Press release

Place: Prague, Czech Republic Date: 21 April 2017

**PPF banka announces FY 2016 results**

**Key performance indicators for 2016:**

* Net profit was CZK 1.204 billion.
* Equity rose nearly 19 % on 2015 to CZK 8.75 billion.
* Return on equity was 14.75 %.
* Lending rose 15 % on 2015 to CZK 29.6 billion.
* PPF banka paid CZK 269 million in income tax for the year.

*“PPF banka had another very successful year in 2016. The bank’s net profit was CZK 1.204 billion, lending rose by 15 % and we became the most active dealer on the primary market for Czech government bonds,”* said Petr Jirásko, PPF banka’s CEO. “*This excellent set of financial results demonstrates how PPF banka continues to strengthen its position on the Czech banking market,”* he added.

Net interest income was CZK 1.808 billion in 2016, in line with the CZK 1.810 billion reported in 2015. Net income from fees and commissions dropped slightly to CZK 164 million. The bank reported a profit of CZK 476 million from financial operations, compared to CZK 482 million in 2015. This stable result was mainly due to successful trading in securities.

Total Net Banking Income (net of the costs of provisions for loans) was CZK 2.41 billion in 2016, a small increase on the previous year.

PPF banka achieved a profit before tax of CZK 1.473 billion in 2016, down CZK 110 million on 2015. The decline relates to increased operating costs, resulting mainly from a one-off contribution to the Resolution Fund (for rescuing banks and insurance companies).

Total assets increased 32 % to CZK 137 billion in 2016. Loans and advances to customers increased 15 % to CZK 29.6 billion, mainly in the area of non-financial organisations.

Return on equity (ROE) in 2016 was 14.75 % and the total capital ratio was 15.86 % as at 31 December 2016