

1H/2Q 2019 Results ČSOB Group

Business Unit Czech Republic

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ČSOB Group: Key Figures

Higher net profit driven by net interest income and one-off gains (mainly ČMSS)

Excellent loan quality

ČSOB group key indicators		2016	2017	2018	1H 2018	1H 2019
Profitability	Net profit (CZK bn)	15.1	17.5	15.8	7.5	10.9
	Return on equity	17.3%	19.3%	17.5%	16.6%	23.7%
Liquidity	Loan to deposit ratio	79.4%	77.7%	76.3%	73.3%	77.3%
	Net stable funding ratio	150.9%	146.0%	161.4%	150.7%	165.3%
Capital	Tier 1 (CET1) ratio	18.2%	17.2%	18.0%	17.5%	18.7%
Impairments	Credit cost ratio	0.11%	0.02%	0.05%	-0.03%	0.02%
Cost efficiency	Cost / income ratio	46.0%	43.7%	47.9%	48.9%	43.1%

Note:

As of 2017, calculation of Loan to deposit ratio has been changed, see new definition in Appendix.

In order to provide fully comparable figures, Loan to deposit ratio has been restated retrospectively for year 2016.

Higher net profit driven by net interest income and one-off gains (mainly ČMSS)

Excellent loan quality, business volumes growth

Business indicators

The **loan portfolio** increased to **CZK 752bn** (+3% Y/Y) driven mainly by mortgages, building savings loans, SME loans and consumer finance. **Group deposits** decreased to **CZK 978bn** (-5% Y/Y) due to lower repo operations with institutional clients. **Client deposits remained flat Y/Y**. Total **assets under management** increased to **CZK 228bn** (+10% Y/Y). The number of **active clients** increased **+52ths** Y/Y.

Operating income

Operating income reached **CZK 21.9bn** in 1H 2019 (+22% Y/Y). The Y/Y growth was driven by increasing net interest income (+26% Y/Y), one-off gains from revaluation of 55% share in ČMSS, sale of ČSOB Asset Management and historical legal case, and consolidation of ČMSS, while lower trading income had negative impact.

Operating expenses

Operating expenses increased to **CZK 9.4bn** in 1H 2019 (+8% Y/Y) due to higher banking tax (+23% Y/Y), higher staff expenses (+6 % Y/Y), and consolidation of ČMSS and “Ušetřeno.cz”.

Impairments

Credit cost ratio for 1H 2019 stood at **2 bps** (Ytd. annualized, +5bps Y/Y) thanks to the ongoing excellent loan quality. In 1H 2019, **loan loss provisions** were **created** in the amount of **CZK 60m** driven mainly by higher creation in SME segment (methodological change). **Other impairments** decreased Y/Y to **CZK 64m (net creation)** due to lower creation in ČSOB Leasing.

Net profit

As a result of the above mentioned factors, ČSOB's **net profit** came in at **CZK 10.9bn** (+45% Y/Y) in 1H 2019 and at **CZK 6.1bn** (+74% Y/Y) in 2Q 2019.

Liquidity & Capital

Loan to deposit ratio increased Y/Y to **77.3%**.
Tier 1 ratio stood at **18.7%** and **net stable funding ratio** (NSFR) reached **165.3%**.

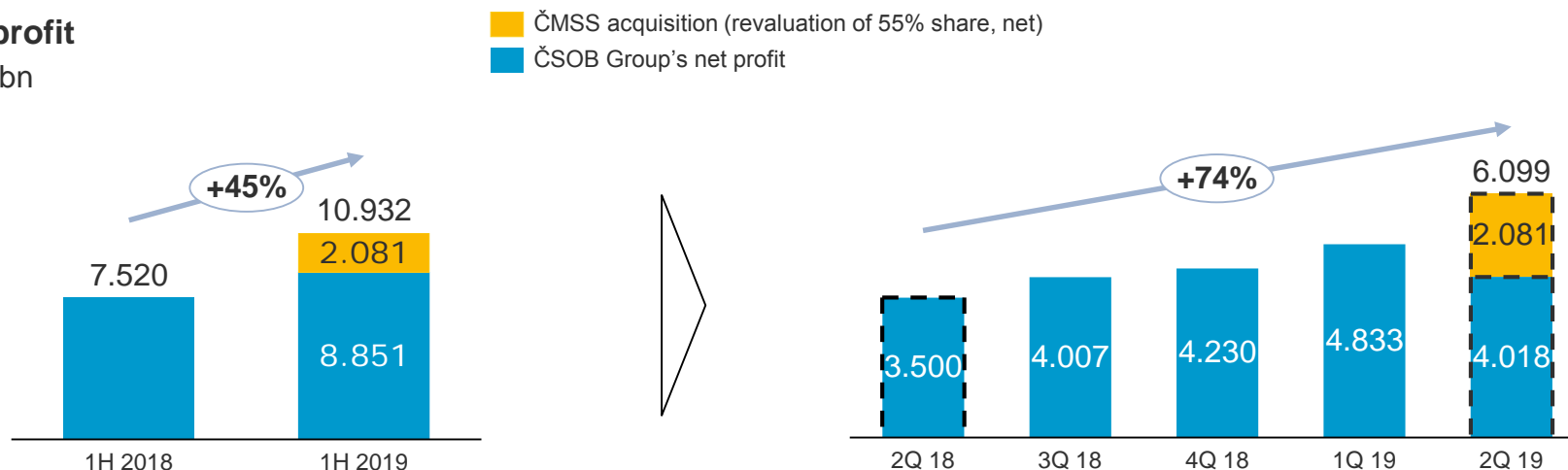
Achievements & Highlights

On 31 May 2019, ČSOB **acquired 45% stake in the building savings bank ČMSS** from Bausparkasse Schwäbisch Hall and thus assumed 100% ownership control of ČMSS. ČSOB set up MallPay joint venture with Mall Group which will improve financial services for clients in online shopping. The magazine Euromoney awarded ČSOB as the Best Bank in the Czech Republic for 2019. ČSOB received this award for the 10th time.

The Y/Y net profit increase influenced by higher NII and acquisition of ČMSS

Net profit

CZK bn



1H/2Q 2019 **net profit** reached **CZK 10.9bn** (+45% Y/Y) and **CZK 6.1bn** (+74% Y/Y) respectively. The results reflect higher net interest income, one-off gains from revaluation of 55% share in ČMSS, sale of ČSOB Asset Management and historical legal case, and impact of ČMSS consolidation (100%), while lower trading income and higher staff expenses had negative impact.

Adjusted for the impact of ČMSS one-off the 1H/2Q net profit would increase by 18% Y/Y and 15% Y/Y respectively.

The return on equity (ROE) reached **23.7%**, up from 16.6% driven by higher net profit.

Notes (gross impact):

4Q 2018 one-off item: gain from historical legal case (CZK +0.2bn)

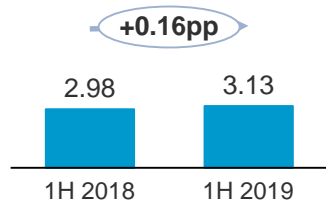
1Q 2019 one-off items: gain from historical legal case (CZK +0.2bn), sale of ČSOB AM (CZK +0.6bn)

2Q 2019 one-off item: gain from revaluation of ČSOB's 55% share in ČMSS triggered by acquisition of remaining 45% share, in conformity with IFRS 3 (CZK +2.1bn)

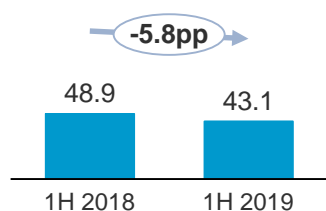
Increasing net interest margin and excellent loan quality

Profitability

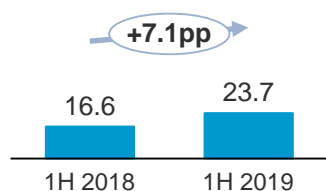
Net interest margin (%)



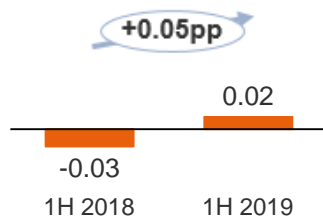
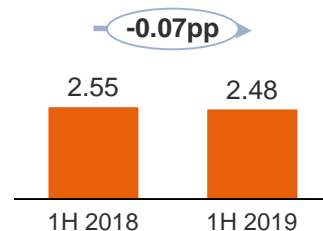
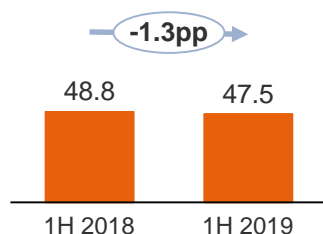
Cost / income ratio (%)



ROE (%)

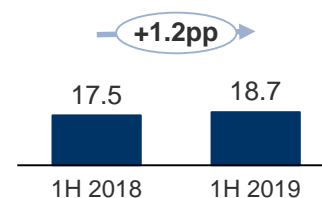


Loan portfolio quality

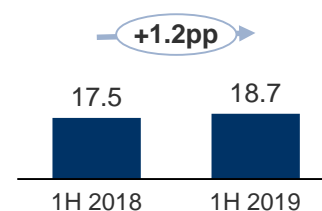
CCR, Ytd. annualized¹ (%)NPL ratio¹ (%)NPL coverage ratio¹ (%)

Capital

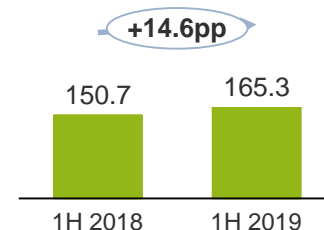
Tier 1 (CET 1) ratio (%)



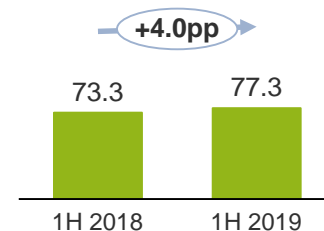
Total capital ratio (%)



Liquidity

Net stable funding ratio² (%)

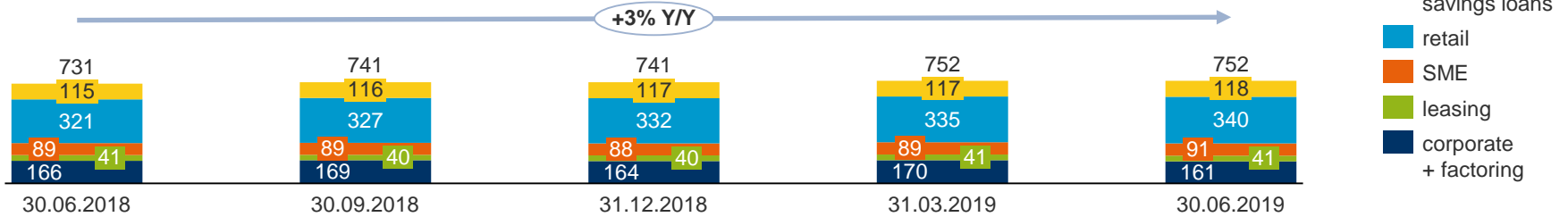
Loan to deposit ratio (%)

¹ Loan portfolio quality ratios as of 30.6.2018 were retrospectively recounted reflecting 100% consolidation of ČMSS.² Since 3Q 2018 net stable funding ratio has been influenced by change of weight of exposures to CNB.

Strong growth of assets under management, loan portfolio increased

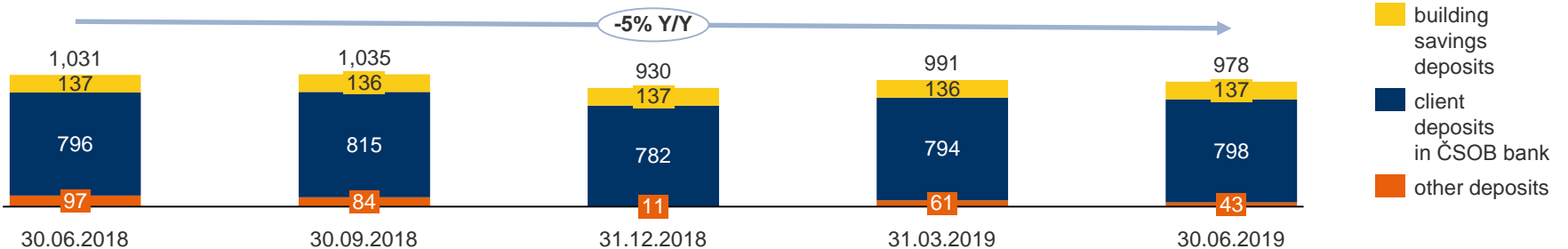
Loan portfolio^{1,3}

CZK bn



Group deposits^{2,3}

CZK bn



Total assets under management

CZK bn



¹ Item Loans and receivables (incl. ČMSS/building savings loans) minus exposure to banks from inter-bank transactions and reverse repo operations with ČNB plus credit replacing bonds.

² Item Deposits received from other than credit institutions from the consolidated balance sheet (incl. ČMSS/building savings deposits).

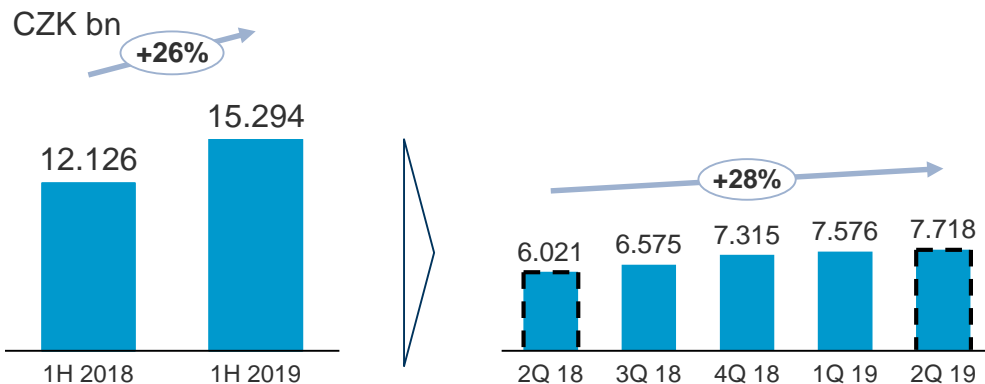
³ Volumes of building savings loans and deposits were retrospectively recounted to 100% amounts reflecting the full consolidation of ČMSS.

ČSOB Group: Financial Overview

Net interest income and Net interest margin

Increasing net interest income as well as improved margin

Net interest income (NII)



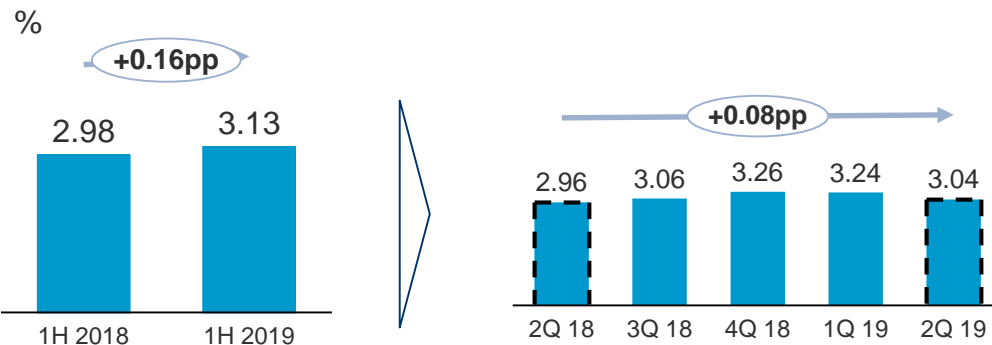
1H/2Q 2019 **net interest income** increased **+26% Y/Y** and **+28% Y/Y** respectively as a result of:

- (+) NII from deposits
- (+) other NII
- (+) consolidation of ČMSS
- (-) NII from loans

Adjusted for the impact of ČMSS consolidation, NII would increase **+23% Y/Y** in 1H and **+24% Y/Y** in 2Q.

The increase of NII was partially influenced by short-term operations at financial markets, which had negative effect in trading income.

Net interest margin (NIM)*



In 1H 2019, **net interest margin** reached **3.13%** (+0.16pp Y/Y) thanks to higher reinvestment yields, partly offset by ongoing pressure on lending margins. The Q/Q decrease in NIM is influenced by consolidation of ČMSS.

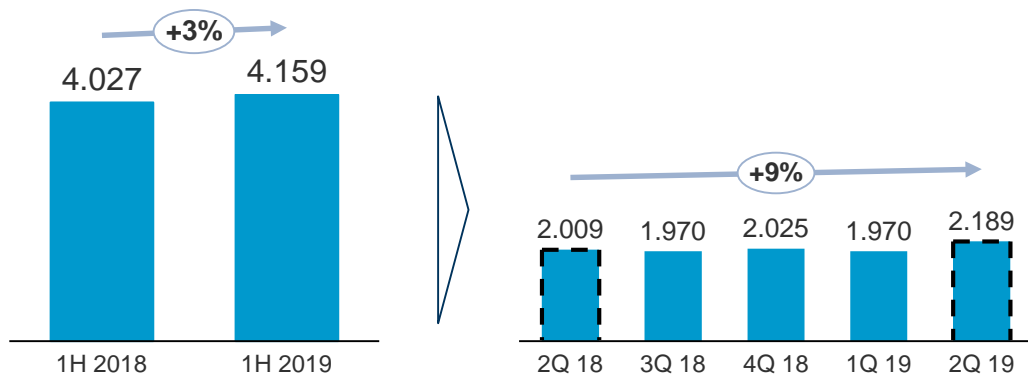
	2016	2017	2018	1H 2019
Net interest margin (Ytd., %)*	3.00 (2.93)	2.90 (2.98)	3.07 n/a	3.13 n/a

Net fee and commission income and Other

Net fee and commission income increase

Net fee and commission income (NFCI)

CZK bn



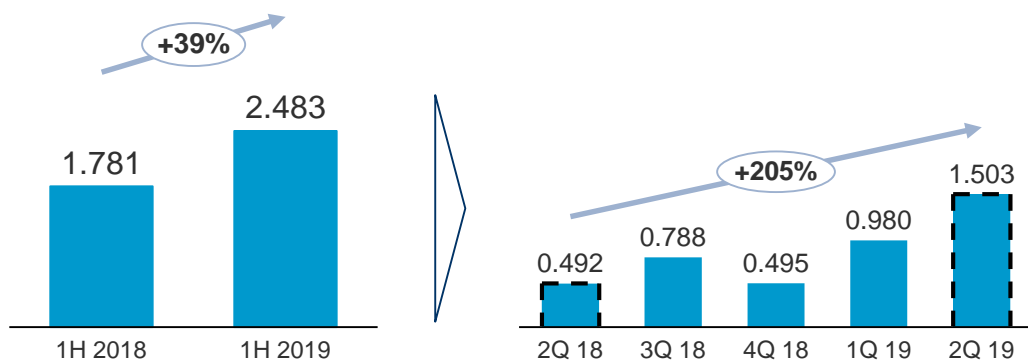
1H/2Q 2019 **net fee and commission income** increased **+3% Y/Y** and **+9% Y/Y** respectively as a result of:

- (+) consolidation of ČMSS and “Ušetřeno.cz”,
- (+) higher account fees, loan fees (early repayments in Corporate segment) and decreased distribution fees,
- (-) lower fees on payments and payment cards.

Adjusted for the impact of ČMSS consolidation, NFCI would increase **+1% Y/Y** in 1H and **+6% Y/Y** in 2Q.

Other¹

CZK bn



The **+39% Y/Y** increase of item “**Other**” was influenced by following factors:

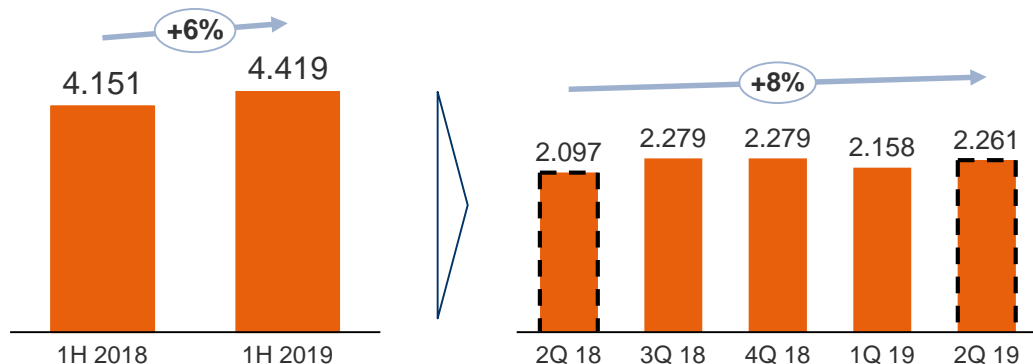
- (+) one-off gain from revaluation of 55% share in ČMSS,
- (+) one-off gain from sale of ČSOB AM,
- (+) one-off gain from historical legal case,
- (-) short-term operations at financial markets, which had positive effect on NII,
- (-) valuation adjustments.

¹ Other = Net gains from financial instruments at fair value through profit and loss + net realized gains from financial instruments at fair value through other comprehensive income (OCI) + dividend income + income and expense from operating lease + other net income

Higher staff expenses driven by wage adjustments and ČMSS consolidation

Staff expenses

CZK bn

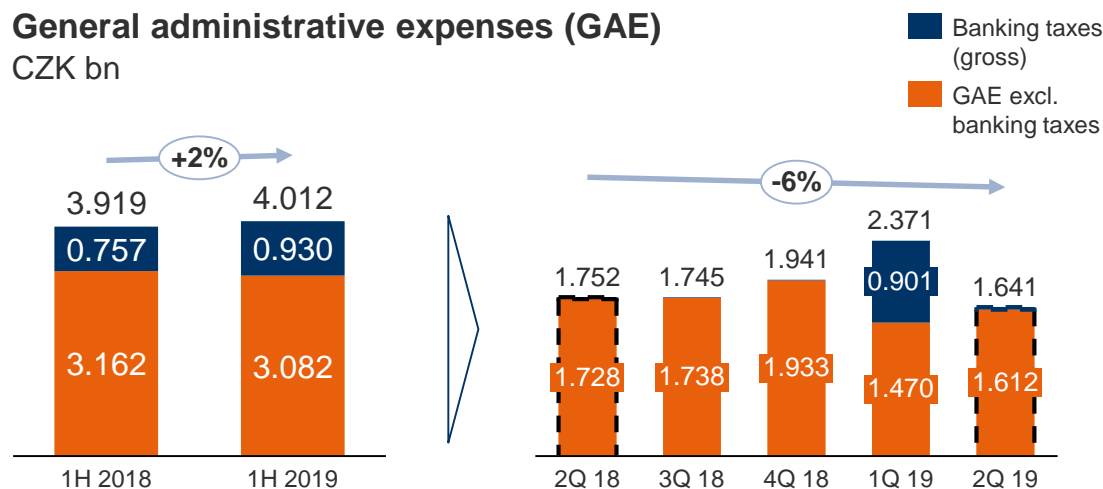


1H/2Q 2019 **staff expenses** increased **+6% Y/Y** and **+8% Y/Y** due to wage adjustments, lower capitalization and consolidation of ČMSS while the lower average number of FTE (-4% Y/Y) had a positive impact.

Adjusted for the impact of ČMSS consolidation, staff expenses would increase **+5% Y/Y** in 1H and **+5% Y/Y** in 2Q.

General administrative expenses (GAE)

CZK bn



1H 2019 **general administrative expenses** increased **+2% Y/Y** driven by higher banking tax. The decrease of GAE excl. banking tax is driven by methodological shift due to implementation of IFRS 16.

Adjusted for the impact of ČMSS consolidation, GAE (incl. banking taxes) would increase **+2% Y/Y** in 1H and decrease in **-8% Y/Y** in 2Q.

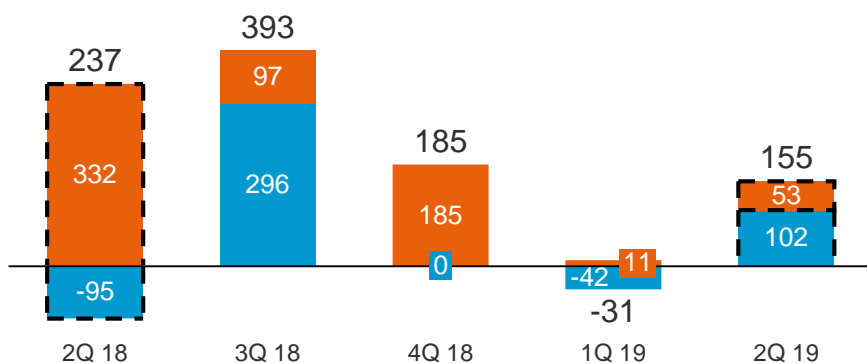
Cost/income ratio decreased to **43.1%** (-5.8pp Y/Y).

Impairments and NPL

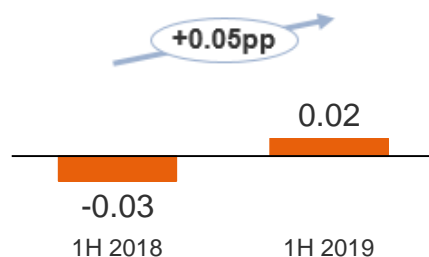
Excellent loan quality

Total impairments CZK m

■ other impairments
(see note)
■ loan loss provisions
(impairments on financial assets at amortised cost)



CCR, Ytd. annualized %



In 1H 2019, **loan loss provisions** increased to **CZK 60m (net creation)** driven mainly by higher creation in SME segment (methodological change).

Other impairments decreased Y/Y to **CZK 64m**, due to the effect of revaluation of leased cars (operating leasing) in 2018.

Credit cost ratio* for 1H 2019 reached **2 bps** (Ytd., annualized; +5 bps Y/Y).

Risk view on structure of the loan portfolio

	30.6.2019	
IFRS 9 distribution	Amount (CZK bn)	Share on total loans
Loan portfolio (incl. ČMSS)	751.8	100%
Stage 1 - performing	692.8	92%
Stage 2 - underperforming	40.3	5%
Stage 3 - non-performing loans	18.7	3%

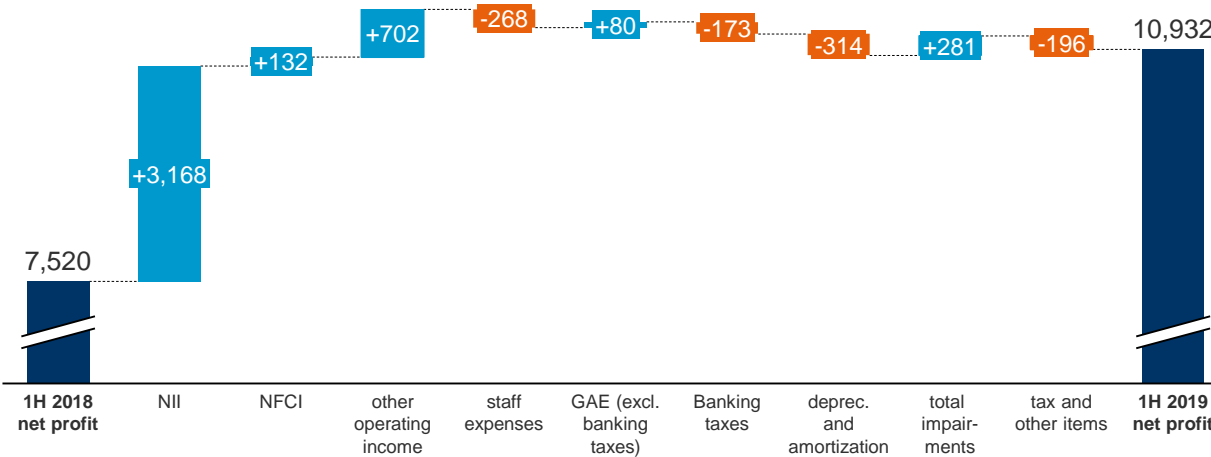
Notes:

Figures in graphs: (+) net creation/cost and (-) net release/revenue.
 Other impairments include impairments on tangible and intangible assets.

Wrap up of net profit drivers

Ytd. net profit (Y/Y)

CZK m



The main difference between 1H 2019 and 1H 2018 net profit was caused by the following drivers:

On the **positive side**:

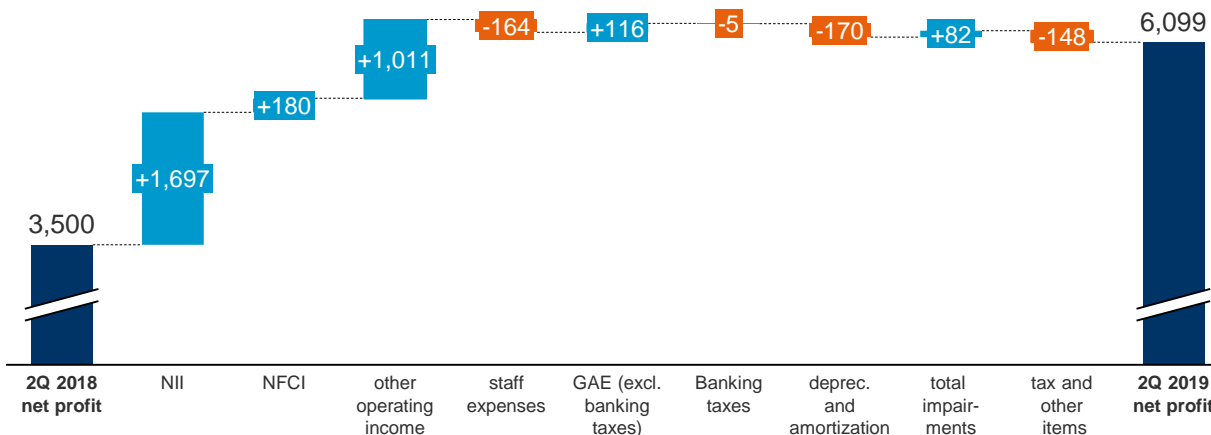
- higher NII thanks to NII from deposits and other NII and consolidation of ČMSS
- higher other operating income due to one-off gains from revaluation of the 55% share in ČMSS, sale of ČSOB AM and historical legal case, partially offset by lower trading income and valuation adjustments
- lower total impairments driven by lower creation in ČSOB Leasing partially offset by higher creation in SME segment
- higher NFCI thanks to consolidation of ČMSS, higher loan fees and account fees, and lower distribution fees
- lower GAE due to implementation of IFRS 16

On the **negative side**:

- higher staff expenses linked to wage adjustments, consolidation of ČMSS and lower capitalization compared to 2018
- higher banking taxes due to higher regulatory requirement

Quarterly net profit (Y/Y)

CZK m



The main difference between 2Q 2019 and 2Q 2018 net profit was caused by the following drivers:

On the **positive side**:

- higher NII driven by NII from deposits and other NII and consolidation of ČMSS
- higher other operating income due to one-off gain from revaluation of the 55% share in ČMSS, partially offset by lower trading income and valuation adjustments
- higher NFCI thanks to consolidation of ČMSS, higher loan fees, and lower distribution fees
- lower GAE due to implementation of IFRS 16
- lower total impairments driven by lower creation in ČSOB Leasing partially offset by higher creation in SME segment

On the **negative side**:

- higher staff expenses linked to wage adjustments, consolidation of ČMSS and lower capitalization compared to 2018

Capital

Solid capital position

Consolidated, CZK m	30.6.2018	31.12.2018	30.6.2019
Total regulatory capital	69,461	69,148	71,105
- (Common Equity) Tier 1 Capital	69,461	69,148	71,105
- Tier 2 Capital	0	0	0
Total RWA	397,527	383,254	379,230
- Credit risk	312,078	312,054	312,378
- Market risk	24,869	10,620	3,636
- Operational risk	60,580	60,580	63,216
(Common Equity) Tier 1 ratio	17.5%	18.0%	18.7%
Total capital ratio	17.5%	18.0%	18.7%

The Y/Y increase of **(Common Equity) Tier 1 capital** due to interim profit retention which was partly compensated by the increase in deductible items (goodwill and intangible assets) due to full ČMSS acquisition.

Total RWA decreased Y/Y due to optimization of market risk position within KBC which was partly compensated by increase in operational risk RWAs related to commercial banking and trading and sales.

Notes:

Total RWA (risk weighted assets) = credit risk RWA + market risk RWA + operational risk RWA

Tier 1 capital = share capital + share premium + legal reserve funds + retained earnings + other comprehensive income – goodwill – intangible assets

Tier 2 capital = subordinated debt weighted by regulatory coefficient + surplus in expected credit losses

Total regulatory capital = (Common Equity) Tier 1 + Tier 2

ČSOB Group: Business Overview

Gaining market share in consumer lending, insurance and mutual funds

1st

2nd

3rd

4th

Total Loans¹	20.7%	↓
Building savings loans ¹	41.1%	↓
Building savings deposits ¹	39.8%	→
Mortgages ^{1,6}	27.4%	↓

Total Deposits¹	20.7%	↓
Mutual funds ¹	23.8%	↑
Factoring ²	22.9%	↓
Leasing ¹	16.6%	↓

Pension funds ³	14.4%	↑
SME/corporate loans ¹	14.2%	↓
Consumer lending ^{1,4,6}	12.9%	↑

Insurance ⁵ - combined	8.0%	↑
Non-life insurance ⁵	8.0%	↑
Life insurance ⁵	8.0%	↑

Arrows show Y/Y change. Market shares as of 30 June 2019, except for mutual funds, pension funds, leasing and factoring which are as of 31 March 2019.

The ranking is ČSOB's estimate. Market position in the insurance reflects combined position of the insurers belonging to the same business group.

¹ Outstanding at the given date (including ČMSS); ² New business in the year to the given date; ³ Number of total clients at the given date; ⁴ Retail loans excluding mortgages and building savings loans. ⁵ New business in the year according to gross written premium. ⁶ Since 1Q 2019, market shares in mortgages and consumer lending are influenced by methodological change in CNB reporting.

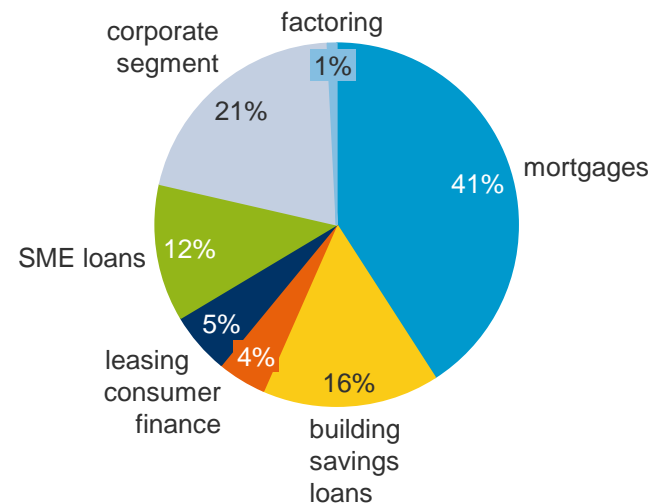
Sources and detailed definitions are provided in Appendix.

The Y/Y growth driven by mortgages, building savings loans, SME loans and consumer finance

Gross outstanding volumes, CZK bn	30.6.2018	30.6.2019	Y/Y
Loan portfolio (incl. ČMSS/building savings loans)	730.9	751.8	+3%
Retail Segment			
Mortgages ¹	290.6	307.4	+6%
Consumer finance	30.3	32.7	+8%
Building savings loans ²	115.0	118.1	+3%
SME/Corporate Segment			
Corporate loans ³	159.4	154.9	-3%
SME loans	88.6	91.5	+3%
Leasing ³	40.7	41.2	+1%
Factoring	6.2	6.0	-3%
Other ⁴	41.0	42.3	+3%
Credit risk: loan portfolio (incl. ČMSS/building savings loans)	771.9	794.0	+3%

30.6.2019
(incl. ČMSS/building savings loans)

More than 60% of the total loan portfolio is in retail, out of which majority in financing housing needs.



¹ The ČSOB group mortgages are booked in the balance sheet of ČSOB's subsidiary Hypoteční banka.

² The ČSOB group building savings loans are in the balance sheet of ČMSS building savings company.

Volumes are reported in 100% and beginning 2Q 2019 included in the ČSOB's consolidated balance sheet.

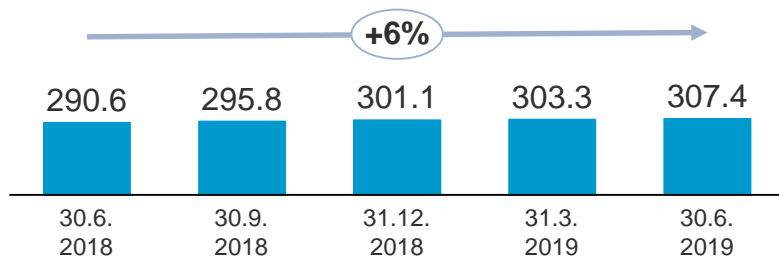
³ Including credit-replacing bonds.

⁴ Including off-balance sheet items and ALM/financial markets exposures.

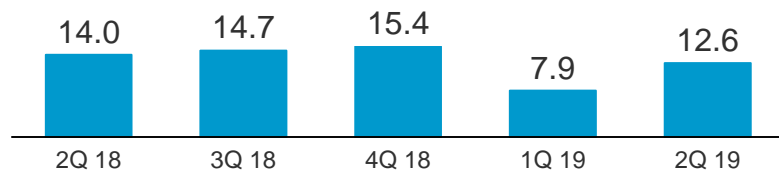
Solid growth of mortgage as well as building savings loans volumes

Mortgages

Outstanding, CZK bn



New sales*, CZK bn

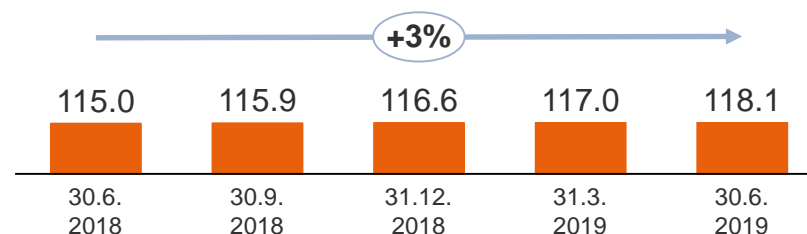


The **outstanding volume of mortgages** increased **+6% Y/Y**. The demand was influenced by rising interest rates and real estate prices and by CNB measures on loan-to-value, debt-to-income and debt service-to-income ratios.

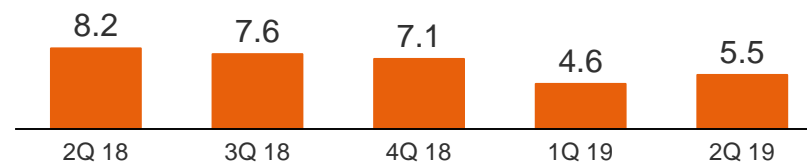
In 2Q 2019, ČSOB provided over **5 thousand new mortgages** (-20% Y/Y) in the total amount of **CZK 12.6bn** (-10% Y/Y). The market decreased -13% Y/Y in the number and -12% Y/Y in the total amount of new mortgages.

Building savings loans

Outstanding (ČMSS 100%), CZK bn



New sales (ČMSS 100%)*, CZK bn



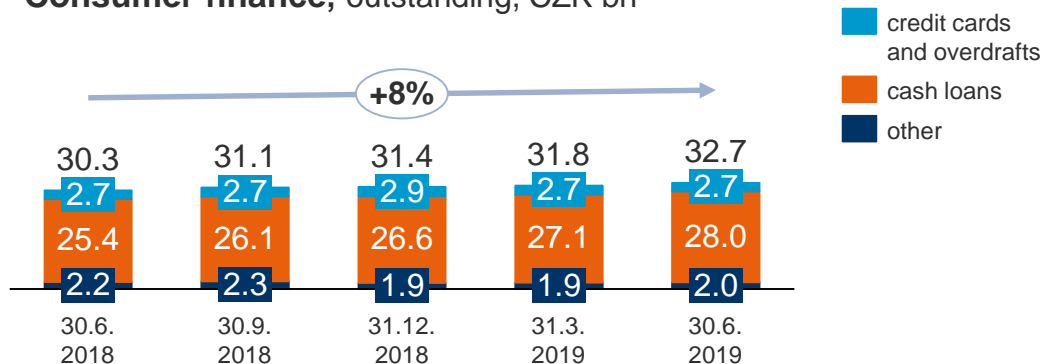
The outstanding **building savings loan portfolio** increased **+3% Y/Y**, while the market increased **+7% Y/Y**.

In 2Q 2019, **new sales** decreased **-33% Y/Y**. The decrease was influenced mainly by the continuing impact of ČNB regulations and the overall decline in the demand for housing loans. In addition, the sales in the reference quarter were above average.

Consumer finance, SME loans, Leasing

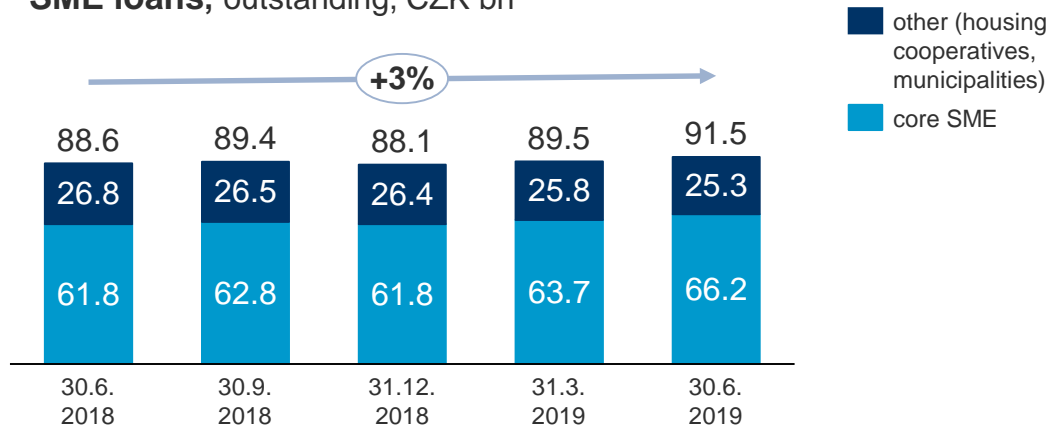
Growth in consumer finance and core SME

Consumer finance, outstanding, CZK bn



Consumer finance grew **+8% Y/Y** driven by cash loans (+10% Y/Y) thanks to continued attractiveness of ČSOB's product offer for both existing and new clients.

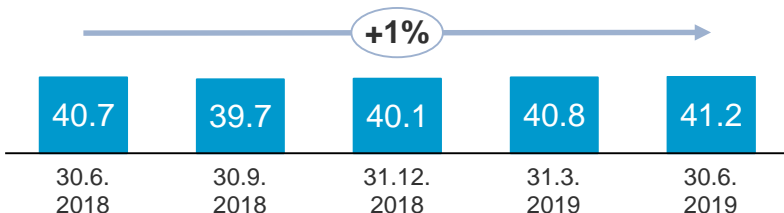
SME loans, outstanding, CZK bn



SME loans increased **+3% Y/Y** driven by expansion in core SME lending (micro, small and mid-sized companies, +7% Y/Y).

The loan volume provided to housing cooperatives decreased Y/Y, however ČSOB remains market leader in housing cooperatives segment.

Leasing, outstanding*, CZK bn



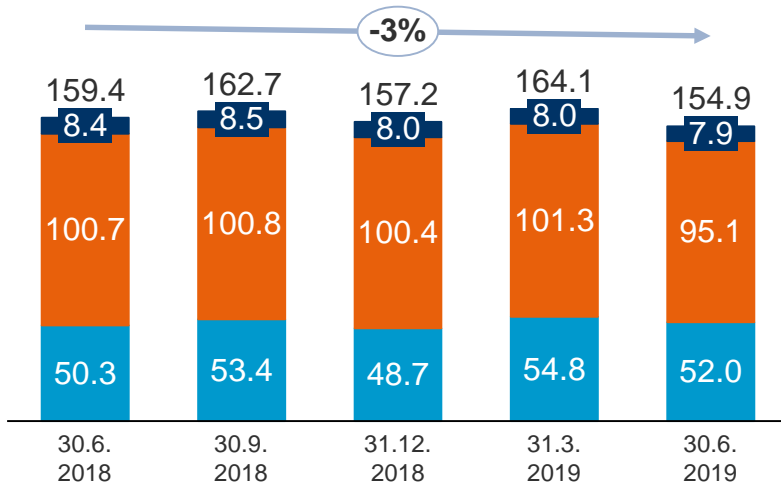
Outstanding volumes in **ČSOB Leasing** increased **+1% Y/Y** thanks to machinery & equipment and heavy transportation, partially offset by weaker car financing.

Decrease of outstanding volumes due to extraordinary repayments

Corporate loans

Outstanding, CZK bn

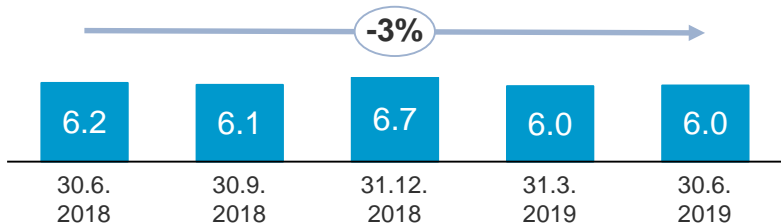
- credit-replacing bonds
- specialized finance*
- plain vanilla financing



Outstanding volumes of **corporate loans** decreased **-3% Y/Y** due to extraordinary repayments in sectors of real estate and food & beverages.

Factoring

Outstanding, CZK bn



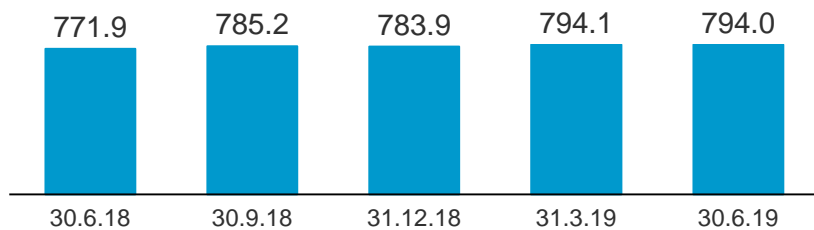
Factoring outstanding volumes decreased **-3% Y/Y** due to stagnating client base and lower need for external financing.

Note: The corporate segment comprises mid-cap corporate customers with an annual turnover above CZK 300m, local subsidiaries of international groups and selected institutional clients.

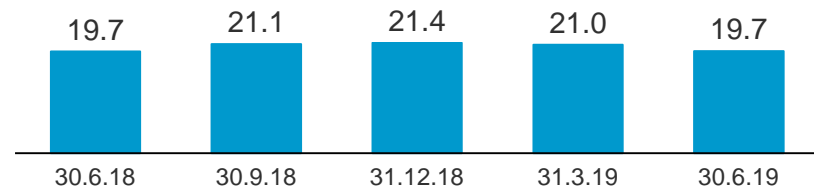
** Beginning 31.12.2018 specialized finance is reported instead of structured finance.*

Credit risk under control
Excellent loan quality

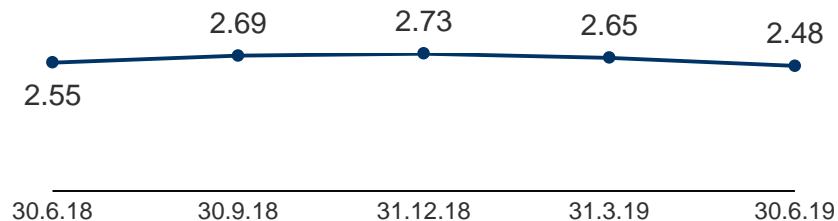
Credit risk: loan portfolio (incl. ČMSS) (CZK bn)



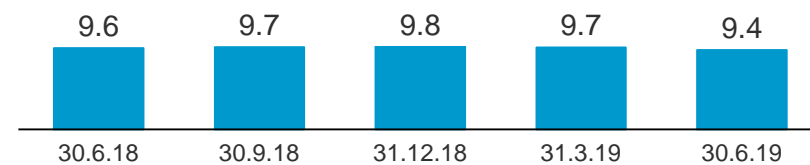
Non-performing loans (CZK bn)



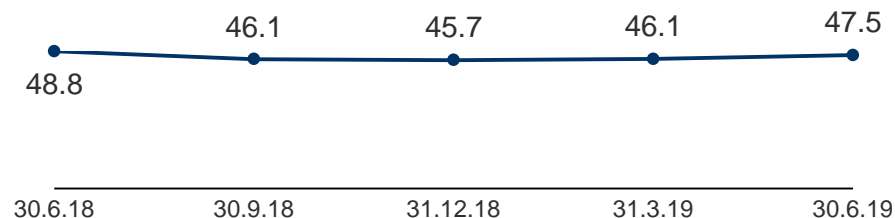
NPL ratio (%)



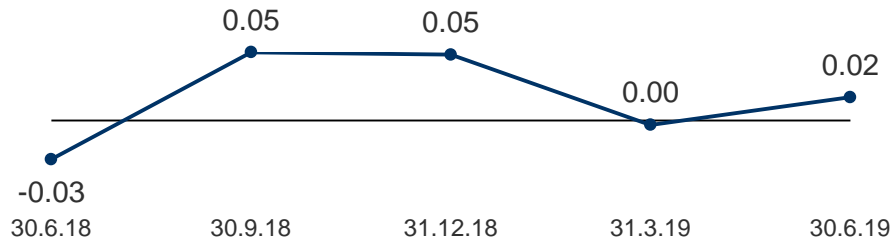
Allowances for loans and leases ¹ (CZK bn)



NPL coverage ratio (%)



Credit cost ratio (% , Ytd. annualized)



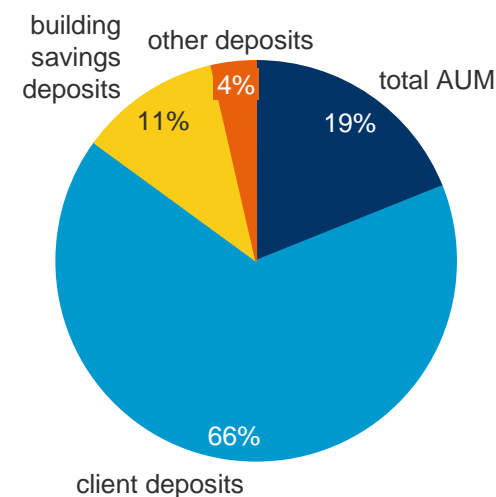
Group deposits and Total assets under management

Strong growth of assets under management

Outstanding volumes, CZK bn	30.6.2018	30.6.2019	Y/Y
Group deposits (incl. ČMSS/building savings deposits)	1,030.6	978.4	-5%
Client deposits	796.2	797.8	0%
<i>Current accounts</i>	539.9	556.2	+3%
<i>Savings deposits</i>	215.6	201.5	-7%
<i>Term deposits</i>	40.7	40.1	-1%
Other deposits	97.5	43.4	-56%
Building savings deposits ¹	136.9	137.2	0%
Total AUM	207.3	228.2	+10%
Pension funds ²	51.5	56.2	+9%
Mutual funds and other AM ³	155.8	172.1	+10%

30.6.2019
(incl. ČMSS/building savings deposits)

The other deposits predominantly consist of repo operations with institutional clients which show -56% Y/Y decline.



¹ ČSOB group building savings deposits are included in the ČSOB's consolidated balance sheet in 100% since 30.6.2019. Figures for 30.6.2018 were restated retrospectively.

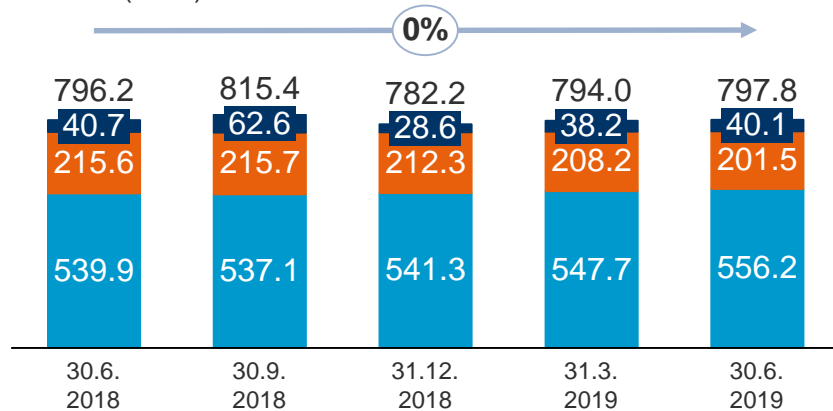
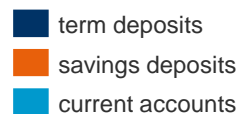
² Liabilities to pension fund policy holders.

³ Item "Mutual funds and other AM" includes AUM in structured/capital protected funds, AUM in other mutual funds, other asset management and AUM of Slovak local funds managed in Czech Republic.

Strong growth in pension funds, client deposits remained flat Y/Y

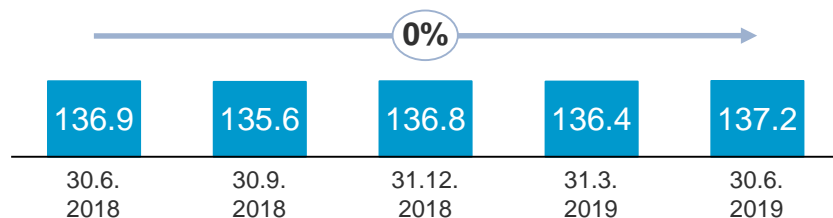
Client deposits (CZK bn)

ČSOB (bank)



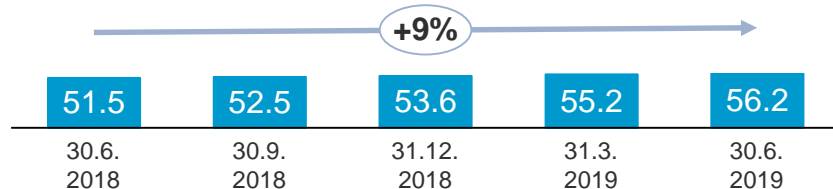
Client deposits remained flat Y/Y when the growth of **current accounts** (+3% Y/Y) was offset by decrease in **savings** and **term deposits** (-7% Y/Y and -1% Y/Y respectively).

Building savings deposits (CZK bn)



Building savings deposits remained flat Y/Y.

Pension funds (CZK bn)



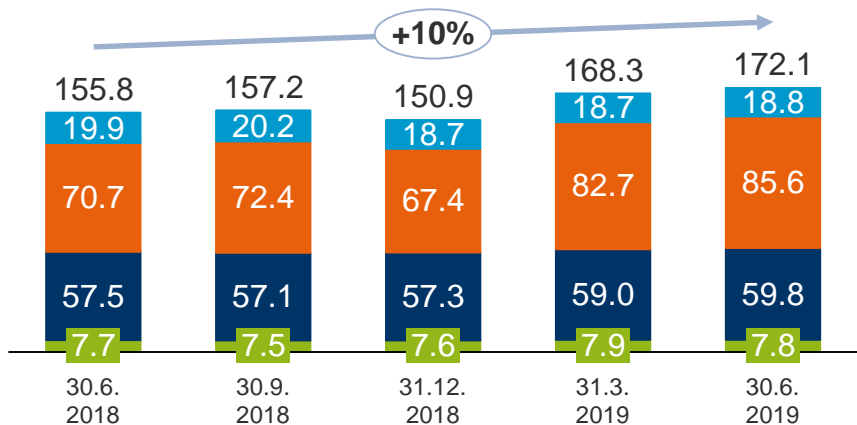
The volume of savings in **pension funds** increased **+9% Y/Y** driven mainly by higher average pension savings per client.

Mutual funds increased +10% Y/Y driven by new sales and performance effect

Mutual funds and other AM

Outstanding volumes, CZK bn

- AUM in structured/capital protected mutual funds
- AUM in other mutual funds
- other asset management
- AUM of Slovak local funds managed in Czech Rep.

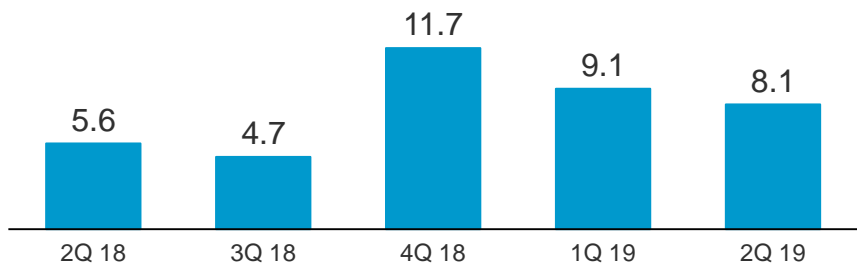


Mutual funds and other AM increased **+10% Y/Y** to **CZK 172.1bn** due to increase in both the mutual funds and other AM driven mainly by the higher new sales supported by the positive performance effect.

2Q 2019 new sales of mutual funds increased **+45% Y/Y** mainly due to continuing good sales of a new bond fund ČSOB Premiéra.

Mutual funds

New sales (gross), CZK bn



Notes:

Mutual funds include funds managed by ČSOB AM as well as those distributed by the ČSOB group but managed by the KBC AM. Only direct positions are included (the funds bought directly by clients).

Other asset management: Discretionary mandates and Qualified Investors Funds. AUM of Pension Funds managed by ČSOB AM are excluded and are shown separately in Pension funds section.

Growing active client base supported by ongoing transformation to omni-channel distribution model

	30.6.2018	31.3.2019	30.6.2019
Clients of ČSOB's group (mil.) ¹	4.312	4.266	4.250
Clients of Ušetřeno.cz and Top-Pojištění.cz (ths.; YtD.) ²	114	52	97
ČSOB branches (bank only)	266	234	227
ČSOB Retail/SME branches incl. dual branded (ČSOB + PSB)	244	212	205
ČSOB Private Banking branches	11	11	11
ČSOB Corporate branches	11	11	11
ČSOB Pojišťovna branches	98	98	97
Hypoteční banka centers	30	30	30
ČMSS advisory centers	302	292	290
Leasing branches	7	7	7
PSB outlets of the Czech Post network	ca. 2,700	ca. 2,600	ca. 2,600
- of which specialized banking counters	172	206	213
Czech Post franchise outlets	ca. 500	ca. 600	ca. 600
ATMs ³	1,072	1,067	1,067
- of which contactless	352	423	454

The **number of clients** decreased -62ths Y/Y mainly driven by closing of inactive accounts in October 2018, but the **number of active clients increased +52ths Y/Y**.

At the end of June 2019, clients could use 1,067 **ATMs** (-5 Y/Y), of which 454 were contactless (+102 Y/Y), 226 enabled cash deposits (+44 Y/Y) and over 90% are customized for visually impaired clients.

Due to the ongoing optimization of the branch network and strengthening of the self-service platforms, some branches were closed or merged as dual branded. The number of **ČSOB branches** reached 227 (-39 Y/Y), of which 204 were dual branded (ČSOB + PSB) at the end of June 2019.

Extended portfolio of bank-insurance services at Czech Post is provided at **213 specialized banking counters** (+41 Y/Y).

Note:

The multi-channel distribution platform of the ČSOB group includes also a wide **agent network** of over 5,000 agents, incl. ČMSS tied agents, intermediaries and individual brokers for Hypoteční banka, ČSOB Leasing's dealers and ČSOB Pojišťovna's tied agents, multi-agents and individual brokers.

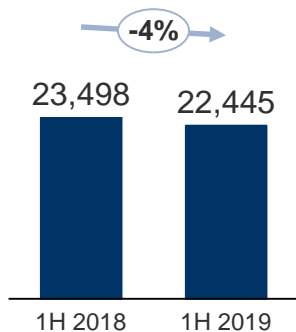
¹ Since 2Q 2019 all clients of ČMSS are included. Figures for previous periods were restated.

² Clients who have bought at least one product from the beginning of the year.

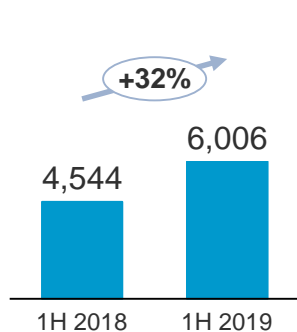
³ Including ATMs of cooperating banks.

Number of mobile banking active users and transactions rapidly increasing

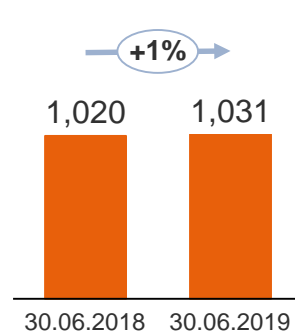
Internet banking transactions* (ths)



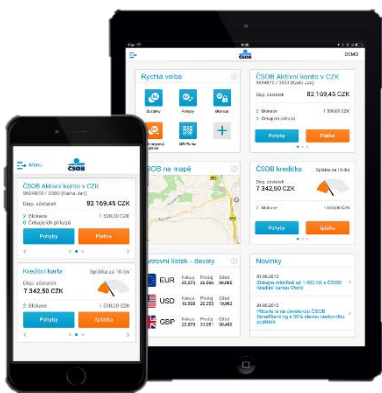
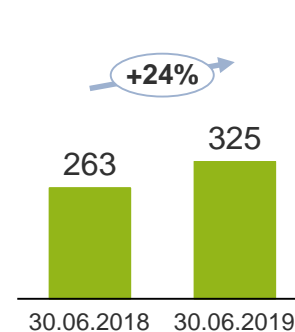
Mobile banking transactions* (ths)



Internet banking active users** (ths)



Mobile banking active users*** (ths)



As of 30 June 2019, the number of **mobile banking** active users increased +24% Y/Y, the number of **internet banking** active users increased +1% Y/Y.

In 1H 2019, number of transactions entered via **mobile banking** increased +32% Y/Y, while number of transactions via **internet banking** decreased -4% Y/Y.

* The definition for transactions counted has been modified. New definition does not include transactions from standing payment orders.

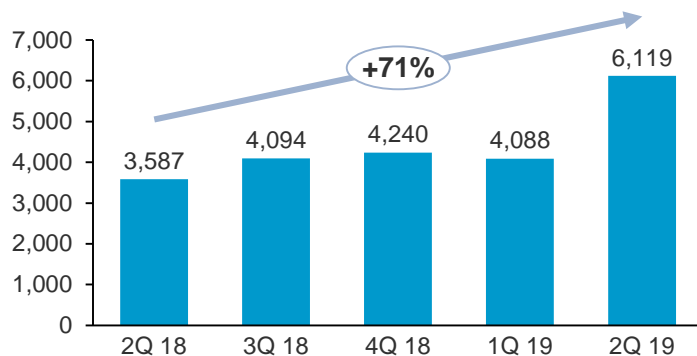
** Internet banking active users are clients who at least once during the last 3 months used internet banking.

*** Mobile banking active users are clients who at least once during the last 3 months used mobile banking.

Online initiated sales are strongly increasing

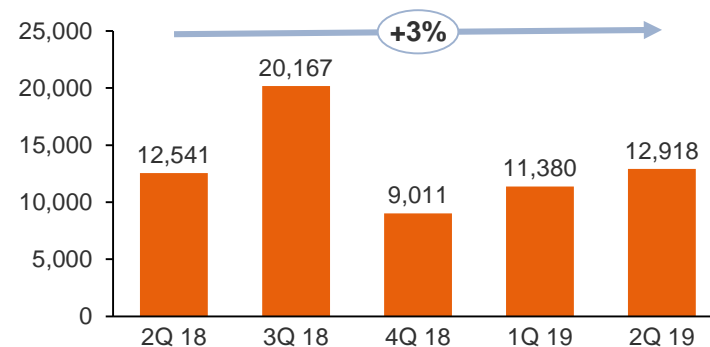
Consumer finance

(pcs)

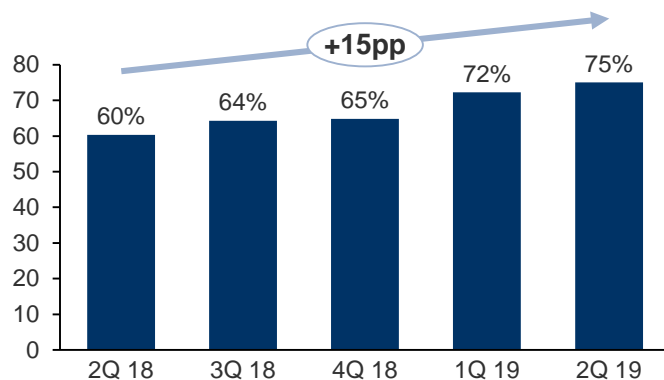


Travel insurance

(pcs)



Share of digitally-signed documents at the branches



In 2Q 2019 more than 6 thousand **consumer loans** were initiated online, up +71% Y/Y. Online sales of **travel insurance** increased by +3% Y/Y.

From 2016, ČSOB offers paperless operations at all branches. The share of **digitally-signed documents** at the branches reached 75% in 2Q 2019, up +15pp Y/Y.

ČSOB was named the Best Bank in the Czech Republic for 2019 by Euromoney

Euromoney: the Best Bank

The magazine **Euromoney** awarded ČSOB as **the Best Bank** in Czech Republic for 2019. ČSOB received this award for the 10th time.

Global Finance: Best Trade Finance Provider Award 2019

The US-based magazine **Global Finance** awarded ČSOB as **the Best Trade Finance Provider** of 2019 in the Czech Republic.

Internet Effectiveness Awards 2019

ČSOB was named the **second most efficient company** of the year in the Czech Republic in the **Internet Effectiveness Awards 2019**.

Zlatá koruna award

In the 17th Zlatá koruna award, ČSOB Leasing ranked first in the **Leasing for entrepreneurs** category with the product **Autopůjčka**, Hypoteční banka second in the **Mortgages** category with the product **Zelená hypotéka**, Patria Finance second in the **Trading securities** category with the product **Webtrader**, and ČSOB third in the **Payment cards** category with the product **Premium karta** and in the **CSR** category with the project **Financial Literacy**.

European Structured Products & Derivatives Awards

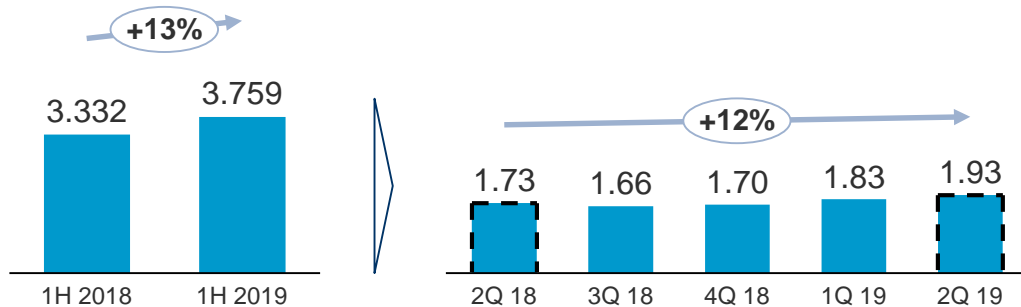
ČSOB Asset Management won the European competition Structured Products & Derivatives Awards 2019 in the category of **Best Distributor** and **Best Performance** in the Czech Republic.

ČSOB Pojišťovna: Key figures

Strong growth in non-life as well as in regular life gross written premium

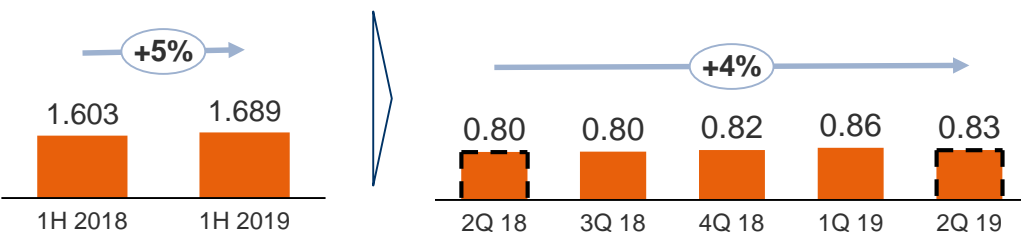
Non-life insurance - gross written premium (GWP)

CZK bn



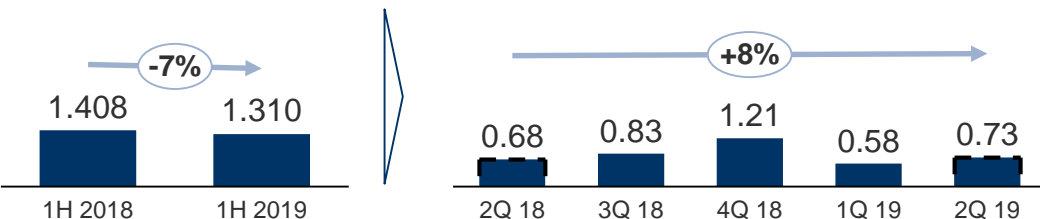
Life insurance – regular paid gross written premium

CZK bn



Life insurance - single paid gross written premium

CZK bn



Market shares	1H 2019	Market position
Non-life insurance	↑ 8.0%	4th
Life insurance	↑ 8.0%	4th

Arrows show Y/Y change.

Non-life insurance

1H/2Q 2019 non-life gross written premium increased **+13% Y/Y** and **+12% Y/Y** respectively thanks to growth in all product lines, mainly in Industrial Risk, House & Household and Motor insurance, while the market increased **+6% Y/Y**.

Life insurance

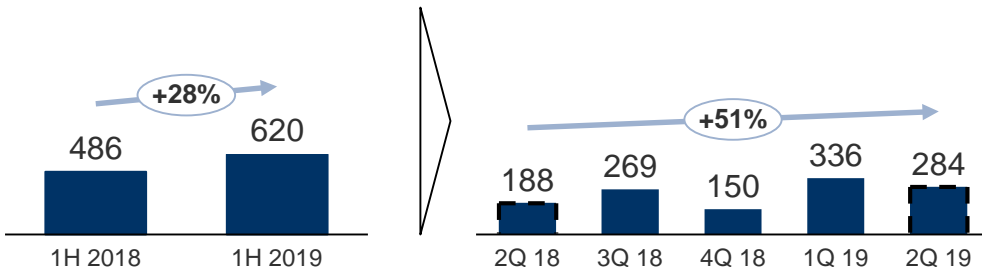
1H/2Q 2019 **regular paid** gross written premium increased **+5% Y/Y** and **+4% Y/Y** respectively as a result of portfolio stabilization and better profile in lapses of the life contracts, while the market increased **+2% Y/Y**.

1H 2019 **single paid** gross written premium decreased by **-7% Y/Y** due to lower amount of tranches compared to 1H 2018 and increased in 2Q 2019 **+8% Y/Y**. The market increased **+32% Y/Y**.

Increasing profitability supported by growing gross written premium

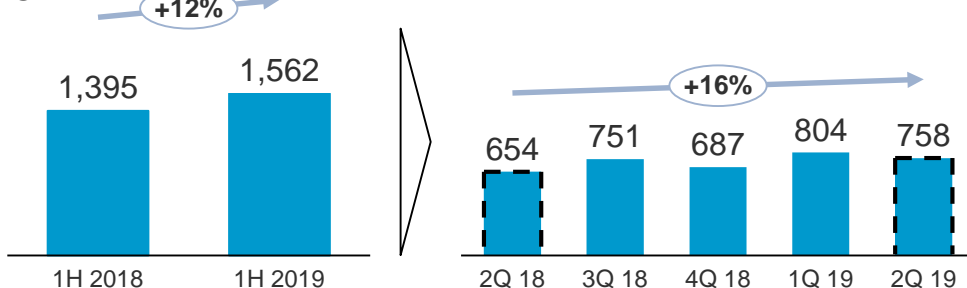
Net profit

CZK m



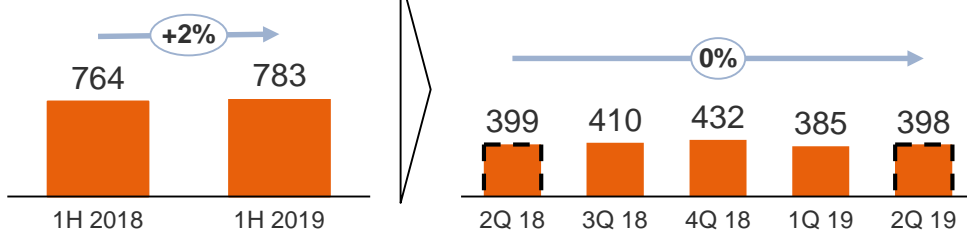
Operating income

CZK m



Operating expenses

CZK m



1H/2Q 2019 **net profit** increased to **CZK 620m** (+28% Y/Y) and **CZK 284m** (+51% Y/Y) respectively driven by stable life insurance contribution supported by Non-life result.

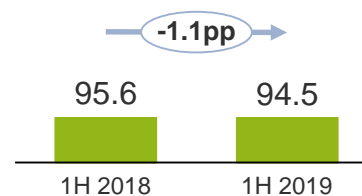
1H/2Q 2019 **operating income** increased to **CZK 1,562m** (+12% Y/Y) and **CZK 758m** (+16% Y/Y) respectively influenced by the following drivers:

- life: growth in regular paid GWP and bottom line showed stable profit contribution in Y/Y comparison.
- non-life: Non-life result affected by the windstorm Eberhard, summer storm and several bigger claims despite Y/Y GWP growth,

1H 2019 **operating expenses** increased +2% Y/Y to **CZK 783m** and remained flat in 2Q at CZK 398m driven by higher staff expenses due to wage adjustments and higher general administrative expenses and depreciation.

Non-life combined ratio reached 94.5% and increased Y/Y driven by worse claims ratio.

Non-life combined ratio (%)



Business Unit Czech Republic

Higher net profit driven by both ČSOB group and ČSOB Pojišťovna



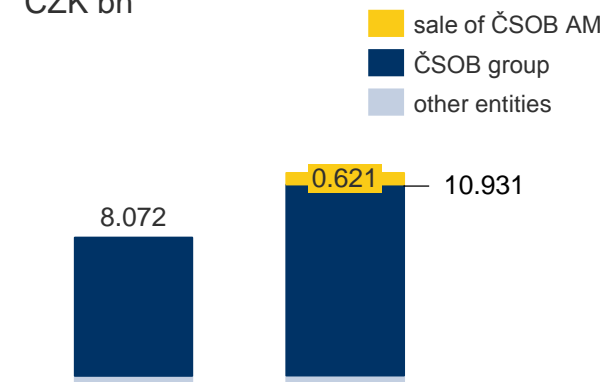
Effective as of 1 January 2013, KBC has organized its core markets activities into three business units. As a result, all KBC's business in the Czech Republic have been included into Business Unit Czech Republic.

The 1H/2Q 2019 net profit of the Business Unit Czech Republic reached **CZK 10.9bn** (+35% Y/Y) and **CZK 6.4bn** (+72% Y/Y) respectively. The Business Unit Czech Republic contains all KBC's operations in the Czech Republic, namely the ČSOB group, and full ownership of ČSOB Pojišťovna and until 4Q2018 also ČSOB Asset Management (ČSOB AM).²

The ČSOB group consists of ČSOB bank (including Postal Savings Bank), Hypoteční banka, ČMSS, ČSOB Penzijní společnost, ČSOB Leasing, ČSOB Factoring and Patria.

Net profit of the Business Unit Czech Republic

CZK bn



Net profit (CZK bn)	2Q 2018	3Q 2018	4Q 2018	1Q 2019	2Q 2019	2Q/2Q	1H 2018	1H 2019	1H/1H
ČSOB group ¹	3.475	3.983	4.214	4.833	6.099	+75%	7.475	10.932	+46%
of which impact of ČSOB AM sale	-	-	-	0.621	-	-	-	0.621	-
ČSOB group w/o AM sale ¹	3.475	3.983	4.214	4.212	6.099	+75%	7.475	10.311	+38%
ČSOB Pojišťovna	0.188	0.269	0.150	0.336	0.284	+51%	0.486	0.620	+28%
ČSOB AM ²	0.058	0.059	0.039	-	-	-	0.111	-	-
Total	3.721	4.310	4.402	4.548	6.383	+72%	8.071	10.931	+35%

¹Differences between the ČSOB group results within the Business Unit Czech Republic (BU CZ) and the stand-alone ČSOB group consolidated results are stemming from the fact that BU CZ results (until 4Q 2018) includes ČSOB AM result with 100% share, while the ČSOB group results include ČSOB AM only with 40.08% share (in line with ownership interest).

²Since February 13, 2019 Belgium based company KBC Asset Management NV has become the sole shareholder of ČSOB AM through acquiring 100% of its shares from the previous owners – ČSOB and Luxemburg based company KBC Asset Management Participations. ČSOB AM is thus not a part of BU CZ anymore.

Appendix

For Business

After a successful pilot wave in March, we selected 6 projects in the **Start it @ ČSOB** acceleration program to help them starting their business. In June, ČSOB became a member of the prestigious GAN accelerator network, thanks to which it can offer startups new opportunities to acquire an investor. We help startups to engage bank and market experts to make their business model more viable.

For Education

As a part of the Financial Literacy project, 350 ČSOB ambassadors visited 221 schools and addressed 21,500 pupils (starting in 2016 until 30 June 2019).

In cooperation with the Committee of Good Will - Olga Havel Foundation total of 90 young people will receive a scholarship from the Education Fund this year to which ČSOB contributed 1.5 million in 2019.

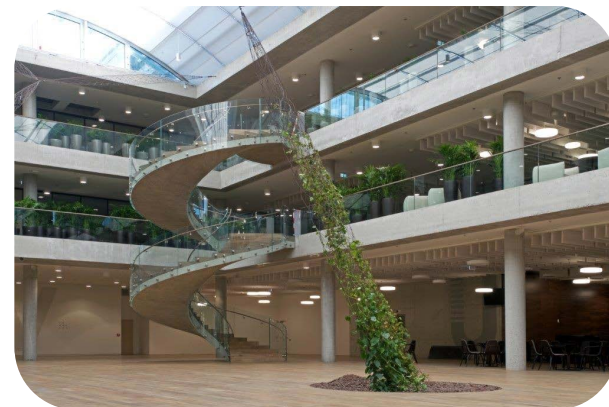
For Nature

The new ČSOB building aspires to the strictest LEED Platinum certification. It was the first in the Czech Republic to be built using 3D Modeling (BIM), which resulted in a nearly 30% saving in construction costs. At the same time, the building has the largest system of heat pumps in the Czech Republic - 177 ground boreholes with a depth of 150 meters will allow heating and cooling - in the summer, heat will be stored in boreholes and vice versa.

For Longevity

In partnership with Sue Ryder, we attended the traditional wandering through the center of Prague (Špacír). At seven stops, the public became acquainted with the subject of aging.

Based on consultations with clients with visual impairment, ATM adjustments have been designed to significantly improve the comfort of use of ATM's by them.



Ratios and other indicators

Ratio / Indicator	31.12.2016	31.12.2017	31.12.2018	30.6.2018	30.6.2019
Net interest margin (Ytd., annualized, %) ¹	3.00 (2.93)	2.90 (2.98)	3.07 n/a	2.98 n/a	3.13 n/a
Cost / income ratio (%)	46.0	43.7	47.9	48.9	43.1
RoE (Ytd., %)	17.3	19.3	17.5	16.6	23.7
RoA (Ytd., %)	1.42	1.26	1.07	1.06	1.42
RoAC, BU Czech Republic (Ytd., %) ²	37.0	43.0	39.1	34.0	51.0
Credit cost ratio (Ytd., annualized, %) ³	n/a (0.11)	n/a (0.02)	0.05 (0.03)	-0.03 (-0.03)	0.02 n/a
NPL ratio (%) ³	n/a (2.99)	n/a (2.33)	2.73 (2.43)	2.55 (2.16)	2.48 n/a
NPL coverage ratio (%) ³	n/a (54.4)	n/a (58.5)	45.7 (46.9)	48.8 (53.4)	47.5 n/a
(Common Equity) Tier 1 ratio (%)	18.2	17.2	18.0	17.5	18.7
Total capital ratio (%)	18.5	17.2	18.0	17.5	18.7
Leverage ratio (Basel III, %)	5.18	4.48	4.26	4.14	3.88
Net stable funding ratio ⁴ (Basel III, %)	150.9	146.0	161.4	150.7	165.3
Liquidity coverage ratio (Basel III, %)	155.7	146.4	136.5	134.9	127.4
Loan to deposit ratio (%)	79.4	77.7	76.3	73.3	77.3

¹ As of 1Q 2018, calculation of Net interest margin has been changed. Years 2016 and 2017 have been restated. Previous values are in brackets.

² Fully-loaded

³ The loan quality ratios have been restated to reflect inclusion of 100% of ČMSS loans in Credit risk: loan portfolio. The originally reported ratios are in brackets.

⁴ As of 3Q 2018 net stable funding ratio has been influenced by change of weight of exposures to CNB.

Profit and loss statement

(CZK m)	2Q 2018	1Q 2019	2Q 2019	Y/Y	Q/Q	1H 2018	1H 2019	Y/Y
Net interest income	6,021	7,576	7,718	+28%	+2%	12,126	15,294	+26%
<i>Interest income</i>	7,509	10,498	11,296	+50%	+8%	14,930	21,794	+46%
<i>Interest expense</i>	-1,488	-2,922	-3,578	>+100%	+22%	-2,804	-6,500	>+100%
Net fee and commission income	2,009	1,970	2,189	+9%	+11%	4,027	4,159	+3%
Net gains from financial instruments at FVPL ¹	210	-89	-882	>-100%	>+100%	1,222	-971	>-100%
Other operating income ²	282	1,069	2,385	>+100%	>+100%	559	3,454	>+100%
Operating income	8,522	10,526	11,410	+34%	+8%	17,934	21,936	22%
Staff expenses	-2,097	-2,158	-2,261	+8%	+5%	-4,151	-4,419	+6%
General administrative expenses	-1,752	-2,371	-1,641	-6%	-31%	-3,919	-4,012	+2%
<i>General administrative expenses (excl. banking taxes)</i>	-1,728	-1,470	-1,612	-7%	+10%	-3,162	-3,082	-3%
<i>Banking taxes</i>	-24	-901	-29	+21%	-97%	-757	-930	+23%
Depreciation and amortisation	-353	-490	-523	+48%	+7%	-699	-1,013	+45%
Operating expenses	-4,202	-5,019	-4,425	+5%	-+12%	-8,769	-9,444	+8%
Impairment losses	-237	31	-155	-35%	>-100%	-405	-124	-69%
<i>Impairment on financial assets at amortised cost</i>	95	42	-102	>-100%	>-100%	82	-60	>-100%
<i>Impairment on financial assets at fair value through OCI</i>	1	0	0	-100%	n/a	1	0	-100%
<i>Impairment on other assets</i>	-333	-11	-53	-84%	>+100%	-488	-64	-87%
Share of profit of associates	180	107	113	-37%	+6%	352	220	-38%
Profit before tax	4,263	5,645	6,943	+63%	+23%	9,112	12,588	+38%
Income tax expense	-763	-812	-844	+11%	+4%	-1,592	-1,656	+4%
Profit for the period	3,500	4,833	6,099	+74%	+26%	7,520	10,932	+45%
Attributable to:								
Owners of the parent	3,500	4,833	6,099	+74%	+26%	7,520	10,932	+45%
Non-controlling interests	0	0	0	n/a	n/a	0	0	n/a

¹ FVPL = fair value through profit and loss.

² Other operating income = Net realised gains from financial instruments at fair value through other comprehensive income (OCI), dividend income, income and expense from operating lease, other net income.

Balance sheet - assets

(CZK m)	31/12 2018	31/12 2018*	30/6 2019	Ytd.
Cash and balances with central banks and other demand deposits	38,610	33,953	47,310	+39%
Financial assets held for trading	19,869	19,458	45,549	>+100%
Financial assets held for trading pledged as collateral	1,676	1,676	52	-97%
Financial assets designated at fair value through P/L	0	0	0	n/a
Non-trading financial assets mandatorily at fair value through profit or loss	643	643	666	+4%
Financial assets at fair value through other comprehensive income (OCI)	15,367	18,019	13,456	-25%
Financial assets at fair value through OCI pledged as collateral	3,286	3,286	3,256	-1%
Financial assets at amortised cost - net	1,223,433	1,360,939	1,496,859	+10%
<i>Financial assets at amortised cost to credit institutions - gross</i>	532,831	551,754	683,119	+24%
<i>Financial assets at amortised cost to other than credit institutions - gross</i>	700,025	821,151	825,532	+1%
<i>Financial assets at amortised cost - provisions</i>	-9,423	-11,966	-11,792	-1%
Financial assets at amortised cost pledged as collateral	45,281	45,281	39,242	-13%
Fair value adjustments of the hedged items in portfolio hedge	-3,905	-3,564	-1,251	-65%
Derivatives used for hedging	9,376	9,304	9,126	-2%
Current tax assets	149	149	251	+68%
Deferred tax assets	365	498	361	-28%
Investments in associates and joint ventures	4,482	300	11	-96%
Property and equipment	10,355	10,713	13,766	+28%
Goodwill and other intangible assets	6,350	11,622	11,389	-2%
Non-current assets held-for-sale	85	85	26	-69%
Other assets	2,616	2,691	2,578	-4%
Total assets	1,378,038	1,515,053	1,682,647	+11%

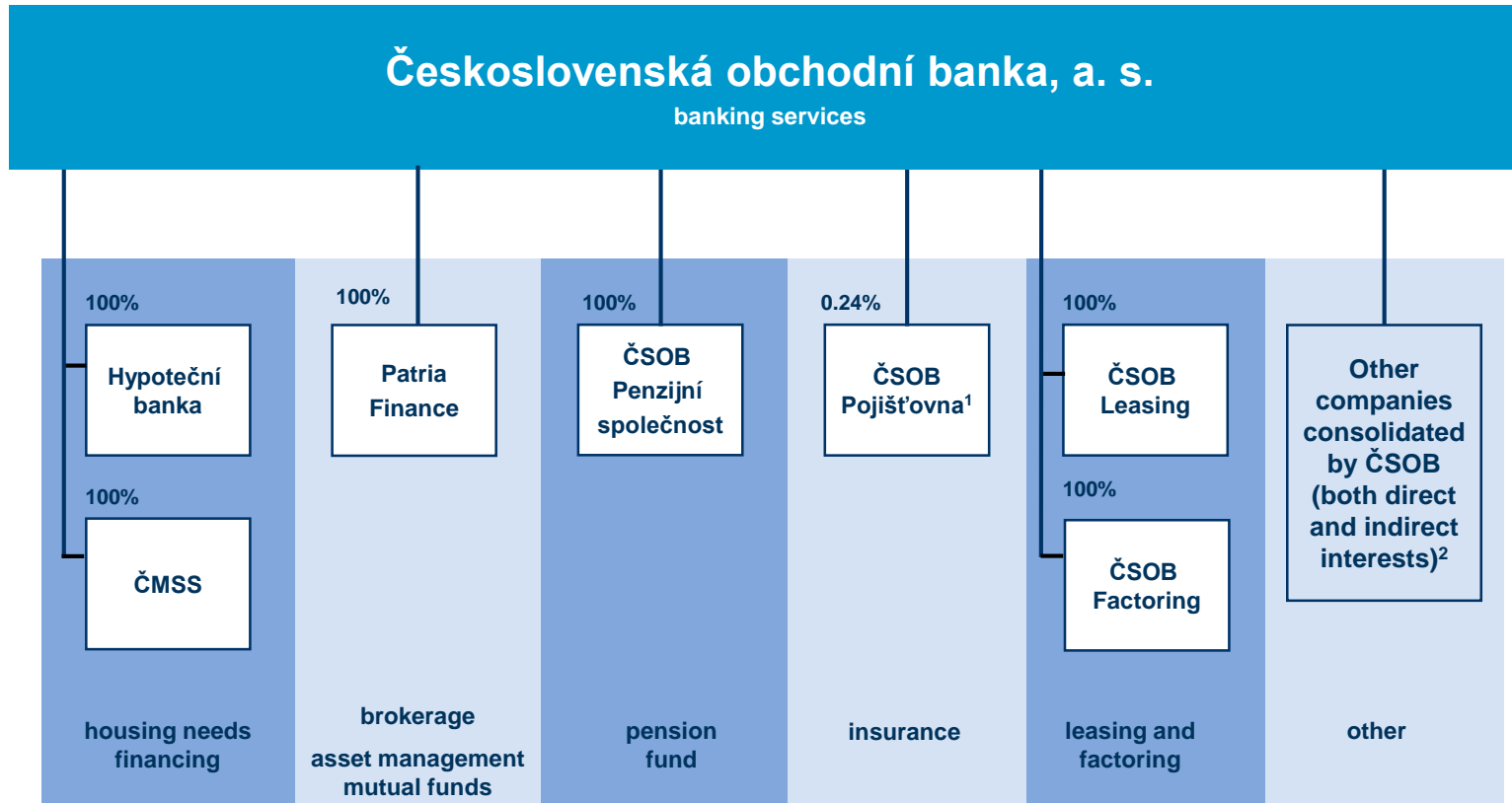
* Restated balance sheet as of 31 December 2018 (full consolidation of ČMSS).

Balance sheet – liabilities and equity

(CZK m)	31/12 2018	31/12 2018*	30/6 2019	Ytd.
Financial liabilities held for trading	33,177	33,177	52,209	+57%
Financial liabilities at fair value through P/L	26,065	26,065	35,408	+36%
Financial liabilities at amortised cost	1,212,589	1,346,407	1,488,020	+11%
<i>of which Deposits received from central banks</i>	0	0	0	n/a
<i>of which Deposits received from credit institutions</i>	54,653	50,610	94,267	+86%
<i>of which Deposits received from other than credit institut.</i>	792,625	930,486	978,413	+5%
<i>of which Debt securities in issue</i>	365,311	365,311	415,340	+14%
<i>of which Subordinated liabilities</i>	0	0	0	n/a
Fair value adjustments of the hedged items in portfolio hedge	-3,062	-3,062	-1,068	-65%
Derivatives used for hedging	10,125	10,109	10,512	+4%
Current tax liabilities	818	1,034	119	-88%
Deferred tax liabilities	984	984	1,009	+3%
Provisions	657	692	624	-10%
Other liabilities	4,669	5,550	5,713	+3%
Total liabilities	1,286,022	1,420,956	1,592,546	+12%
Share capital	5,855	5,855	5,855	0%
Share premium	20,929	20,929	20,929	0%
Statutory reserve	18,687	18,687	18,687	0%
Retained earnings	46,136	48,217	44,111	-9%
Financial assets at fair value through OCI - revaluation reserve	384	384	499	+30%
Cash flow hedge reserve	25	25	20	-20%
Parent shareholders' equity	92,016	94,097	90,101	-4%
Minority interest	0	0	0	n/a
Total equity	92,016	94,097	90,101	-4%
Total liabilities and equity	1,378,038	1,515,053	1,682,647	+11%

* Restated balance sheet as of 31 December 2018 (full consolidation of ČMSS).

The ČSOB group in the Czech Republic

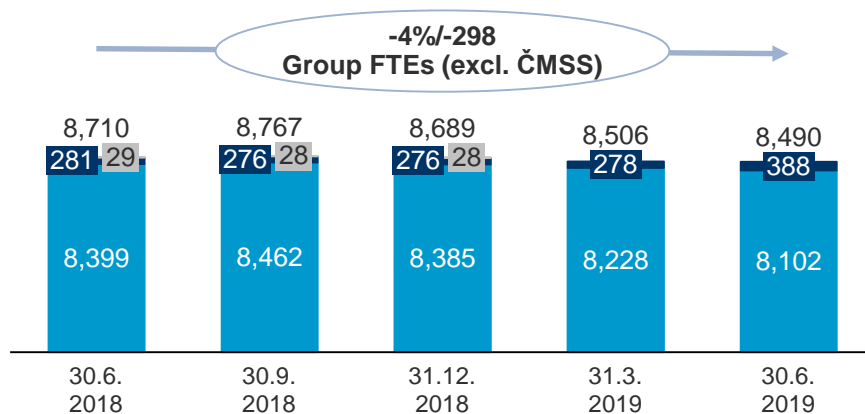


Percentages show ČSOB's ownership interests on company's equity as at 30 June 2019.

¹ 99.76% of shares owned by KBC Insurance; by the equity method consolidation.

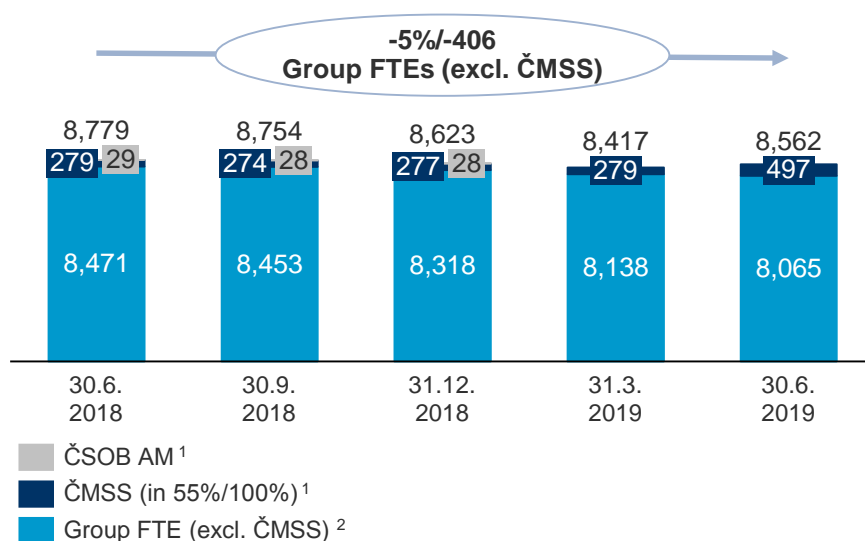
² A complete list of companies consolidated by ČSOB is stated in ČSOB Annual Report.

Number of FTEs – average



The average number of **Group FTE** decreased **-298 Y/Y** driven by lower number of bank FTEs which was partially offset by consolidation of Ušetřeno.cz (from 06/2018).

Number of FTEs – end of the period



The number of **Group FTE** at the end of the period decreased **-406 Y/Y** driven by lower number of bank FTEs.

¹ FTE is included based on the share on registered capital: ČMSS (55% until 31.3.2019, 100% since 30.6.2019) and ČSOB Asset Management (40.08%, consolidated only until 31.12.2018). Share on FTE of ČSOB Pojišťovna (0.24%, i.e. 2 FTEs) is not included.

² W/o all companies jointly controlled by the Bank (joint ventures) and all companies over which the Bank has significant influence (associates).

1. The implementation of IFRS 9 Financial Instruments standard

„IFRS 9 Financial Instruments“ is effective for periods beginning on 1 January 2018. The profit and loss statement and balance sheet beginning 31 March 2018 are reported in line with the standard.

2. Full consolidation of ČMSS

Beginning 1 June 2019 ČMSS is consolidated in the ČSOB's financial statements using the method of full consolidation. The beginning of consolidation positively influenced net interest income and net fee and commission income and negatively the operating expenses.

For comparison restated balance sheet as of 31 December 2018 with ČMSS consolidated using the full consolidation method is reported. The reported volumes of building savings loans and deposits were retrospectively restated to 100% (previously reported as 55%). Credit risk: loan portfolio has been extended of 100% amounts of loans in ČMSS (previously not included), figures were restated retrospectively. Loan quality ratios were retrospectively restated in line with restatement of Credit risk: loan portfolio.

3. Revaluation of the 55% share in ČMSS

In conformity with IFRS 3, ČSOB revaluated 55% share in ČMSS triggered by acquisition of the remaining 45% share. One-off gain from this revaluation in the amount of CZK 2.1bn was reported in other operating income.

Market shares definitions and sources

Item	Definition	Source
Building savings deposits	Deposits of buildings savings clients, ČMSS 100%.	ČNB, Data Series System (ARAD); ČMSS
Building savings loans	Outstanding volumes of building savings loans, ČMSS 100%.	ČNB, Data Series System (ARAD); ČMSS
Consumer loans	Outstanding volume of cash loans, credit cards, overdrafts, consumer loans on real estate and American mortgages.	ČNB, Data Series System (ARAD); ČSOB
Factoring	Volume of new business.	Association of Leasing and Factoring Companies ČR (ČLFA)
Insurance	New business in the year according to gross written premium. Market position reflects combined position of the insurers belonging to the same business group.	Czech Association of Insurance Companies (ČAP)
Leasing	Outstanding volume (leasing of movables, commercial loans and consumer loans); related to the relevant market comprising both banks and non-banking institutions.	Association of Leasing and Factoring Companies ČR (ČLFA)
Mortgages	Outstanding volumes; mortgages for private individuals excl. American mortgages and mortgages for non-housing real estate purposes, consumer loans for house purchase, according to ČNB definition.	ČNB, Data Series System (ARAD); ČSOB; HB
Mutual funds	AUM in both Czech and foreign funds at the given date, including institutional funds and third parties funds; according to AKAT methodology.	Association for Capital Market (AKAT)
Pension funds	Total number of clients at the given date.	The Association of Pension Funds of the Czech Republic (APS)
SME/corporate loans	Remaining loans that are not reported in any of the retail loans categories (loans to other than households).	ČNB, Data Series System (ARAD); ČSOB
Total deposits	Total bank deposits including building savings deposits (ČMSS), excluding repo and including unmarketable bills of exchange.	ČNB, Data Series System (ARAD); ČSOB
Total loans	Outstanding volumes of consumer loans and other retail loans + mortgages for private individuals + building savings loans (ČMSS) + SME/corporate loans (gross).	ČNB, Data Series System (ARAD); ČSOB; ČMSS

Glossary - ratios

(Common Equity) Tier 1 ratio	Tier 1 capital (CET1) / Total RWA (according to CRR)
C/I (cost/income ratio)	Operating expenses / operating income, Ytd.
CCR (credit-cost ratio)	Total credit costs / average Credit risk: loan portfolio in the year (simple average of previous year end and reported period end balances); Ytd., annualized
Leverage ratio	Tier 1 capital / On-balance + Off-balance sheet items + Counterparty exposure for Derivatives and SFT + Add-ons (according to CRR)
Liquidity coverage ratio	High quality liquid assets (unencumbered and convertible into cash) to liquidity needs (outflow – inflow) for a 30 calendar days time horizon under specified significant stress scenario (according to CRR)
Loan to deposit ratio	IAS 39: Loans and receivables to other than credit institutions (net) / Deposits received from other than credit institutions at amortised cost minus repo operations with non-banking financial institutions IFRS 9: Financial assets at amortised cost to other than credit institutions minus bonds (net) / Deposits received from other than credit institutions at amortised cost minus repo operations with non-banking financial institutions
Net stable funding ratio (NSFR)	Available amount of stable funding / required amount of stable funding (according to CRR)
NIM (net interest margin)	Net interest income excl. volatile short-term assets used for liquidity management / average interest earnings assets excl. volatile short-term assets used for liquidity management ; Qtd./Ytd., annualized
Non-life combined ratio	(Technical insurance charges, incl. the internal cost of settling claims / earned insurance premiums) + (operating expenses / written insurance premiums) (after reinsurance in each case, according to KBC group methodology)
NPL (non-performing loans) ratio	Outstanding amount of non-performing loans (incl. off-balance sheet items) / Credit risk: loan portfolio
NPL coverage ratio	Specific allowances for loans and leases (incl. off-balance sheet items) / non-performing loans (incl. off-balance sheet items)
ROA (return on assets)	Net profit for the year / average of total assets; Ytd., annualized
ROAC, BU Czech Republic (return on allocated capital)	Result after tax (including minority interests) of the ČSOB group, adjusted to take account of allocated capital instead of actual capital / average allocated capital of the ČSOB group (KBC group methodology)
ROE (return on equity)	Net profit for the year / average of total shareholders' equity; Ytd., annualized
Total capital ratio	Total regulatory capital / Total RWA (according to CRR)

Glossary - other definitions

Assets under management	Including pension funds, mutual funds (assets under management in structured/capital protected funds and other mutual funds), other asset management and assets under management products and assets under management of Slovak AM.
Banking taxes	Including contribution to the Resolution Fund, Deposit insurance premium and Securities Traders Guarantee Fund.
Building savings deposits	All ČMSS financial liabilities at amortized cost minus deposits received from other than credit institutions.
Building savings loans	All customer lending granted by ČMSS in book values. Gross.
Consumer finance	Loan portfolio granted by ČSOB's retail network (ČSOB and PSB brand) in book values. Gross.
Corporate loans	Loan portfolio granted by ČSOB's corporate banking network in book values, including credit-replacing bonds. Gross.
Credit risk: loan portfolio	Including all payment credit, guarantee credit, standby credit and credit derivatives, granted by ČSOB to private persons, companies, governments and banks. Bonds held in the investment portfolio are included if they are corporate- or bank-issued, hence government bonds and trading book exposure are not included.
Group deposits	Item Deposits received from other than credit institutions from the consolidated balance sheet (incl. ČMSS/building savings deposits).
Loan portfolio	Loans and receivables to other than credit institutions (incl. ČMSS/building savings loans) plus loans and receivables to credit institutions minus exposure to banks from inter-bank transactions plus credit replacing bonds (in FVOCI portfolio).
Mortgages	All loans booked in Hypoteční banka, including home equity loans and mortgage loans to legal entities, excluding intra-group loans. Gross.
SME loans	Loan portfolio granted by ČSOB's SME network in book values. Gross.

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