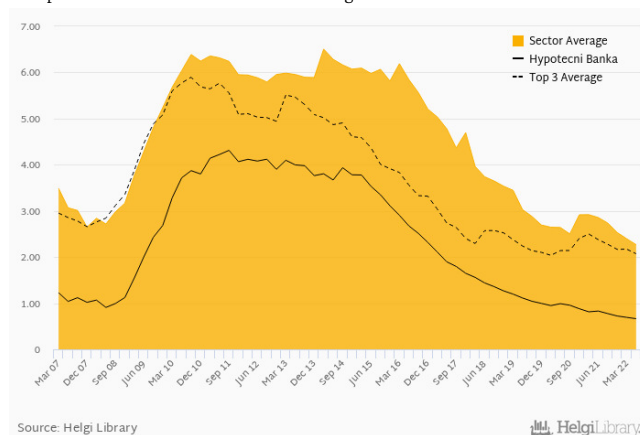
### Tier 1 Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



### NPL Ratio vs. Sector

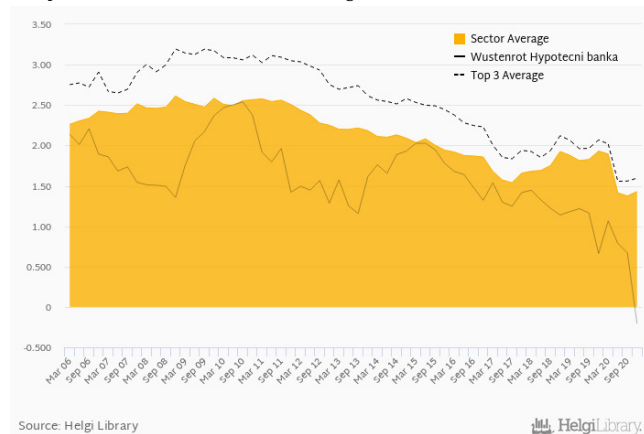
Comparison with the Sector and Three Largest Banks in Czechia



## Wustenrot Hypotecni banka – Comparison with Sector

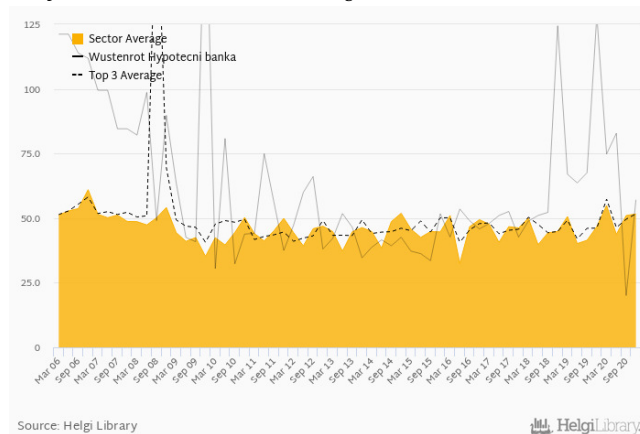
### Net Interest Margin vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



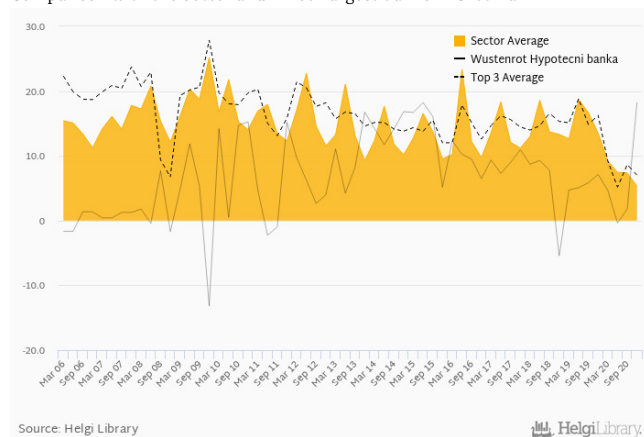
### Cost to Income vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



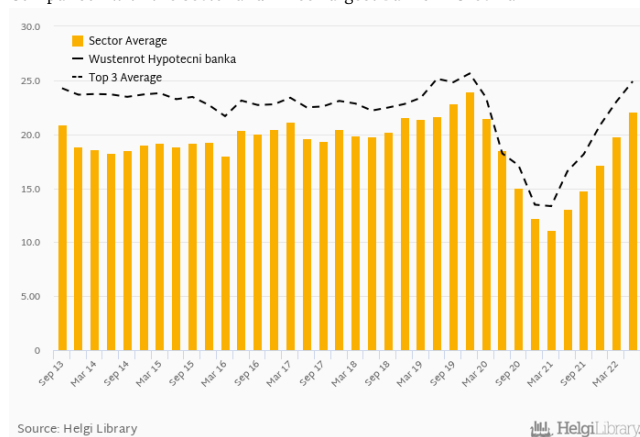
### Return on Equity vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



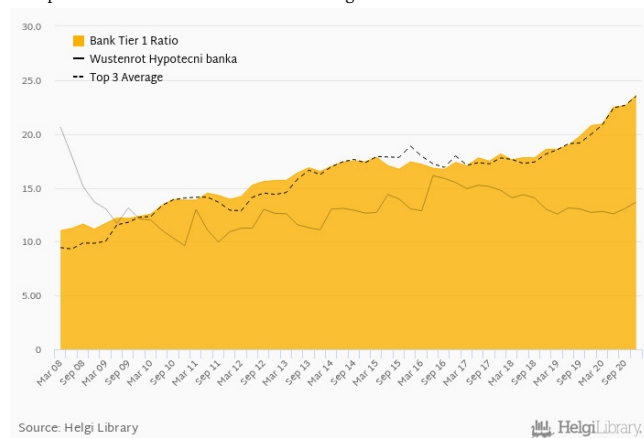
### Adjusted ROE vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



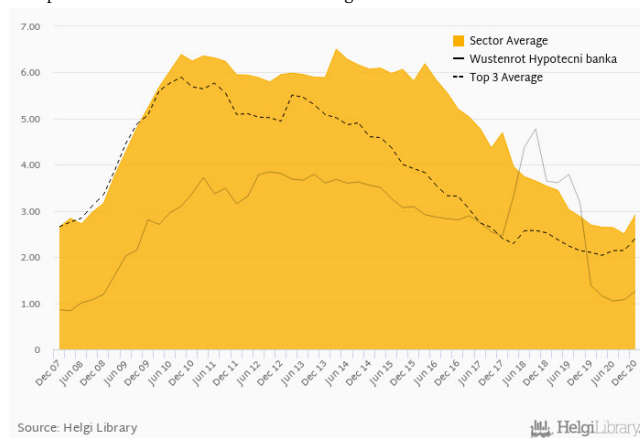
### Tier 1 Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



### NPL Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



# Air Bank

## Quarterly Results – 2Q2022

Air Bank made a net profit of CZK 647 mil in the second quarter of 2022, up 136% when compared to the previous year. Total revenues increased 77.7% yoy to CZK 1,489 mil, ROE amounted to 21.4% and the NPL ratio stood at 0.963%. In the last three years, the bank grew its loans by 14.5% a year, revenues rose by 16.3% and net profit increased by 14.2% a year, on average.

- ✓ Revenues increased 77.7% yoy to CZK 1,489 mil in the second quarter of 2022. Interest income formed 86.6% of total revenues with the net interest margin increasing 0.87968 pp to 3.46% of total assets. Fees added a further 9.52% to total revenue generated in 2Q2022, up from an average of 7.87% as seen in the previous two years.
- ✓ Operating costs grew by 21.2% yoy to CZK 562 mil, so cost to income ratio reached 37.8%, down by 18.3% compared to the previous two years. Staff accounted for 38.5% of total operating expenditures. At the end of second quarter of 2022, Air Bank operated a network of 32.0 branches and 945 employees.
- ✓ Loans and deposits grew by 2.03% and 1.61% qoq respectively, so loan to deposit ratio reached 56.8% at the end of 2Q2022. That's up from 48.0% the previous year. Equity reached 7.46% of assets and capital adequacy ratio amounted to 18.8% at the end of the second quarter of 2022.
- ✓ NPLs were 0.963% of total loans at the end of the quarter. Provisions covered 113% of non-performing loans
- ✓ When compared to selected peers, Air Bank was 8.33 pp more profitable in terms of ROE, achieved 6.14 pp better cost efficiency when measured by cost to income ratio and grew its loans by 5.40 pp faster based on a last year comparison.

**Sector:**  
Banking

**Country:**  
Czechia

**Employees:**  
945

**Clients:**  
N/A

**Branches:**  
32.0

**ATMs:**  
N/A

**Bank Cards:**  
N/A

**Capital Adequacy Ratio:**  
18.8%

**Tier 1 Ratio:**  
18.4%

KEY FIGURES									
	REVENUES	REVENUE GROWTH	NET PROFIT	PROFIT GROWTH	ROE	COST TO INCOME	LOAN / DEPOSITS	EQUITY / ASSETS	NPL RATIO
	CZK mil	%	CZK mil	%	%	%	%	%	%
2Q2022	1,489	77.7	647	136	21.4	37.8	56.8	7.46	0.963
2021	4,360	13.3	1,862	41.5	16.0	49.8	52.2	8.56	3.25
2020	3,848	4.37	1,316	-14.8	12.8	45.3	47.5	7.81	3.19
2019	3,687	26.5	1,544	42.7	17.4	46.2	51.9	8.28	1.69
2018	2,914	-0.817	1,082	-3.82	14.8	55.5	44.9	6.96	2.29
2017	2,938	17.1	1,125	148	18.4	52.7	43.3	6.79	2.98
2016	2,509	0.885	454	69.4	8.56	56.5	41.9	6.29	4.17

Source: Company Data, Helgi Library

Data tells a story





## Air Bank – Financials

INCOME STATEMENT		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Interest Income	CZK mil	707	-227	1,632	911	1,492	1,740	1,895	2,538
Interest Cost	CZK mil	-17.4	-1,215	1,154	-26.5	613	707	752	1,248
Net Interest Income	CZK mil	724	987	478	938	879	1,033	1,143	1,289
Net Fee Income	CZK mil	27.1	57.9	45.2	53.1	60.7	205	121	142
Other Income	CZK mil	203	-202	256	-153	39.0	0.391	99.6	58.0
Total Revenues	CZK mil	954	843	779	838	978	1,238	1,363	1,489
Staff Cost	CZK mil	140	153	175	176	173	184	221	216
Depreciation	CZK mil	111	112	114	113	116	120	128	129
Other Cost	CZK mil	137	201	157	175	166	121	179	218
Operating Cost	CZK mil	389	466	446	464	456	425	529	562
Operating Profit	CZK mil	565	377	333	374	522	813	835	927
Provisions	CZK mil	87.8	150	-13.5	34.9	-80.4	-14.6	19.8	104
Pre-Tax Profit	CZK mil	477	227	347	339	603	761	796	806
Net Profit	CZK mil	386	182	281	274	488	765	644	647

BALANCE SHEET		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Cash & Cash Equivalents	CZK mil	50,139	5,234	6,329	3,267	26,046	7,409	11,587	4,195
Interbank Loans	CZK mil	2,859	2,378	3,000	3,000	3,000	2,691	3,000	3,000
Customer Loans	CZK mil	51,644	58,777	61,000	63,897	68,346	67,497	71,300	72,750
Investments	CZK mil	26,128	26,055	25,787	28,906	30,355	38,470	38,321	37,460
Property and Equipment	CZK mil	1,933	585	564	541	518	516	479	448
Intangible Assets	CZK mil	...	1,302	1,289	1,280	1,263	1,550	1,554	1,550
Total Assets	CZK mil	132,702	136,795	143,841	147,127	149,663	146,115	148,692	149,588
Shareholders' Equity	CZK mil	10,955	11,137	11,418	11,694	12,181	12,421	13,066	11,162
Liabilities	CZK mil	121,747	125,658	132,423	135,433	137,482	133,694	135,626	138,426
Interbank Borrowing	CZK mil	0	0	0	0	0	0	0	0
Customer Deposits	CZK mil	118,369	123,618	129,777	133,036	134,430	129,320	130,138	128,042
Issued Debt Securities	CZK mil	264	255	257	259	283	278	296	299
Other Liabilities	CZK mil	3,114	1,784	2,389	2,139	2,770	4,096	5,192	10,085

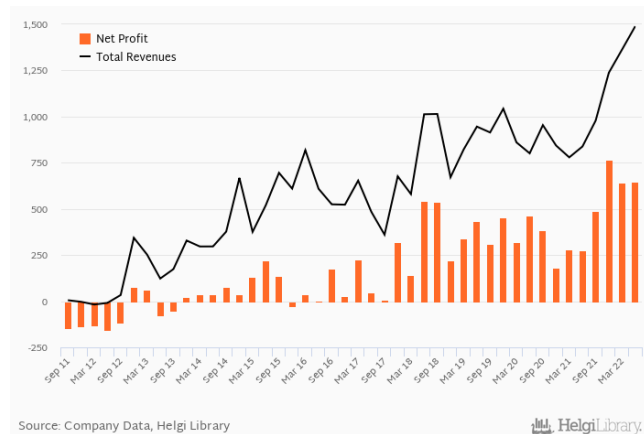
RATIOS		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
ROE	%	14.4	6.58	9.96	9.50	16.3	24.9	20.2	21.4
ROA	%	1.18	0.540	0.800	0.754	1.32	2.07	1.75	1.73
Costs (As % Of Assets)	%	1.18	1.38	1.27	1.28	1.23	1.15	1.43	1.51
Costs (As % Of Income)	%	40.8	55.3	57.2	55.4	46.6	34.4	38.8	37.8
Capital Adequacy Ratio	%	15.3	15.8	17.8	18.1	17.3	18.2	18.2	18.8
Net Interest Margin	%	2.21	2.93	1.36	2.58	2.37	2.79	3.10	3.46
Interest Income (As % Of Revenues)	%	75.9	117	61.4	112	89.8	83.4	83.8	86.6
Fee Income (As % Of Revenues)	%	2.84	6.87	5.80	6.33	6.20	16.5	8.85	9.52
Staff Cost (As % Of Total Cost)	%	36.1	32.9	39.2	38.0	38.0	43.3	41.8	38.5
Equity (As % Of Assets)	%	8.26	8.14	7.94	7.95	8.14	8.50	8.79	7.46
Loans (As % Of Deposits)	%	43.6	47.5	47.0	48.0	50.8	52.2	54.8	56.8
Loans (As % Assets)	%	38.9	43.0	42.4	43.4	45.7	46.2	48.0	48.6
NPLs (As % Of Loans)	%	0.698	3.19	0.783	0.814	0.819	0.908	0.913	0.963
Provisions (As % Of NPLs)	%	152	112	152	149	129	119	113	113

Source: Company Data, Helgi Library

## Air Bank in Pictures

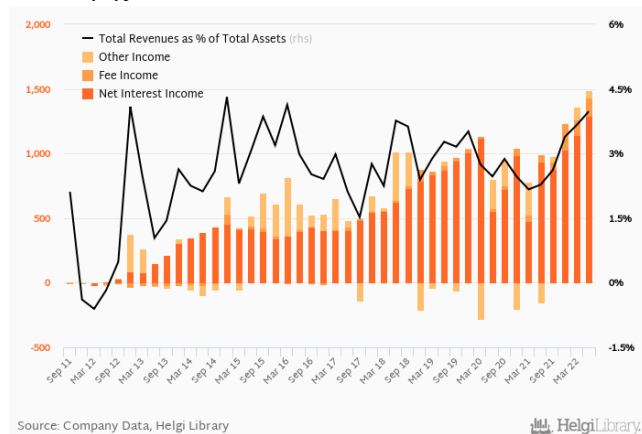
### Revenue & Profitability

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



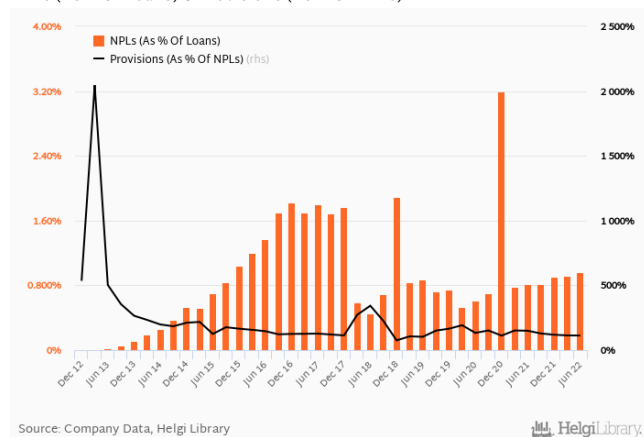
### Revenue Breakdown

Revenue by Type of Income (CZK mil)



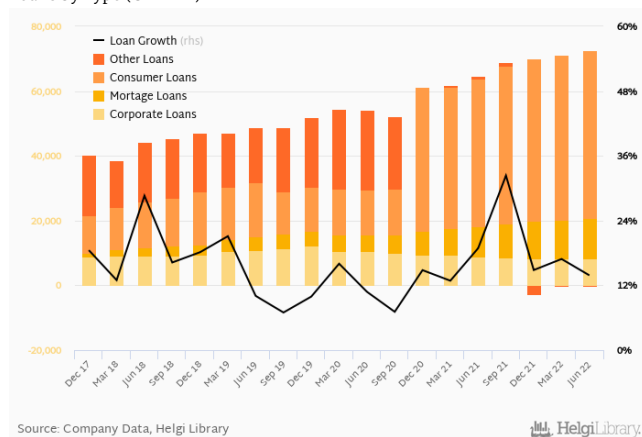
### Asset Quality

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



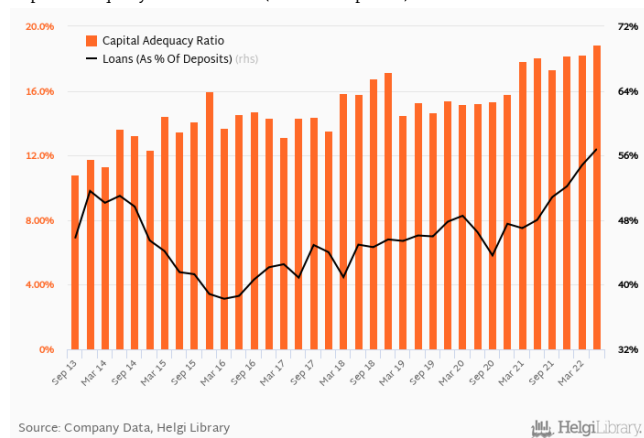
### Loan Breakdown

Loans by Type (CZK mil)



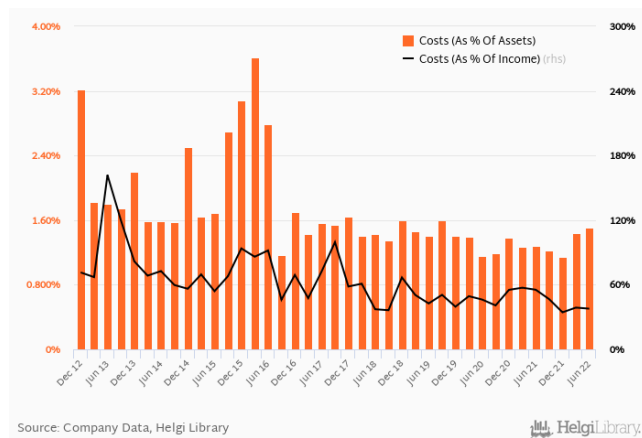
### Capital & Liquidity

Capital Adequacy Ratio & Loans (As % Of Deposits)



### Cost Efficiency

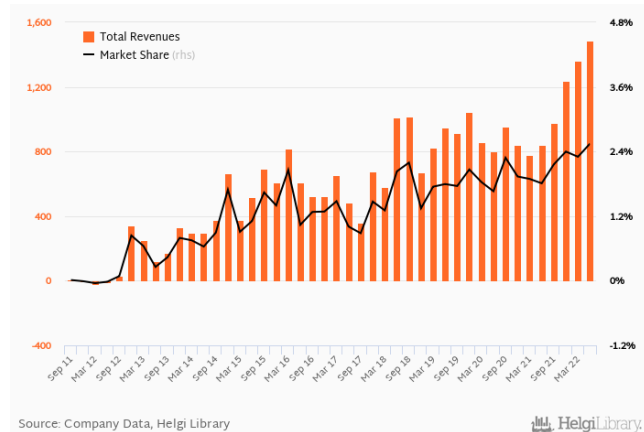
Costs As % Of Assets & Income



## Air Bank – Market Share Development

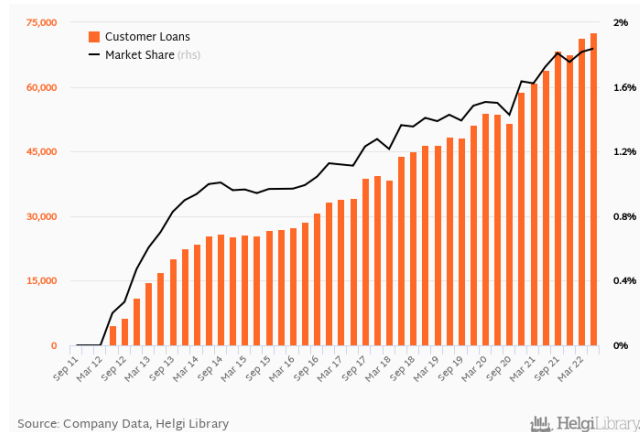
### Market Share in Bank Revenues

Total Revenues (CZK mil)



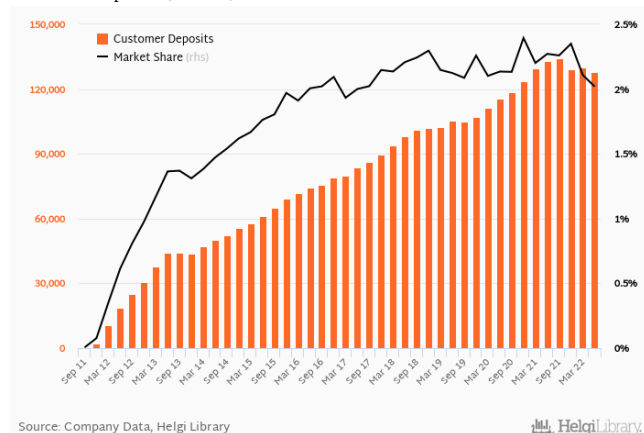
### Market Share in Bank Loans

Customer Loans (CZK bil) & Market Share (%)



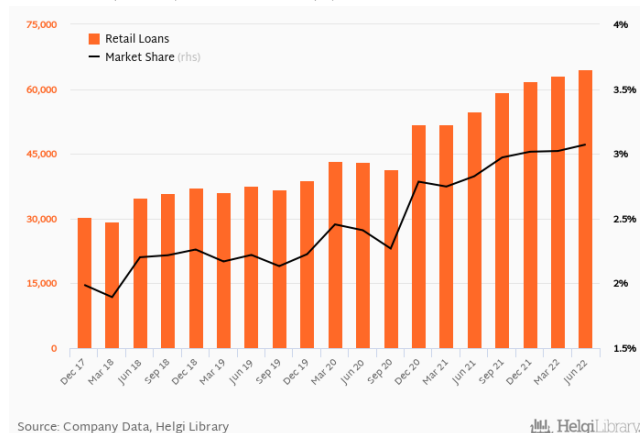
### Market Share in Bank Deposits

Customer Deposits (CZK bil)



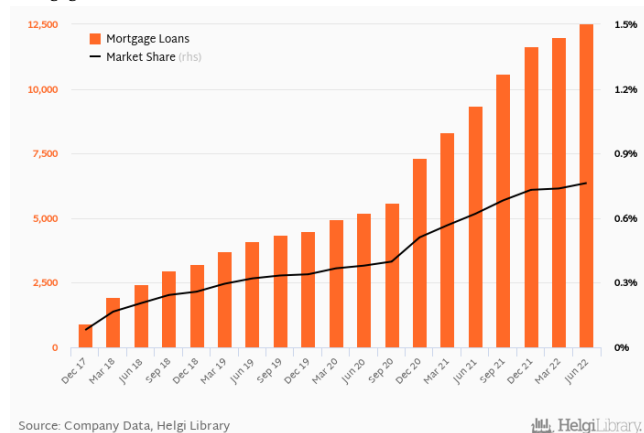
### Market Share in Retail Loans

Retail Loans (CZK bil) & Market Share (%)



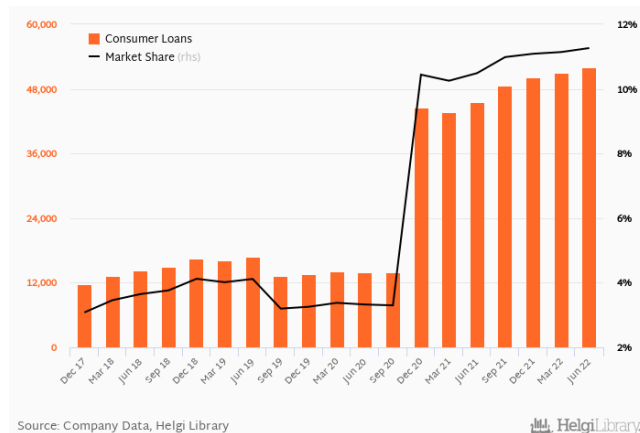
### Market Share in Mortgage Loans

Mortgage Loans (CZK mil) & Market Share (%)



### Market Share in Consumer Loans

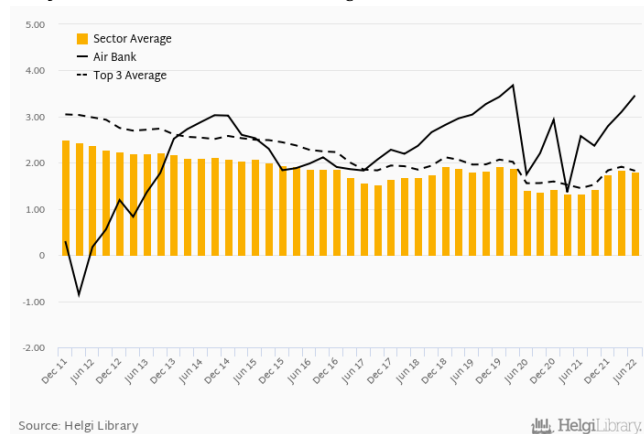
Consumer Loans (CZK mil)



## Air Bank – Comparison with Sector

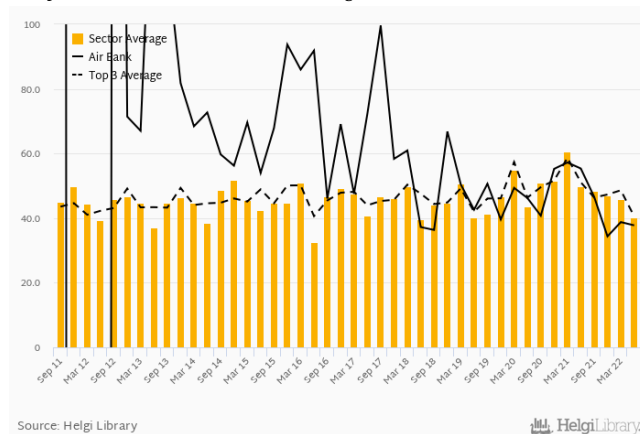
### Net Interest Margin vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



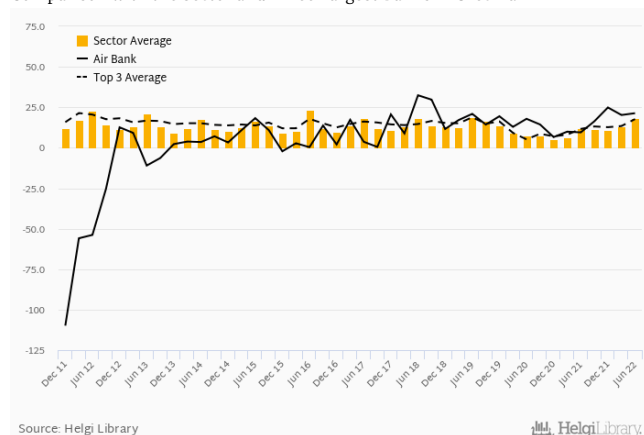
### Cost to Income vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



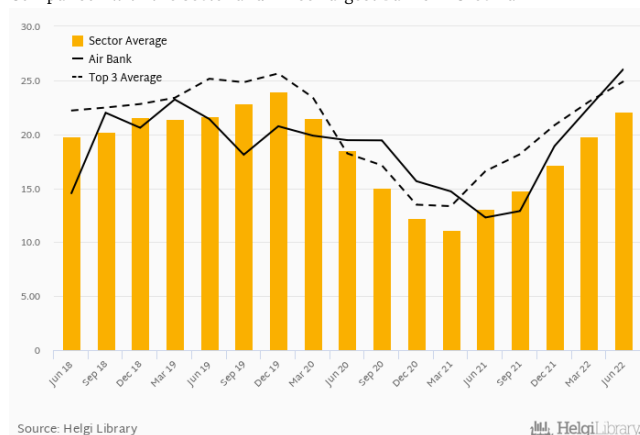
### Return on Equity vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



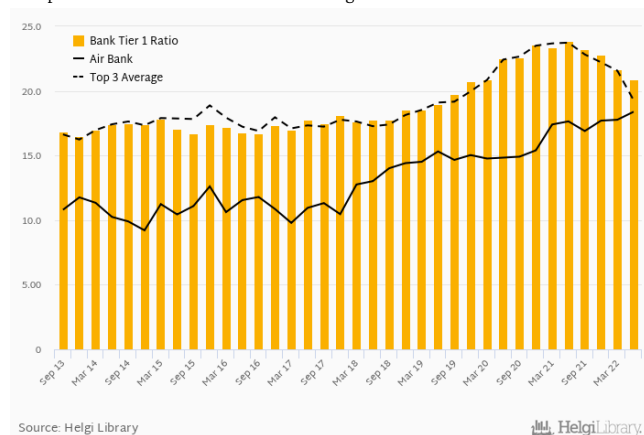
### Adjusted ROE vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



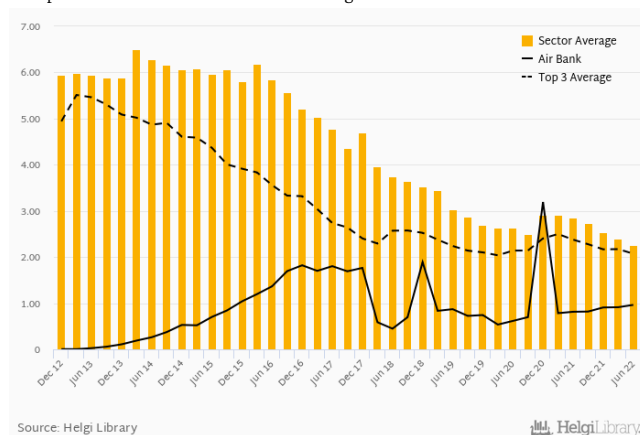
### Tier 1 Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



### NPL Ratio vs. Sector

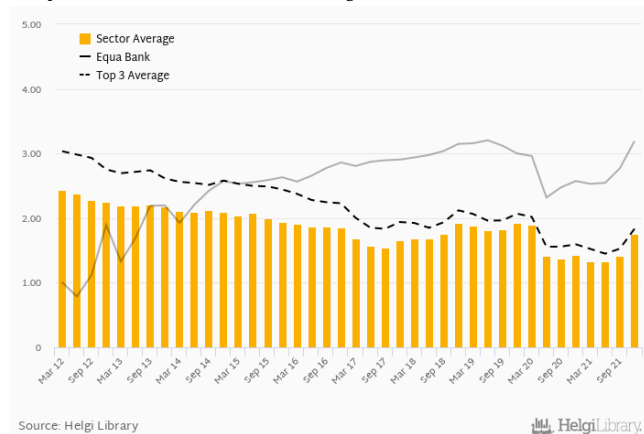
Comparison with the Sector and Three Largest Banks in Czechia



## Equa Bank – Comparison with Sector

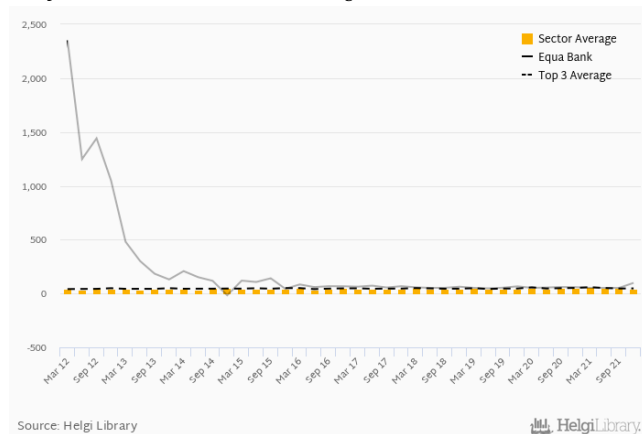
### Net Interest Margin vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



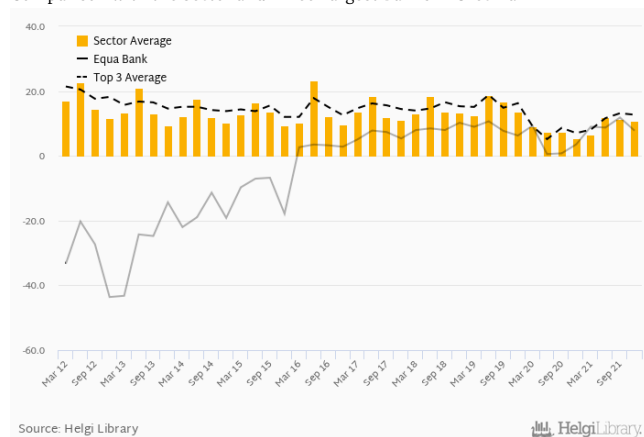
### Cost to Income vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



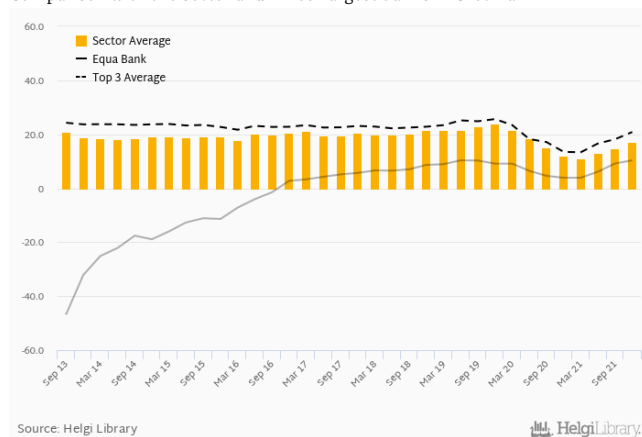
### Return on Equity vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



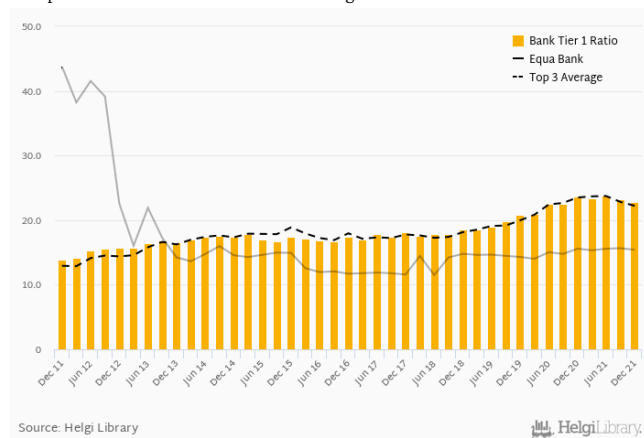
### Adjusted ROE vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



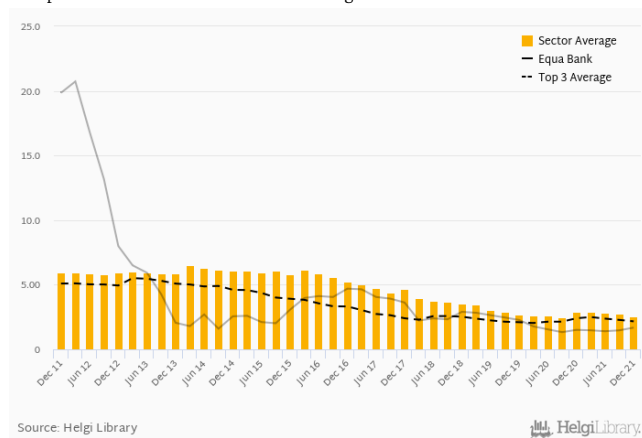
### Tier 1 Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



### NPL Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



# Banka Creditas

## Quarterly Results – 2Q2022

Banka Creditas made a net profit of CZK 89.2 mil in the second quarter of 2022, up 1% when compared to the previous year. Total revenues increased 60.1% yoy to CZK 390 mil, ROE amounted to 7.59% and the NPL ratio stood at 7.29%. In the last three years, the bank grew its loans by 25.5% a year, revenues rose by 11.2% and net profit increased by 4.4% a year, on average.

- ✓ Revenues increased 60.1% yoy to CZK 390 mil in the second quarter of 2022. Interest income formed 99.0% of total revenues with the net interest margin increasing 0.72529 pp to 2.03% of total assets. Fees added a further 1.26% to total revenue generated in 2Q2022, down from an average of 1.52% as seen in the previous two years.
- ✓ Operating costs grew by 7.6% yoy to CZK 238 mil, so cost to income ratio reached 61.1%, down by 38.5% compared to the previous two years. Staff accounted for 42.1% of total operating expenditures. At the end of second quarter of 2022, Banka Creditas operated a network of 37.0 branches and 424 employees.
- ✓ Loans and deposits grew by 8% and 8.34% qoq respectively, so loan to deposit ratio reached 36.7% at the end of 2Q2022. That's up from 31.5% the previous year. Equity reached 6.00% of assets and capital adequacy ratio amounted to 18.7% at the end of the second quarter of 2022.
- ✓ NPLs were 7.29% of total loans at the end of the quarter. Provisions covered 22.0% of non-performing loans
- ✓ When compared to selected peers, Banka Creditas was 5.44 pp less profitable in terms of ROE, achieved 17.2 pp worse cost efficiency when measured by cost to income ratio and grew its loans by 34.4 pp faster based on a last year comparison.

**Sector:**  
Banking

**Country:**  
Czechia

**Employees:**  
424

**Clients:**  
N/A

**Branches:**  
37.0

**ATMs:**  
N/A

**Bank Cards:**  
N/A

**Capital Adequacy Ratio:**  
18.7%

**Tier 1 Ratio:**  
15.1%

KEY FIGURES									
	REVENUES	REVENUE GROWTH	NET PROFIT	PROFIT GROWTH	ROE	COST TO INCOME	LOAN / DEPOSITS	EQUITY / ASSETS	NPL RATIO
	CZK mil	%	CZK mil	%	%	%	%	%	%
2Q2022	390	60.1	89.2	-1.971	7.59	61.1	36.7	6.00	7.29
2021	987	-9.66	22.2	-80.6	0.487	97.2	39.9	7.29	8.96
2020	1,092	-1.51	114	-56.5	2.55	75.2	25.6	6.80	17.5
2019	1,109	39.3	263	53.4	6.71	66.9	21.4	6.03	8.68
2018	796	94.0	171	159	6.06	67.0	39.5	8.33	7.65
2017	410	21.4	66.2	266	3.49	107	44.7	7.08	9.76
2016	338	15.4	18.1	-18.3	1.25	93.2	79.2	13.2	11.9

Source: Company Data, Helgi Library

Data tells a story



## Banka Creditas – Financials

INCOME STATEMENT		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Interest Income	CZK mil	286	383	283	314	345	472	666	877
Interest Cost	CZK mil	119	118	107	102	101	177	330	491
Net Interest Income	CZK mil	167	265	177	212	243	295	336	386
Net Fee Income	CZK mil	1.55	4.04	4.55	-0.295	2.91	8.20	10.4	4.93
Other Income	CZK mil	119	47.9	14.1	32.0	-45.3	43.0	-11.4	-0.836
Total Revenues	CZK mil	287	317	195	244	201	347	335	390
Staff Cost	CZK mil	71.8	76.8	74.2	83.5	88.9	97.6	100.0	100
Depreciation	CZK mil	58.1	59.7	58.7	57.5	61.8	63.7	56.4	57.5
Other Cost	CZK mil	65.1	85.2	67.1	80.6	68.5	157	73.7	80.7
Operating Cost	CZK mil	195	222	200	222	219	318	230	238
Operating Profit	CZK mil	91.8	95.5	-4.68	22.3	-18.3	28.3	105	152
Provisions	CZK mil	14.4	2.49	-20.6	23.8	-18.1	73.7	0.552	13.1
Pre-Tax Profit	CZK mil	77.4	93.0	15.9	-1.53	-0.136	5.50	105	139
Net Profit	CZK mil	58.6	75.7	15.9	-4.77	3.15	7.85	92.9	89.2

BALANCE SHEET		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Cash & Cash Equivalents	CZK mil	1,640	1,082	1,218	1,221	7,444	920	4,725	1,657
Interbank Loans	CZK mil	46,647	42,700	35,980	30,413	20,963	23,757	41,562	48,565
Customer Loans	CZK mil	12,992	15,739	14,053	18,907	21,246	22,893	25,000	27,000
Investments	CZK mil	6,143	6,280	13,164	13,683	12,001	12,476	13,217	14,430
Property and Equipment	CZK mil	650	405	410	394	589	753	760	736
Intangible Assets	CZK mil	...	242	218	198	188	181	187	188
Total Assets	CZK mil	68,261	66,707	65,190	65,012	64,436	62,531	73,310	79,025
Shareholders' Equity	CZK mil	4,462	4,538	4,554	4,549	4,552	4,560	4,653	4,742
Liabilities	CZK mil	63,798	62,169	60,636	60,463	59,884	57,971	68,657	74,283
Interbank Borrowing	CZK mil	0	45.6	34.0	5.72	0	0	0	0
Customer Deposits	CZK mil	63,362	61,416	60,186	60,033	59,440	57,369	67,961	73,628
Issued Debt Securities	CZK mil	0	327	0	0	0	0	0	0
Other Liabilities	CZK mil	436	380	416	424	445	602	696	655

RATIOS		Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
ROE	%	5.28	6.73	1.40	-0.419	0.277	0.689	8.07	7.59
ROA	%	0.326	0.449	0.097	-0.029	0.019	0.049	0.547	0.468
Costs (As % Of Assets)	%	1.09	1.31	1.21	1.36	1.35	2.01	1.36	1.25
Costs (As % Of Income)	%	68.0	69.9	102	90.9	109	91.8	68.6	61.1
Capital Adequacy Ratio	%	20.2	20.1	18.6	20.9	21.1	21.4	19.9	18.7
Net Interest Margin	%	0.927	1.57	1.07	1.30	1.50	1.86	1.98	2.03
Interest Income (As % Of Revenues)	%	58.1	83.6	90.4	87.0	121	85.2	100	99.0
Fee Income (As % Of Revenues)	%	0.539	1.27	2.33	-0.121	1.45	2.37	3.10	1.26
Staff Cost (As % Of Total Cost)	%	36.8	34.7	37.1	37.7	40.6	30.7	43.4	42.1
Equity (As % Of Assets)	%	6.54	6.80	6.99	7.00	7.06	7.29	6.35	6.00
Loans (As % Of Deposits)	%	20.5	25.6	23.3	31.5	35.7	39.9	36.8	36.7
Loans (As % Assets)	%	19.0	23.6	21.6	29.1	33.0	36.6	34.1	34.2
NPLs (As % Of Loans)	%	9.08	17.5	18.9	12.8	10.6	8.96	8.06	7.29
Provisions (As % Of NPLs)	%	35.1	14.9	14.6	17.0	18.3	20.7	21.1	22.0

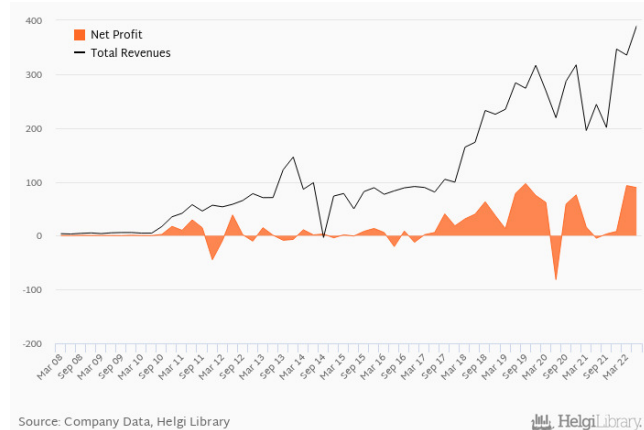
Source: Company Data, Helgi Library



## Banka Credits in Pictures

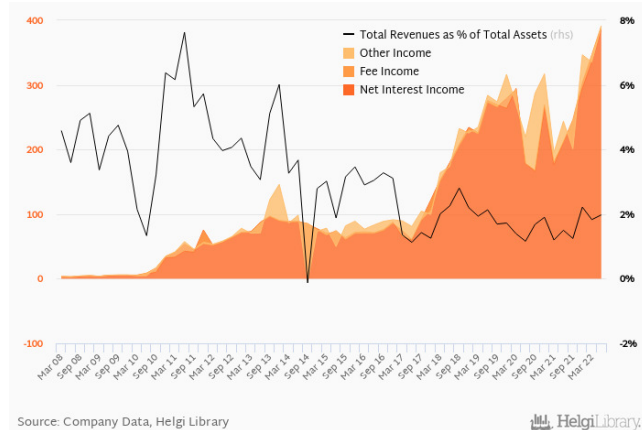
### Revenue & Profitability

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



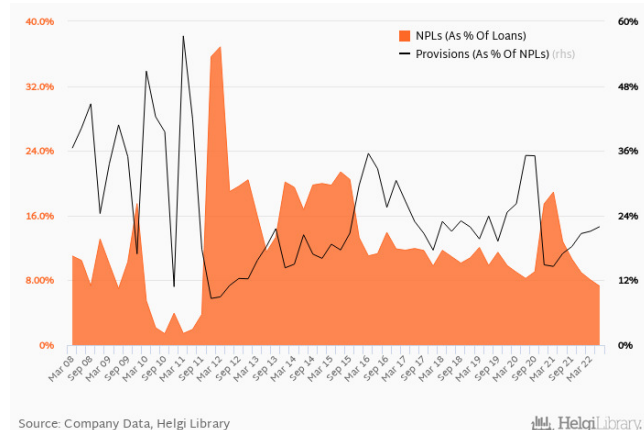
### Revenue Breakdown

Revenue by Type of Income (CZK mil)



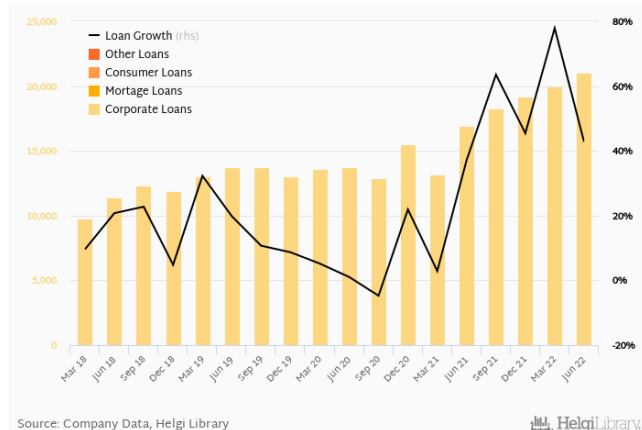
### Asset Quality

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



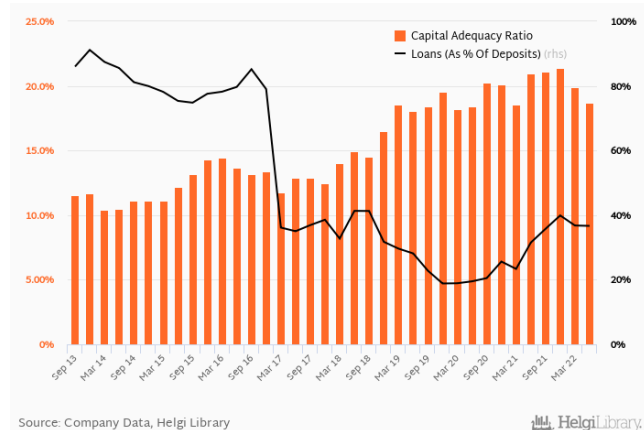
### Loan Breakdown

Loans by Type (CZK mil)



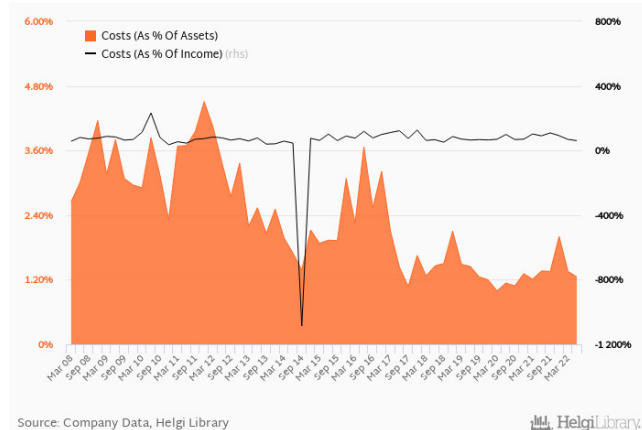
### Capital & Liquidity

Capital Adequacy Ratio & Loans (As % Of Deposits)



### Cost Efficiency

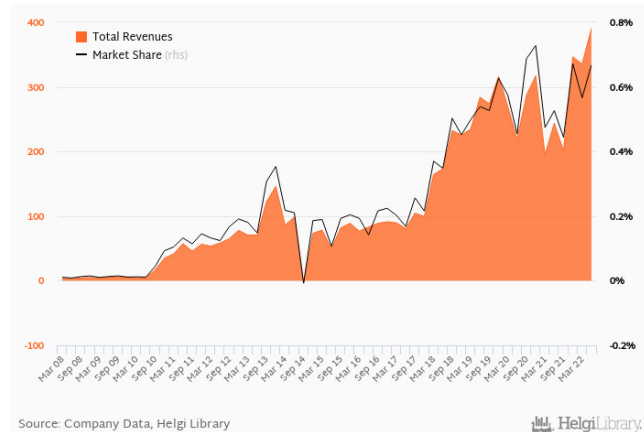
Costs As % Of Assets & Income



## Banka Creditas – Market Share Development

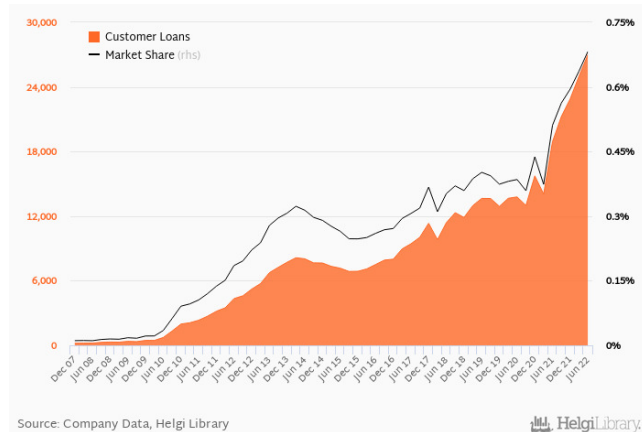
### Market Share in Bank Revenues

Total Revenues (CZK mil)



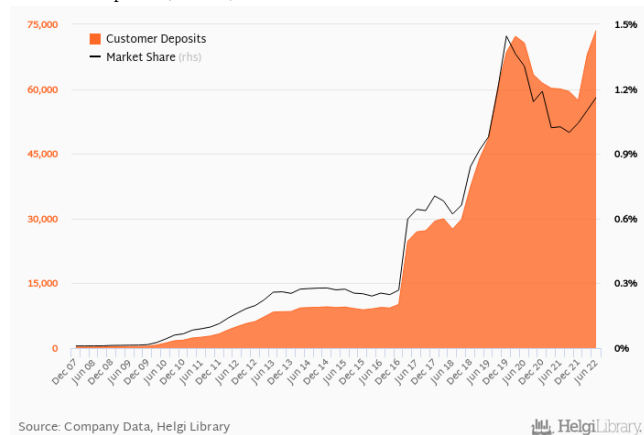
### Market Share in Bank Loans

Customer Loans (CZK bil) & Market Share (%)



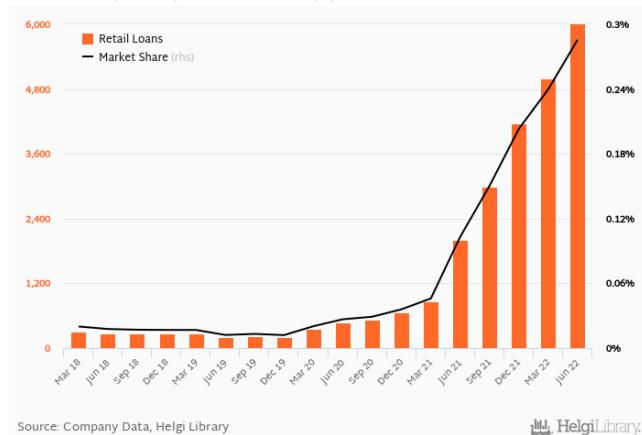
### Market Share in Bank Deposits

Customer Deposits (CZK bil)



### Market Share in Retail Loans

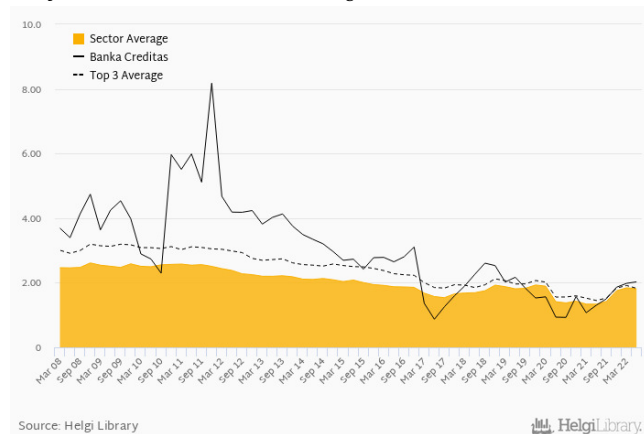
Retail Loans (CZK bil) & Market Share (%)



## Banka Credits – Comparison with Sector

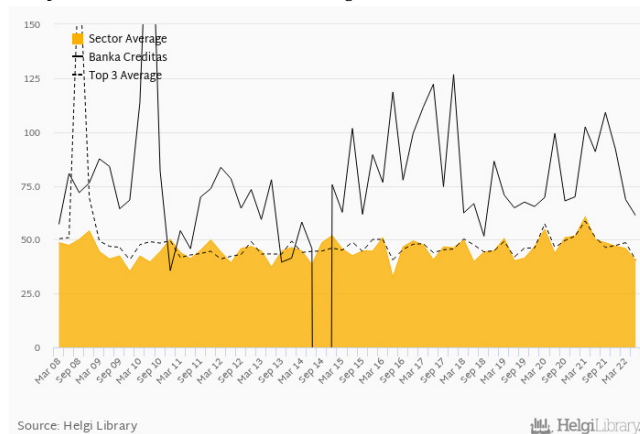
### Net Interest Margin vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



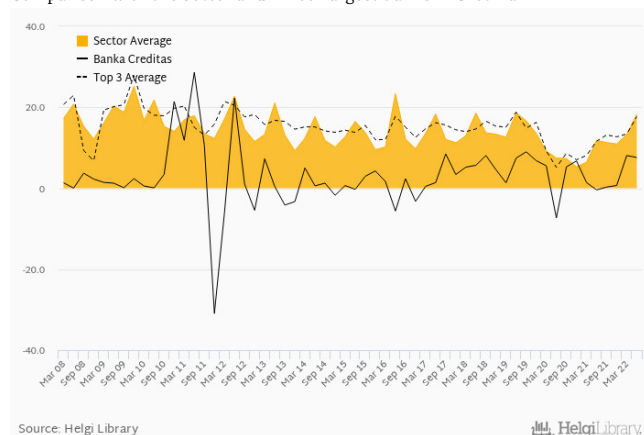
### Cost to Income vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



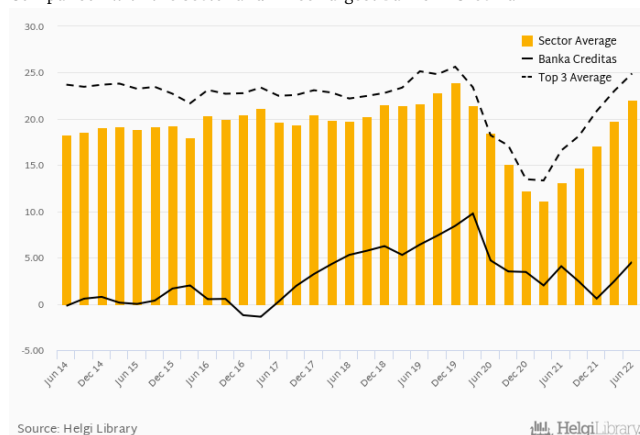
### Return on Equity vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



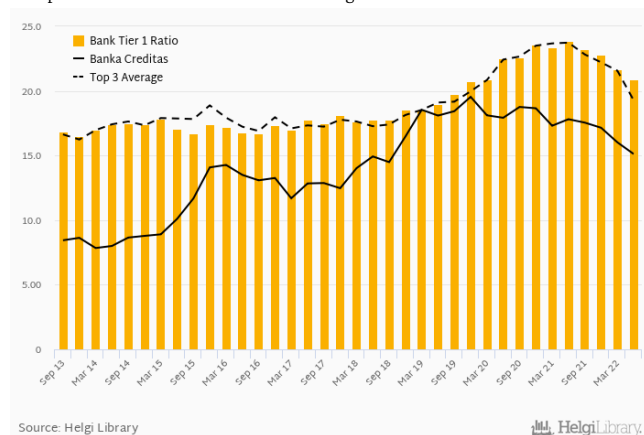
### Adjusted ROE vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



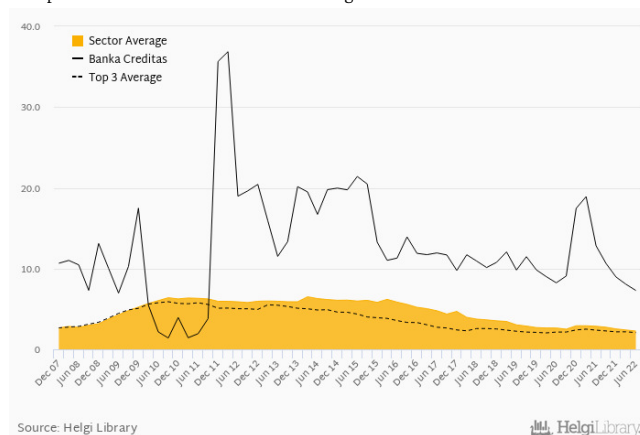
### Tier 1 Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



### NPL Ratio vs. Sector

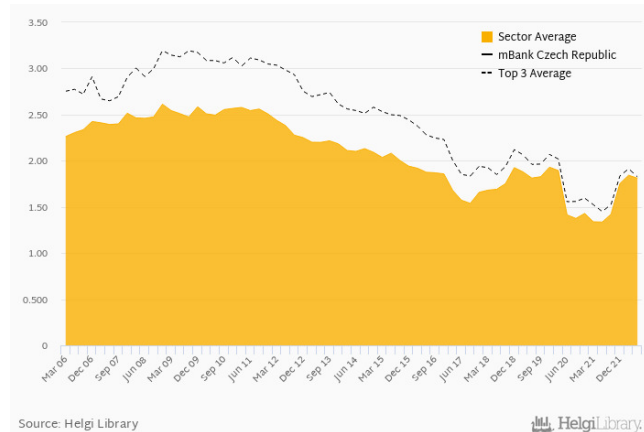
Comparison with the Sector and Three Largest Banks in Czechia



## mBank Czech Republic – Comparison with Sector

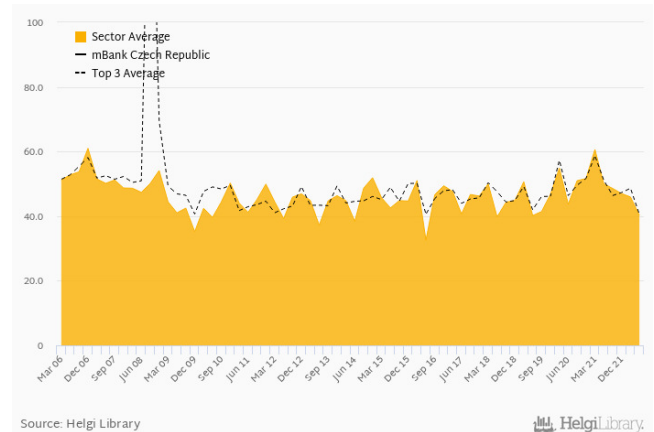
### Net Interest Margin vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



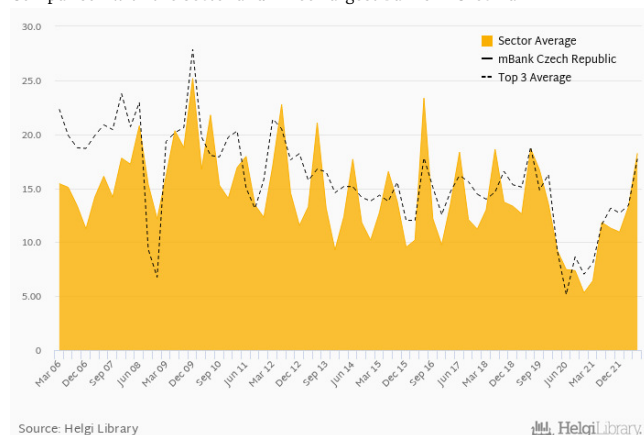
### Cost to Income vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



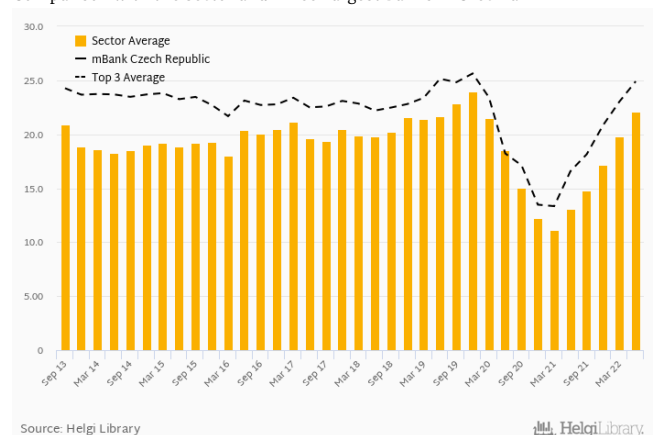
### Return on Equity vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



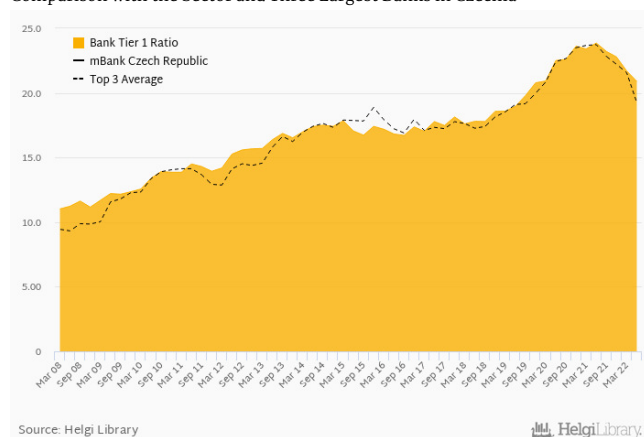
### Adjusted ROE vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



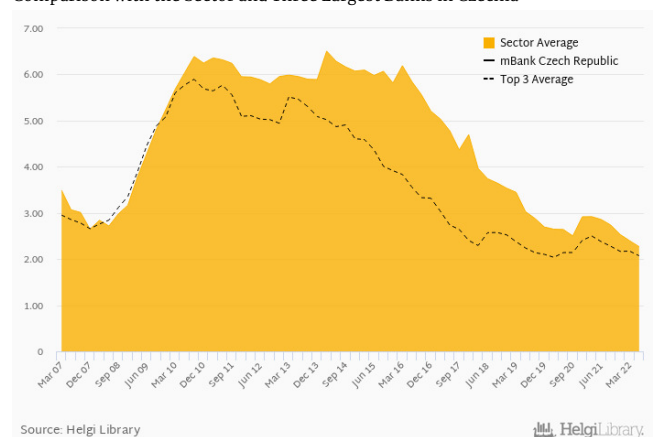
### Tier 1 Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia



### NPL Ratio vs. Sector

Comparison with the Sector and Three Largest Banks in Czechia





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Helgi Library 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.

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