

Expobank Czech Republic

Quarterly Results - 1Q2019

Expobank Czech Republic made a net profit of CZK 16.7 mil in the first quarter of 2019, down 4.97% when compared to the previous year. Total revenues increased 25.4% yoy to CZK 156 mil, ROE amounted to 2.38% and the NPL ratio stood at 4.91%. In the last three years, the bank grew its loans by -25.2% a year, revenues fell by 0.153% and net profit decreased by 25.6% a year, on average.

- ✓ Revenues increased 25.4% yoy to CZK 156 mil in the first quarter of 2019. Interest income formed 80.3% of total revenues with the net interest margin increasing 0.79 pp to 2.20% of total assets. Fees added a further 7.23% to total revenue generated in 1Q2019, down from an average of 9.04% as seen in the previous two years.
- ✓ Operating costs grew by 8.29% yoy to CZK 121 mil, so cost to income ratio reached 77.6%, down by 1.67% compared to the previous two years. Staff accounted for 61.4% of total operating expenditures. At the end of first quarter of 2019, Expobank Czech Republic operated a network of 2.00 branches and 204 employees.
- ✓ Loans and deposits dropped by 21% and 6.97% qoq respectively, so loan to deposit ratio reached 45.6% at the end of 1Q2019. That's up from 45.6% the previous year. Equity reached 13.7% of assets and capital adequacy ratio amounted to 24.0% at the end of the first quarter of 2019.
- ✓ NPLs were 4.91% of total loans at the end of the quarter. Provisions covered 90.4% of non-performing loans
- ✓ When compared to selected peers, Expobank Czech Republic was 11.5 pp less profitable in terms of ROE, achieved 29.3 pp worse cost efficiency when measured by cost to income ratio and grew its loans by 17.4 pp slower based on a last year comparison.

Sector:	Banking
Country:	Czech Republic
Employees:	204
Clients:	N/A
Branches:	2.00
ATMs:	N/A
Bank Cards:	N/A
Capital Adequacy Ratio:	24.0%
Tier 1 Ratio:	24.0%

Data tells a story

KEY FIGURES									
	REVENUES	REVENUE GROWTH	NET PROFIT	PROFIT GROWTH	ROE	COST TO INCOME	LOAN / DEPOSITS	EQUITY / ASSETS	NPL RATIO
	CZK mil	%	CZK mil	%	%	%	%	%	%
1Q2019	156	25.4	16.7	-4.97	2.38	77.6	45.6	13.7	4.91
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
2015	552	-22.4	105	410	3.91	83.1	72.1	12.7	5.55

Source: Company Data, Helgi Analytics



1 Company Overview

Expobank Czech Republic (formerly known as LBBW Bank CZ) is a Czech Republic-based universal commercial bank. The bank has been present on the Czech banking market since 1991 and since 2008 (when it took over the operations of Austria's BAWAG) it has been 100% owned by Landesbank Baden-Württemberg, one of the largest banks in Germany. At the end of 2014, Czech operations of LBBW have been taken over by Igor Kim and the Bank has been renamed to Expobank CZ.

Expobank Czech Republic has been growing its revenues and asset by -3.32% and -3.74% a year on average in the last 10 years. Its loans and deposits have grown by -9.80% and -2.43% a year during that time and loans to deposits ratio reached 45.6% at the end of 1Q2019. The company achieved an average return on equity of 0.439% in the last decade with net profit growing 0.427% a year on average. In terms of operating efficiency, its cost to income ratio reached 77.6% in 1Q2019, compared to 84.5% average in the last decade.

Equity represented 13.7% of total assets or 44.5% of loans at the end of 1Q2019. Expobank Czech Republic's non-performing loans were 4.91% of total loans while provisions covered some 90.4% of NPLs at the end of the first quarter of 2019.

FINANCIALS		Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19
Net Interest Income	CZK mil	86.4	88.0	75.6	87.9	98.0	116	130	125
Total Revenues	CZK mil	149	133	138	124	144	144	299	156
Operating Profit	CZK mil	34.2	16.8	12.2	12.6	33.0	26.8	133	34.9
Net Profit	CZK mil	7.47	-57.4	-43.9	17.6	37.2	32.2	114	16.7
Customer Loans	CZK mil	11,043	9,997	9,109	7,299	7,058	7,349	8,027	6,342
Total Assets	CZK mil	24,253	25,157	25,235	24,745	23,059	21,254	24,913	20,595
Shareholders' Equity	CZK mil	3,156	3,112	3,068	2,998	2,664	2,693	2,806	2,823
Interbank Borrowing	CZK mil	2,875	3,991	5,181	4,892	3,878	2,622	6,703	3,315
Customer Deposits	CZK mil	17,066	16,854	16,208	16,013	15,662	15,265	14,951	13,909
Issued Debt Securities	CZK mil	538	533	434	357	328	328	234	223

RATIOS		Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19
ROE	%	0.946	-7.32	-5.69	2.32	5.26	4.80	16.6	2.38
Costs (As % Of Income)	%	77.0	87.4	91.2	89.8	77.1	81.4	55.7	77.6
Net Interest Margin	%	1.49	1.42	1.20	1.41	1.64	2.10	2.25	2.20
Equity (As % Of Assets)	%	13.0	12.4	12.2	12.1	11.6	12.7	11.3	13.7
Loans (As % Of Deposits)	%	64.7	59.3	56.2	45.6	45.1	48.1	53.7	45.6
Loans (As % Assets)	%	45.5	39.7	36.1	29.5	30.6	34.6	32.2	30.8
NPLs (As % Of Loans)	%	4.95	4.45	4.49	6.45	6.70	6.42	5.96	4.91
Provisions (As % Of NPLs)	%	35.2	52.9	56.7	64.2	56.1	55.9	56.2	90.4

Source: Company Data, Helgi Analytics



2 Revenues & Costs

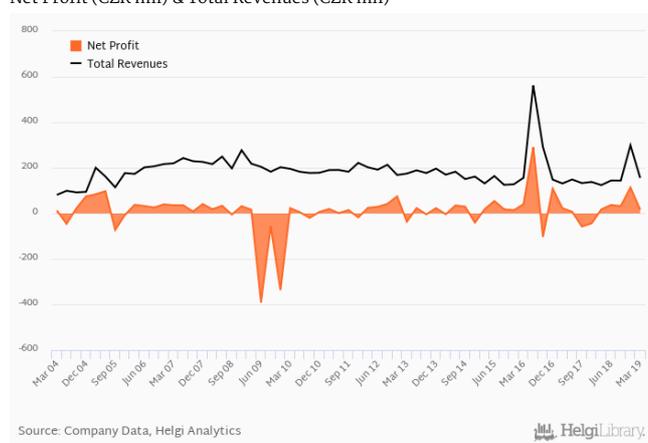
2.1 Revenues

Expobank Czech Republic generated total operating revenues of CZK 156 mil in the first quarter of 2019, up 25.4% compared to the same period of the previous year. Net interest income represented 80.3% of revenues, fee income contributed 7.23% and other non-interest income added further 12.5% to the overall revenue generated.

Over the previous three years, revenues fell by 0.153% a year on average.

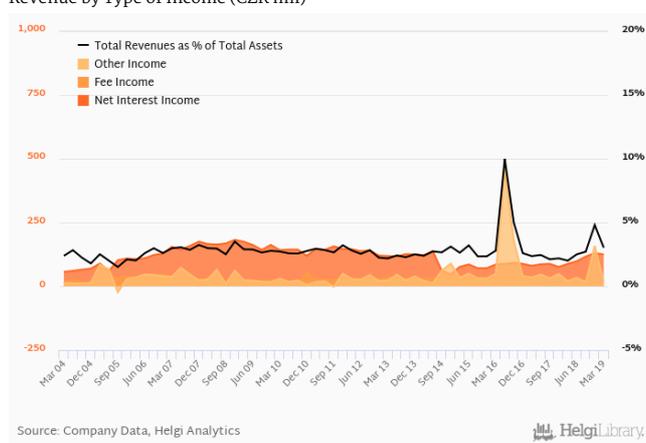
Revenue & Profitability

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



Revenue Breakdown

Revenue by Type of Income (CZK mil)



Net interest margin amounted to 2.20% in the first quarter of 2019, up from the 1.41% of the previous year. Historically, Expobank Czech Republic's net interest margin reached a high of 2.33% in 4Q2007 and a low of 0.748% in 2Q2005.

Average asset yield was 2.65% in the first quarter of 2019 (up from 1.88%) while cost of funding amounted to 0.514% in 1Q2019 (down from 0.539%).

NET INTEREST MARGIN									
NAME	COUNTRY	Total Assets (CZK mil)	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19
CSOB	Czechia	1,580,440	1.57	1.71	1.72	1.62	1.76	2.00	2.05
Ceska Sporitelna	Czechia	1,496,460	1.95	2.04	1.99	1.93	1.99	2.16	1.99
Komerční Banka	Czechia	1,133,340	1.99	2.10	2.07	2.00	2.06	2.20	2.15
UniCredit Czech Republic	Czechia	866,941	1.28	1.52	1.66	1.60	1.69	1.88	1.73
Raiffeisenbank Czech Republic	Czechia	356,702	1.66	1.81	2.06	2.01	2.10	2.24	2.35
Hypoteční Banka	Czechia	311,496	1.39	1.32	1.24	1.07	1.23	1.17	1.10
MONETA Money Bank	Czechia	203,728	4.26	3.90	3.74	3.84	4.00	4.02	3.79
PPF Banka	Czechia	188,699	0.905	1.22	1.40	1.49	1.63	2.09	1.84
Ceskomoravská Stavební Sporitelna	Czechia	149,439	1.35	1.40	1.33	1.30	1.32	1.37	1.44
Expobank Czech Republic	Czechia	20,595	1.42	1.20	1.41	1.64	2.10	2.25	2.20
Weighted Average			1.75	1.86	1.88	1.81	1.91	2.08	2.02
Median			1.50	1.61	1.69	1.63	1.88	2.13	2.02

Source: Company Data, Helgi Analytics



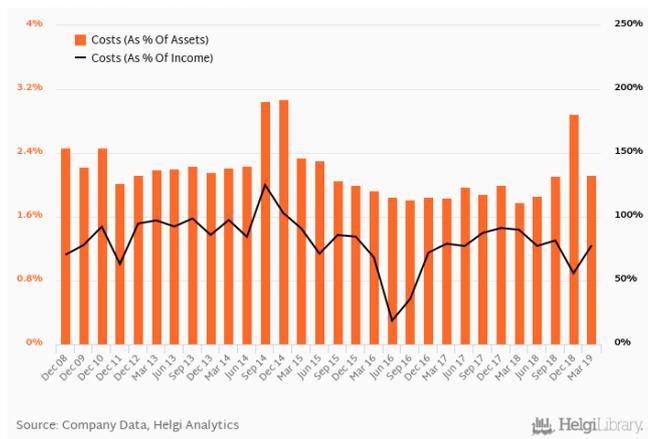
2.2 Costs

Operating costs increased by 8.29% yoy to CZK 121 mil in the first quarter of 2019. Expobank Czech Republic’s cost to income ratio therefore reached 77.6%, down from 89.8% when compared to the previous year.

Historically, operating costs reached a high of 141% of income in 3Q2005 and a low of 18.5% in 2Q2016:

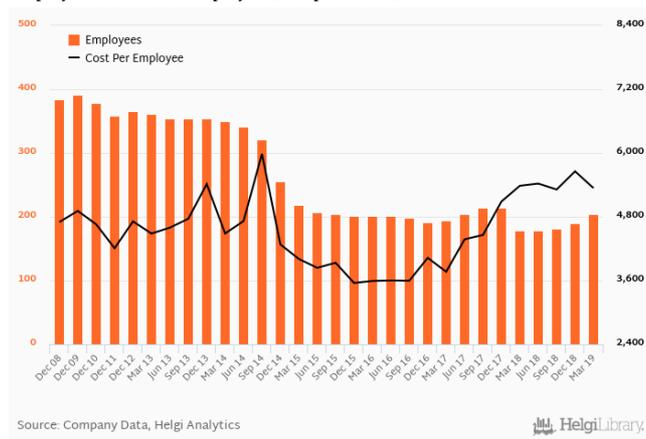
Cost Efficiency

Costs As % Of Assets & Income



Workforce

Employees & Cost Per Employee (USD per month)



When compared to its peer's weighted average, Expobank Czech Republic operated with a 29.3 pp higher cost to income ratio in the first quarter of 2019:

COSTS (AS % OF INCOME)								
NAME	COUNTRY	Total Assets (CZK mil)	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19
CSOB	Czechia	1,580,440	47.2	48.5	49.3	47.0	46.9	47.7
Ceska Sporitelna	Czechia	1,496,460	50.4	48.9	49.4	45.0	44.6	47.3
Komerčni Banka	Czechia	1,133,340	44.7	53.6	45.2	41.0	42.7	52.6
UniCredit Czech Republic	Czechia	866,941	30.9	50.2	35.3	33.6	35.4	46.0
Raiffeisenbank Czech Republic	Czechia	356,702	40.1	64.3	50.1	49.3	52.6	62.2
Hypoteční Banka	Czechia	311,496	21.0	33.0	23.8	23.1	22.8	34.3
MONETA Money Bank	Czechia	203,728	57.8	52.6	46.8	39.7	52.6	52.4
PPF Banka	Czechia	188,699	44.9	16.5	20.7	40.8	30.4	25.4
Ceskomoravská Stavební Sporitelna	Czechia	149,439	54.7	53.9	48.1	45.9	55.4	59.4
Expobank Czech Republic	Czechia	20,595	91.2	89.8	77.1	81.4	55.7	77.6
Weighted Average			44.1	49.3	44.6	42.2	43.1	48.3
Median			46.0	51.4	47.4	43.0	45.8	50.0

Source: Company Data, Helgi Analytics

When compared to total assets, operating costs amounted to 2.13% in 1Q2019 up from 1.79% the previous year.

Expobank Czech Republic had 204 employees in the first quarter of 2019, up by 14.6% when compared to the previous year. The company operated a network of 2.00 branches in 1Q2019.



The average cost per employee stood at USD 5,340 per month, 0.811% below the previous year. This figure was USD 4,485 per month five years earlier.

Staff accounted for 61.4% of total operating expenditures in 1Q2019.

STAFF COST (AS % OF TOTAL COST)								
NAME	COUNTRY	Total Assets (CZK mil)	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19
CSOB	Czechia	1,580,440	46.5	45.0	49.9	52.0	49.4	43.0
Ceska Sporitelna	Czechia	1,496,460	49.5	49.4	53.1	54.5	51.5	50.8
Komerčni Banka	Czechia	1,133,340	50.9	45.5	60.9	56.5	52.4	45.5
UniCredit Czech Republic	Czechia	866,941	44.4	32.0	47.5	51.4	44.7	35.1
Raiffeisenbank Czech Republic	Czechia	356,702	48.7	43.9	55.6	55.6	53.1	42.0
Hypotecni Banka	Czechia	311,496	61.2	40.8	62.8	60.5	63.2	40.3
MONETA Money Bank	Czechia	203,728	45.0	47.3	51.9	52.1	41.9	40.9
PPF Banka	Czechia	188,699	31.6	46.2	45.7	31.4	39.0	48.6
Ceskomoravska Stavebni Sporitelna	Czechia	149,439	43.8	33.8	43.2	42.9	38.6	30.6
Expobank Czech Republic	Czechia	20,595	56.3	54.0	55.9	54.5	43.0	61.4
Weighted Average			48.0	43.9	53.1	53.1	49.8	43.9
Median			47.6	45.2	52.5	53.3	47.0	42.5

Source: Company Data, Helgi Analytics



3 Balance Sheet Growth, Capital, Funding & Asset Quality

3.1 Balance Sheet Growth

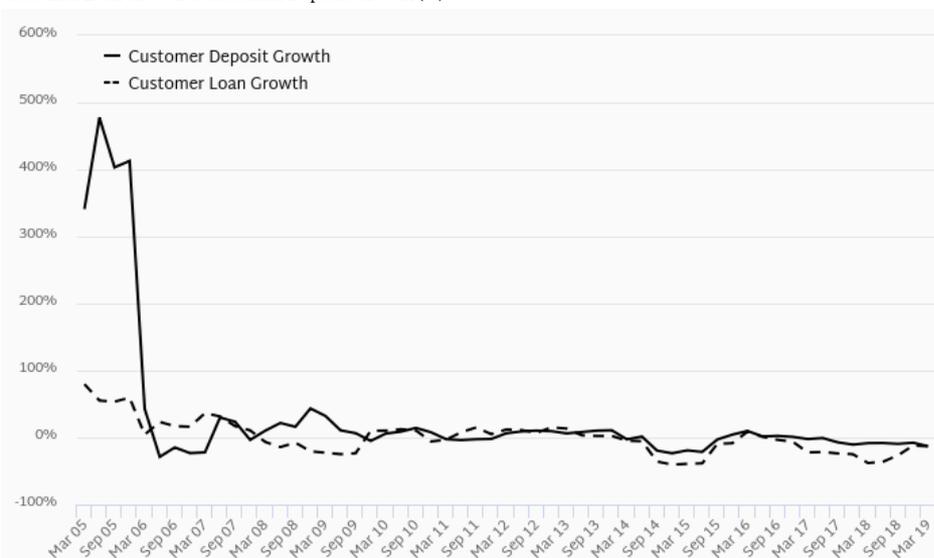
Expobank Czech Republic's customer loans decreased 21% qoq and 13.1% yoy in the first quarter of 2019. On the other side of the balance sheet, customer deposit growth amounted to -6.97% qoq and -13.1% yoy. That's compared to average of -18.9% and -5.21% seen in the last three years.

In the previous five years, the average annual loan growth amounted to -25.2% while deposit growth reached -8.05% on average a year.

At the end of first quarter of 2019, Expobank Czech Republic's loans accounted for 45.6% of total deposits and 30.8% of total assets.

Loan & Deposit Growth

Customer Loan Growth & Customer Deposit Growth (%)



Source: Company Data, Helgi Analytics

HelgiLibrary

LOANS (AS % OF DEPOSITS)								
NAME	COUNTRY	Total Assets (CZK mil)	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19
CSOB	Czechia	1,580,440	90.6	74.9	75.6	75.9	87.1	83.2
Ceska Sporitelna	Czechia	1,496,460	72.3	73.7	75.8	75.9	72.0	72.0
Komerční Banka	Czechia	1,133,340	78.5	73.7	73.6	72.6	76.7	73.0
UniCredit Czech Republic	Czechia	866,941	104	107	108	92.8	92.4	66.5
Raiffeisenbank Czech Republic	Czechia	356,702	75.8	66.6	69.2	68.7	67.7	71.2
Hypoteční Banka	Czechia	311,496	114	113	114	114	113	113
MONETA Money Bank	Czechia	203,728	87.4	87.0	90.3	90.9	83.0	84.6
PPF Banka	Czechia	188,699	16.9	17.9	21.2	21.4	25.9	22.5
Ceskomoravská Stavební Sporitelna	Czechia	149,439	81.5	82.2	82.8	83.9	83.0	84.5
Expobank Czech Republic	Czechia	20,595	56.2	45.6	45.1	48.1	53.7	45.6
Weighted Average			83.6	79.0	80.2	78.0	80.4	75.3
Median			80.0	74.3	75.7	75.9	79.8	72.5

Source: Company Data, Helgi Analytics

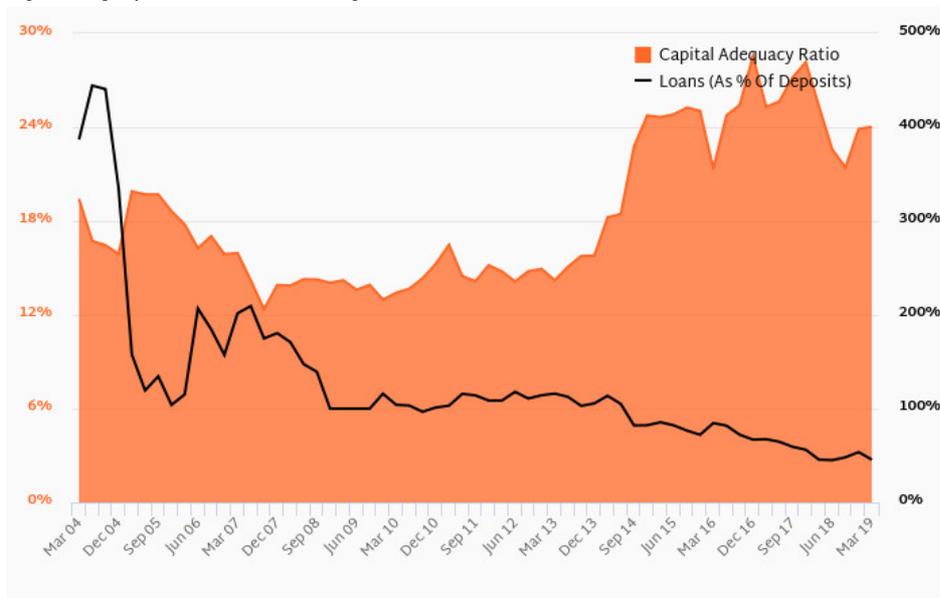


3.2 Capital & Liquidity

Expobank Czech Republic's capital adequacy ratio reached 24.0% in the first quarter of 2019, down from 25.3% for the previous year. The Tier 1 ratio amounted to 24.0% at the end of the first quarter of 2019:

Capital & Liquidity

Capital Adequacy Ratio & Loans (As % Of Deposits)



Source: Company Data, Helgi Analytics



Expobank Czech Republic's capital is above average compared to its peers when measured by the capital adequacy ratio:

CAPITAL ADEQUACY RATIO								
NAME	COUNTRY	Total Assets (CZK mil)	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19
CSOB	Czechia	1,580,440	17.2	17.9	17.5	17.3	18.0	19.0
Ceska Sporitelna	Czechia	1,496,460	18.7	17.8	17.3	17.6	19.2	18.8
Komerčni Banka	Czechia	1,133,340	18.6	18.3	18.1	18.4	18.5	18.9
UniCredit Czech Republic	Czechia	866,941	19.9	19.1	18.6	18.3	20.3	19.7
Raiffeisenbank Czech Republic	Czechia	356,702	17.7	16.6	16.4	16.3	16.9	16.4
Hypotecni Banka	Czechia	311,496	37.3	37.5	41.2	35.5	36.5	39.1
MONETA Money Bank	Czechia	203,728	17.4	16.6	16.0	16.6	16.4	17.0
PPF Banka	Czechia	188,699	16.2	15.6	16.3	15.9	16.3	16.1
Ceskomoravska Stavebni Sporitelna	Czechia	149,439	20.5	14.7	15.7	15.5	17.5	18.5
Expobank Czech Republic	Czechia	20,595	28.2	25.3	22.6	21.4	23.9	24.0
Weighted Average			19.3	18.9	18.7	18.4	19.4	19.7
Median			18.7	17.9	17.4	17.5	18.3	18.9

Source: Company Data, Helgi Analytics

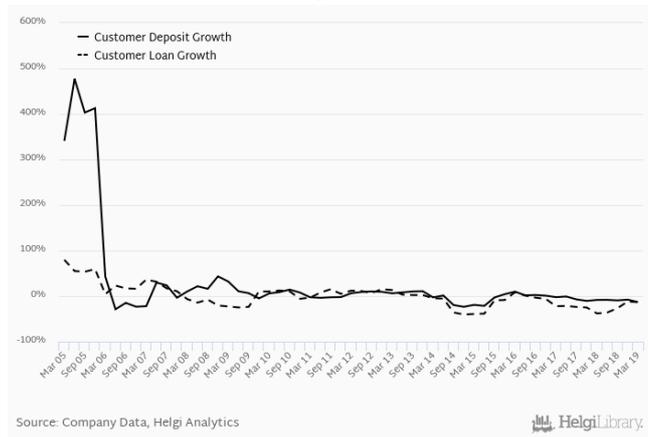


3.3 Loan Breakdown

Expobank Czech Republic's loans reached CZK 6,342 mil in the first quarter of 2019, down 13.1% when compared to the same period of the previous year:

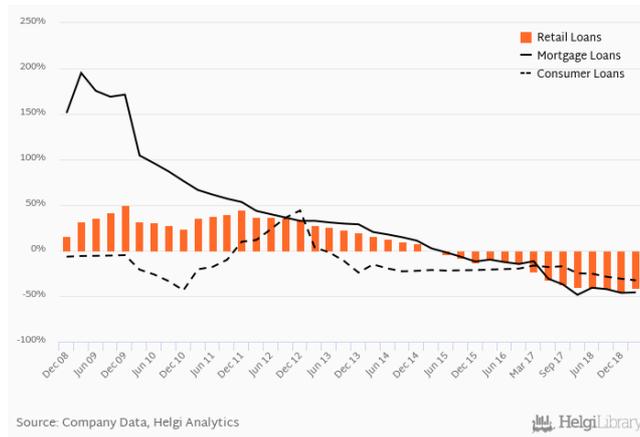
Loan & Deposit Growth

Customer Loan Growth & Customer Deposit Growth (%)



Retail Loan Growth

Retail Loan Growth (%)

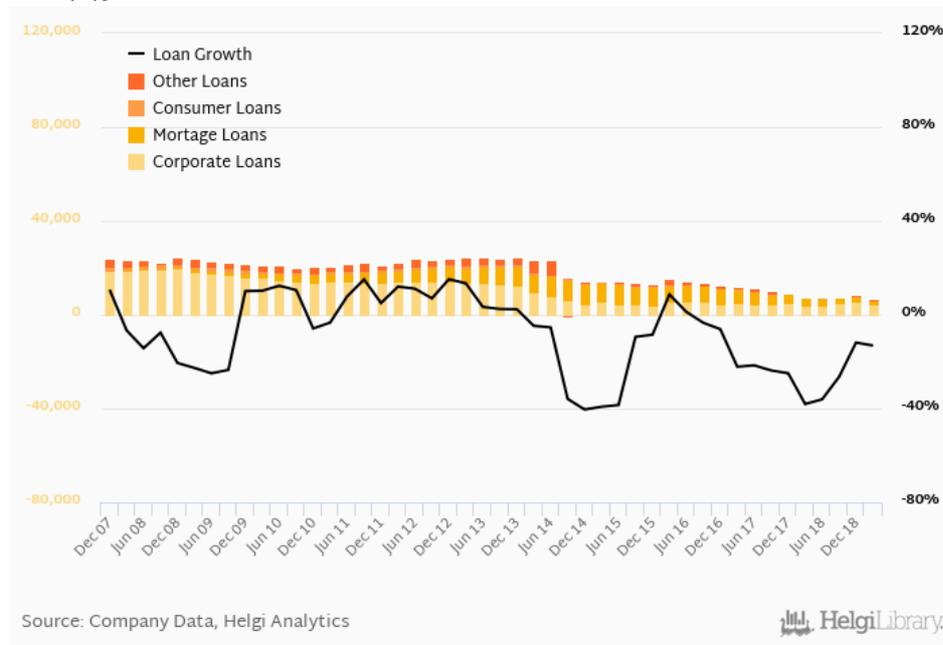


Retail loans grew -4.22% qoq and -40.6% yoy and accounted for 34.2% of the loan book at the end of the first quarter of 2019. In the previous three years, the retail loan portfolio decreased 35.2% a year on average.

At the end of the first quarter of 2019, mortgage loans represented 28.4% of the Expobank Czech Republic's loan book, consumer loans added a further 3.55% and corporate loans formed 70.4% of total loans.

Loan Breakdown

Loans by Type (CZK mil)





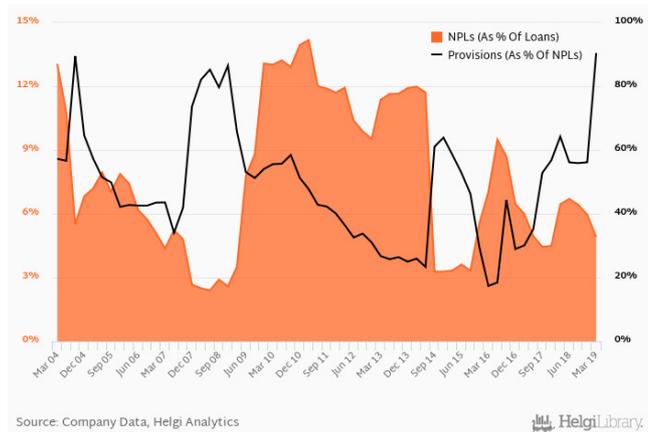
3.4 Asset Quality

Expobank Czech Republic's non-performing loans were 4.91% of total loans, down from 5.96% when compared to the previous quarter. Historically, the NPL ratio hit a high of 14.2% in 1Q2011 and a low 2.39% in 2Q2008.

Provisions covered some 90.4% of NPLs at the end of the first quarter of 2019, up from 56.2% for the previous three months:

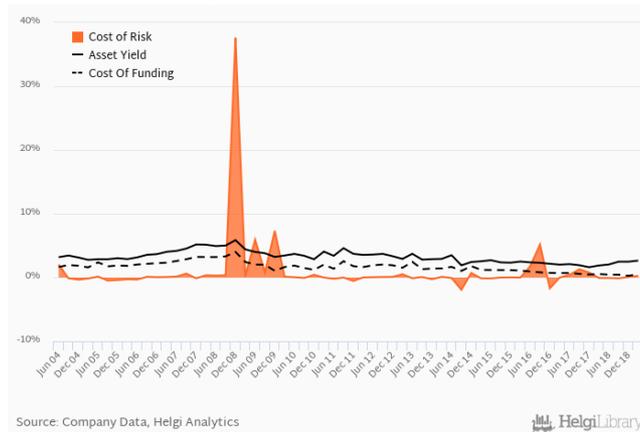
Asset Quality

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



Cost of Risk

Cost of Risk vs. Interest Spread (%)



Expobank Czech Republic operated with an NPL ratio 2.23 pp higher than the market average at the end of the first quarter of 2019:

NPLS (AS % OF LOANS)								
NAME	COUNTRY	Total Assets (CZK mil)	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19
CSOB	Czechia	1,580,440	2.04	2.02	2.88	3.05	3.06	2.92
Ceska Sporitelna	Czechia	1,496,460	2.10	2.00	2.10	1.90	1.80	1.80
Komerčni Banka	Czechia	1,133,340	3.06	2.85	2.73	2.77	2.71	2.50
UniCredit Czech Republic	Czechia	866,941	2.97	3.22	3.06	2.78	2.67	2.63
Raiffeisenbank Czech Republic	Czechia	356,702	2.53	2.67	2.40	2.41	2.22	2.21
Hypotecní Banka	Czechia	311,496	1.65	1.56	1.44	1.36	1.27	1.20
MONETA Money Bank	Czechia	203,728	4.10	3.70	3.30	3.00	2.80	2.00
PPF Banka	Czechia	188,699	13.8	6.63	7.48	7.60	12.9	11.3
Ceskomoravská Stavební Sporitelna	Czechia	149,439	2.24	2.18	4.72	4.59	4.46	4.38
Expobank Czech Republic	Czechia	20,595	4.49	6.45	6.70	6.42	5.96	4.91
Weighted Average			2.80	2.55	2.80	2.75	2.84	2.68
Median			2.75	2.76	2.97	2.89	2.76	2.57

Source: Company Data, Helgi Analytics

Expobank Czech Republic's cost of risk reached 0.260% of average loans in the first quarter of 2019, up from 0.097% in the previous quarter and compared to -0.080% for the previous year on average.



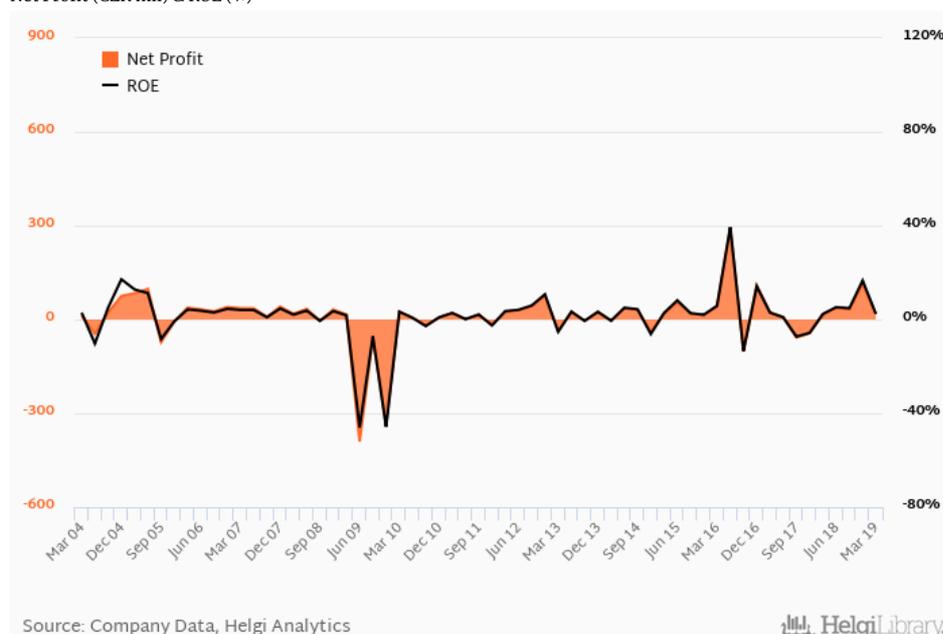
4 Profitability

Overall, Expobank Czech Republic made a net profit of CZK 16.7 mil in the first quarter of 2019. This was down 4.97% when compared to the previous year resulting in a return on equity of 2.38%.

Historically, net profit reached a high of CZK 290 mil in 2Q2016 and a low of CZK -390 mil in 2Q2009.

Profitability

Net Profit (CZK mil) & ROE (%)



The company generated an average return on equity of 5.20% for its shareholders in the previous three years with maximum at 39.4% and minimum at -13.4%.

ROE								
NAME	COUNTRY	Total Assets (CZK mil)	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19
CSOB	Czechia	1,580,440	17.4	17.1	15.6	18.7	18.8	20.5
Ceska Sporitelna	Czechia	1,496,460	9.69	13.3	12.8	13.7	11.7	12.6
Komercni Banka	Czechia	1,133,340	14.9	11.9	15.3	17.3	15.3	12.1
UniCredit Czech Republic	Czechia	866,941	21.4	10.2	12.0	13.8	15.1	10.4
Raiffeisenbank Czech Republic	Czechia	356,702	5.06	9.36	14.8	14.8	9.70	12.2
Hypotecni Banka	Czechia	311,496	7.13	5.83	6.03	5.81	5.40	4.98
MONETA Money Bank	Czechia	203,728	12.7	18.0	15.3	20.9	13.5	15.3
PPF Banka	Czechia	188,699	7.42	28.8	24.2	12.3	16.9	16.2
Ceskomoravska Stavebni Sporitelna	Czechia	149,439	9.78	12.1	12.1	8.08	8.04	8.79
Expobank Czech Republic	Czechia	20,595	-5.69	2.32	5.26	4.80	16.6	2.38
Weighted Average			13.8	13.5	14.0	15.3	14.3	13.9
Median			9.73	12.0	13.8	13.7	14.3	12.1

Source: Company Data, Helgi Analytics

When compared to total assets, Expobank Czech Republic generated a return of 0.294% in the first quarter of 2019 (ROA). That's 0.254 pp below average for the



previous five years.

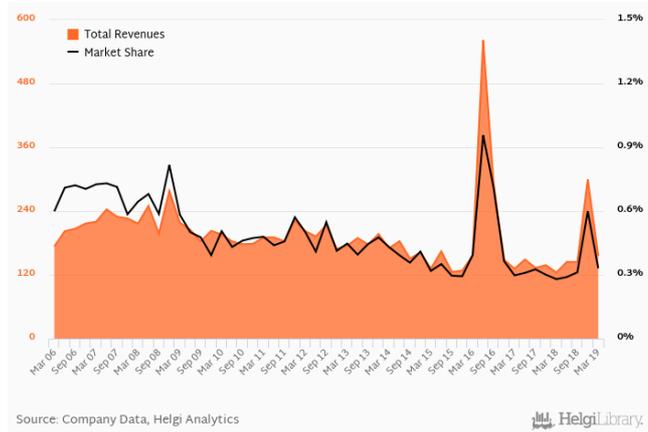


5 Market Share Development on the Czech Market

Based on latest available data, Expobank Czech Republic accounted for 0.265% of all bank assets managed in the Czech Republic at the end of the first quarter of 2019.

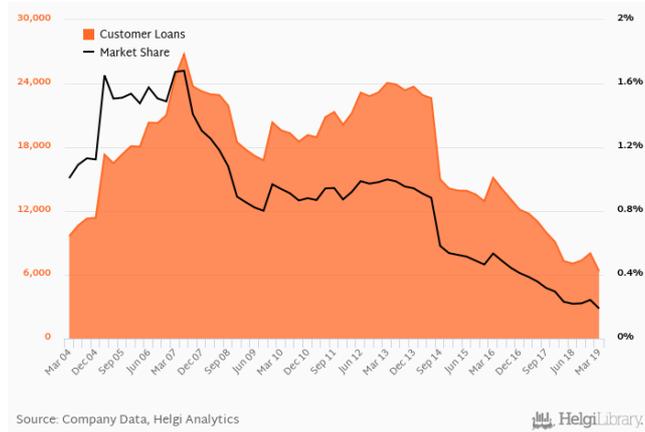
Market Share in Bank Revenues

Total Revenues (CZK mil)



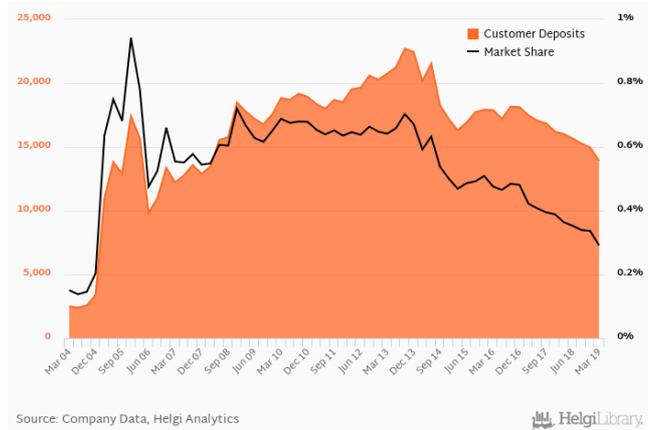
Market Share in Bank Loans

Customer Loans (CZK mil)



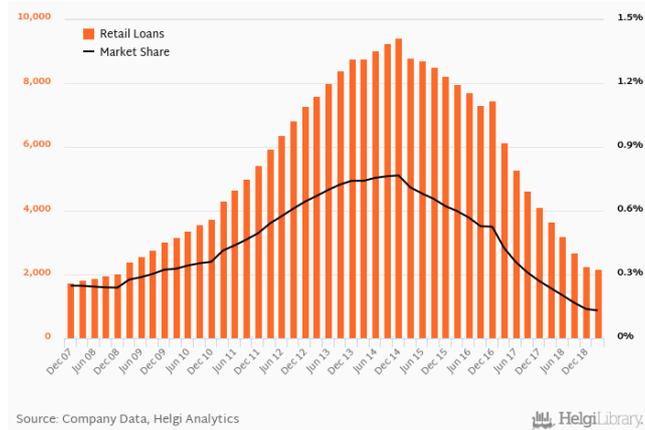
Market Share in Bank Deposits

Customer Deposits (CZK mil)



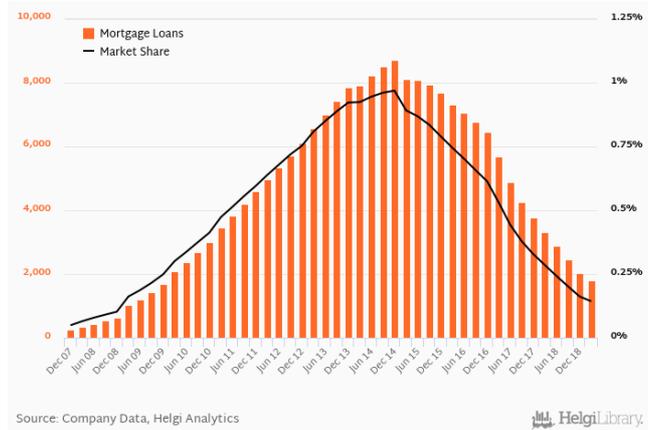
Market Share in Retail Loans

Retail Loans (CZK mil)



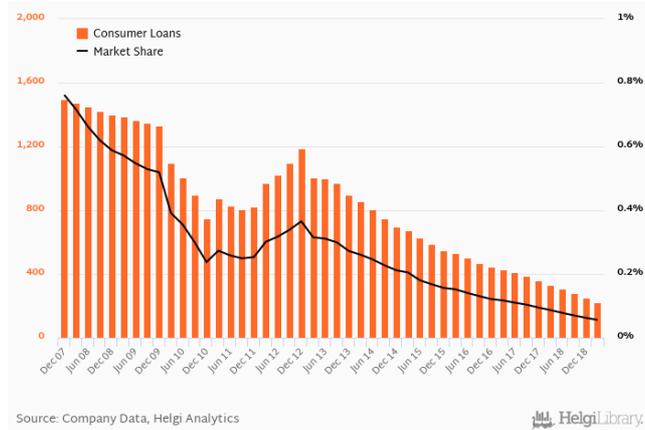
Market Share in Mortgage Loans

Mortgage Loans (CZK mil)



Market Share in Consumer Loans

Consumer Loans (CZK mil)



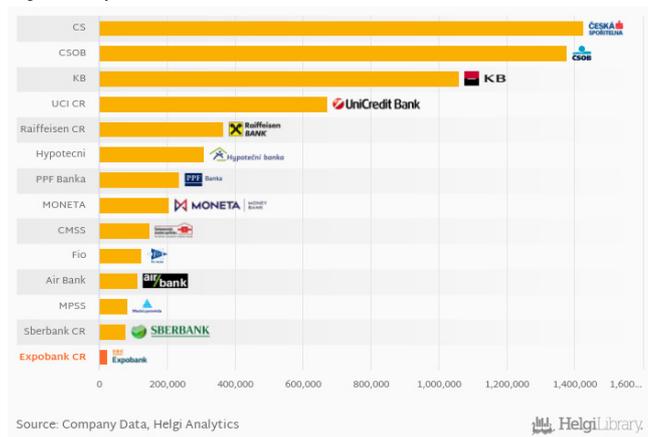


6 Market Share Position Within the Czech Market

Based on latest available data, the following charts demonstrate Expobank Czech Republic’s position compared to the largest players on the Czech banking market:

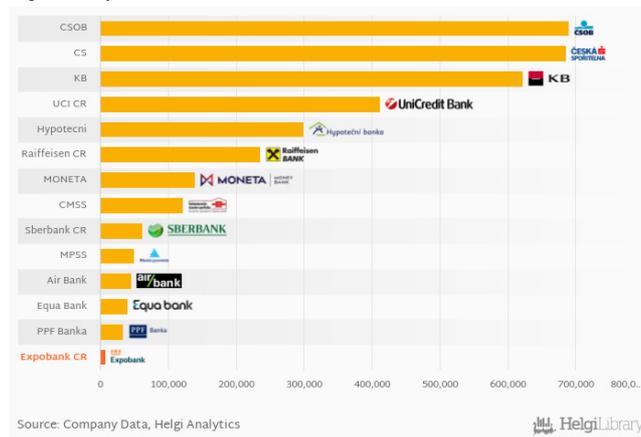
What Banks in Czechia Were the Largest in 2018?

Top Banks by Total Assets (CZK mil)



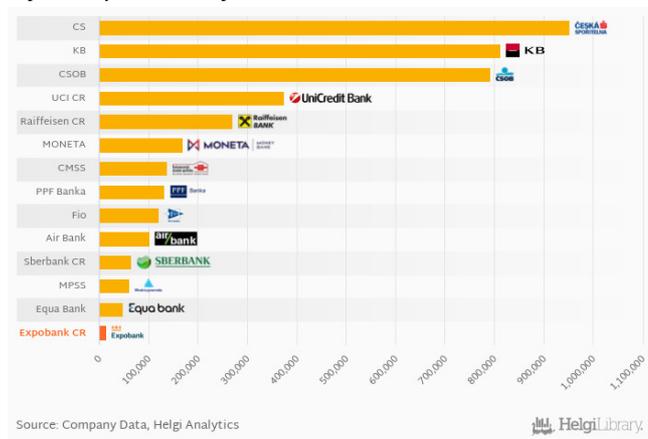
What Banks in Czechia Were the Largest Lenders in 2018?

Top Banks by Customer Loans (CZK mil)



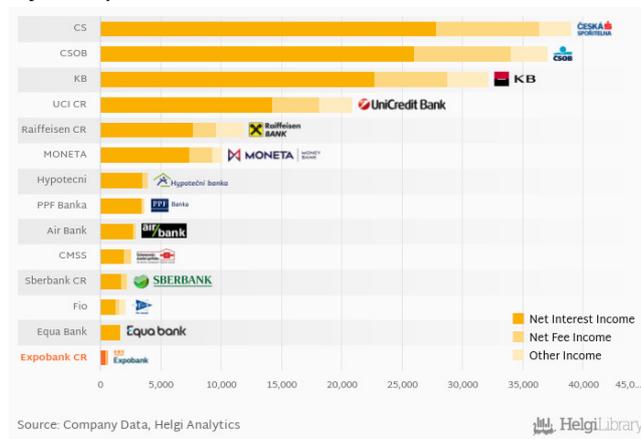
What Banks in Czechia Were the Largest Deposit Takers in 2018?

Top Banks by Customer Deposits (CZK mil)



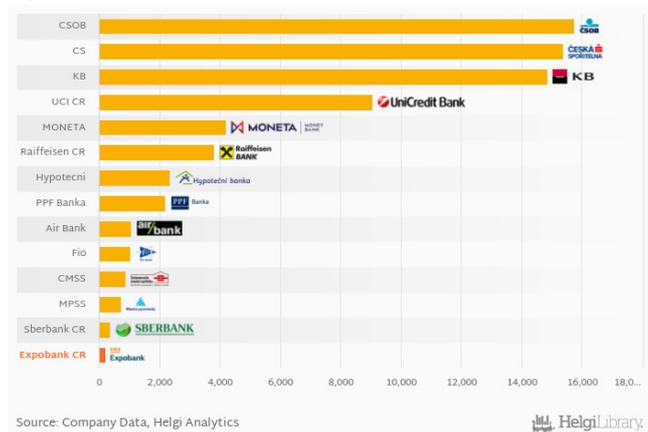
What Banks in Czechia Generated the Most Revenues in 2018?

Top Banks by Total Revenues (CZK mil)



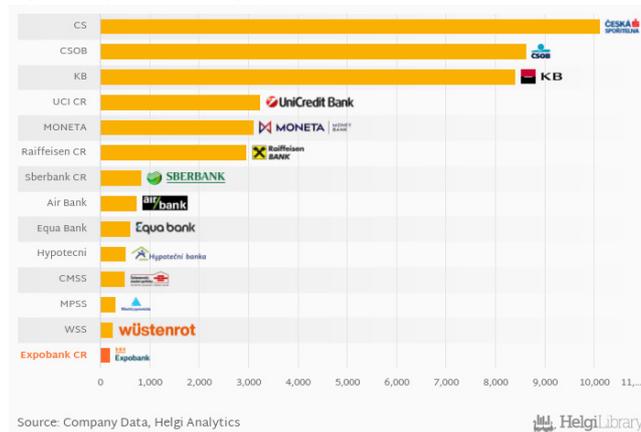
What Banks in Czechia Were the Most Profitable in 2018?

Top Banks by Net Profit (CZK mil)



What Banks in Czechia Had the Most Employees in 2018?

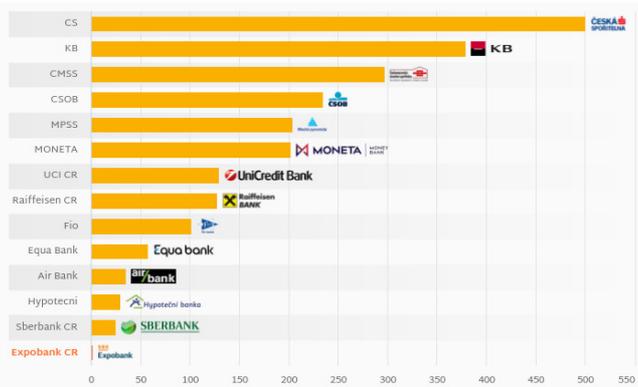
Top Banks by Number of Employees





What Banks in Czechia Had the Most Branches in 2018?

Top Banks by Number of Branches

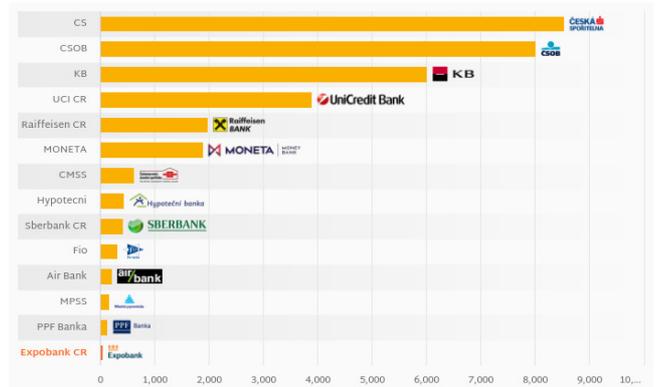


Source: Company Data, Helgi Analytics



What Banks in Czechia Generated the Most Fees in 2018?

Top Banks by Net Fee Income (CZK mil)



Source: Company Data, Helgi Analytics



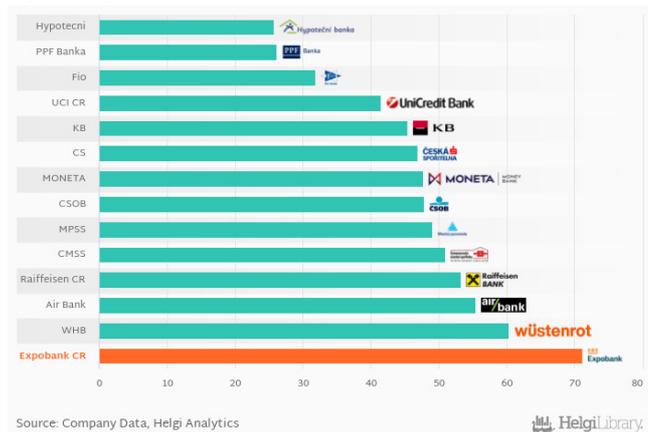


7 Relative Performance on the Czech Market

Based on latest available data, the following charts demonstrate Expobank Czech Republic’s relative performance when compared to the largest players on the Czech banking market:

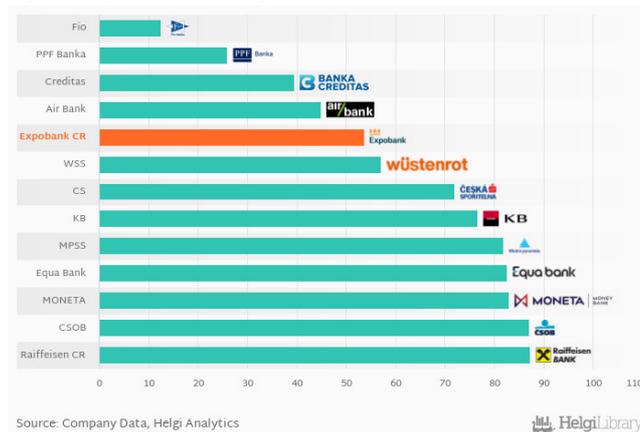
What Banks in Czechia Were the Most Cost Efficient in 2018?

Top Banks by Costs As % Of Income



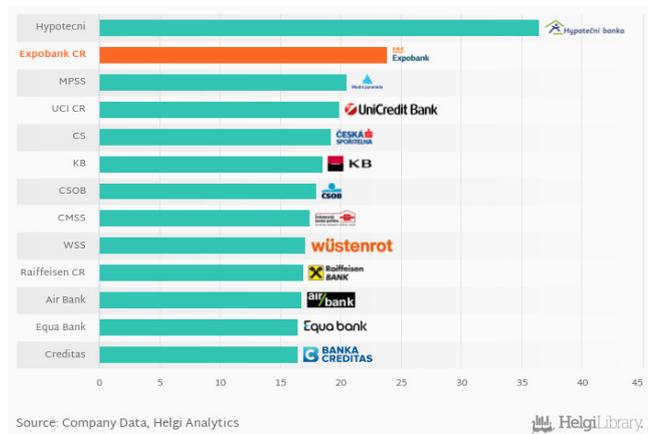
What Banks in Czechia Had the Lowest Loan to Deposit Ratio in 2018?

Top Banks by Loans (As % Of Deposits)



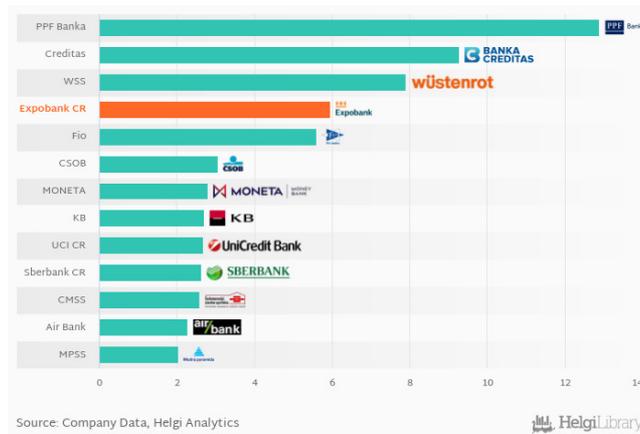
What Banks in Czechia Were the Best Capitalised in 2018?

Top Banks by Capital Adequacy Ratio (%)



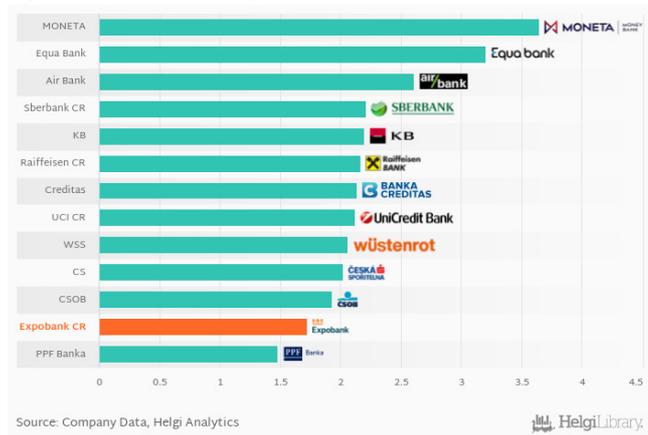
What Banks in Czechia Had the Most Bad Loans in 2018?

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



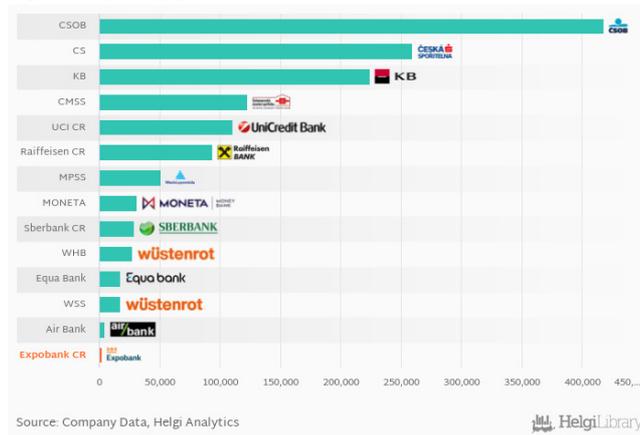
What Banks in Czechia Achieved the Highest Interest Margin in 2018?

Top Banks by Net Interest Margin (%)



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

Top Banks by Mortgage Loans (CZK mil)





Financial Data – Quarterly

Income Statement – Quarterly

INCOME STATEMENT		Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19
Interest Income	CZK mil	122	119	101	118	121	138	143	151
Interest Cost	CZK mil	35.5	31.0	25.9	29.6	23.5	21.4	13.5	25.6
Net Interest Income	CZK mil	86.4	88.0	75.6	87.9	98.0	116	130	125
Net Fee Income	CZK mil	15.9	13.9	14.2	16.3	12.5	11.5	11.7	11.3
Other Income	CZK mil	46.5	31.2	48.4	20.1	33.9	16.2	158	19.4
Total Revenues	CZK mil	149	133	138	124	144	144	299	156
Staff Cost	CZK mil	64.8	64.7	71.0	60.3	62.2	63.9	71.6	74.2
Depreciation	CZK mil	6.15	5.36	5.74	4.17	4.59	4.68	6.56	6.16
Operating Cost	CZK mil	115	116	126	112	111	117	167	121
Operating Profit	CZK mil	34.2	16.8	12.2	12.6	33.0	26.8	133	34.9
Provisions	CZK mil	25.0	81.3	49.5	-4.97	-4.19	-6.91	6.07	13.4
Extra and Other Cost	CZK mil	-0.030	0	0.666	0	0	< 0.001	< -0.001	-0.111
Pre-Tax Profit	CZK mil	9.25	-64.5	-37.9	17.6	37.2	33.7	126	21.7
Tax	CZK mil	1.79	-7.17	5.98	0	0	0	14.0	4.94
Minorities	CZK mil	0	0	0	0	0	0	0	0
Net Profit	CZK mil	7.47	-57.4	-43.9	17.6	37.2	32.2	114	16.7

Source: Company Data, Helgi Analytics

Growth Rates – Quarterly

GROWTH RATES		Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19
Net Interest Income Growth	%	-1.32	-4.30	-14.2	9.81	13.4	32.3	71.6	42.3
Net Fee Income Growth	%	5.72	-26.5	-28.9	-3.55	-21.5	-17.1	-17.8	-30.8
Total Revenue Growth	%	-73.5	-54.3	-6.79	-5.52	-3.04	8.31	117	25.4
Operating Cost Growth	%	10.3	12.1	18.3	7.56	-2.89	0.884	32.3	8.29
Operating Profit Growth	%	-92.5	-91.1	-70.8	-54.5	-3.52	59.8	988	176
Pre-Tax Profit Growth	%	-97.4	-43.8	-127	-37.8	302	-152	-433	23.1
Net Profit Growth	%	-97.4	-43.8	-140	-23.3	398	-156	-360	-4.97

Source: Company Data, Helgi Analytics



Balance Sheet – Quarterly

BALANCE SHEET		Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19
Cash	CZK mil	1,567	931	593	732	419	450	477	1,097
Interbank Loans	CZK mil	1,294	1,433	1,426	1,500	1,500	1,500	14,542	10,543
Customer Loans	CZK mil	11,043	9,997	9,109	7,299	7,058	7,349	8,027	6,342
Retail Loans	CZK mil	5,288	4,642	4,123	3,652	3,194	2,695	2,265	2,169
Mortgage Loans	CZK mil	4,878	4,252	3,761	3,325	2,888	2,452	2,015	1,800
Consumer Loans	CZK mil	410	390	362	334	306	278	250	225
Corporate Loans	CZK mil	4,841	4,461	5,226	3,962	4,140	4,928	5,762	4,467
Debt Securities	CZK mil	1,176	1,171	1,126	1,668	1,931	2,164	1,615	1,596
Fixed Assets	CZK mil	102	100	98.2	97.4	99.5	110	60.0	135
Total Assets	CZK mil	24,253	25,157	25,235	24,745	23,059	21,254	24,913	20,595
Shareholders' Equity	CZK mil	3,156	3,112	3,068	2,998	2,664	2,693	2,806	2,823
Of Which Minority Interest	CZK mil	0	0	0	0	0	0	0	0
Liabilities	CZK mil	21,097	22,045	22,167	21,747	20,396	18,561	22,107	17,772
Interbank Loans	CZK mil	1,294	1,433	1,426	1,500	1,500	1,500	14,542	10,543
Customer Deposits	CZK mil	17,066	16,854	16,208	16,013	15,662	15,265	14,951	13,909
Retail Deposits	CZK mil	14,099	13,806	13,026	12,421	11,862	11,214	10,610	9,433
Corporate Deposits	CZK mil	2,967	3,048	2,887	3,430	3,585	3,764	4,056	3,893
Issued Debt Securities	CZK mil	538	533	434	357	328	328	234	223
Other Liabilities	CZK mil	618	668	344	485	527	346	219	324

Source: Company Data, Helgi Analytics

Asset Quality – Quarterly

ASSET QUALITY		Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19
Non-Performing Loans	CZK mil	556	455	419	491	492	490	495	326
Gross Loans	CZK mil	11,239	10,238	9,347	7,615	7,334	7,623	8,305	6,636
Total Provisions	CZK mil	196	241	238	315	276	274	278	295

Source: Company Data, Helgi Analytics

Growth Rates – Quarterly

GROWTH RATES		Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19
Customer Loan Growth	%	-21.6	-23.8	-24.9	-38.1	-36.1	-26.5	-11.9	-13.1
Retail Loan Growth	%	-31.5	-36.6	-44.6	-40.4	-39.6	-41.9	-45.1	-40.6
Mortgage Loan Growth	%	-30.9	-37.2	...	-48.6	-40.8	-42.3	-46.4	-45.9
Consumer Loan Growth	%	-18.1	-17.2	...	-24.9	-25.4	-28.7	-30.9	-32.6
Corporate Loan Growth	%	-15.7	-19.6	10.5	-21.7	-14.5	10.5	10.3	12.7
Total Asset Growth	%	7.87	7.97	10.6	11.1	-4.92	-15.5	-1.27	-16.8
Shareholders' Equity Growth	%	1.94	3.40	-1.83	-5.00	-15.6	-13.5	-8.54	-5.83
Customer Deposit Growth	%	-0.788	-7.23	-10.5	-8.39	-8.22	-9.42	-7.76	-13.1
Retail Deposit Growth	%	2.67	-3.58	-11.7	-12.9	-15.9	-18.8	-18.5	-24.1
Corporate Deposit Growth	%	-17.0	-12.3	-3.38	16.7	20.8	23.5	40.5	13.5

Source: Company Data, Helgi Analytics



Market Share – Quarterly

MARKET SHARE		Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19
Market Share in Revenues	%	0.309	0.326	0.300	0.280	0.290	0.312	0.600	0.331
Market Share in Net Profit	%	0.030	...	...	0.097	0.145	0.172	0.605	0.091
Market Share in Employees	%	0.492	0.515	0.513	0.425	0.427	0.431	0.454	0.487
Market Share in Branches	%	0.349	0.356	0.360	0.105	0.105	0.106	0.102	0.104
Market Share in Customer Loans	%	0.358	0.317	0.295	0.231	0.218	0.221	0.243	0.189
Market Share in Corporate Loans	%	0.473	0.428	0.511	0.385	0.389	0.448	0.533	0.408
Market Share in Retail Loans	%	0.359	0.309	0.269	0.235	0.202	0.167	0.138	0.131
Market Share in Consumer Loans	%	0.110	0.104	0.095	0.087	0.078	0.070	0.063	0.056
Market Share in Mortgage Loans	%	0.443	0.378	0.328	0.285	0.242	0.201	0.162	0.143
Market Share in Total Assets	%	0.345	0.346	0.360	0.339	0.312	0.281	0.342	0.265
Market Share in Customer Deposits	%	0.407	0.395	0.389	0.364	0.353	0.339	0.336	0.291
Market Share in Retail Deposits	%	0.601	0.583	0.541	0.506	0.472	0.441	0.408	0.357
Market Share in Corporate Deposits	%	0.308	0.313	0.290	0.349	0.364	0.386	0.390	0.383

Source: Company Data, Helgi Analytics

Ratios – Quarterly

RATIOS		Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19
ROE	%	0.946	-7.32	-5.69	2.32	5.26	4.80	16.6	2.38
ROA	%	0.128	-0.929	-0.697	0.282	0.622	0.581	1.98	0.294
Costs (As % Of Assets)	%	1.97	1.88	2.00	1.79	1.86	2.12	2.89	2.13
Costs (As % Of Income)	%	77.0	87.4	91.2	89.8	77.1	81.4	55.7	77.6
Capital Adequacy Ratio	%	25.7	27.2	28.2	25.3	22.6	21.4	23.9	24.0
Tier 1 Ratio	%	25.7	27.2	28.2	25.3	22.6	21.4	23.9	24.0
Net Interest Margin	%	1.49	1.42	1.20	1.41	1.64	2.10	2.25	2.20
Interest Spread	%	1.39	1.35	1.14	1.34	1.59	2.05	2.22	2.14
Asset Yield	%	2.10	1.93	1.61	1.88	2.03	2.49	2.48	2.65
Cost Of Liabilities	%	0.706	0.576	0.468	0.539	0.446	0.439	0.266	0.514
Payout Ratio	%	0	...	0	...	...	...	0	0
Interest Income (As % Of Revenues)	%	58.1	66.1	54.7	70.8	67.9	80.7	43.3	80.3
Fee Income (As % Of Revenues)	%	10.7	10.4	10.3	13.1	8.67	8.00	3.90	7.23
Other Income (As % Of Revenues)	%	31.2	23.4	35.0	16.1	23.4	11.3	52.7	12.5
Cost Per Employee	USD per month	4,375	4,458	5,086	5,383	5,425	5,313	5,656	5,340
Cost Per Employee (Local Currency)	CZK per month	105,377	100,379	110,107	112,868	116,520	117,653	125,652	121,303
Staff Cost (As % Of Total Cost)	%	56.5	55.7	56.3	54.0	55.9	54.5	43.0	61.4
Equity (As % Of Assets)	%	13.0	12.4	12.2	12.1	11.6	12.7	11.3	13.7
Loans (As % Of Deposits)	%	64.7	59.3	56.2	45.6	45.1	48.1	53.7	45.6
Loans (As % Assets)	%	45.5	39.7	36.1	29.5	30.6	34.6	32.2	30.8
NPLs (As % Of Loans)	%	4.95	4.45	4.49	6.45	6.70	6.42	5.96	4.91
Provisions (As % Of NPLs)	%	35.2	52.9	56.7	64.2	56.1	55.9	56.2	90.4
Provisions (As % Of Loans)	%	1.77	2.41	2.61	4.32	3.91	3.72	3.46	4.65
Cost of Provisions (As % Of Loans)	%	0.875	3.09	2.07	-0.242	-0.234	-0.384	0.316	0.744

Source: Company Data, Helgi Analytics



Financial Data – Annual

Income Statement – Annual

INCOME STATEMENT		2011	2012	2013	2014	2015	2016	2017	2018
Interest Income	CZK mil	1,056	1,046	965	784	509	509	446	520
Interest Cost	CZK mil	464	502	478	418	206	158	111	88.0
Net Interest Income	CZK mil	592	544	487	366	303	351	335	432
Net Fee Income	CZK mil	110	112	120	115	99.8	76.0	61.0	52.0
Other Income	CZK mil	-17.7	149	165	231	149	712	158	228
Total Revenues	CZK mil	684	805	772	711	552	1,139	554	712
Staff Cost	CZK mil	381	387	403	385	236	218	256	258
Depreciation	CZK mil	80.4	79.0	77.7	92.6	63.1	53.0	29.0	20.0
Operating Cost	CZK mil	666	684	723	694	459	402	477	507
Operating Profit	CZK mil	18.5	121	49.5	16.7	93.4	737	77.0	205
Provisions	CZK mil	-51.0	19.7	16.7	-42.4	-16.3	287	142	-10.0
Extra and Other Cost	CZK mil	0	0	< -0.001	0	< 0.001	30.0	0	0
Pre-Tax Profit	CZK mil	69.6	101	32.8	59.1	110	420	-65.0	215
Tax	CZK mil	51.5	26.3	26.5	38.5	4.54	95.5	6.00	14.0
Minorities	CZK mil	0	0	0	0	0	0	0	0
Net Profit	CZK mil	18.1	170	6.31	20.6	105	325	-71.0	201

Source: Company Data, Helgi Analytics

Growth Rates – Annual

GROWTH RATES		2011	2012	2013	2014	2015	2016	2017	2018
Net Interest Income Growth	%	7.80	-8.05	-10.5	-24.9	-17.1	15.7	-4.56	29.0
Net Fee Income Growth	%	0.223	2.02	7.04	-4.44	-12.9	-23.9	-19.7	-14.8
Total Revenue Growth	%	-15.1	17.7	-4.13	-7.90	-22.4	106	-51.4	28.5
Operating Cost Growth	%	-7.60	2.85	5.58	-3.90	-34.0	-12.3	18.6	6.29
Operating Profit Growth	%	-78.4	553	-59.1	-66.3	460	689	-89.6	166
Pre-Tax Profit Growth	%	38.6	45.5	-67.6	80.0	85.6	283	-115	-431
Net Profit Growth	%	20.0	841	-96.3	226	410	209	-122	-383

Source: Company Data, Helgi Analytics



Balance Sheet – Annual

BALANCE SHEET		2011	2012	2013	2014	2015	2016	2017	2018
Cash	CZK mil	5,429	4,903	228	205	468	227	593	477
Interbank Loans	CZK mil	426	537	5,099	5,390	7,157	9,755	14,009	14,542
Customer Loans	CZK mil	20,118	23,166	23,714	14,131	12,927	12,133	9,111	8,027
Retail Loans	CZK mil	5,423	7,286	8,762	9,422	8,224	6,129	4,040	2,265
Mortgage Loans	CZK mil	4,600	6,100	7,862	8,722	7,674	6,465	3,733	2,015
Consumer Loans	CZK mil	823	1,186	900	700	550	445	307	250
Corporate Loans	CZK mil	13,937	14,333	12,806	4,350	4,275	5,060	5,071	5,762
Debt Securities	CZK mil	527	529	521	296	604	500	1,274	1,615
Fixed Assets	CZK mil	694	658	744	657	594	105	40.0	60.0
Total Assets	CZK mil	27,608	30,049	31,466	20,781	21,799	22,826	25,235	24,913
Shareholders' Equity	CZK mil	2,745	2,774	2,829	2,614	2,759	3,125	3,068	2,806
Of Which Minority Interest	CZK mil	0	0	0	0	0	0	0	0
Liabilities	CZK mil	24,863	27,275	28,638	18,167	19,040	19,701	22,167	22,107
Interbank Loans	CZK mil	426	537	5,099	5,390	7,157	9,755	14,009	14,542
Customer Deposits	CZK mil	18,519	20,274	22,457	16,006	17,921	18,173	16,208	14,951
Retail Deposits	CZK mil	12,519	12,878	13,293	10,567	12,442	14,756	13,026	10,610
Corporate Deposits	CZK mil	4,676	4,950	6,779	4,135	3,786	2,988	2,887	4,056
Issued Debt Securities	CZK mil	1,220	2,514	1,704	497	526	479	434	234
Other Liabilities	CZK mil	153	558	876	352	281	366	344	219

Source: Company Data, Helgi Analytics

Asset Quality – Annual

ASSET QUALITY		2011	2012	2013	2014	2015	2016	2017	2018
Non-Performing Loans	CZK mil	2,470	2,275	2,913	496	730	799	419	495
Gross Loans	CZK mil	21,109	23,871	24,442	14,434	13,142	12,364	9,349	8,305
Total Provisions	CZK mil	991	705	728	306	215	231	238	278

Source: Company Data, Helgi Analytics

Growth Rates – Annual

GROWTH RATES		2011	2012	2013	2014	2015	2016	2017	2018
Customer Loan Growth	%	4.99	15.1	2.37	-40.4	-8.52	-6.14	-24.9	-11.9
Retail Loan Growth	%	44.6	34.3	20.2	7.54	-12.7	-25.5	-34.1	-43.9
Mortgage Loan Growth	%	53.3	32.6	28.9	10.9	-12.0	-15.8	-42.3	-46.0
Consumer Loan Growth	%	9.78	44.1	-24.1	-22.2	-21.4	-19.1	-31.0	-18.6
Corporate Loan Growth	%	0.331	2.84	-10.7	-66.0	-1.73	18.4	0.212	13.6
Total Asset Growth	%	6.96	8.85	4.72	-34.0	4.90	4.71	10.6	-1.28
Shareholders' Equity Growth	%	-1.47	1.06	1.97	-7.60	5.56	13.3	-1.83	-8.54
Customer Deposit Growth	%	-2.17	9.47	10.8	-28.7	12.0	1.40	-10.8	-7.76
Retail Deposit Growth	%	1.26	2.87	3.22	-20.5	17.7	18.6	-11.7	-18.5
Corporate Deposit Growth	%	-10.9	5.85	37.0	-39.0	-8.44	-21.1	-3.38	40.5

Source: Company Data, Helgi Analytics



Market Share – Annual

MARKET SHARE		Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19
Market Share in Revenues	%	0.309	0.326	0.300	0.280	0.290	0.312	0.600	0.331
Market Share in Net Profit	%	0.030	...	...	0.097	0.145	0.172	0.605	0.091
Market Share in Employees	%	0.492	0.515	0.513	0.425	0.427	0.431	0.454	0.487
Market Share in Branches	%	0.349	0.356	0.360	0.105	0.105	0.106	0.102	0.104
Market Share in Customer Loans	%	0.358	0.317	0.295	0.231	0.218	0.221	0.243	0.189
Market Share in Corporate Loans	%	0.473	0.428	0.511	0.385	0.389	0.448	0.533	0.408
Market Share in Retail Loans	%	0.359	0.309	0.269	0.235	0.202	0.167	0.138	0.131
Market Share in Consumer Loans	%	0.110	0.104	0.095	0.087	0.078	0.070	0.063	0.056
Market Share in Mortgage Loans	%	0.443	0.378	0.328	0.285	0.242	0.201	0.162	0.143
Market Share in Total Assets	%	0.345	0.346	0.360	0.339	0.312	0.281	0.342	0.265
Market Share in Customer Deposits	%	0.407	0.395	0.389	0.364	0.353	0.339	0.336	0.291
Market Share in Retail Deposits	%	0.601	0.583	0.541	0.506	0.472	0.441	0.408	0.357
Market Share in Corporate Deposits	%	0.308	0.313	0.290	0.349	0.364	0.386	0.390	0.383

Source: Company Data, Helgi Analytics

Ratios – Annual

RATIOS		2011	2012	2013	2014	2015	2016	2017	2018
ROE	%	0.655	6.17	0.225	0.757	3.91	11.0	-2.29	6.84
ROA	%	0.068	0.591	0.021	0.079	0.494	1.46	-0.295	0.802
Costs (As % Of Assets)	%	2.49	2.37	2.35	2.66	2.15	1.80	1.98	2.02
Costs (As % Of Income)	%	97.3	85.0	93.6	97.7	83.1	35.3	86.1	71.2
Capital Adequacy Ratio	%	15.2	14.9	15.8	24.8	25.1	28.5	28.2	23.9
Tier 1 Ratio	%	12.7	12.6	15.8	24.8	25.1	28.5	28.2	23.9
Net Interest Margin	%	2.22	1.89	1.58	1.40	1.43	1.57	1.39	1.72
Interest Spread	%	2.02	1.70	1.43	1.21	1.29	1.47	1.33	1.68
Asset Yield	%	3.95	3.63	3.14	3.00	2.39	2.28	1.86	2.07
Cost Of Liabilities	%	1.94	1.93	1.71	1.79	1.11	0.816	0.530	0.398
Interest Income (As % Of Revenues)	%	86.5	67.6	63.1	51.4	55.0	30.8	60.5	60.7
Fee Income (As % Of Revenues)	%	16.1	13.9	15.5	16.1	18.1	6.67	11.0	7.30
Other Income (As % Of Revenues)	%	-2.59	18.5	21.4	32.4	26.9	62.5	28.5	32.0
Cost Per Employee	USD per month	4,997	4,521	4,819	4,647	3,853	3,618	4,226	4,790
Cost Per Employee (Local Currency)	CZK per month	88,377	88,433	94,279	99,326	91,979	91,290	99,225	104,878
Staff Cost (As % Of Total Cost)	%	57.2	56.6	55.7	55.4	51.5	54.2	53.7	50.9
Equity (As % Of Assets)	%	9.94	9.23	8.99	12.6	12.7	13.7	12.2	11.3
Loans (As % Of Deposits)	%	109	114	106	88.3	72.1	66.8	56.2	53.7
Loans (As % Assets)	%	72.9	77.1	75.4	68.0	59.3	53.2	36.1	32.2
NPLS (As % Of Loans)	%	11.7	9.53	11.9	3.44	5.55	6.47	4.48	5.96
Provisions (As % Of NPLS)	%	40.1	31.0	25.0	61.6	29.4	28.9	56.8	56.2
Provisions (As % Of Loans)	%	4.93	3.04	3.07	2.16	1.66	1.91	2.61	3.46
Cost of Provisions (As % Of Loans)	%	-0.260	0.091	0.071	-0.224	-0.120	2.29	1.34	-0.117

Source: Company Data, Helgi Analytics



ABOUT HELGI ANALYTICS

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

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

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