



Basic unaudited financial statements
Consolidated and unconsolidated
30 June 2018

Income statement

| | (in HRK million) | |
|---|------------------|--------------|
| | GROUP | BANK |
| | 30 June | 30 June |
| | 2018 | 2018 |
| Interest income | 1,612 | 1,244 |
| Interest expense | (220) | (148) |
| Net interest income | 1,392 | 1,096 |
| Fee and commission income | 955 | 445 |
| Fee and commission expense | (164) | (62) |
| Net fee and commission income | 791 | 383 |
| Dividend income | 2 | 36 |
| Net trading income/(expense) and net gains/(losses) on translation of monetary assets and liabilities | 129 | 119 |
| Fair value adjustment in hedge accounting | (1) | |
| Other operating income | 76 | 39 |
| Total operating income | 2,389 | 1,673 |
| Impairment losses on loans and advances to customers | (215) | (162) |
| Impairment losses on financial assets through other comprehensive income | 4 | (3) |
| Impairment losses on financial assets at amortized cost | 3 | 3 |
| Modification gain/loss | (7) | (7) |
| Other impairment losses and provisions | 8 | 12 |
| Personnel expenses | (544) | (357) |
| Depreciation and amortization | (92) | (61) |
| Other operating expenses | (591) | (357) |
| Share of profits from associates | 7 | - |
| Profit before income tax | 962 | 741 |
| Income tax expense | (176) | (135) |
| Profit for the year | 786 | 606 |
| Available for: | | |
| Minority interests | 27 | - |
| Equity holders of the Bank | 759 | 606 |
| | 786 | 606 |

Statement of financial position

| | (in HRK million) | |
|--|------------------|---------------|
| | GROUP | BANK |
| | 30 June 2018 | 30 June 2018 |
| Assets | | |
| Cash and current accounts with banks | 16,668 | 13,194 |
| Balances with the Croatian National Bank | 4,265 | 4,265 |
| Financial assets at fair value through profit or loss | 752 | 604 |
| <i>Financial assets held for trading</i> | 565 | 564 |
| <i>Financial assets mandatoyr designed at fair value</i> | 187 | 40 |
| Derivative financial assets | 8 | 5 |
| Derivatives – hedge accounting | 15 | - |
| Financial assets valued at amortized cost | 70,095 | 48,635 |
| <i>Loans and advances to banks</i> | 4,737 | 3,436 |
| <i>Loans and advances to customers</i> | 64,660 | 44,510 |
| <i>Debt securities</i> | 698 | 689 |
| Financial assets at fair value with effect on other comprehensive income | 9,992 | 6,586 |
| Investments in subsidiaries and associates | 62 | 1,962 |
| Intangible assets | 208 | 149 |
| Property and equipment | 1,315 | 596 |
| Investment property | 8 | 1 |
| Non-current assets held for sale | 319 | 90 |
| Deferred tax assets | 123 | 81 |
| Other assets | 845 | 463 |
| Tax prepayments | 18 | - |
| Total assets | 104,693 | 76,631 |

Statement of financial position (continued)

| | (in HRK million) | |
|--|---------------------|---------------------|
| | GROUP | BANK |
| | <u>30 June 2018</u> | <u>30 June 2018</u> |
| Liabilities | | |
| Current accounts and deposits from banks | 1,160 | 914 |
| Current accounts and deposits from customers | 80,627 | 59,068 |
| Derivative financial liabilities | 7 | 7 |
| Interest-bearing borrowings | 3,573 | 2,176 |
| Derivatives – Hedge accounting | 10 | - |
| Fair value changes of the hedged items | 6 | - |
| Subordinated liabilities | - | - |
| Other liabilities | 2,355 | 598 |
| Accrued expenses and deferred income | 325 | 132 |
| Provisions for liabilities and charges | 387 | 276 |
| Deferred tax liabilities | 85 | 36 |
| Current tax liability | 17 | 11 |
| Total liabilities | 88,552 | 63,218 |
| Shareholders' equity | | |
| Share capital | 1,907 | 1,907 |
| Share premium | 1,570 | 1,570 |
| Treasury shares | (76) | (76) |
| Other reserves | 80 | 294 |
| Fair value reserve | 111 | 76 |
| Retained earnings | 11,537 | 9,642 |
| Total equity attributable to equity holders of the Bank | 15,129 | 13,413 |
| Non-controlling interests | 1,012 | - |
| Total liabilities and equity | 104,693 | 76,631 |

Contingent liabilities and commitments

| | (in HRK million) | |
|-------------------------------------|------------------|---------------|
| | GROUP | BANK |
| | 30 June 2018 | 30 June 2018 |
| Undrawn lending commitments | 15,069 | 11,430 |
| Performance guarantees | 2,762 | 2,065 |
| Kuna payment guarantees | 561 | 561 |
| Foreign currency payment guarantees | 1,647 | 682 |
| Foreign currency letters of credit | 97 | 76 |
| Factoring and forfaiting | - | - |
| Other contingent liabilities | 1 | 1 |
| | 20,137 | 14,815 |