

Slovenská sporiteľňa, a.s.

**Interim separate financial statements
prepared in accordance with International Accounting Standard
IAS 34 Interim Financial Reporting
as adopted by the European Union
for the 9-month accounting period ended 30 September 2020**

(Translated version, original version in Slovak)

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Separate statement of profit or loss

for the 9-month period ended 30 September 2020

EUR ths.	Notes	2019	2020
Net interest income	1	321 368	325 585
Interest income		344 875	335 329
Other similar income		7 143	13 131
Interest expense		(22 001)	(16 581)
Other similar expense		(8 649)	(6 294)
Net fee and commission income	2	105 745	106 501
Fee and commission income		124 492	123 862
Fee and commission expense		(18 747)	(17 361)
Dividend income	3	852	634
Net trading result	4	12 413	5 915
Gains/losses from financial instruments measured at fair value through profit or loss	5	124	237
Rental income from investment properties & other operating leases		220	201
Personnel expenses	6	(106 118)	(117 520)
Other administrative expenses	6	(67 295)	(68 007)
Depreciation and amortisation	6	(36 820)	(30 686)
Gains/losses from derecognition of financial assets measured at amortised cost		71	1
Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss		(471)	(5)
Impairment result from financial instruments	7	(28 016)	(86 574)
Other operating result	8	(29 253)	(40 175)
<i>thereof Levies on banking activities</i>		(27 245)	(37 751)
Pre-tax profit from continuing operations		172 820	96 107
Taxes on income	9	(36 100)	(23 912)
Net result for the period		136 720	72 195

Earnings per share

		2019	2020
Net result attributable to owners of the parent	EUR ths.	136 720	72 195
Number of outstanding shares	pcs.	212 000	212 000
Earnings per share	EUR	645	341

Diluted earnings per share equal to the disclosed basic earnings per share.

The notes on pages 8 to 77 are an integral part of these interim separate financial statements.

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Separate statement of comprehensive income

for the 9-month period ended 30 September 2020

EUR ths.	2019	2020
Net result for the period	136 720	72 195
Other comprehensive income		
Items that may not be reclassified to profit or loss		
Remeasurement of net liability of defined pension plans	(262)	(957)
Fair value changes of equity instruments at fair value through other comprehensive income	27 096	10 475
Deferred taxes relating to items that may not be reclassified	(5 634)	(2 033)
Total other comprehensive income	21 200	7 485
Total comprehensive income	157 920	79 680

The notes on pages 8 to 77 are an integral part of these interim separate financial statements.

Separate statement of financial position

as at 30 September 2020

EUR ths.	Notes	31.12.2019	30.09.2020
Assets			
Cash and cash balances	10	501 441	1 272 064
Financial assets held for trading	11	41 423	59 645
Derivatives		41 423	59 645
Non-trading financial assets at fair value through profit or loss	12	10 550	24 234
Equity instruments		7 375	15 452
Debt securities		3 175	8 782
Financial assets at fair value through other comprehensive income	13	89 262	9 410
Equity investments		89 262	9 410
Financial assets at amortised cost	14	17 362 934	18 246 794
<i>thereof pledged as collateral</i>		2 276 299	3 729 929
Debt securities		3 536 464	3 674 862
Loans and advances to banks		54	117 674
Loans and advances to customers		13 826 416	14 454 258
Finance lease receivables	15	213 191	234 909
Hedge accounting derivatives	16	23 020	34 298
Property and equipment, right-of-use assets	21	128 344	115 546
Investment property	21	1 828	1 664
Intangible assets	22	23 739	17 442
Investments in subsidiaries and associates	18	47 896	72 483
Deferred tax assets	19	44 146	74 973
Trade and other receivables	17	106 693	80 255
Other assets	20	33 286	23 792
Total assets		18 627 753	20 267 509
Liabilities and Equity			
Financial liabilities held for trading	11	36 020	56 159
Derivatives		36 020	56 159
Financial liabilities at amortised cost	23	16 797 583	18 276 933
Deposits from banks		263 287	1 754 030
Deposits from customers		14 419 106	14 362 190
Debt securities issued		2 070 975	2 065 755
Other financial liabilities		44 215	94 958
Lease liabilities	21	44 703	40 617
Hedge accounting derivatives	16	48 041	51 513
Provisions	24	17 514	24 872
Current tax liabilities	19	2 076	19 273
Other liabilities	25	101 190	78 345
Total liabilities		17 047 127	18 547 712
Equity attributable to owners of the parent	26	1 580 626	1 719 797
Subscribed capital		212 000	212 000
Additional paid-in capital		150 000	300 000
Retained earning and other reserves		1 218 626	1 207 797
Total equity		1 580 626	1 719 797
Total liabilities and equity		18 627 753	20 267 509

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Separate statement of changes in equity

for the 9-month period ended 30 September 2020

	Subscribed capital	Other capital instruments	Legal reserve fund	Other funds	Retained earnings	Fair value reserve	Remeasurement of net liability of defined pension plans	Equity attributable to owners of the parent
EUR ths.								
As of 1.1.2019	212 000	150 000	79 795	39 104	959 527	40 084	(638)	1 479 872
Dividends paid / Distribution for Investment certificate	-	-	-	-	(93 458)	-	-	(93 458)
Total comprehensive income	-	-	-	-	136 720	21 407	(207)	157 920
Net result for the period	-	-	-	-	136 720	-	-	136 720
Other comprehensive income	-	-	-	-	-	21 407	(207)	21 200
Change in fair value reserve	-	-	-	-	-	21 407	-	21 407
Change from remeasurement of defined pension plans	-	-	-	-	-	-	(207)	(207)
As of 30.9.2019	212 000	150 000	79 795	39 104	1 002 789	61 491	(845)	1 544 334
As of 1.1.2020	212 000	150 000	79 795	39 104	1 034 655	65 963	(891)	1 580 626
Dividends paid / Distribution for Investment certificate	-	-	-	-	(87 239)	-	-	(87 239)
Capital increases	-	150 000	-	-	-	-	-	150 000
Reclassification from OCI to RE	-	-	-	-	66 805	(66 805)	-	-
Other changes	-	-	-	-	(3 270)	-	-	(3 270)
Total comprehensive income	-	-	-	-	72 195	8 241	(756)	79 680
Net result for the period	-	-	-	-	72 195	-	-	72 195
Other comprehensive income	-	-	-	-	-	8 241	(756)	7 485
Change from remeasurement of defined pension plans	-	-	-	-	-	-	(756)	(756)
Change in fair value reserve	-	-	-	-	-	8 241	-	8 241
As of 30.09.2020	212 000	300 000	79 795	39 104	1 083 146	7 399	(1 647)	1 719 797

In the line items 'Fair value reserve' and 'Remeasurement of net liability of defined pension plans' the figures are presented net of deferred tax.

The notes on pages 8 to 77 are an integral part of these interim separate financial statements.

Separate statement of cash flows

for the 9-month period ended 30 September 2020

EUR ths.	2019	2020
Profit before income taxes	172 290	96 107
Non-cash adjustments for:		
Loss allowances for loans and advances, Provisions for off-balance sheet	27 989	86 574
Provisions for liabilities and other liabilities	(10 267)	(5 455)
Impairment of tangible and intangible assets net	-	(3 248)
Depreciation and amortization	36 820	30 685
Profit/(loss) on disposal of fixed assets	126	2 081
Gains/(losses) from measurement and derecognition of financial assets and financial liabilities	91	(8 074)
Accrued interest, amortisation of discount and premium	(84 182)	(16 890)
Transfer of dividends received to investing activities	(852)	(615)
Cash flows from operations before changes in operating assets and liabilities	142 015	181 165
(Increase)/decrease in operating assets:		
Minimum reserve deposits with the central bank	(59 898)	(835 245)
Financial assets held for trading	(9 631)	(18 222)
Non-trading financial assets at fair value through profit or loss	20 376	(5 607)
Debt securities	20 376	(5 607)
Financial assets at fair value through other comprehensive income	(291)	5 764
Financial assets at amortised cost	(785 240)	(958 328)
Debt securities	23 355	(145 832)
Loans and advances to banks	(67 595)	(117 620)
Loans and advances to customers	(741 000)	(694 876)
Finance lease receivables	(66 632)	(21 718)
Hedge accounting derivatives	(28 603)	(11 278)
Trade and other receivables	(2 828)	26 438
Other assets from operating activities	(10 822)	9 292
Increase / (decrease) in operating liabilities:		
Financial liabilities held for trading	6 290	20 139
Financial liabilities measured at amortised cost	481 536	1 485 727
Deposits from banks	(30 234)	1 490 743
Deposits from customers	449 547	(55 759)
Other financial liabilities	62 223	50 743
Hedge accounting derivatives	18 384	3 472
Provisions	(6 590)	5 921
Other liabilities from operating activities	5 330	(672)
Net cash flows provided by / (used in) operating activities before income tax	(296 604)	(113 152)

Table continues on the following page.

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EUR ths.	2019	2020
<i>Net cash flows provided by / (used in) operating activities before income tax</i>	<i>(296 604)</i>	<i>(113 152)</i>
Income taxes paid	(32 355)	(37 852)
Net cash flows provided by / (used in) operating activities	(328 959)	(151 004)
Cash flows from investing activities		
Dividends received from subsidiaries, associates and other investments	852	615
Purchase of share in subsidiaries and associates	(24 840)	(24 588)
Proceeds from sale of investments	-	63 535
Purchase of intangible assets, property and equipment	(7 668)	(6 070)
Proceeds from sale of intangible assets, property and equipment	238	3 685
Net cash flows provided by / (used in) investing activities	(31 418)	37 177
Cash flows from financing activities		
Dividends paid	(93 458)	(87 239)
AT1 certificate - issue	-	150 000
Repayment of subordinated debt	-	(10 000)
Issue of subordinated debt	-	30 000
Issue of the bonds	169 887	61 592
Repayment of the bonds	236 016	(83 373)
Lease liabilities	(9 858)	(10 641)
Net cash flows provided by / (used in) financing activities	302 587	50 339
Effect of foreign exchange rate changes on cash and cash equivalents	170	(1 134)
Net increase / (decrease) in cash and cash equivalents	(57 620)	(64 622)
Cash and cash equivalents at beginning of period	414 419	413 554
Cash and cash equivalents at end of period	356 799	348 932
Operational cash flows from interest and dividends (included in cash flow from operating activities)	309 871	276 746
Income taxes paid	(32 355)	(37 852)
Interest paid	(10 331)	(17 019)
Interest received	351 669	331 002
Dividends received	888	615

Cash and cash equivalents are equal to cash in hand, cash balances at central banks and other demand deposits. Comparative period in above disclosed Cash flow statement has been updated as a consequence of methodology changes, however such changes do not have significant effect to presented figures.

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Comparison of Quarterly results

EUR ths.	30.09.2019	31.12.2019	31.3.2020	30.6.2020	30.09.2020
Statement of Income					
Net interest income	107 290	108 012	109 776	107 749	108 060
Interest income	114 593	113 856	113 849	110 992	110 488
Other similar income	2 754	4 197	4 732	4 219	4 180
Interest expense	(7 284)	(7 019)	(6 138)	(5 442)	(5 001)
Other similar expense	(2 773)	(3 022)	(2 667)	(2 020)	(1 607)
Net fee and commission income	37 812	39 426	34 520	33 485	38 496
Fee and commission income	44 218	47 197	40 823	38 935	44 104
Fee and commission expense	(6 406)	(7 771)	(6 303)	(5 450)	(5 608)
Dividend income	100	116	106	495	33
Net trading result	2 978	2 678	(354)	4 047	2 222
Gains/losses from financial instruments measured at fair value through profit or loss	38	1 776	(4 106)	1 337	3 006
Rental income from investment properties & other operating leases	74	73	69	64	68
Personnel expenses	(38 185)	(41 418)	(37 154)	(39 835)	(40 531)
Other administrative expenses	(21 641)	(25 569)	(25 342)	(22 090)	(20 575)
Depreciation and amortisation	(12 206)	(11 688)	(11 276)	(10 313)	(9 097)
Other gains/losses from derecognition of financial instruments not measured at FVTPL	(12)	(4)	(11)	6	-
Impairment result from financial instruments	(9 387)	(14 707)	(11 300)	(52 218)	(23 056)
Other operating result	(10 572)	(9 989)	(22 477)	(17 363)	(335)
<i>Levies on banking activities</i>	(8 201)	(8 343)	(16 869)	(16 889)	-
Pre-tax profit from continuing operations	56 289	48 706	32 451	5 364	58 292
Taxes on income	(11 673)	(10 985)	(7 184)	(2 374)	(14 354)
Net result for the period	44 616	37 721	25 267	2 990	43 938
Net result attributable to owners of the parent	44 616	37 721	25 267	2 990	43 938

EUR ths.	30.09.2019	31.12.2019	31.3.2020	30.6.2020	30.09.2020
Net result for the period	44 616	37 721	25 267	2 990	43 938
Other comprehensive income					
Items that may not be reclassified to profit or loss					
Remeasurement of net liability of defined pension plans	(262)	(58)	-	-	(957)
Fair value changes of equity instruments at fair value through other comprehensive income	5 455	5 663	9 413	1 093	(31)
Deferred taxes relating to items that may not be reclassified	(1 090)	(1 177)	(1 976)	(228)	171
Total other comprehensive income	4 103	4 428	7 437	865	(817)
Total comprehensive income	48 719	42 149	32 704	3 855	43 121

The notes on pages 8 to 77 are an integral part of these interim separate financial statements.

Notes to the separate financial statements

A. General information

Slovenská sporiteľňa, a.s. (hereafter 'the Bank') has its registered office at Tomášikova 48, 832 37 Bratislava, Slovak republic. The Bank was incorporated on 15 March 1994 and registered in the Commercial Register on 1 April 1994. The identification number of the Bank is 00 151 653. The tax identification number of the Bank is 2020411536.

The Bank is a universal bank offering a wide range of banking and financial services to commercial, financial and private customers, principally in the Slovak republic.

As at 30 September 2020 the sole shareholder of the Bank was Erste Group Bank AG with the registered office located at: Am Belvedere 1, 1100 Vienna, Austria. The financial statements of Erste Group Bank AG (the parent) will be available after their completion on the Austrian court Firmenbuchgericht Wien, Marxergasse 1a, Vienna 1030.

The Board of Directors of the Bank had five members as at 30 September 2020:

Ing. Peter Krutil (chairman), Ing. Pavel Cetkovský (member), Mgr. Ing. Zdeněk Románek, MBA (member), RNDr. Milan Hain, PhD. (member) and Mgr. Ing. Norbert Hovančák (member).

The chairman of the Board of Directors is also the Chief Executive Officer (CEO) of the Bank. The deputy chairman of the Board of Directors is the first deputy of the Chief Executive Officer. Other members of the Board of Directors are the deputies of the Chief Executive Officer.

The Supervisory Board of the Bank had five members as at 30 September 2020:

Ing. Stefan Dörfler (chairman), Mag. Jan Homan (vice-chairman), Paul Formanko, MBA (member), Mgr. Alena Adamcová (member) and JUDr. Beatrice Melichárová (member).

The Bank is subject to the regulatory requirements of the National bank of Slovakia and other regulatory bodies defined by the Slovak legislation.

Since 4 November 2014 the Bank operates under a direct supervision of the European Central Bank within a Single Supervision Mechanism.

B. Significant accounting policies

a) Statement of compliance

Pursuant to the Article 17a of the Act no. 431/2002 Coll. on Accounting, effective from 1 January 2006 banks are required to prepare separate financial statements, consolidated financial statements and annual report according to the special regulations – Regulation (EC) no. 1606/2002 of the European Parliament and of the Council on Application of International Accounting Standards. As a result, the financial statements prepared in accordance with International Financial Reporting Standards effectively replaced the financial statements prepared under Slovak Accounting Standards.

These interim separate financial statements for the 9-month period ended 30 September 2020 are prepared in accordance with International Financial Reporting Standards ('IFRS' or 'IAS') as adopted by the European Union ('EU') on the basis of the regulation no. 1606/2002.

IFRS as adopted by the EU do not currently differ from IFRS and interpretations as issued by the International Accounting Standards Board (IASB), except for certain standards issued but not yet effective. The Bank has assessed that the standards not endorsed by the EU would not impact significantly these separate financial statements if they were applicable as at the presented balance sheet date. Information on application of new and amended IAS / IFRS standards are detailed in the note f).

These interim separate financial statements do not contain full information and disclosures as required in the complete set of financial statements as at year end and should be read in combination with separate financial statements for the previous accounting period. The separate financial statements for the year ended 31 December 2019 were signed and authorised for issue by the Board of Directors of the Bank on 11 February 2020 and are available at its registered office or on the web page.

b) Basis of preparation

These interim separate financial statements do not include consolidation of assets, liabilities and operational results of subsidiaries. As required by the law, the Bank issued Consolidated Financial Statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union for the year ended 31 December 2019, which were signed and authorised for issue by the Board of Directors of the Bank on 11 February 2020 and are available at its registered office or on the web page.

The Bank's separate financial statements for the prior period (the year ended 31 December 2019) were signed and authorised for issue on 11 February 2020.

The Bank holds controlling interests in the subsidiaries and significant influence in the associates described in note 18. In these separate financial statements the subsidiaries and associates are recognised at cost, less any impairment losses.

These interim separate financial statements are prepared on the basis of the going concern assumption that the Bank will continue to operate in the foreseeable future.

These interim separate financial statements are presented in Euro, which is the functional currency of the Bank. The functional currency represents the currency of primary economic area, in which the entity exists.

The measurement unit is thousands of Eur ('Eur ths.'), unless stated otherwise. The amounts in parentheses represent negative values. The tables in these separate financial statements and notes may contain rounding differences.

The comparative amounts presented in these interim separate financial statements are those presented in the Separate statement of financial positions as at 31 December 2019 and the Separate statement of profit or loss and the Separate statement of other comprehensive income for the 9-month period ended 30 September 2019.

In the following notes, the Statement of financial position may be referred to as 'balance sheet' and the Statement of profit or loss may be referred to as 'income statement'.

These interim separate financial statements are not audited.

c) Subsidiaries and associates

These interim separate financial statements were prepared based on equal accounting principles, accounting and measurement methods that were used as the basis for the preparation of the separate financial statements for the previous accounting period. During current accounting period ended 30 September 2020 there were no changes in the accounting principles, accounting and measurement methods used. In compliance with the international accounting standard IAS 34 these interim separate financial statements do not comprise all information and disclosures as required in the separate financial statements as at year end. The complete set of disclosures related to subsidiaries and associates is presented in the separate financial statements for the previous accounting period in the Note Bc).

d) Accounting and measurement methods

Accounting and measurement methods that were used as the basis for the preparation of the interim separate financial statements did not change. In compliance with the international accounting standard IAS 34 these interim separate financial statements do not comprise all information and disclosures related to the accounting and measurement methods. The complete set of disclosures related to accounting and measurement methods are presented in the separate financial statements for the previous accounting period in the Note Bd).

e) Significant accounting judgements, assumption and estimates

The separate financial statements contain amounts that have been determined on the basis of judgements and by the use of estimates and assumptions. The estimates and assumptions used are based on historical experience and other factors, such as planning as well as expectations and forecasts of future events that are currently deemed to be reasonable. As a consequence of the uncertainty associated with these assumptions and estimates, actual results could in future periods lead to adjustments in the carrying amounts of the related assets or liabilities.

The most significant uses of judgements, assumptions and estimates are related to the following areas:

- SPPI assessment;
- Business model assessment;
- Impairment of financial Instruments;
- Fair value of financial Instruments;
- Deferred tax assets.

Accounting judgements, assumption and estimates that were used as the basis for the preparation of these interim separate financial statements did not change. In compliance with the international accounting standard IAS 34 these interim separate financial statements do not comprise all information and disclosures related to the accounting judgements, assumption and estimates. For the complete set of disclosures related to accounting judgements, assumption and estimates these interim separate financial statements should be read in combination with the separate financial statements for the previous accounting period in the Note Be).

After the consideration of all potential impacts of the COVID-19 (Coronavirus) on the business activities the Bank concluded that they have no significant impact on the ability of the Bank to continue as going concern. The Bank analyzed various scenarios of the coronavirus outbreak and the potential impact on profitability of the Bank. Based on the results of all scenarios analyzed the Bank is expected to report profits for the financial year ended 31 December 2020. The Bank will continue to monitor the potential impact of COVID-19 and will take all necessary steps to mitigate the negative effects on the Bank, its employees and clients.

f) Application of new and amended IAS / IFRS

The Bank has adopted all the standards and interpretations issued by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee (IFRIC), as adopted by the European Union, which are valid for the current reporting period and relevant for its business.

C. Notes

1. Net interest income

EUR ths.	2019	2020
Interest and other similar income		
Financial assets at amortised cost	344 875	335 329
Demand deposits	5	8
Loans and advances	267 063	263 118
Debt securities	77 807	72 203
Interest income	344 875	335 329
Non-trading financial assets at fair value through profit or loss	87	-
Financial assets - held for trading	10 905	11 765
Derivatives - hedge accounting, interest rate risk	(6 870)	(6 984)
Other assets	2 761	3 890
Negative interest from financial liabilities	260	4 460
Other similar income	7 143	13 131
Total interest income	352 018	348 460
Interest and other similar expenses		
Financial liabilities measured at amortised cost	(22 001)	(16 581)
Deposits	(9 252)	(4 669)
Debt securities in issue	(12 749)	(11 912)
Interest expenses	(22 001)	(16 581)
Financial liabilities - held for trading	(9 953)	(10 345)
Derivatives - hedge accounting, interest rate risk	3 563	4 159
Other liabilities	(2 259)	(26)
Negative Interest from financial assets	-	(82)
Other similar expenses	(8 649)	(6 294)
Total Interest expenses	(30 650)	(22 875)
Net interest income	321 368	325 585

Interest income for the 9-month period ended 30 September 2020 included interests related to impaired financial assets in the amount of 5,5 mil. Eur (30.9.2019: 6,3 mil. Eur).

Interest income from hedging instruments relates to the hedged items presented in the line item 'Financial assets at amortised cost'. Interest expense from hedging instruments relates to the hedged items presented in the line item 'Financial liabilities measured at amortised cost'.

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2. Net fee and commission income

EUR ths.	2019	2020
Fee and commission income		
Securities	1 982	3 269
Issuances	136	84
Transfer orders	836	1 707
Other	1 010	1 478
Asset management	6 271	-
Custody	1 017	1 852
Collective investment	341	419
Other	676	1 433
Payment services	73 591	71 386
Card business	29 788	27 612
Others	43 803	43 774
Customer resources distributed but not managed	23 726	34 940
Collective investment	-	8 175
Insurance products (as agent)	23 714	26 757
Other	12	8
Lending Business	17 033	12 105
Loan commitments given	1 906	2 216
Financial guarantees given	2 905	2 989
Other lending business	12 222	6 900
Other	872	310
Total fee and commission income	124 492	123 862
Fee and commission expense		
Securities	(713)	(950)
Transfer orders	(711)	(941)
Other	(2)	(9)
Custody	(790)	(806)
Payment services	(11 961)	(11 688)
Card business	(8 761)	(8 516)
Others	(3 200)	(3 172)
Customer resources distributed but not managed	(960)	(946)
Insurance products (as agent)	(960)	(946)
Lending Business	(4 263)	(2 880)
Financial guarantees received	(12)	(11)
Other lending business	(4 251)	(2 869)
Other	(60)	(91)
Total fee and commission expense	(18 747)	(17 361)
Net fee and commission income	105 745	106 501

In the year 2020 the Bank started to disclose fee income for the asset management in the line item „Customer resources distributed but not managed“ in the part „Collective investment“ in the amount of 8,2 mil. EUR.

3. Dividend income

EUR ths.	2019	2020
Non-trading financial assets at fair value through profit or loss	512	480
Financial assets at fair value through other comprehensive income	323	135
Financial assets at amortised cost	17	19
Dividend income	852	634

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4. Net trading result

EUR ths.	2019	2020
Securities trading	12 460	1 147
Derivatives trading	27	4 767
Result from hedge accounting	(74)	1
Net trading result	12 413	5 915

The line item 'Securities and derivatives trading' includes gains from the Erste Group Bank AG's market positions attributable to the Bank.

5. Gains / losses from financial instruments measured at fair value through profit or loss

EUR ths.	2019	2020
Result from measurement/sale of financial assets mandatorily at fair value through profit or loss	124	237
Gains/losses from financial instruments measured at fair value through profit or loss	124	237

6. General administrative expenses

EUR ths.	2019	2020
Personnel expenses	(106 118)	(117 520)
Wages and salaries	(76 965)	(84 981)
Compulsory social security	(26 299)	(28 640)
Long-term employee provisions	(270)	(860)
Other personnel expenses	(2 584)	(3 039)
Other administrative expenses	(67 295)	(68 007)
Deposit insurance contribution	(962)	(1 058)
IT expenses	(27 769)	(32 840)
Expenses for office premises	(10 098)	(9 246)
Office operating expenses	(8 059)	(8 377)
Advertising/marketing	(10 735)	(9 861)
Legal and consulting costs	(2 795)	(2 494)
Sundry administrative expenses	(6 877)	(4 131)
Depreciation and amortisation	(36 820)	(30 686)
Software and other intangible assets	(16 298)	(9 215)
Occupied real estate	(13 648)	(14 978)
Investment properties	(163)	(161)
Office furniture and equipment and sundry property and equipment	(6 711)	(6 332)
General administrative expenses	(210 233)	(216 213)

As at 30 September 2020 the Bank had 3 782 employees, thereof five members of the Board of Directors. As at 30 September 2019 the Bank had 4 055 employees, thereof five members of the Board of Directors.

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The line item 'Occupied real estate' in the part 'Depreciation and amortisation' includes the depreciation related to the right of use assets in amount of 10,3 mil. EUR (2019: 8,4 mil. EUR).

The Bank is legally obliged to make a contribution to the Deposit Protection Fund, which is accounted for in accordance with the IFRIC 21. The amount of this annual contribution is calculated based on the Bank's customer deposit liabilities.

7. Impairment result from financial instruments

EUR ths.	2019	2020
Financial assets at amortised cost	(31 286)	(80 965)
Net allocation of loss allowances	(37 397)	(81 946)
Direct write-offs	(964)	(512)
Recoveries recorded directly to the income statement	7 075	1 493
Finance lease	(3 447)	(579)
Net allocation of loss allowances for commitments and guarantees given	6 717	(5 030)
Impairment result from financial instruments	(28 016)	(86 574)

8. Other operating result

EUR ths.	2019	2020
Other operating expenses	(33 176)	(66 210)
Allocation to other provisions	(995)	(23 061)
Levies on banking activities	(27 245)	(37 751)
Banking tax	(24 178)	(33 757)
Resolution fund	(3 067)	(3 994)
Other taxes	(155)	(160)
Other	(4 781)	(5 238)
Other operating income	3 923	26 035
Release of other provisions	1 028	22 093
Gains from derecognition of tangible and intangible assets	136	1 538
Other	2 759	2 404
Other operating result	(29 253)	(40 175)

The Bank is legally obliged to make a contribution to the National resolution fund ('Resolution fund'), which is accounted for in accordance with the IFRIC 21.

In the year 2020 the Bank discloses in the line items 'Allocation to other provisions' and 'Release of other provisions' also the value of risk costs related to 'Other commitments' which do not comply with the disclosure criteria for IFRS 9 and are included in the balance sheet line item 'Other provisions'.

9. Taxes on income

For the purposes of the interim separate financial statements the Bank accounts for estimate of current income tax, which is based on simplified calculation and statutory tax rate of 21%.

10. Cash and cash balances

EUR ths.	31.12.2019	30.09.2020
Cash on hand	398 088	337 397
Cash balances at central banks	93 129	923 021
Other demand deposits to credit institutions	10 224	11 646
Cash and cash balances	501 441	1 272 064

Cash balances at central banks include only claims (deposits) against central banks that are repayable on demand. Repayable on demand means that they may be withdrawn at any time or with a term of notice of only one business day or 24 hours. Mandatory minimum reserves are also shown under this item.

As at 30 September 2020 the balances at central banks included a mandatory minimum reserve deposit in the amount of 923,0 mil. Eur (2019: 87,9 mil. Eur). For the period covering the end of september 2020 the prescribed balance of the mandatory minimum reserve deposit amounted 143,2 mil. Eur (2019: 141,1 mil. Eur).

For the purpose of the Statement of cash flows, cash and cash equivalents include accounts with central banks and accounts with other credit institutions repayable on demand. The mandatory minimum reserve deposit is excluded from cash and cash equivalents. This deposit is repayable on demand, however it is not used for a day-to-day operation, as the Bank is required to meet a defined average balance during a monitored period.

11. Derivatives held for trading

EUR ths.	31.12.2019			30.09.2020		
	Notional value	Positive fair value	Negative fair value	Notional value	Positive fair value	Negative fair value
Derivatives held in the trading book	2 476 840	41 112	35 709	2 365 294	59 188	55 702
Interest rate derivatives	2 132 669	15 594	14 084	2 068 399	21 621	19 651
Foreign exchange derivatives	344 171	25 518	21 625	296 895	37 567	36 051
Derivatives held in the banking book	101 637	311	311	78 070	457	457
Equity derivatives	101 637	311	311	78 070	457	457
Total gross amounts	2 578 477	41 423	36 020	2 443 364	59 645	56 159

The Bank disclosed derivative instruments in the banking book that are used for economical hedging of financial Instruments on asset or liability side and are not designated as hedge accounting.

12. Non-trading financial assets at fair value through profit or loss

EUR ths.	31.12.2019		30.09.2020	
	Designated at fair value	Mandatorily at fair value	Designated at fair value	Mandatorily at fair value
Equity instruments	-	7 375	-	15 452
Debt securities	-	3 175	-	8 782
Other financial corporations	-	3 175	-	8 782
Non-trading financial assets at fair value through profit or loss	-	10 550	-	24 234

‘Equity Instruments’ classified under category ‘Mandatorily at fair value’ represents such equity Instruments that the Bank does not hold for strategic business decisions.

‘Debt securities’ classified under category ‘Mandatorily at fair value’ represents financial assets, which do not comply with the SPPI criteria under IFRS 9.

As of 1 January 2020, the Bank reclassified the shares of Visa Inc. From the ‘Financial assets at fair value through other comprehensive income’ category to the ‘Debt securities mandatorily at fair value’ category, within the ‘Non-trading financial assets at fair value through profit or loss’ category. As at 30 September 2020 the Bank converted part of Visa Inc. shares and newly acquired shares in the amount of 8,1 mil. EUR were classified to line item ‘Equity instruments mandatorily at fair value’ within the category ‘Non-financial assets measured at fair value through profit or loss’.

13. Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include only Equity Instruments in amount of 9,4 mil. Eur (2019: 89,3 mil. Eur) that the Bank holds for strategic business decisions and are not subject to any impairment requirements. All the accumulated fair value movements for these investments are presented solely in other comprehensive income (OCI) with no subsequent presentation in Profit or loss at any time point allowed.

During the first quarter of 2020 the Bank had sold its share in the company Mastercard Incorporated due to the fact that the reasons for holding this share as a strategic business decision of the Bank have passed. As at 1 January 2020 the Bank had also reclassified its shares of Visa Inc. from “ Financial assets at fair value through other comprehensive income” category to the “ Non-trading financial assets at fair value through profit or loss” category.

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14. Financial assets at amortised cost**Gross carrying amounts and credit loss allowances**

EUR ths.	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As of 30.09.2020											
Debt securities	3 675 576	-	-	-	3 675 576	(714)	-	-	-	(714)	3 674 862
General governments	3 368 293	-	-	-	3 368 293	(463)	-	-	-	(463)	3 367 830
Credit institutions	183 021	-	-	-	183 021	(113)	-	-	-	(113)	182 908
Other financial corporations	10 020	-	-	-	10 020	(8)	-	-	-	(8)	10 012
Non-financial corporations	114 242	-	-	-	114 242	(130)	-	-	-	(130)	114 112
Loans and advances to banks	117 726	2	-	-	117 728	(54)	-	-	-	(54)	117 674
Credit institutions	117 726	2	-	-	117 728	(54)	-	-	-	(54)	117 674
Loans and advances to customers	12 577 968	1 877 247	309 681	89 771	14 854 667	(25 338)	(105 920)	(210 701)	(58 450)	(400 409)	14 454 258
General governments	247 823	2 227	-	-	250 050	(317)	(207)	-	-	(524)	249 526
Other financial corporations	80 344	25 758	131	-	106 233	(125)	(684)	(85)	-	(894)	105 339
Non-financial corporations	2 416 464	1 177 844	44 106	86 004	3 724 418	(7 758)	(47 867)	(26 296)	(56 473)	(138 394)	3 586 024
Households	9 833 337	671 418	265 444	3 767	10 773 966	(17 138)	(57 162)	(184 320)	(1 977)	(260 597)	10 513 369
Total	16 371 270	1 877 249	309 681	89 771	18 647 971	(26 106)	(105 920)	(210 701)	(58 450)	(401 177)	18 246 794

The amounts represent the maximum exposure to credit risk. As at 30 September 2020 the Bank had no reverse repo agreements.

As at 30 September 2020, 15 largest customers accounted for 5,7% of the gross loan portfolio amounting to 851,2 mil. Eur.

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	Gross carrying amount					Credit loss allowances					Carrying amount
EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As of 31.12.2019											
Debt securities	3 536 848	-	-	-	3 536 848	(384)	-	-	-	(384)	3 536 464
General governments	3 223 591	-	-	-	3 223 591	(247)	-	-	-	(247)	3 223 344
Credit institutions	194 849	-	-	-	194 849	(106)	-	-	-	(106)	194 743
Other financial corporations	25 283	-	-	-	25 283	(15)	-	-	-	(15)	25 268
Non-financial corporations	93 125	-	-	-	93 125	(16)	-	-	-	(16)	93 109
Loans and advances to banks	52	2	-	-	54	-	-	-	-	-	54
Credit institutions	52	2	-	-	54	-	-	-	-	-	54
Loans and advances to customers	13 263 683	471 725	341 898	85 414	14 162 720	(34 322)	(36 177)	(212 655)	(53 150)	(336 304)	13 826 416
General governments	243 829	607	-	-	244 436	(248)	(23)	-	-	(271)	244 165
Other financial corporations	106 486	773	108	-	107 367	(288)	(67)	(76)	-	(431)	106 936
Non-financial corporations	3 030 477	238 260	41 051	81 261	3 391 049	(8 455)	(11 648)	(24 501)	(50 957)	(95 561)	3 295 488
Households	9 882 891	232 085	300 739	4 153	10 419 868	(25 331)	(24 439)	(188 078)	(2 193)	(240 041)	10 179 827
Total	16 800 583	471 727	341 898	85 414	17 699 622	(34 706)	(36 177)	(212 655)	(53 150)	(336 688)	17 362 934

As at 31 December 2019, 15 largest customers accounted for 5,2% of the gross loan portfolio amounting to 733,7 mil. Eur.

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Allowances for financial assets at amortised cost

EUR ths.	01.01.2020	Additions	Derecognitions	Net changes due to change in credit risk	Transfers between stages	Net changes due to modifications without derecognition	Decrease in allowance account due to write-offs	Other adjustments	30.09.2020
Debt securities									
Stage 1	(384)	(43)	7	(294)	-	-	-	-	(714)
General governments	(247)	(31)	-	(185)	-	-	-	-	(463)
Credit institutions	(106)	-	7	(14)	-	-	-	-	(113)
Other financial corporations	(15)	-	-	7	-	-	-	-	(8)
Non-financial corporations	(16)	(12)	-	(102)	-	-	-	-	(130)
Stage 2	-	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-	-	-	-
POCI	-	-	-	-	-	-	-	-	-
Total allowances for debt securities	(384)	(43)	7	(294)	-	-	-	-	(714)
EUR ths.	01.01.2020	Additions	Derecognitions	Net changes due to change in credit risk	Transfers between stages	Net changes due to modifications without derecognition	Decrease in allowance account due to write-offs	Other adjustments	30.09.2020
Loans and advances to banks									
Stage 1	-	(83)	42	(13)	-	-	-	-	(54)
Credit institutions	-	(83)	42	(13)	-	-	-	-	(54)
Stage 2	-	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-	-	-	-
POCI	-	-	-	-	-	-	-	-	-
Total allowances for loans and advances to banks	-	(83)	42	(13)	-	-	-	-	(54)

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EUR ths.	01.01.2020	Additions	Derecognitions	Net changes due to change in credit risk	Transfers between stages	Net changes due to modifications without derecognition	Decrease in allowance account due to write-offs	Other adjustments	30.09.2020
Loans and advances to customers									
Stage 1	(34 323)	(9 322)	411	8 525	9 206	-	164	-	(25 339)
General governments	(249)	(278)	-	129	80	-	-	-	(318)
Other financial corporations	(287)	(120)	1	279	3	-	-	-	(124)
Non-financial corporations	(8 455)	(5 246)	82	5 869	(8)	-	1	-	(7 757)
Households	(25 332)	(3 678)	328	2 248	9 131	-	163	-	(17 140)
Stage 2	(36 177)	(14 362)	198	(2 883)	(52 849)	-	153	-	(105 920)
General governments	(22)	(45)	-	8	(147)	-	-	-	(206)
Other financial corporations	(68)	(4)	-	(78)	(535)	-	-	-	(685)
Non-financial corporations	(11 649)	(11 209)	86	4 877	(29 978)	-	3	-	(47 870)
Households	(24 438)	(3 104)	112	(7 690)	(22 189)	-	150	-	(57 159)
Stage 3	(212 655)	(3 456)	23 024	(16 294)	(4 504)	-	3 185	-	(210 700)
Other financial corporations	(76)	(4)	-	(5)	-	-	-	-	(85)
Non-financial corporations	(24 500)	(1 974)	1 569	(632)	(797)	-	40	-	(26 294)
Households	(188 079)	(1 478)	21 455	(15 657)	(3 707)	-	3 145	-	(184 321)
POCI	(53 149)	-	151	(5 709)	-	-	257	-	(58 450)
Non-financial corporations	(50 957)	-	6	(5 545)	-	-	23	-	(56 473)
Households	(2 192)	-	145	(164)	-	-	234	-	(1 977)
Total allowances for loans and advances to customers	(336 304)	(27 140)	23 784	(16 361)	(48 147)	-	3 759	-	(400 409)

Movement table of credit loss allowances above represents changes in allowances disclosed based on the reason of the change and is prepared as at the end of the reporting period in comparison to the balance as at 1 January of the relevant reporting period. The table contains allocations, releases, reclassifications between stages as well as use of the credit loss allowances. Not all of these movements are accounted through income statement, so the full reconciliation to 'Impairment result from financial instruments' line in the Statement of profit or loss is not achievable. Furthermore certain expenses such as write offs, sales and unwinding are recognised in the balance sheet line 'Financial assets at amortised cost' and are not disclosed in the movement table.

In column 'Additions' increases of CLA due to the initial recognition of loans at AC during the current reporting period are disclosed. Releases of CLA following the derecognition of the related loans at amortised cost are reported in column 'Derecognitions'.

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In column 'Transfers between stages' CLA net changes due to changes in credit risk that triggered re-assignments of the related amortised cost loans from Stage 1 (as at 1 January 2019 or initial recognition date) to Stages 2 or 3 as at 31 December 2019 or vice-versa are reported. The effects of transfers from Stage 1 to Stages 2 or 3 on the related CLAs are adverse and presented in lines attributable to Stages 2 or 3. The effects of transfers from Stages 2 or 3 to Stage 1 on the related CLAs are favourable and presented in line 'Stage 1'. The income statement-neutral effect from cross-stage transferring of the related CLA amounts recognized prior to stage re-assignments are presented above in columns 'Net changes due to modifications without derecognition' and 'Decrease in allowance account due to write-offs'.

Any other changes in credit risk which do not trigger a transfer between Stage 1 and Stage 2 or 3 or vice-versa are disclosed in column 'Other changes'.

EUR ths.	01.01.2019	Additions	Derecognitions	Net changes due to change in credit risk	Transfers between stages	Net changes due to modifications without derecognition	Decrease in allowance account due to write-offs	Other adjustments	30.09.2019
Debt securities									
Stage 1	(383)	(37)	17	-	17	-	-	-	(386)
General governments	(262)	(3)	10	-	10	-	-	-	(245)
Credit institutions	(75)	(34)	7	-	(5)	-	-	-	(107)
Other financial corporations	(26)	-	-	-	9	-	-	-	(17)
Non-financial corporations	(20)	-	-	-	3	-	-	-	(17)
Stage 2	-	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-	-	-	-
POCI	-	-	-	-	-	-	-	-	-
Total allowances for debt securities	(383)	(37)	17	-	17	-	-	-	(386)
Loans and advances to banks									
Stage 1	(23)	(3 117)	3 217	-	(107)	-	-	-	(30)
Credit institutions	(23)	(3 117)	3 217	-	(107)	-	-	-	(30)
Stage 2	-	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-	-	-	-
POCI	-	-	-	-	-	-	-	-	-
Total allowances for loans and advances to banks	(23)	(3 117)	3 217	-	(107)	-	-	-	(30)

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EUR ths.	01.01.2019	Additions	Derecognitions	Net changes due to change in credit risk	Transfers between stages	Net changes due to modifications without derecognition	Decrease in allowance account due to write-offs	Other adjustments	30.09.2019
Loans and advances to customers									
Stage 1	(35 401)	(19 981)	930	9 919	11 234	-	43	(129)	(33 385)
General governments	(193)	(61)	10	36	(12)	-	-	-	(220)
Other financial corporations	(164)	(1 254)	1	1 087	42	-	-	-	(288)
Non-financial corporations	(6 972)	(9 555)	211	7 681	991	-	-	(163)	(7 807)
Households	(28 072)	(9 111)	708	1 115	10 213	-	43	34	(25 070)
Stage 2	(33 865)	(5 191)	408	19 098	(16 035)	-	99	(796)	(36 282)
General governments	(2)	-	-	54	(72)	-	-	-	(20)
Other financial corporations	(12)	(24)	2	23	(19)	-	-	-	(30)
Non-financial corporations	(4 084)	(2 087)	63	3 525	(7 398)	-	6	(866)	(10 841)
Households	(29 767)	(3 080)	343	15 496	(8 546)	-	93	70	(25 391)
Stage 3	(229 724)	(4 067)	54 374	(34 623)	(10 028)	-	5 003	(5 057)	(224 122)
Other financial corporations	(8)	-	8	(43)	-	-	-	-	(43)
Non-financial corporations	(16 905)	(919)	3 810	(6 130)	(1 541)	-	50	(5 600)	(27 235)
Households	(212 811)	(3 148)	50 556	(28 450)	(8 487)	-	4 953	543	(196 844)
POCI	(51 336)	-	4 178	(5 346)	-	-	1 752	-	(50 752)
Non-financial corporations	(48 396)	-	3 860	(5 155)	-	-	1 537	-	(48 154)
Households	(2 940)	-	318	(191)	-	-	215	-	(2 598)
Total allowances for loans and advances to customers	(350 326)	(29 239)	59 890	(10 952)	(14 829)	-	6 897	(5 982)	(344 541)

In 2019 the column 'Other adjustments' contains loss allowances acquired in connection with acquisition of part of business from subsidiary S Slovensko, spol. s r.o.

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EUR ths.	2019	2020
Transfers between Stage 1 and Stage 2	436 091	1 592 881
To Stage 2 from Stage 1	333 496	1 522 423
To Stage 1 from Stage 2	102 595	70 458
Transfers between Stage 2 and Stage 3	68 555	58 164
To Stage 3 from Stage 2	58 714	28 732
To Stage 2 from Stage 3	9 841	29 432
Transfers between Stage 1 and Stage 3	95 063	43 983
To Stage 3 from Stage 1	76 753	30 409
To Stage 1 from Stage 3	18 310	13 574

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15. Finance lease receivables

The principal assets held under lease arrangements include cars and other technical equipment.

Gross carrying amounts and credit loss allowances

EUR ths.	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As of 30.09.2020											
General governments	527	-	-	-	527	-	-	-	-	-	527
Other financial corporations	55	-	-	-	55	-	-	-	-	-	55
Non-financial corporations	140 367	84 504	8 067	-	232 938	(162)	(538)	(3 539)	-	(4 239)	228 699
Households	3 784	974	1 798	-	6 556	(5)	(8)	(915)	-	(928)	5 628
Total	144 733	85 478	9 865	-	240 076	(167)	(546)	(4 454)	-	(5 167)	234 909

EUR ths.	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As of 31.12.2019											
General governments	541	-	-	-	541	(1)	-	-	-	(1)	540
Other financial corporations	281	-	-	-	281	-	-	-	-	-	281
Non-financial corporations	197 722	952	7 991	-	206 665	(238)	(5)	(3 313)	-	(3 556)	203 109
Households	7 814	332	2 124	-	10 270	(15)	-	(994)	-	(1 009)	9 261
Total	206 358	1 284	10 115	-	217 757	(254)	(5)	(4 307)	-	(4 566)	213 191

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Allowances for finance lease receivables

EUR ths.	01.01.2020	Additions	Derecognitions	Net changes due to change in credit risk	Transfers between stages	Net changes due to modifications without derecognition	Decrease in allowance account due to write-offs	Other adjustments	30.09.2020
Stage 1	(253)	(595)	10	576	95	-	-	-	(167)
General governments	(1)	(1)	-	2	-	-	-	-	-
Non-financial corporations	(239)	(592)	6	570	92	-	-	-	(163)
Households	(13)	(2)	4	4	3	-	-	-	(4)
Stage 2	(6)	-	1	(557)	16	-	-	-	(546)
Non-financial corporations	(5)	-	1	(548)	14	-	-	-	(538)
Households	(1)	-	-	(9)	2	-	-	-	(8)
Stage 3	(4 307)	-	342	(173)	(316)	-	-	-	(4 454)
Non-financial corporations	(3 312)	-	307	(264)	(269)	-	-	-	(3 538)
Households	(995)	-	35	91	(47)	-	-	-	(916)
POCI	-	-	-	-	-	-	-	-	-
Total	(4 566)	(595)	353	(154)	(205)	-	-	-	(5 167)

The movement table including detail description of columns is described in note 14.

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EUR ths.	01.01.2019	Additions	Derecognitions	Net changes due to change in credit risk	Transfers between stages	Net changes due to modifications without derecognition	Decrease in allowance account due to write-offs	Other adjustments	30.09.2019
Stage 1	(81)	(261)	7	(10)	231	-	-	(92)	(206)
Other financial corporations	-	(1)	-	1	-	-	-	-	-
Non-financial corporations	(80)	(259)	7	(34)	227	-	-	(53)	(192)
Households	(1)	(1)	-	23	4	-	-	(39)	(14)
Stage 2	-	-	1	139	46	-	-	(251)	(65)
Non-financial corporations	-	-	1	121	(2)	-	-	(184)	(64)
Households	-	-	-	18	48	-	-	(67)	(1)
Stage 3	(110)	-	204	(3 680)	(62)	-	44	(4 633)	(8 237)
Non-financial corporations	(107)	-	169	(2 717)	(3)	-	33	(4 258)	(6 883)
Households	(3)	-	35	(963)	(59)	-	11	(375)	(1 354)
POCI	-	-	-	-	-	-	-	-	-
Total	(191)	(261)	212	(3 551)	215	-	44	(4 976)	(8 508)

In 2019 the column 'Other adjustments' contains loss allowances acquired in connection with acquisition of part of business from subsidiary S Slovensko, spol. s r.o.

Transfers of gross carrying amount between impairment stages

EUR ths.	2019	2020
Transfers between Stage 1 and Stage 2	2 625	79 831
To Stage 2 from Stage 1	1 228	79 655
To Stage 1 from Stage 2	1 397	176
Transfers between Stage 2 and Stage 3	3 121	591
To Stage 3 from Stage 2	3 121	520
To Stage 2 from Stage 3	-	71
Transfers between Stage 1 and Stage 3	5 014	2 325
To Stage 3 from Stage 1	5 014	2 179
To Stage 1 from Stage 3	-	146

16. Hedge accounting derivatives

EUR ths.	31.12.2019			30.09.2020		
	Notional value	Positive fair value	Negative fair value	Notional value	Positive fair value	Negative fair value
Fair value hedges	1 145 521	23 020	48 041	1 145 521	34 298	51 513
Interest rate	1 145 521	23 020	48 041	1 145 521	34 298	51 513
Total gross amounts	1 145 521	23 020	48 041	1 145 521	34 298	51 513

Fair value hedge of assets

As at 30 September 2020 the Bank held in portfolio of financial assets at amortised cost fixed rate bonds denominated in Eur with nominal value of 381,2 mil. Eur (2019: 381,2 mil. Eur). As the purchases of these bonds increased exposure to interest rate risk in the period from five to fifteen years, the Bank entered into interest rate swap deals in order to hedge the changes of fair value caused by changes of risk-free interest rates, paying fixed and receiving floating rates.

During the year 2020 the hedges were effective in hedging fair value exposure to interest rate movements. During the period the Bank recognised a net loss on the hedging instruments in the amount of 2,0 mil. Eur (2019: net loss 16,7 mil. Eur). On the other hand, a net gain on the hedged item attributable to the hedged risk amounted to 2,3 mil. Eur (2019: net gain 16,5 mil. Eur).

Fair value hedge of liabilities

The Bank uses hedging to secure its issued fixed rate covered bonds (former mortgage bonds). The list of bonds is disclosed in the note 20. As at 30 September 2020 the Bank holds covered bonds in total nominal value of 764,3 mil. Eur (2019: 764,3 mil. Eur).

During the year 2020 the hedges were effective in hedging fair value exposure to interest rate movements. During the period the Bank recognised a net gain on the hedging instruments in the amount of 11,2 mil. Eur (2019: net gain 27,9 mil. Eur). On the other hand, a net loss on the hedged item attributable to the hedged risk amounted to 11,5 mil. Eur (2019: net loss 27,9 mil. Eur).

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17. Trade and other receivables**Gross carrying amounts and credit loss allowances**

	Gross carrying amount					Credit loss allowances					Carrying amount
EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As of 30.09.2020											
Credit institutions	1 448	-	-	-	1 448	-	-	-	-	-	1 448
Other financial corporations	1 213	-	-	-	1 213	(1)	-	-	-	(1)	1 212
Non-financial corporations	76 695	996	6 146	-	83 837	(275)	(5)	(5 962)	-	(6 242)	77 595
Households	-	-	427	-	427	-	-	(427)	-	(427)	-
Total	79 356	996	6 573	-	86 925	(276)	(5)	(6 389)	-	(6 670)	80 255

	Gross carrying amount					Credit loss allowances					Carrying amount
EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
As of 31.12.2019											
Credit institutions	4 493	-	-	-	4 493	-	-	-	-	-	4 493
Other financial corporations	1 021	-	157	-	1 178	-	-	(8)	-	(8)	1 170
Non-financial corporations	97 504	1 342	5 351	-	104 197	(193)	(3)	(2 972)	-	(3 168)	101 029
Households	1	-	414	-	415	-	-	(414)	-	(414)	1
Total	103 019	1 342	5 922	-	110 283	(193)	(3)	(3 394)	-	(3 590)	106 693

The trade and other receivables comprise receivables from factoring transactions and other trade receivables.

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Allowances for trade and other receivables

EUR ths.	01.01.2020	Additions	Derecognitions	Net changes due to change in credit risk	Transfers between stages	Net changes due to modifications without derecognition	Decrease in allowance account due to write-offs	Other adjustments	30.09.2020
Stage 1	(194)	(354)	-	271	-	-	-	-	(277)
Other financial corporations	-	(1)	-	-	-	-	-	-	(1)
Non-financial corporations	(194)	(340)	-	258	-	-	-	-	(276)
Households	-	(13)	-	13	-	-	-	-	-
Stage 2	(2)	-	-	(3)	1	-	-	-	(4)
Non-financial corporations	(2)	-	-	(3)	1	-	-	-	(4)
Stage 3	(3 394)	-	-	(2 952)	(43)	-	-	-	(6 389)
Other financial corporations	(8)	-	-	8	-	-	-	-	-
Non-financial corporations	(2 972)	-	-	(2 947)	(43)	-	-	-	(5 962)
Households	(414)	-	-	(13)	-	-	-	-	(427)
POCI	-	-	-	-	-	-	-	-	-
Total	(3 590)	(354)	-	(2 684)	(42)	-	-	-	(6 670)

The movement table including detail description of columns is described in note 14.

EUR ths.	01.01.2019	Additions	Derecognitions	Net changes due to change in credit risk	Transfers between stages	Net changes due to modifications without derecognition	Decrease in allowance account due to write-offs	Other adjustments	30.09.2019
Stage 1	(307)	(973)	1	1 021	-	-	-	-	(258)
Other financial corporations	-	(2)	-	-	-	-	-	-	(2)
Non-financial corporations	(307)	(971)	1	1 021	-	-	-	-	(256)
Stage 2	(8)	-	-	1	1	-	-	-	(6)
Non-financial corporations	(8)	-	-	1	1	-	-	-	(6)
Stage 3	(3 253)	(25)	-	(6)	(237)	-	546	(355)	(3 330)
Non-financial corporations	(2 856)	(14)	-	(4)	(237)	-	546	(355)	(2 920)
Households	(397)	(11)	-	(2)	-	-	-	-	(410)
POCI	-	-	-	-	-	-	-	-	-
Total	(3 568)	(998)	1	1 016	(236)	-	546	(355)	(3 594)

In 2019 the column 'Other adjustments' contains loss allowances acquired in connection with acquisition of part of business from subsidiary S Slovensko, spol. s r.o.

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Transfers of gross carrying amount between impairment stages

EUR ths.	2019	2020
Transfers between Stage 1 and Stage 2	1 343	996
To Stage 2 from Stage 1	1 342	996
To Stage 1 from Stage 2	1	-
Transfers between Stage 2 and Stage 3	58	-
To Stage 3 from Stage 2	58	-
To Stage 2 from Stage 3	-	-
Transfers between Stage 1 and Stage 3	2 555	1 093
To Stage 3 from Stage 1	2 555	1 093
To Stage 1 from Stage 3	-	-

18. Investments in subsidiaries and associates

EUR ths.	31.12.2019	30.09.2020
Investment in subsidiaries	39 754	64 341
Investment in associate	8 142	8 142
Total	47 896	72 483

The following table presents the carrying amounts of investments in subsidiaries and associates:

EUR ths.	Cost		Impairment		Net book value	
	31.12.2019	30.09.2020	31.12.2019	30.09.2020	31.12.2019	30.09.2020
Subsidiaries	39 754	64 341	-	-	39 754	64 341
Procurement Services SK, s.r.o.	3	3	-	-	3	3
Služby SLSP, s. r. o.	14 903	14 903	-	-	14 903	14 903
S Slovensko, spol. s r.o.	24 848	24 848	-	-	24 848	24 848
Social financing SK, s.r.o.	-	2 050	-	-	-	2 050
LANED a.s.	-	22 537	-	-	-	22 537
Associates	8 142	8 142	-	-	8 142	8 142
Prvá stavebná sporiteľňa, a.s.	1 093	1 093	-	-	1 093	1 093
Slovak Banking Credit Bureau, s.r.o.	3	3	-	-	3	3
Holding Card Service, spol. s r. o.	7 046	7 046	-	-	7 046	7 046
Total	47 896	72 483	-	-	47 896	72 483

The Bank performs impairment review of investments in subsidiaries and associates. Impairment losses and their reversals are recognized in the income statement line item 'Other operating result'.

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Investments in subsidiaries of Slovenská sporiteľňa, a.s.

Business name	Place of business	Main business activity	Ownership held	Voting rights held
Služby SLSP, s.r.o.	Tomášikova 48 Bratislava 832 01 Slovenská republika	Ancillary bank services	100.00%	100.00%
Laned, a.s.	Tomášikova 48 Bratislava 832 71 Slovenská republika	Real estate company	100.00%	100.00%
S Slovensko, spol. s r.o.	Tomášikova 48 Bratislava 831 04 Slovenská republika	Leasing company	100.00%	100.00%
Social Financing SK, s.r.o.	Tomášikova 48 Bratislava 832 01 Slovenská republika	Advisory services	100.00%	100.00%
Procurement Services SK, s.r.o.	Tomášikova 48 Bratislava 832 75 Slovenská republika	Procurement	51.00%	51.00%

Investments in associates of Slovenská sporiteľňa, a.s.

Business name	Place of business	Main business activity	Ownership held	Voting rights held
Prvá stavebná sporiteľňa, a.s.	Bajkalská 30 Bratislava 829 48 Slovenská republika	Banking	9.98%	35.00%
Slovak Banking Credit Bureau, s.r.o.	Mlynské Nivy 14 Bratislava 821 09 Slovenská republika	Retail credit register	33.33%	33.33%
Holding Card Service, spol. s r. o.	Olbrachtova 1929/62 140 00 Praha 4 Česká republika	Equity release company	24.62%	24.62%

Changes during the year 2020

In February 2020 a subsidiary, Social Financing SK, s. r. o., was established in which the Bank has an ownership interest in the amount 2 050 ths. Eur and therefore represents a 100% share of the company's share capital. In April 2020 the Bank also acquired the ownership interest in the company LANED a.s. as a 100% share in the equity of the company for the cost of 25,8 mil. EUR from its subsidiary Služby SLSP, s. r. o. Because the transaction is classified as business combination under common control, the value of the investment is in the amount of 22,5 mil. EUR, which represents the original book value of investment in the company Služby SLSP, s. r. o. The difference between book value of the investment and the acquisition cost representing the fair value of the investment is recorded within the equity.

Changes during the year 2019

As at 1 March 2019 the Bank acquired 100 % share in the company S Slovensko, spol. s r.o. This share was acquired from parent company Erste Group Bank AG in total amount of 24,8 mil. Eur. The procurement price represented the fair value of the subsidiary.

As at 12 April 2019 the Bank acquired part of a business from its subsidiary S Slovensko, spol. s r.o. and took over total assets amounting 142,5 mil. Eur and total liabilities amounting to 124,9 mil. Eur for the cash consideration in fair value of the acquired part of business in amount of 17,6 mil. Eur. Subsequently respective assets and liabilities were recognised in historical cost. Detail breakdown of Statement of financial position of the took over part of business is disclosed in note 18 of the separate financial statements of the previous period.

19. Other assets

EUR ths.	31.12.2019	30.09.2020
Client settlement	25 072	9 019
Personnel balances	418	18
State budget, social and health insurance, taxes	1 855	-
Sundry assets	5 941	14 755
Other assets	33 286	23 792

20. Financial liabilities measured at amortised cost

Deposits from banks

EUR ths.	31.12.2019	30.09.2020
Overnight deposits	9 449	5 449
Term deposits	202 982	1 697 966
Repurchase agreements	50 856	50 615
Deposits from banks	263 287	1 754 030

In 2020 the Bank entered into Targeted Long Term Refinancing Operation (TLTRO) with central bank. As at 30 September 2020 the Bank has a liability in form of cash received in TLTRO in amount of 1,5 bil. EUR.

Deposits from customers

EUR ths.	31.12.2019	30.09.2020
Overnight deposits	9 160 066	9 384 333
Non-savings deposits	9 160 066	9 384 333
General governments	96 438	145 992
Other financial corporations	599 682	351 668
Non-financial corporations	1 867 099	1 649 606
Households	6 596 847	7 237 067
Term deposits	5 259 040	4 977 857
Deposits with agreed maturity	1 605 060	1 165 112
Non-savings deposits	1 605 060	1 165 112
General governments	749	478
Other financial corporations	209 072	26 234
Non-financial corporations	167 816	116 212
Households	1 227 423	1 022 188
Deposits redeemable at notice	3 653 980	3 812 745
Households	3 653 980	3 812 745
Deposits from customers	14 419 106	14 362 190
General governments	97 187	146 470
Other financial corporations	808 754	377 902
Non-financial corporations	2 034 915	1 765 818
Households	11 478 250	12 072 000

As at 30 September 2020, no embedded derivatives were included in deposits from customers (neither at the year end 2019).

As at 30 September 2020, no deposits from customers were collateralised by securities (neither at the year end 2019).

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Debt securities issued

EUR ths.	31.12.2019	30.09.2020
Subordinated issues	75 366	63 114
Senior non-preferred bonds	-	30 840
Other debt securities issued	1 995 609	1 971 801
Bonds	152 259	201 970
Covered bonds	1 843 350	1 769 831
Debt securities issued	2 070 975	2 065 755

Subordinated debt securities issued

The interest rate shown below represents actual interest expense of the Bank.

EUR ths.	Issue Date	Maturity Date	Interest Rate	Number of securities	Nominal	Currency	2019	2020
Subordinated Bonds	August 2010	August 2020	-	10 000	1 000	EUR	13 981	-
Subordinated Bonds	August 2011	August 2021	4,30%	10 000	1 000	EUR	13 436	13 839
Subordinated Bonds	November 2011	November 2023	4,58%	4 250	1 000	EUR	5 577	5 762
Subordinated Bonds	June 2012	June 2022	5,80%	11 000	1 000	EUR	15 271	15 897
Subordinated Bonds	November 2012	November 2022	4,30%	9 000	1 000	EUR	11 339	11 725
Subordinated Bonds	September 2018	September 2028	2,88%	33	100 000	EUR	3 326	3 303
Subordinated Bonds	September 2018	September 2028	1,54%	33	100 000	EUR	3 315	3 302
Subordinated Bonds	November 2018	November 2028	2,45%	91	100 000	EUR	9 120	9 286
Total							75 366	63 114

Senior non-preferred bonds

In February 2020 the Bank issued senior non-preferred bonds in the number of 300 securities with the notional value of 0,1 mil. EUR, interest rate 0,61% and maturity date in February 2026 in the total amount of 30,8 mil. EUR as at 30 September 2020.

Other debt securities issued

All securities listed in the following table are issued in book-entry form as bearer or registered securities with annual or semiannual coupon payments. Their transferability is not limited. There are no pre-emptive rights, exchange rights or early redemption rights related to these securities. The bonds are traded on the Bratislava Stock Exchange.

As at 30 September 2020 other debt securities issued included embedded derivatives (equity and commodities) in the amount of 0,5 mil. Eur (2019: 0,3 mil. Eur), which were separated and disclosed in the line items 'Financial assets – held for trading' and 'Financial liabilities – held for trading'.

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The stated interest rate corresponds with the actual interest costs of the Bank.

EUR ths.	Issue Date	Maturity Date	Interest Rate	Number of securities	Nominal	Currency	2019	2020
Covered Bonds	July 2007	July 2027	4,95%	250	66 388	EUR	23 100	22 843
Covered Bonds	April 2008	April 2021	5,00%	250	66 388	EUR	17 182	16 974
Covered Bonds	January 2013	January 2025	3,10%	87	50 000	EUR	4 411	4 378
Covered Bonds	June 2013	June 2028	3,00%	132	50 000	EUR	6 615	6 664
Covered Bonds	July 2013	January 2020	-	-	1 000	EUR	2 218	-
Covered Bonds	February 2014	August 2020	-	-	1 000	EUR	9 907	-
Covered Bonds	February 2014	February 2029	2,80%	97	50 000	EUR	4 899	4 865
Covered Bonds	March 2014	March 2021	2,00%	8 205	1 000	EUR	8 280	8 209
Covered Bonds	March 2014	March 2022	2,00%	220	50 000	EUR	11 138	11 093
Covered Bonds	May 2014	May 2021	1,90%	4 767	1 000	EUR	4 857	4 802
Covered Bonds	June 2014	June 2021	1,75%	9 322	1 000	EUR	9 387	9 372
Covered Bonds	July 2014	July 2021	1,55%	3 400	1 000	EUR	3 498	3 411
Covered Bonds	November 2014	November 2020	0,88%	150	100 000	EUR	15 017	15 116
Covered Bonds	February 2015	February 2022	0,88%	350	100 000	EUR	35 267	35 194
Covered Bonds	March 2015	March 2020	-	-	1 000	EUR	4 198	-
Covered Bonds	June 2015	June 2020	-	-	1 000	EUR	4 835	-
Covered Bonds	July 2015	July 2020	-	-	1 000	EUR	4 845	-
Covered Bonds	July 2015	July 2020	-	-	100 000	EUR	50 169	-
Covered Bonds	August 2015	August 2025	1,38%	100	100 000	EUR	10 012	9 983
Covered Bonds	August 2015	August 2022	1,00%	100	100 000	EUR	10 024	10 004
Covered Bonds	August 2015	August 2020	-	-	1 000	EUR	4 915	-
Covered Bonds	September 2015	September 2020	-	-	1 000	EUR	4 292	-
Covered Bonds	October 2015	October 2020	1,20%	3 467	1 000	EUR	3 536	3 485
Covered Bonds	November 2015	November 2020	0,63%	400	100 000	EUR	40 035	40 226
Covered Bonds	November 2015	November 2020	1,20%	2 917	1 000	EUR	2 962	2 929
Covered Bonds	December 2015	December 2021	0,63%	170	100 000	EUR	17 003	17 084
Investment Certificates	February 2016	February 2020	-	-	5 000	EUR	618	-
Covered Bonds	February 2016	February 2021	0,50%	500	100 000	EUR	50 220	50 159
Investment Certificates	February 2016	February 2020	-	-	1 000	EUR	215	-
Covered Bonds	March 2016	March 2021	1,05%	6 787	1 000	EUR	6 948	6 791
Covered Bonds	March 2016	March 2026	1,00%	90	100 000	EUR	9 006	8 991
Covered Bonds	April 2016	April 2021	1,05%	4 879	1 000	EUR	4 958	4 904
Covered Bonds	May 2016	May 2021	1,00%	4 889	1 000	EUR	4 947	4 909
Covered Bonds	May 2016	November 2020	0,27%	500	100 000	EUR	50 004	50 051
Covered Bonds	June 2016	June 2021	0,00%	3 834	1 000	EUR	3 850	3 810
Investment Certificates	June 2016	June 2020	-	-	1 000	EUR	408	-
Covered Bonds	July 2016	July 2021	0,90%	4 834	1 000	EUR	4 881	4 844
Covered Bonds	August 2016	August 2021	0,80%	4 865	1 000	EUR	4 934	4 871
Covered Bonds	August 2016	August 2021	0,75%	4 764	1 000	EUR	4 873	4 767
Investment Certificates	August 2016	August 2020	-	-	1 000	EUR	350	-
Covered Bonds	September 2016	September 2021	0,70%	4 843	1 000	EUR	4 905	4 844
Covered Bonds	October 2016	October 2021	0,65%	4 886	1 000	EUR	4 941	4 900
Covered Bonds	November 2016	November 2021	0,25%	1 000	100 000	EUR	100 011	100 202
Covered Bonds	December 2016	December 2021	0,65%	9 597	1 000	EUR	9 791	9 645
Senior Unsecured Bonds	December 2016	December 2021	0,65%	4 110	1 000	EUR	4 245	4 131

The table continues on the following page.

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EUR ths.	Issue Date	Maturity Date	Interest Rate	Number of securities	Nominal	Currency	2019	2020
Covered Bonds	March 2017	March 2025	0,75%	1 000	100 000	EUR	100 390	100 233
Senior Unsecured Bonds	March 2017	March 2022	0,60%	4 514	1 000	EUR	4 668	4 528
Senior Unsecured Bonds	April 2017	April 2022	0,60%	30	100 000	EUR	3 013	3 008
Senior Unsecured Bonds	April 2017	April 2022	0,60%	4 585	1 000	EUR	4 687	4 597
Senior Unsecured Bonds	May 2017	May 2022	0,60%	4 447	1 000	EUR	4 594	4 456
Covered Bonds	June 2017	June 2022	0,38%	50	100 000	EUR	5 002	5 000
Senior Unsecured Bonds	July 2017	July 2022	0,60%	4 562	1 000	EUR	4 631	4 567
Senior Unsecured Bonds	August 2017	August 2022	0,63%	4 488	1 000	EUR	4 567	4 491
Senior Unsecured Bonds	September 2017	September 2022	0,63%	4 634	1 000	EUR	4 797	4 635
Senior Unsecured Bonds	September 2017	September 2022	0,63%	9 201	1 000	EUR	9 466	9 201
Covered Bonds	October 2017	October 2022	0,50%	1 500	100 000	EUR	150 025	150 627
Senior Unsecured Bonds	November 2017	November 2027	1,38%	44	100 000	EUR	4 400	4 447
Senior Unsecured Bonds	November 2017	November 2022	2,00%	4 863	1 000	USD	4 393	4 226
Senior Unsecured Bonds	February 2018	February 2023	2,15%	3 601	1 000	USD	3 311	3 118
Senior Unsecured Bonds	February 2018	February 2023	0,65%	9 281	1 000	EUR	9 705	9 320
Senior Unsecured Bonds	March 2018	March 2021	0,25%	142	100 000	EUR	14 222	14 218
Senior Unsecured Bonds	March 2018	March 2023	0,65%	9 690	1 000	EUR	9 818	9 722
Senior Unsecured Bonds	April 2018	April 2021	2,30%	3 584	1 000	USD	3 280	3 091
Senior Unsecured Bonds	June 2018	June 2020	-	-	1 000	USD	1 695	-
Senior Unsecured Bonds	June 2018	June 2024	0,75%	4 889	1 000	EUR	5 037	4 899
Covered Bonds	August 2018	August 2025	0,63%	2 500	100 000	EUR	258 815	261 824
Senior Unsecured Bonds	August 2018	August 2024	0,70%	4 872	1 000	EUR	4 946	4 875
Senior Unsecured Bonds	September 2018	September 2024	0,70%	4 682	1 000	EUR	4 810	4 683
Senior Unsecured Bonds	November 2018	November 2024	0,75%	4 862	1 000	EUR	4 896	4 893
Covered Bonds	December 2018	December 2024	0,50%	2 500	100 000	EUR	255 352	259 089
Senior Unsecured Bonds	December 2018	December 2024	0,75%	4 911	1 000	EUR	4 950	4 941
Senior Unsecured Bonds	February 2019	February 2025	0,70%	9 872	1 000	EUR	10 007	9 914
Senior Unsecured Bonds	March 2019	March 2025	0,00%	100	50 000	EUR	4 823	4 848
Investment Certificates	March 2019	March 2020	-	-	5 000	EUR	909	-
Covered Bonds	June 2019	June 2026	0,13%	5 000	100 000	EUR	496 896	502 739
Senior Unsecured Bonds	June 2019	December 2025	0,60%	5 735	1 000	EUR	5 940	5 745
Senior Unsecured Bonds	June 2019	June 2022	2,00%	3 696	1 000	USD	3 335	3 175
Investment Certificates	July 2019	July 2020	-	-	5 000	EUR	550	-
Investment Certificates	August 2019	August 2020	-	-	25 000	CZK	1 674	-
Investment Certificates	August 2019	August 2020	-	-	5 000	EUR	1 224	-
Investment Certificates	September 2019	September 2020	-	-	1 000	EUR	1 219	-
Investment Certificates	December 2019	December 2020	8,00%	785	1 000	EUR	859	850
Senior Unsecured Bonds	February 2020	February 2024	0,00%	170	100 000	EUR	-	17 000
Senior Unsecured Bonds	March 2020	March 2025	0,00%	53	2 000 000	CZK	-	3 691
Senior Unsecured Bonds	June 2020	June 2025	0,63%	150	100 000	EUR	-	14 975
Senior Unsecured Bonds	June 2020	June 2023	0,70%	5 000	1 000	EUR	-	5 009
Senior Unsecured Bonds	June 2020	June 2025	0,80%	5 000	1 000	EUR	-	5 010
Senior Unsecured Bonds	August 2020	August 2023	0,35%	5 000	1 000	EUR	-	5 001
Senior Unsecured Bonds	August 2020	August 2025	0,26%	214	50 000	EUR	-	10 703
Total							1 995 609	1 971 801

In May 2020 the Bank issued covered bond in the value of 500 mil. EUR with interest rate 0,125% and maturity of 7 years, which was not placed in the market and according IFRS is therefore not possible to disclose this bond in the balance sheet.

21. Provisions

EUR ths.	31.12.2019	30.09.2020
Commitments and guarantees given	6 208	8 826
Long-term employee benefits provisions	5 946	7 499
Pending legal issues and tax litigation	5 281	5 167
Other provisions	79	3 380
Restructuring	77	77
Other	2	3 303
Provisions	17 514	24 872

Provision for commitments and financial guarantees given

Provisions for commitments and financial guarantees were created to cover losses expected in unused loan commitments, guarantees and letters of credits. The amount of these provisions is estimated with respect to credit risk relating to affected items, as well as time value of money (i.e. current market interest rates used for discounting).

The following table presents movements in the provision for commitments and financial guarantees:

EUR ths.	01.01.2019	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between stages	30.09.2020
Provisions for commitments and guarantees given						
Stage 1	3 363	6 449	(1 076)	(5 887)	(233)	2 849
Stage 2	1 718	-	(634)	4 322	4 603	5 406
Stage 3	957	-	(59)	(479)	39	419
POCI	170	-	(7)	(11)	-	152
Total	6 208	6 449	(1 776)	(2 055)	4 409	8 826

EUR ths.	01.01.2019	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between stages	30.09.2019
Provisions for contingent credit risk liabilities						
Stage 1	3 143	26 693	(6 012)	(20 717)	38	3 107
Stage 2	723	-	(729)	1 553	935	1 547
Stage 3	601	-	(241)	184	165	544
POCI	7 598	-	(7 706)	342	-	234
Total	12 065	26 693	(14 688)	(18 638)	1 138	5 432

Long-term employee pension provisions

The Bank has a defined employee benefit program under which all employees are entitled to a lump-sum payment upon working anniversaries or retirement. The number of employees under this program is disclosed in the note 6.

The amount of long-term employee pension provisions is calculated using an actuarial model based on the projected unit credit method. The Bank performs annual review of the long-term employee benefits provisions using updated data in order to recognize the provisions in appropriate amounts. During the reporting period the value of long-term employee pension provisions increased to 7,5 mil. EUR (31.12.2019: 5,9 mil. EUR). Complete disclosures related to long-term employee pension provisions as at 31 December 2019 are presented in the individual financial statements for the previous reporting period in the Note 24.

Provisions for pending legal issues and tax litigation legal issues

Provisions for legal issues relate to legal cases where the Bank is sued and which arose from normal banking activities. During the reporting period the Bank does not participate in any new passive legal cases. Complete disclosures related to provisions for pending legal issues and tax litigation legal issues are presented in the individual financial statements for the previous reporting period in the Note 24.

Other provisions

The item 'Other provisions' includes provision on contribution to Resolution fund and provision on contribution to Deposit protection fund during the year. When the actual amount of contributions is announced, the payment is accounted for as utilisation of particular provision. Both contributions for the year 2020 were paid in full amount, therefore the Bank does not disclose these items as other provisions.

In the line item „Other provisions“ the Bank discloses the provision for commitments and guarantees given that are not treated based on the standard IFRS 9 and the amount of this provision as at 30 September 2020 is in the amount of 3,4 mil. EUR.

22. Other liabilities

EUR ths.	31.12.2019	30.09.2020
Client settlement	11 649	9 676
Trade payables	51 259	33 018
Personnel balances and social fund	32 907	29 093
State budget, social and health insurance, taxes	4 789	5 540
Sundry liabilities	586	1 018
Other liabilities	101 190	78 345

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23. Equity

Share capital

The approved share capital was fully paid and consists of the following:

	31.12.2019	30.06.2020
Nominal value of share (in EUR)	1 000	1 000
Number of shares (in pcs.)	212 000	212 000
Share capital (in EUR)	212 000 000	212 000 000

The following table presents approved distribution of individual profit of the Bank for the year 2019:

Profit distribution	31.12.2019
Profit for the year (in EUR ths.)	174 436
Distribution for Investment certificate 2015 SLSP AT1 PNC5	11 700
Dividends paid to shareholder from profit for the year	78 276
Transfer to retained earnings	84 460
Number of shares with nominal value of EUR 1 000 (in pcs.)	212 000
Dividend per share (in EUR)	369

Dividends for the year 2019 were paid in March 2020 following the resolution of General Assembly of the Bank dated 25 March 2020. The first portion of dividend from investment certificate 2015 SLSP AT1 PNC5 was paid in amount of 5,8 mil. Eur as at 25 May 2020.

Other capital instruments

During the year 2015 the Bank has issued an investment certificate in the amount of 150 mil. Eur that is classified as equity instrument according to the standard IAS 32. This certificate is a perpetual instrument with the agreed interest rate of 7,8% p.a. paid semi-annually. In the year 2020 the Bank has issued a second investment certificate in the amount of 150 mil. Eur which is classified similarly. This certificate is also an a perpetual instrument with the agreed interest rate of 4,15% p.a. paid semi-annually.

Legal reserve fund

According to Commercial Code all companies are required to create a legal reserve fund to cover adverse financial conditions in the future. The Bank is obliged to contribute to the fund the amount, which is not less than 10% of its annual net profit until the cumulative amount of annual contributions reaches 20% of its share capital. As at 30 September 2020 Legal reserve fund amounted to 79,8 mil. Eur (2019: 79,8 mil. Eur) and in both years exceeded the required 20% of the share capital. Legal reserve fund is not available for distribution to the shareholder.

Other funds

Other funds include only Statutory fund created from distributable profits to strengthen the Bank's capital base. This fund is not available for distribution to the shareholder. Once the Bank's share capital or legal reserve fund is increased, Statutory fund may be terminated and transferred back to the distributable profits with the approval of the Supervisory Board and of the General Assembly. As at 30 September 2020 Statutory fund amounted 39,1 mil. Eur (2019: 39,1 mil. Eur).

Fair value reserve

Fair value reserve represents the unrealised revaluation of financial assets measured at fair value through other comprehensive income. This reserve is not available for distribution to the shareholder. As at 30 September 2020 the revaluation of financial assets measured at fair value through other comprehensive income amounted to 7,4 mil. Eur (2019: 66,0 mil. Eur), net of deferred tax.

Remeasurement of net liability of defined pension plans

This equity component reflects the results of actuarial calculations related to the pension provision. As at 30 September 2020 the remeasurement of the pension provision amounted 1,6 mil. Eur (2019: 0,9 mil. Eur), net of deferred tax.

24. Related party transactions

Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. The Bank is controlled by the only shareholder Erste Group Bank AG, which directly owns 100% share on the voting rights of the Bank. Further related parties include subsidiaries, which are under control of the Bank and associates, over which the Bank has significant influence. Moreover, other members of the Erste group are also related parties of the Bank.

Transactions with related parties occur in the normal course of business and primarily include loans and deposits. These transactions are performed at arm's length, i.e. the terms and conditions applied respect market conditions.

Assets and liabilities include accounting balances with related parties, as follows:

	Erste Group Bank AG		Companies of Erste Group		Subsidiaries		Associates	
EUR ths.	31.12.2019	30.09.2020	31.12.2019	30.09.2020	31.12.2019	30.09.2020	31.12.2019	30.09.2020
Assets								
Cash and cash balances	4 153	7 003	5 576	794	-	-	-	-
Derivatives	4 962	7 670	-	-	-	-	-	-
Derivatives – Hedge accounting	16 501	28 094	-	-	-	-	-	-
Securities	-	-	-	-	-	-	5 255	5 285
Loans and advances to banks	4 354	1 371	147	86	-	-	-	-
Loans and advances to customers	-	-	16 244	6 683	33 740	26 992	-	-
Property and equipment	-	-	-	-	26 319	21 028	-	-
Total	29 970	44 138	21 967	7 563	60 059	48 020	5 255	5 285
Liabilities								
Derivatives held for trading	31 617	48 589	-	15	-	-	-	-
Deposits from banks	58 199	51 837	705	2 650	-	-	15 472	240
Deposits from customers	-	-	2 669	29 205	26 310	24 392	-	-
Debt securities issued	758 859	713 683	2 981	3 016	-	-	-	-
Derivatives – hedge accounting	48 041	51 513	-	-	-	-	-	-
Lease liabilities	-	-	-	-	26 319	21 055	-	-
Other liabilities	297	764	2 989	4 037	-	-	-	-
Total	897 013	866 386	9 344	38 923	52 629	45 447	15 472	240

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Reported property and equipment and related depreciation represents right of use to asset, which is recognised in compliance with international accounting standard IFRS 16 Leases. Right of use to asset relates to rental of premises from subsidiary LANED a.s.

Income and expenses include transactions with the related parties, as follows:

	Erste Group Bank AG		Companies of Erste Group		Subsidiaries		Associates	
EUR ths.	2019	2020	2019	2020	2019	2020	2019	2020
Interest income	(6 392)	(5 073)	465	290	451	368	88	101
Interest expense	(1 470)	(313)	(4)	(9)	(1 251)	-	(11)	-
Dividend income	-	-	475	-	-	-	-	-
Net fee and commission income	4	9	4 705	5 716	-	69	1	1
Net trading and fair value result	18 783	(2 041)	-	489	-	-	-	-
General administrative expenses	(3 716)	(2 977)	(10 514)	(12 099)	-	-	-	-
Depreciation and amortisation	-	-	-	-	(4 560)	(5 264)	-	-
Other operating result	896	84	352	475	31	58	-	4
Total	8 105	(10 311)	(4 521)	(5 138)	(5 329)	(4 769)	78	106

The amounts with Erste Group Bank AG reported in the line items 'Interest income' and 'Net trading result' represent results from derivative instruments used to close positions with the clients.

In the year 2015 the Bank has issued investment certificates in the amount of 150 mil. Eur and in the year 2020 the Bank has issued another investment certificate also in the amount of 150 mil. Eur, which were purchased by Erste Bank AG (see note 23).

As at 30 September 2020 the Bank has received a guarantee from its parent company Erste Group Bank AG covering exposures towards Erste Group Immovent Slovensko s.r.o. in the amount of 23,2 mil. Eur (2019: 23,2 mil. Eur).

The Bank received guarantees from its parent company Erste Group Bank AG covering clients' exposures in the amount of 2,2 mil. Eur as at the reporting date (2019: 2,2 mil. Eur).

The Bank has received guarantee from its sister company Česká spořitelna, a.s. covering credit exposures towards s_Autoleasing SK, s.r.o. as at 30 September 2020 in the maximum amount of the guarantee was 9,0 mil. Eur (2019: 9,0 mil. Eur).

The Bank received guarantees from its sister company Česká spořitelna, a.s. covering clients' exposures in the amount of 0,2 mil. Eur as at the reporting date (2019: 0,2 mil. Eur).

As at 30 September 2020 the Bank owned a share in real estate fund Sporo realitny fond SPF of Asset Management Slovenskej sporiteľne, a.s. in the amount of 3,0 mil. Eur (2019: 3,2 mil. Eur).

As at 30 September 2020 and in 2019, the Bank did not receive any dividends from its associates.

25. Off-balance sheet items

In the normal course of business, the Bank enters various contracts and transactions, which are not reflected on the balance sheet and are referred to as off-balance sheet financial instruments. The following information represents notional amounts of these off-balance sheet financial instruments, unless stated otherwise.

Loan commitments, guarantees and letters of credit

The following table presents off-balance sheet credit exposures and also treasury commitments:

EUR ths.	31.12.2019	30.09.2020
Guarantees provided	399 866	390 830
Guarantees from letter of credit	4 502	4 871
Loan commitments and undrawn loans	1 420 923	1 509 961
Total	1 825 291	1 905 662

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26. Collaterals

The Bank holds collaterals against loans and advances to customers in form of real estates, securities, received bank guaranties and other credit enhancements. The fair values of collaterals are estimated based on their value at the time of borrowings and are regularly updated. In general, collaterals are not held against loans and advances to banks, except for securities held as a part of reverse repurchase agreements commented in the note 14.

Collaterals received

As at 30 September 2020 the Bank had collateralized loans in the amount of 10 936,2 mil. Eur (2019: 10 192,4 mil. Eur). The uncollateralized loans amounted 4 363,2 mil. Eur (2019: 4 298,4 mil. Eur).

Estimated fair values of collaterals received and other credit enhancements related to loans to customers, granted financial guarantees, letters of credit and undrawn loan commitments were as follows:

30.9.2020	Credit risk exposure	Collateral: thereof attributable to credit impaired exposure	Collateralised by			Collateral total	Credit risk exposure net of collateral
			Guarantees	Real estate	Other		
EUR ths.							
Cash and cash balances - other demand deposits	11 647	-	-	-	-	-	11 647
Financial assets at amortised cost	18 647 969	139 924	98 321	8 939 347	257 933	9 295 601	9 352 369
Loans and advances to banks	117 728	-	43	-	-	43	117 685
Loans and advances to customers	14 854 665	139 924	80 261	8 939 347	257 933	9 277 541	5 577 125
of which: Lending for house purchase	8 538 795	125 347	-	7 901 157	23	7 901 181	637 615
'of which: Credit for consumption	1 667 660	76	-	92	58	150	1 667 510
'of which: Corporate loans and others	4 648 210	14 501	80 261	1 038 098	257 852	1 376 210	3 272 000
Debt securities	3 675 576	-	18 017	-	-	18 017	3 657 559
Finance lease receivables	240 074	5 851	-	219	168 319	168 538	71 536
Trade and other receivables	86 926	-	-	-	-	-	86 926
Non-trading financial assets at fair value through profit or loss - 'Debt securities	8 782	-	-	-	-	-	8 782
Financial assets - held for trading	59 645	-	-	-	-	-	59 645
Positive fair value of derivatives	34 298	-	-	-	-	-	34 298
Total credit risk exposure on-balance	19 089 341	145 775	98 321	8 939 566	426 252	9 464 139	9 625 203
Off-balance	1 905 662	113	42 998	137 043	32 931	212 972	1 692 689
Total credit risk exposure	20 995 003	145 888	141 319	9 076 609	459 183	9 677 111	11 317 892

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31.12.2019	Credit risk exposure	Collateral: thereof attributable to credit impaired exposure	Collateralised by			Collateral total	Credit risk exposure net of collateral
			Guarantees	Real estate	Other		
EUR ths.							
Cash and cash balances - other demand deposits	10 224	-	-	-	-	-	10 224
Financial assets at amortised cost	17 699 624	163 119	35 774	8 249 903	267 742	8 553 419	9 146 204
Loans and advances to banks	54	-	46	-	-	46	9
Loans and advances to customers	14 162 721	163 119	17 715	8 249 903	267 742	8 535 360	5 627 359
of which: Lending for house purchase	8 071 862	145 104	-	7 298 979	37	7 299 016	772 844
'of which: Credit for consumption	1 786 766	28	-	45	106	151	1 786 615
'of which: Corporate loans and others	4 304 093	17 987	17 715	950 879	267 599	1 236 193	3 067 900
Debt securities	3 536 849	-	18 013	-	-	18 013	3 518 836
Finance lease receivables	217 757	6 036	-	119	153 185	153 305	64 452
Trade and other receivables	110 282	-	-	-	-	-	110 282
Non-trading financial assets at fair value through profit or loss - 'Debt securities	3 175	-	-	-	-	-	3 175
Financial assets - held for trading	41 423	-	-	-	-	-	41 423
Positive fair value of derivatives	23 020	-	-	-	-	-	23 020
Total credit risk exposure on-balance	18 105 505	169 155	35 774	8 250 022	420 927	8 706 724	9 398 780
Off-balance	1 825 290	267	44 707	126 831	42 307	213 845	1 611 445
Total credit risk exposure	19 930 795	169 422	80 481	8 376 853	463 234	8 920 569	11 010 225

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Assets pledged as collaterals

The following table presents assets pledged as collaterals for the Bank's liabilities:

	Carrying amount of transferred assets					Carrying amount of associated liabilities		
	Total	Repurchase agreements	Assets pledged for derivatives	Assets pledged for covered bonds	Other transferred assets	Total	Repurchase agreements	Other associated liabilities
EUR ths.								
As of 30.09.2020								
Financial assets at amortised cost								
Debt securities	1 188 107	46 548	47 342	89 265	1 004 952	1 153 074	50 615	1 102 459
Loans and advances to customers	2 541 822	-	-	1 981 653	560 169	2 248 558	-	2 248 558
Assets pledged as collateral	3 729 929	46 548	47 342	2 070 918	1 565 121	3 401 632	50 615	3 351 017

	Carrying amount of transferred assets					Carrying amount of associated liabilities		
	Total	Repurchase agreements	Assets pledged for derivatives	Assets pledged for covered bonds	Other transferred assets	Total	Repurchase agreements	Other associated liabilities
EUR ths.								
As of 31.12.2019								
Financial assets at amortised cost								
Debt securities	204 946	45 596	40 252	113 699	5 399	230 836	50 856	179 980
Loans and advances to customers	2 071 353	-	-	2 071 353	-	1 747 431	-	1 747 431
Assets pledged as collateral	2 276 299	45 596	40 252	2 185 052	5 399	1 978 267	50 856	1 927 411

In June 2020, the Bank entered into Targeted Long Term Refinancing Operation (TLTRO) with central bank. As at 30 September 2020 the Bank has a liability in form of cash received in TLTRO shown within other associated liabilities (500 mil. EUR). The Bank has pledged SK government bond (72,8 mil. EUR) and own retained covered bond (500 mil. EUR) where mortgage loans are shown as encumbered assets (560 mil. EUR) as collateral to TLTRO. The collateral is shown within other transferred assets.

In September 2020, the Bank entered into Targeted Long Term Refinancing Operation (TLTRO) with central bank again. As at 30 September 2020 the Bank has a liability in form of cash received in TLTRO shown within other associated liabilities (1 bil. EUR). The Bank has pledged SK government bond (924,7 mil. EUR) as collateral to TLTRO. The collateral is shown within other transferred assets.

27. Assets under administration

The Bank provides custody, trustee, investment management and advisory services to third parties, which involves making decisions on distribution, purchase and sale related to a wide range of financial instruments. The assets held in a fiduciary capacity are not included in these financial statements.

As at 30 September 2020 the Bank held assets for collective investment undertakings in the amount of 4 509,8 mil. Eur (2019: 3 918,7 mil. Eur).

As at 30 September 2020 the Bank also held assets for customers other than collective investment undertakings in the amount of 7 451,4 mil. Eur (2019: 7 509,0 mil. Eur).

28. Segment reporting

The segment reporting of the Bank is based on IFRS 8 - Operating Segments, which adopts the management approach. Accordingly, segment information is prepared on the basis of internal management reporting that is regularly reviewed by the chief operating decision maker to assess the performance of the segments and make decisions regarding the allocation of resources. During the first half year of 2020 there were no changes in the methodology of segment reporting in comparison with annual individual financial statements. For the complete set of disclosures related to segment reporting this interim individual financial statements should be read in combination with individual financial statements for the previous year in the Note 32.

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Business Segments	Retail		Corporates		Group markets		Asset Liability Management, Local Corporate Center and Free Capital		Total	
	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
EUR ths.										
Net interest income	258 785	241 891	56 685	62 521	3 627	1 332	2 270	19 841	321 368	325 584
Net fee and commission income	91 365	88 590	13 240	14 395	5 089	6 369	(3 949)	(2 852)	105 745	106 502
Dividend income	-	-	17	-	-	-	835	634	852	634
Net trading result	2 814	2 404	6 446	1 606	3 845	1 567	(692)	338	12 413	5 915
Gains/losses from financial instruments measured at FVPL	-	-	-	-	-	-	124	237	124	237
Rental income from investment properties & other operating leases	-	-	-	-	-	-	220	201	220	201
General administrative expenses	(179 377)	(189 588)	(27 053)	(25 978)	(3 844)	(3 961)	38	3 317	(210 233)	(216 213)
Gains/losses from derecognition of financial assets at AC	-	-	-	-	-	-	71	1	71	1
Other gains/losses from derecognition of financial instruments not at FVPL	-	-	-	-	-	-	(471)	(5)	(471)	(5)
Impairment result from financial instruments	(18 890)	(37 420)	(9 194)	(49 537)	51	(11)	18	393	(28 016)	(86 574)
Other operating result	(17 311)	(24 736)	(2 889)	(4 496)	(1 399)	(1 578)	(7 654)	(9 365)	(29 253)	(40 175)
Levies on banking activities	(17 311)	(24 728)	(2 891)	(3 576)	(1 399)	(1 605)	(5 643)	(7 841)	(27 245)	(37 751)
Pre-tax profit from continuing operations	137 386	81 141	37 252	(1 489)	7 369	3 718	(9 190)	12 740	172 820	96 107
Taxes on income	(28 861)	(17 017)	(7 823)	314	(1 547)	(781)	2 132	(6 429)	(36 100)	(23 912)
Net result for the period	108 525	64 124	29 429	(1 175)	5 822	2 937	(7 058)	6 311	136 720	72 195
Net result attributable to owners of the parent	108 525	64 124	29 429	(1 175)	5 822	2 937	(7 058)	6 311	136 720	72 195
Operating income	352 964	332 885	76 388	78 522	12 560	9 268	(1 192)	18 400	440 722	439 074
Operating expenses	(179 376)	(189 589)	(27 052)	(25 979)	(3 843)	(3 962)	38	3 317	(210 233)	(216 213)
Operating result	173 588	143 296	49 336	52 543	8 717	5 306	(1 154)	21 717	230 489	222 861
Risk-weighted assets (credit risk, eop)*	2 892 556	2 889 816	3 297 349	3 696 632	36 769	6 079	605 504	491 252	6 832 178	7 083 778
Average allocated capital**	405 074	418 231	297 821	356 604	8 761	6 385	332 176	316 837	1 043 832	1 098 058
Cost/income ratio	50,82%	56,95%	35,41%	33,08%	30,60%	42,75%	3,18%	-18,03%	47,70%	49,24%
Return on allocated capital	53,73%	15,33%	19,82%	-0,33%	133,25%	45,98%	-4,26%	1,99%	26,27%	6,57%
Total assets (eop)	10 193 385	10 729 143	3 759 960	4 196 083	16 621	52 447	4 385 493	5 289 837	18 355 460	20 267 509
Total liabilities excluding equity (eop)	11 773 306	12 710 942	1 638 940	1 373 295	700 632	382 162	2 698 251	4 081 312	16 811 129	18 547 711
Impairments										
Net impairment loss on financial instruments AC	(16 767)	(37 696)	(14 526)	(43 187)	29	(18)	(22)	266	(31 286)	(80 635)
Net impairment loss on financial instruments Leasing	(2 078)	142	(1 394)	(1 072)	-	-	26	351	(3 447)	(579)
Impairments and provisions for commitments and guarantees given	(45)	134	6 727	(5 172)	22	8	14	-	6 717	(5 030)
Net impairment on other non-financial assets	-	-	-	-	-	-	136	351	136	351

* Credit RWA (eop) after inter company transactions according to Pillar 1, calculated by Erste group for the purpose of segment report and management purposes (without subsidiaries Credit RWA)

** Average allocated capital is calculated based on Erste group controlling methodology.

29. Risk management

During the 9-month period ended 30 September 2020 there were no changes in the risk strategy and policy in comparison with annual individual financial statements. For the complete set of disclosures related to risk strategy and policy this interim individual financial statements should be read in combination with individual financial statements for the previous year in the Note 33.

Credit risk exposure

Credit risk exposure relates to the following balance sheet items:

- cash and cash balances - other demand deposits;
- financial assets held for trading – derivatives (without equity instruments);
- non-trading financial assets at fair value through profit or loss (FVTPL) (without equity instruments);
- financial assets at fair value through other comprehensive income (FVTOCI) (without equity instruments);
- financial assets at amortised cost;
- finance lease receivables;
- positive fair value of derivatives – hedge accounting;
- trade and other receivables;
- off-balance sheet positions (financial guarantees, irrevocable loan and other commitments).

The credit risk exposure comprises the gross carrying amount (or nominal value in the case of off-balance-sheet positions) this means the amount without taking into account loan loss allowances, provisions for guarantees, any collateral held (including risk transfer to guarantors), other credit enhancements or credit risk mitigating transactions.

The gross carrying amount of the credit risk exposure increased by 1,75% to EUR 20,995 bil. EUR (30.6.2020: 20,634 bil. EUR).

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The following table presents the reconciliation between the gross carrying amount and the carrying amount of the separate components of the credit risk exposure:

30.9.2020 EUR ths.	Gross carrying amount	Credit loss allowances				Net carrying amount
		Stage 1	Stage 2	Stage 3	POCI	
Cash and cash balances - other demand deposits	11 647	-	-	-	-	11 647
Financial assets at amortised cost	18 647 969	26 106	105 920	210 701	58 450	18 246 794
Loans and advances to banks	117 728	54	-	-	-	117 674
Loans and advances to customers	14 854 665	25 338	105 920	210 701	58 450	14 454 258
of which: Lending for house purchase	8 538 795	9 659	28 639	82 954	231	8 417 312
of which: Credit for consumption	1 667 660	6 530	25 328	93 453	163	1 542 187
of which: Corporate loans and others	4 648 210	9 149	51 953	34 294	58 056	4 494 759
Debt securities	3 675 576	714	-	-	-	3 674 862
Finance lease receivables	240 074	166	546	4 453	-	234 909
Trade and other receivables	86 926	277	5	6 389	-	80 255
Non-trading financial assets at fair value through profit or loss - 'Debt securities	8 782	-	-	-	-	8 782
Financial assets - held for trading	59 645	-	-	-	-	59 645
Positive fair value of derivatives	34 298	-	-	-	-	34 298
Total credit risk exposure on-balance	19 089 341	26 549	106 471	221 543	58 450	18 676 330
Off-balance	1 905 662	3 289	8 238	425	177	1 893 533
Total credit risk exposure	20 995 003	29 838	114 709	221 968	58 627	20 569 863

Allocation of credit loss allowances is affected by the moratoria of installments related to COVID-19. The Bank allocated credit loss allowances for the customers with higher risk profile based on their ratings and in case of corporates, the industry was also used.

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31.12.2019 EUR ths.	Gross carrying amount	Credit loss allowances				Net carrying amount
		Stage 1	Stage 2	Stage 3	POCI	
Cash and cash balances - other demand deposits	10 224	-	-	-	-	10 224
Financial assets at amortised cost	17 699 622	34 706	36 177	212 655	53 150	17 362 934
Loans and advances to banks	54	-	-	-	-	54
Loans and advances to customers	14 162 719	34 321	36 177	212 655	53 150	13 826 416
of which: Lending for house purchase	8 071 860	12 229	10 343	80 259	308	7 968 721
of which: Credit for consumption	1 786 766	11 990	12 355	98 251	172	1 663 998
of which: Corporate loans and others	4 304 093	10 102	13 479	34 145	52 670	4 193 697
Debt securities	3 536 849	385	-	-	-	3 536 464
Finance lease receivables	217 757	253	6	4 307	-	213 191
Trade and other receivables	110 283	193	3	3 394	-	106 693
Non-trading financial assets at fair value through profit or loss - 'Debt securities	3 175	-	-	-	-	3 175
Financial assets - held for trading	41 423	-	-	-	-	41 423
Positive fair value of derivatives	23 020	-	-	-	-	23 020
Total credit risk exposure on-balance	18 105 504	35 152	36 186	220 356	53 150	17 760 660
Off-balance	1 825 291	3 365	1 718	957	170	1 819 081
Total credit risk exposure	19 930 795	38 517	37 904	221 313	53 320	19 579 741

Stage 1 and Stage 2 comprise not impaired credit risks while Stage 3 includes impaired credit risks. POCI (purchased or originated credit impaired) consists of credit risks already impaired when purchased or originated.

The defaulted part of POCI amounted to 111,731 mil. EUR, the non-defaulted part to 27,445 mil. EUR.

Adjustments include impairments for financial assets measured at amortised cost, provisions for off-balance sheet positions as well as changes to the carrying amount for financial assets at fair value through other comprehensive income.

On the next pages the credit risk exposure is presented according to the following criteria:

- industry and risk category;
- country of risk and financial instruments;
- impairment view;
- neither past due, not impaired;
- industry;
- Basel 3 exposure class and financial instrument.

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The following table presents credit risk exposure by industry and risk category:

EUR ths.	Low Risk	Management attention	Substandard	Non-performing loans	Total
30.9.2020					
Agriculture and forestry	68 141	55 233	56 368	28 498	208 240
Mining	70 410	488	106	21	71 025
Manufacturing	1 094 009	152 964	121 149	6 794	1 374 916
Energy and water supply	469 255	65 359	13 192	1 125	548 931
Construction	242 587	159 023	51 187	3 271	456 068
Development of building projects	15 021	5 359	14 560	8	34 948
Trade	505 698	220 441	42 034	20 894	789 067
Transport and communication	654 748	116 635	20 739	3 684	795 806
Hotels and restaurants	27 631	31 371	35 856	1 965	96 823
Financial and insurance services	505 919	27 442	10 599	131	544 091
Holding companies	36 663	8 229	252	-	45 144
Real estate and housing	678 859	547 302	100 388	103 793	1 430 342
Services	124 195	76 717	22 866	7 069	230 847
Public administration	3 651 683	1 137	3 450	-	3 656 270
Education, health and art	74 510	38 813	11 212	275	124 810
Private households	9 153 485	863 427	388 975	261 011	10 666 898
Other	15	225	629	-	869
Total	17 321 145	2 356 577	878 750	438 531	20 995 003

EUR ths.	Low Risk	Management attention	Substandard	Non-performing loans	Total
31.12.2019					
Agriculture and forestry	108 677	63 972	23 712	26 106	222 467
Mining	73 608	281	2 243	21	76 153
Manufacturing	1 045 941	74 788	42 721	6 940	1 170 390
Energy and water supply	396 537	2 933	64 584	420	464 474
Construction	288 749	30 616	100 395	3 246	423 006
Development of building projects	375	45	34 007	8	34 435
Trade	578 972	125 205	27 004	23 068	754 249
Transport and communication	643 065	31 487	91 769	3 519	769 840
Hotels and restaurants	29 587	9 181	51 510	1 487	91 765
Financial and insurance services	460 090	1 868	10 129	286	472 373
Holding companies	99 683	4	24	157	99 868
Real estate and housing	608 993	18 603	601 778	106 145	1 335 519
Services	125 927	31 790	38 488	6 525	202 730
Public administration	3 488 389	7 023	57	-	3 495 469
Education, health and art	98 200	5 708	16 770	286	120 964
Private households	8 666 854	887 378	481 132	295 350	10 330 714
Other	208	32	442	-	682
Total	16 613 797	1 290 865	1 552 734	473 399	19 930 795

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The following table presents credit risk exposure by risk category:

EUR ths.	Credit risk exposure				Gross carrying amount
	Low Risk	Management attention	Substandard	Non-performing	
30.9.2020					
Cash and cash balances - other demand deposits	11 647	-	-	-	11 647
Financial assets at amortised cost	15 637 715	1 885 546	748 644	376 064	18 647 969
Loans and advances to banks	117 724	4	-	-	117 728
Loans and advances to customers	11 844 415	1 885 542	748 644	376 064	14 854 665
of which: Lending for house purchase	7 553 030	595 876	245 871	144 018	8 538 795
of which: Credit for consumption	1 227 116	210 514	118 607	111 424	1 667 661
of which: Corporate loans and others	3 064 269	1 079 152	384 166	120 622	4 648 209
Debt securities	3 675 576	-	-	-	3 675 576
Finance lease receivables	176 349	36 161	17 699	9 865	240 074
Trade and other receivables	38 590	24 959	16 803	6 573	86 925
Non-trading financial assets at fair value through profit or loss - 'Debt securities	-	-	8 782	-	8 782
Derivatives - held for trading	53 786	4 086	1 772	1	59 645
Positive fair value of derivatives - hedge accounting	34 298	-	-	-	34 298
Total credit risk exposure on-balance	15 952 385	1 950 752	793 700	392 503	19 089 340
Off-balance	1 368 760	405 825	85 050	46 028	1 905 663
Total credit risk exposure	17 321 145	2 356 577	878 750	438 531	20 995 003

EUR ths.	Credit risk exposure				Gross carrying amount
	Low Risk	Management attention	Substandard	Non-performing	
31.12.2019					
Cash and cash balances - other demand deposits	10 224	-	-	-	10 224
Financial assets at amortised cost	14 772 625	1 149 292	1 367 554	410 153	17 699 624
Loans and advances to banks	52	3	-	-	55
Loans and advances to customers	11 319 493	1 149 289	1 283 785	410 153	14 162 720
of which: Lending for house purchase	7 006 258	593 559	302 275	169 768	8 071 860
of which: Credit for consumption	1 275 683	236 391	154 810	119 882	1 786 766
of which: Corporate loans and others	3 037 552	319 339	826 700	120 503	4 304 094
Debt securities	3 453 080	-	83 769	-	3 536 849
Finance lease receivables	181 283	20 649	5 710	10 115	217 757
Trade and other receivables	81 856	4 563	17 941	5 922	110 282
Non-trading financial assets at fair value through profit or loss - 'Debt securities	-	-	3 175	-	3 175
Derivatives - held for trading	35 590	261	5 572	1	41 424
Positive fair value of derivatives - hedge accounting	23 020	-	-	-	23 020
Total credit risk exposure on-balance	15 104 598	1 174 765	1 399 952	426 191	18 105 506
Off-balance	1 509 200	116 100	152 782	47 207	1 825 289
Total credit risk exposure	16 613 798	1 290 865	1 552 734	473 398	19 930 795

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The following table presents credit risk exposure by industry and IFRS9 stage:

EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Not subject to stage assessment	Total credit risk exposure
30.9.2020						
Agriculture and forestry	128 331	49 811	27 605	1 073	1 421	208 241
Mining	48 214	3 840	21	-	18 950	71 025
Manufacturing	778 915	465 180	5 355	5 230	120 236	1 374 916
Energy and water supply	294 397	161 970	1 125	-	91 439	548 931
Construction	213 794	62 184	2 943	313	176 834	456 068
Development of building projects	20 384	14 070	8	-	486	34 948
Trade	514 740	200 099	16 704	7 140	50 383	789 066
Transport and communication	532 291	185 577	3 406	277	74 255	795 806
Hotels and restaurants	8 441	70 753	1 955	14 325	1 349	96 823
Financial and insurance services	412 253	23 857	131	-	107 850	544 091
Holding companies	17 212	23 336	-	-	4 597	45 145
Real estate and housing	1 164 098	153 769	811	102 982	8 683	1 430 343
Services	147 986	52 006	6 758	945	23 152	230 847
Public administration	3 654 252	1 920	-	-	98	3 656 270
Education, health and art	79 553	44 560	275	23	399	124 810
Private households	9 756 461	647 606	259 561	3 071	199	10 666 898
Other	367	44	-	-	457	868
Total	17 734 093	2 123 176	326 650	135 379	675 705	20 995 003

EUR ths.	Stage 1	Stage 2	Stage 3	POCI	Not subject to stage assessment	Total credit risk exposure
31.12.2019						
Agriculture and forestry	174 888	21 231	26 051	242	54	222 466
Mining	76 056	47	21	-	29	76 153
Manufacturing	1 123 003	39 500	5 338	1 649	900	1 170 390
Energy and water supply	325 024	110 982	420	-	28 049	464 475
Construction	408 993	6 704	2 924	4 075	307	423 003
Development of building projects	34 180	31	7	-	216	34 434
Trade	687 043	40 320	19 050	4 429	3 409	754 251
Transport and communication	753 455	11 211	3 208	311	1 655	769 840
Hotels and restaurants	72 797	2 414	1 477	14 325	753	91 766
Financial and insurance services	437 514	1 301	286	-	33 271	472 372
Holding companies	99 708	4	157	-	-	99 869
Real estate and housing	1 185 271	40 988	727	105 417	3 116	1 335 519
Services	187 952	7 439	6 419	750	172	202 732
Public administration	3 494 856	613	-	-	-	3 495 469
Education, health and art	118 975	1 628	285	23	52	120 963
Private households	9 806 828	226 825	293 625	3 392	44	10 330 714
Other	344	27	-	-	311	682
Total	18 852 999	511 230	359 831	134 613	72 122	19 930 795

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The following table presents credit risk exposure by region and financial instrument:

30.9.2020		Financial assets at amortised cost							Non-trading financial assets at fair value through profit or loss - 'Debt securities	Positive fair value of derivatives	Off-balance	Total credit risk exposure
EUR ths.	Cash and cash balances - other demand deposits	Loans and advances to customers				Debt securities	Finance lease receivables	Trade and other receivables				
		Loans and advances to banks	of which: Lending for house purchase	of which: Credit for consumption	of which: Corporate loans and others							
Slovakia	-	85 028	8 533 804	1 666 665	4 591 508	3 339 513	240 074	59 443	3 010	51 621	1 863 380	20 434 046
Central and Eastern Europe	7 796	32 688	2 072	378	14 536	38 826	-	12 435	-	36 118	34 814	179 663
Austria	7 003	8	45	49	2	-	-	2 889	-	36 114	9 578	55 688
Czech Republic	580	32 680	1 365	223	14 519	38 826	-	7 140	-	4	24 325	119 662
Hungary	147	-	117	17	14	-	-	1 903	-	-	901	3 099
Croatia	11	-	109	39	-	-	-	167	-	-	2	328
Romania	55	-	263	21	1	-	-	298	-	-	5	643
Serbia	-	-	173	29	-	-	-	38	-	-	3	243
Other EU	3 777	9	1 156	200	41 229	292 222	-	13 268	12	6 204	6 431	364 508
Other industrialised countries	72	-	277	64	909	5 015	-	581	5 760	-	4	12 682
Emerging markets	-	4	1 487	353	28	-	-	1 199	-	-	1 033	4 104
Total	11 645	117 729	8 538 796	1 667 660	4 648 210	3 675 576	240 074	86 926	8 782	93 943	1 905 662	20 995 003

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31.12.2019												
EUR ths.	Cash and cash balances - other demand deposits	Financial assets at amortised cost						Non-trading financial assets at fair value through profit or loss - 'Debt securities	Positive fair value of derivatives	Off-balance	Total credit risk exposure	
		Loans and advances to customers										
		Loans and advances to banks	of which: Lending for house purchase	of which: Credit for consumption	of which: Corporate loans and others	Debt securities						
Slovakia	-	29	8 066 677	1 785 642	4 229 165	3 215 229	217 757	74 071	3 163	35 861	1 766 177	19 393 771
Central and Eastern Europe	9 729	13	2 073	454	25 453	36 301	-	13 309	-	22 062	49 816	159 210
Austria	4 153	9	262	56	2	-	-	5 679	-	21 965	12 505	44 631
Czech Republic	254	1	1 243	263	25 446	36 301	-	5 084	-	97	34 344	103 033
Hungary	5 304	3	56	19	2	-	-	1 839	-	-	2 957	10 180
Croatia	13	-	109	36	-	-	-	159	-	-	2	319
Romania	5	-	226	46	1	-	-	497	-	-	6	781
Serbia	-	-	177	34	2	-	-	51	-	-	2	266
Other EU	318	10	1 200	246	44 550	280 242	-	19 867	13	6 520	8 231	361 197
Other industrialised countries	177	-	286	72	4 888	5 077	-	1 251	-	-	5	11 756
Emerging markets	-	3	1 625	354	38	-	-	1 778	-	-	1 063	4 861
Total	10 224	55	8 071 861	1 786 768	4 304 094	3 536 849	217 757	110 276	3 176	64 443	1 825 292	19 930 795

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The following table presents credit risk exposure according to impairment view:

30.9.2020	Non-impaired loans							Impaired loans	Total Credit risk exposure
	Total past due non Impaired	Thereof 1-30 days past due	Thereof 31-60 days past due	Thereof 61-90 days past due	Thereof 91-180 days past due	Thereof more than 180 days past due	Neither past due nor Impaired		
EUR ths.									
Cash and cash balances - other demand deposits	-	-	-	-	-	-	11 647	-	11 647
Financial assets at amortised cost	270 590	242 040	13 917	5 986	7 284	1 364	18 001 314	376 065	18 647 968
Loans and advances to banks	50	50	-	-	-	-	117 678	-	117 728
Loans and advances to customers	270 540	241 990	13 917	5 986	7 284	1 364	14 208 060	376 065	14 854 664
of which: Lending for house purchase	86 198	74 140	6 392	2 387	2 342	938	8 308 578	144 019	8 538 795
of which: Credit for consumption	52 501	46 523	3 185	1 647	951	195	1 503 735	111 424	1 667 659
of which: Corporate loans and others	131 841	121 327	4 340	1 952	3 991	231	4 395 747	120 622	4 648 210
Debt securities	-	-	-	-	-	-	3 675 576	-	3 675 576
Finance lease receivables	4 724	4 349	329	32	14	-	225 485	9 865	240 074
Trade and other receivables	5 906	4 892	517	496	-	-	74 447	6 573	86 926
Non-trading financial assets at fair value through profit or loss - Debt securities	-	-	-	-	-	-	8 782	-	8 782
Financial assets - held for trading	-	-	-	-	-	-	59 645	-	59 645
Positive fair value of derivatives	-	-	-	-	-	-	34 298	-	34 298
Total credit risk exposure on-balance	281 220	251 281	14 763	6 514	7 298	1 364	18 415 618	392 503	19 089 340
Off-balance	-	-	-	-	-	-	1 859 635	46 028	1 905 663
Total credit risk exposure	281 220	251 281	14 763	6 514	7 298	1 364	20 275 253	438 531	20 995 003

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31.12.2019	Non-impaired loans							Impaired loans	Total Credit risk exposure
	Total past due non Impaired	Thereof 1-30 days past due	Thereof 31-60 days past due	Thereof 61-90 days past due	Thereof 91-180 days past due	Thereof more than 180 days past due	Neither past due nor Impaired		
EUR ths.									
Cash and cash balances - other demand deposits	-	-	-	-	-	-	10 224	-	10 224
Financial assets at amortised cost	375 374	344 675	18 120	8 155	4 389	34	16 914 098	410 153	17 699 624
Loans and advances to banks	54	54	-	-	-	-	1	-	54
Loans and advances to customers	375 320	344 621	18 120	8 155	4 389	34	13 377 248	410 153	14 162 721
of which: Lending for house purchase	133 458	118 686	8 516	3 277	2 978	-	7 768 635	169 768	8 071 862
of which: Credit for consumption	75 734	66 022	5 242	3 479	991	-	1 591 150	119 882	1 786 766
of which: Corporate loans and others	166 128	159 913	4 362	1 399	420	34	4 017 463	120 503	4 304 093
Debt securities	-	-	-	-	-	-	3 536 849	-	3 536 849
Finance lease receivables	5 693	4 397	958	242	92	4	201 950	10 115	217 757
Trade and other receivables	11 719	9 589	1 423	236	470	-	92 641	5 922	110 282
Non-trading financial assets at fair value through profit or loss - 'Debt securities	-	-	-	-	-	-	3 175	-	3 175
Financial assets - held for trading	-	-	-	-	-	-	41 423	-	41 423
Positive fair value of derivatives	-	-	-	-	-	-	23 020	-	23 020
Total credit risk exposure on-balance	392 786	358 661	20 501	8 633	4 951	38	17 286 531	426 190	18 105 505
Off-balance	-	-	-	-	-	-	1 778 083	47 207	1 825 290
Total credit risk exposure	392 786	358 661	20 501	8 633	4 951	38	19 064 614	473 397	19 930 795

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The following table presents credit quality for exposures, which are neither past due non impaired:

30.9.2020		Cash and cash balances - other demand deposits	Financial assets at amortised cost					Finance lease receivables	Trade and other receivables	Non-trading financial assets at fair value through profit or loss - 'Debt securities	Positive fair value of derivatives	Off-balance	Total credit risk exposure
EUR ths.	Loans and advances to banks		Loans and advances to customers			Debt securities							
			of which: Lending for house purchase	of which: Credit for consumption	of which: Corporate loans and others								
Low risk	11 647	117 678	7 542 913	1 223 840	3 025 237	3 675 576	174 295	36 633	-	88 083	1 368 760	17 264 662	
Management attention	-	-	580 565	202 239	1 043 137	-	35 151	22 071	-	4 086	405 824	2 293 073	
Substandard	-	-	185 101	77 656	327 373	-	16 039	15 743	8 782	1 772	85 051	717 517	
Non-performing loans (NPE)	-	-	-	-	-	-	-	-	-	1	-	1	
Total	11 647	117 678	8 308 579	1 503 735	4 395 747	3 675 576	225 485	74 447	8 782	93 942	1 859 635	20 275 253	

31.12.2019		Cash and cash balances - other demand deposits	Financial assets at amortised cost					Finance lease receivables	Trade and other receivables	Non-trading financial assets at fair value through profit or loss - 'Debt securities	Positive fair value of derivatives	Off-balance	Total credit risk exposure
EUR ths.	Loans and advances to banks		Loans and advances to customers			Debt securities							
			of which: Lending for house purchase	of which: Credit for consumption	of which: Corporate loans and others								
Low risk	10 224	1	6 989 817	1 271 003	2 943 346	3 453 080	179 137	73 319	-	58 610	1 509 201	16 487 738	
Management attention	-	-	571 392	225 504	296 950	-	17 960	2 211	-	261	116 100	1 230 378	
Substandard	-	-	207 427	94 642	777 167	83 769	4 852	17 111	3 175	5 572	152 782	1 346 497	
Non-performing loans (NPE)	-	-	-	-	-	-	-	-	-	1	-	1	
Total	10 224	1	7 768 636	1 591 149	4 017 463	3 536 849	201 949	92 641	3 175	64 444	1 778 083	19 064 614	

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The following table credit risk exposure by industry:

30.9.2020	Cash and cash balances - other demand deposits	Financial assets at amortised cost			Finance lease receivables	Trade and other receivables	Non-trading financial assets at fair value through profit or loss - 'Debt securities	Positive fair value of derivatives	Off-balance	Total credit risk exposure
EUR ths.		Loans and advances to banks	Loans and advances to customers	Debt securities						
Agriculture and forestry	-	-	161 899	-	27 745	238	-	32	18 327	208 241
Mining	-	-	47 338	-	2 001	384	-	16	21 286	71 025
Manufacturing	-	-	982 744	9 279	48 973	43 288	-	1 163	289 469	1 374 916
Energy and water supply	-	-	361 214	15 092	4 564	859	-	41 848	125 353	548 930
Construction	-	-	186 544	-	4 855	2 873	-	178	261 618	456 068
Development of building projects	-	-	34 325	-	-	14	-	51	558	34 948
Trade	-	-	537 326	-	15 824	29 476	-	362	206 078	789 066
Transport and communication	-	-	440 372	89 871	109 705	4 602	-	1 947	149 309	795 806
Hotels and restaurants	-	-	79 372	-	175	3	-	826	16 448	96 824
Financial and insurance services	11 647	117 728	103 837	193 041	91	2 662	8 782	42 363	63 940	544 091
Holding companies	-	-	40 196	-	25	252	-	-	4 671	45 144
Real estate and housing	-	-	1 175 537	-	10 873	160	-	4 416	239 356	1 430 342
Services	-	-	148 378	-	8 178	1 598	-	81	72 613	230 848
Public administration	-	-	249 733	3 368 293	527	-	-	-	37 717	3 656 270
Education, health and art	-	-	103 482	-	6 428	784	-	55	14 061	124 810
Private households	-	-	10 276 501	-	135	-	-	199	390 062	10 666 897
Other	-	-	387	-	-	-	-	457	25	869
Total Credit risk exposure	11 647	117 728	14 854 664	3 675 576	240 074	86 927	8 782	93 943	1 905 662	20 995 003

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31.12.2019			Financial assets at amortised cost					Non-trading financial assets at fair value through profit or loss - 'Debt securities	Positive fair value of derivatives	Off-balance	Total credit risk exposure
EUR ths.	Cash and cash balances - other demand deposits	Loans and advances to banks	Loans and advances to customers	Debt securities	Finance lease receivables	Trade and other receivables					
Agriculture and forestry	-	-	170 964	-	30 779	303	-	54	20 367	222 467	
Mining	-	-	54 027	-	335	225	-	29	21 536	76 152	
Manufacturing	-	-	787 770	9 355	43 597	57 423	-	696	271 549	1 170 390	
Energy and water supply	-	-	365 100	-	4 992	2 043	-	28 049	64 291	464 475	
Construction	-	-	149 075	-	4 674	1 438	-	307	267 513	423 007	
Development of building projects	-	-	31 144	-	-	20	-	216	3 054	34 434	
Trade	-	-	504 453	-	16 552	34 538	-	393	198 313	754 249	
Transport and communication	-	-	411 382	83 769	102 335	5 628	-	1 655	165 070	769 839	
Hotels and restaurants	-	-	72 917	-	220	3	-	753	17 874	91 767	
Financial and insurance services	10 224	54	88 562	220 133	82	5 670	3 175	28 813	115 658	472 371	
Holding companies	-	-	32 423	15 153	-	446	-	-	51 846	99 868	
Real estate and housing	-	-	1 147 703	-	896	385	-	3 116	183 419	1 335 519	
Services	-	-	137 241	-	9 013	1 807	-	172	54 498	202 731	
Public administration	-	-	243 811	3 223 591	521	-	-	-	27 545	3 495 468	
Education, health and art	-	-	98 375	-	3 614	821	-	52	18 102	120 964	
Private households	-	-	9 931 029	-	146	-	-	44	399 495	10 330 714	
Other	-	-	313	-	-	-	-	311	58	682	
Total Credit risk exposure	10 224	54	14 162 722	3 536 848	217 756	110 284	3 175	64 444	1 825 288	19 930 795	

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The following table presents credit risk exposure by Basel 3 exposure class and financial instrument:

30.9.2020	EUR ths.	Cash and cash balances - other demand deposits	Financial assets at amortised cost			Finance lease receivables	Trade and other receivables	Non-trading financial assets at fair value through profit or loss - 'Debt securities	Positive fair value of derivatives	Off-balance	Total credit risk exposure
			Loans and advances to banks	Loans and advances to customers	Debt securities						
Sovereigns		-	-	250 555	3 368 293	533	363	-	-	37 717	3 657 461
Institutions		11 647	117 728	-	183 021	-	1 448	-	42 318	52 046	408 208
Corporates		-	-	3 611 709	124 262	222 599	84 047	8 782	51 346	1 302 665	5 405 410
Retail		-	-	10 992 402	-	16 942	1 067	-	279	513 234	11 523 924
Total		11 647	117 728	14 854 666	3 675 576	240 074	86 925	8 782	93 943	1 905 662	20 995 003

31.12.2019	EUR ths.	Cash and cash balances - other demand deposits	Financial assets at amortised cost			Finance lease receivables	Trade and other receivables	Non-trading financial assets at fair value through profit or loss - 'Debt securities	Positive fair value of derivatives	Off-balance	Total credit risk exposure
			Loans and advances to banks	Loans and advances to customers	Debt securities						
Sovereigns		-	-	245 084	3 223 591	541	391	-	-	27 513	3 497 120
Institutions		10 224	54	-	194 849	-	4 492	-	28 485	58 725	296 829
Corporates		-	-	3 298 556	118 408	194 067	104 494	3 175	35 914	1 218 337	4 972 951
Retail		-	-	10 619 080	-	23 149	905	-	44	520 717	11 163 895
Total		10 224	54	14 162 720	3 536 848	217 757	110 282	3 175	64 443	1 825 292	19 930 795

The assignment of obligors to Basel 3 exposure classes is based on legal regulations. For reasons of clarity, individual Basel 3 exposure classes are presented in aggregated form. The aggregated exposure class 'sovereigns' also contains regional and local governments as well as public sector entities in addition to central governments, central banks, international organisations and multinational development banks. Institutions include banks and recognised investment firms.

Concerning contingent liabilities the gross carrying amount refers to the nominal value, while credit risk provisions refer to provisions for guarantees. The net carrying amount is not presented in the case of contingent liabilities.

30. Fair values of financial assets and liabilities

Financial instruments measured at fair value

All financial instruments of this category are measured at fair value on a recurring basis.

In the Bank the measurement of fair value is primarily based on external sources of data (stock market prices or broker quotes in highly liquid market segments). The financial instruments for which fair value is determined on the basis of quoted market prices are mainly listed securities, liquid OTC bonds and derivatives. During the reporting period there were no changes in the measurement of fair value of financial assets and financial liabilities. For the complete set of disclosures related to fair value this interim individual financial statements should be read in combination with individual financial statements for the previous year in the Note 34.

Fair value hierarchy

Financial assets and financial liabilities measured at fair value are categorized under the three levels of the IFRS fair value hierarchy.

Level 1

The fair value of financial instruments assigned to Level 1 of the fair value hierarchy is determined based on quoted prices in active markets for identical financial assets and liabilities. More particular, the evaluated fair value can qualify as Level 1 if transactions occur with sufficient frequency, volume and pricing consistency on an ongoing basis. These include exchange traded derivatives (futures, options), shares, government bonds as well as other bonds and funds, which are traded in highly liquid and active markets.

Level 2

In case a market quote is used for valuation but due to restricted liquidity the market does not qualify as active (derived from available market liquidity indicators) the instrument is classified as Level 2. If no market prices are available the fair value is measured by using valuation models which are based on observable market data. If all the significant inputs in the valuation model are observable the instrument is classified as Level 2 of the fair value hierarchy. For Level 2 valuations typically yield curves, credit spreads and implied volatilities are used as observable market parameters. These include OTC derivatives, less liquid shares, bonds and funds as well as asset backed securities (ABS), collateralized debt obligations (CDO) and own issues.

Level 3

In some cases, the fair value can be determined neither on the basis of sufficiently frequent quoted market prices nor of valuation models that rely entirely on observable market data. In these cases individual valuation parameters not observable in the market are estimated on the basis of reasonable assumptions. If any unobservable input in the valuation model is significant or the price quote used is updated infrequently the instrument is classified as Level 3 of the fair value hierarchy. For Level 3 valuations besides observable parameters typically credit spreads derived from internally calculated historical probability of default (PD) and loss given default (LGD) measures are used as unobservable parameters. These include shares and funds not quoted, illiquid bonds as well as illiquid asset backed securities (ABS) and collateralized debt obligations (CDO).

A reclassification from Level 1 into Level 2 or Level 3 as well as vice versa will be performed if the financial instrument does no longer meet the criteria described above for the respective level.

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The methods used to determine fair values with respect to the levels of fair value hierarchy were as follows:

	Quoted market prices in active markets	Marked to model based on observable market data	Marked to model based on non-observable inputs	Total	Quoted market prices in active markets	Marked to model based on observable market data	Marked to model based on non-observable inputs	Total
EUR ths.	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
	31.12.2019				30.09.2020			
Assets								
Financial assets - held for trading	-	41 423	-	41 423	-	59 645	-	59 645
Derivatives	-	41 423	-	41 423	-	59 645	-	59 645
Non-trading financial assets at fair value through profit or loss	-	-	10 550	10 550	-	-	24 233	24 234
Equity instruments	-	-	7 375	7 375	-	-	15 451	15 452
Debt securities	-	-	3 175	3 175	-	-	8 782	8 782
Financial assets at fair value through other comprehensive income	-	-	89 262	89 262	-	-	9 410	9 410
Equity instruments	-	-	89 262	89 262	-	-	9 410	9 410
Hedge accounting derivatives	-	23 020	-	23 020	-	34 298	-	34 298
Total assets	-	64 443	99 812	164 255	-	93 943	33 643	127 587
Liabilities								
Financial liabilities - held for trading	-	36 020	-	36 020	-	56 159	-	56 159
Derivatives	-	36 020	-	36 020	-	56 159	-	56 159
Hedge accounting derivatives	-	48 041	-	48 041	-	51 513	-	51 513
Total liabilities	-	84 061	-	84 061	-	107 672	-	107 672

Allocation of positions to the levels of fair value hierarchy and any changes between these levels are reflected at the end of the reporting period.

Changes in volumes of Level 1 and Level 2

There were no significant transfers between Level 1 and Level 2 of financial instruments measured at fair value on the balance sheet.

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Movements in Level 3 of financial Instruments rated at fair value

The development of fair value of the securities for which valuation models are based on non-observable inputs was as follows:

	01.01.2020	Gain/loss in profit or loss	Gain/loss in other compre- hensive income	Purchases	Sales	Settlements	Additions to the group	Disposals out of the group	Transfers into Level 3	Transfers out of Level 3	Currency translation	30.09.2020
EUR ths.												
Assets												
Non-trading financial assets at fair value through profit or loss	10 550	(238)	-	22 049	-	(8 128)	-	-	-	-	-	24 233
Equity instruments	7 375	(50)	-	8 126	-	-	-	-	-	-	-	15 451
Debt securities	3 175	(188)	-	13 923	-	(8 128)	-	-	-	-	-	8 782
Financial assets at fair value through other comprehensive income	89 262	-	10 336	-	(76 265)	(13 923)	-	-	-	-	-	9 410
Equity instruments	89 262	-	10 336	-	(76 265)	(13 923)	-	-	-	-	-	9 410
Total assets	99 812	(238)	10 336	22 049	(76 265)	(22 051)	-	-	-	-	-	33 643

	01.01.2019	Gain/loss in profit or loss	Gain/loss in other compre- hensive income	Purchases	Sales	Settlements	Additions to the group	Disposals out of the group	Transfers into Level 3	Transfers out of Level 3	Currency translation	30.09.2019
EUR ths.												
Assets												
Non-trading financial assets at fair value through profit or loss	29 242	211	-	-	(500)	(10 090)	-	-	1	(10 089)	-	8 775
Equity instruments	5 620	-	-	-	-	-	-	-	1	-	-	5 621
Debt securities	23 622	211	-	-	(500)	(10 090)	-	-	-	(10 089)	-	3 154
Financial assets at fair value through other comprehensive income	56 395	-	27 096	-	-	-	-	-	-	-	291	83 782
Equity instruments	56 395	-	27 096	-	-	-	-	-	-	-	291	83 782
Total assets	85 637	211	27 096	-	(500)	(10 090)	-	-	1	(10 089)	291	92 557

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Gains or losses on Level 3 financial instruments held at the end of the reporting period, which are included in the income statement were as follows:

EUR ths.	30.09.2019	30.09.2020
Assets		
Non-trading financial assets at fair value through profit or loss	141	(238)
Equity instruments	-	(50)
Debt securities	141	(188)
Total assets	141	(238)

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Fair value of financial instruments disclosed in the notes

The following table shows fair values of the financial instruments disclosed in the notes as at 30 September 2020 and 31 December 2019:

EUR ths.	Carrying amount	Fair value	Level 1	Level 2	Level 3	Carrying amount	Fair value	Level 1	Level 2	Level 3
Assets	31.12.2019					30.09.2020				
Cash and cash balances	501 441	501 441	501 441	-	-	1 272 064	1 272 064	1 272 064	-	-
Financial assets at amortised cost	17 362 934	17 830 779	2 848 142	1 128 346	13 854 290	18 246 794	19 727 891	2 664 158	1 484 227	15 579 506
Loans and advances to banks	54	54	-	-	54	117 674	117 643	-	-	117 643
Loans and advances to customers	13 826 416	13 821 101	-	-	13 821 101	14 454 258	15 428 193	-	-	15 428 193
of which: Lending for house purchase	7 968 721	7 966 527	-	-	7 966 527	8 417 312	9 156 247	-	-	9 156 247
of which: Credit for consumption	1 663 998	1 662 093	-	-	1 662 093	1 542 187	1 666 479	-	-	1 666 479
of which: Corporate loans and others	4 193 697	4 192 481	-	-	4 192 481	4 494 759	4 605 467	-	-	4 605 467
Debt securities	3 536 464	4 009 624	2 848 142	1 128 346	33 135	3 674 862	4 182 055	2 664 158	1 484 227	33 670
Finance lease receivables	213 191	210 555	-	-	210 555	234 909	230 955	-	-	230 955
Trade and other receivables	106 693	106 693	-	-	106 693	80 255	80 450	-	-	80 450
Liabilities										
Financial liabilities measured at amortised cost	16 797 583	17 050 387	501 678	1 516 307	15 032 402	18 276 933	18 338 302	510 800	1 466 330	16 361 173
Deposits from banks	263 287	260 981	-	-	260 981	1 754 030	1 761 821	-	-	1 761 821
Deposits from customers	14 419 106	14 638 095	-	-	14 638 095	14 362 190	14 389 237	-	-	14 389 237
Debt securities in issue	2 070 975	2 107 096	501 678	1 516 307	89 111	2 065 755	2 092 286	510 800	1 466 330	115 157
Other financial liabilities	44 215	44 215	-	-	44 215	94 958	94 958	-	-	94 958

Fair value of non-financial assets

The fair values of non-financial assets are determined by experts with recognised and relevant professional qualification.

31. Own funds and capital requirements

Regulatory scope of application

Hereby Slovenská sporiteľňa, a.s. fulfills the disclosure requirements according to the Capital Requirements Regulation issued by European Parliament and Council (EU) no.575/2013 (CRR) and Articles 437 (1) (a), (d), (e) and (f) CRR.

Regulatory requirements

Since 1 January 2014 the Bank has been calculating the regulatory capital and the regulatory capital requirements according to Basel 3. The requirements were implemented within the EU by the Capital Requirements Regulation no. 575/2013 (CRR) and the Capital Requirement Directive no. 36/2013 (CRD IV) that were enacted in national legislation, as well as within various technical standards issued by the European Banking Authority (EBA).

All requirements as defined in the CRR and the aforementioned technical standards are fully applied by the Bank for regulatory purposes and for the disclosure of regulatory information.

The Bank fulfilled all regulatory capital requirements during the 9 months of 2020 and year 2019 consisting from Pillar 1 requirement, Pillar 2 requirement and combined buffer requirement.

Accounting principles

The financial and regulatory figures published by the Bank are based on IFRS regulatory capital components. Eligible capital components derive from the balance sheet and income statement which were prepared in accordance with IFRS. Adjustments to the accounting figures are considered due to the different definitions in the scopes of consolidation for items where the regulatory treatment is not equal to the accounting requirements.

The unified reporting date of the consolidated financial statements and consolidated regulatory figures of the Bank is 31 December of each respective year.

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Own funds

Own funds of an institution according to CRR consist of the sum of the Common Equity Tier 1 capital, Additional Tier 1 capital and Tier 2 capital of the institution. To assess the capital adequacy, each Tier of the capital after applying all prudential filters and deductions is expressed as a percentage of the total risk exposure amount.

The following table shows the structure of own funds according to implementing technical standards with regard to disclosure of own funds requirements for institutions according to Regulation (EU) No 575/2013 of the European Parliament and of the Council (the positions not relevant for the Bank were excluded):

EUR ths.	Article pursuant to CRR	31.12.2019	30.9.2020
Common equity tier 1 capital (CET1)			
Capital instruments eligible as CET1	26 (1) (a) (b), 27 to 30, 36 (1) (f), 42	212 000	212 000
Own CET1 instruments	36 (1) (f), 42	-	-
Retained earnings	26 (1) (c), 26 (2)	979 119	1 115 912
Interim profit	26 (2)	-	-
Accumulated other comprehensive income	4 (1) (100), 26 (1) (d)	65 072	5 752
Minority interest recognised in CET1	4 (1) (120) 84	-	-
Transitional adjustments due to additional minority interests	479, 480	-	-
Prudential filter: cash flow hedge reserve	33 (1) (a)	-	-
Prudential filter: cumulative gains and losses due to changes in own credit risk on fair valued liabilities	33 (1) (b)	-	-
Prudential filter: fair value gains and losses arising from the institution's own credit risk related to derivative liabilities	33 (1) (c), 33 (2)	116	116
Value adjustments due to the requirements for prudent valuation	34, 105	(3 105)	(1 998)
Goodwill	4 (1) (113), 36 (1) (b), 37	-	-
Other intangible assets	4 (1) (115), 36 (1) (b), 37 (a)	(23 739)	(17 442)
Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	36 (1) (c), 38	(175)	(175)
IRB shortfall of credit risk adjustments to expected losses	36 (1) (d), 40, 158, 159	(20 598)	-
Development of unaudited risk provisions during the year (EU No 183/2014)		(42 723)	(86 574)
Excess of deduction from AT1 items over AT1	36 (1) (j)	-	-
Common equity tier 1 capital (CET1)	50	1 165 968	1 227 591
Additional tier 1 capital (AT1)			
Capital instruments eligible as AT1	51 (a), 52 to 54, 56 (a), 57	150 000	300 000
Own AT1 instruments	52 (1) (b), 56 (a), 57	-	-
Instruments issued by subsidiaries that are given recognition in AT1	85, 86	-	-
Transitional adjustments due to grandfathered AT1 instruments	483 (4) (5), 484 to 487, 489, 491	-	-
AT1 instruments of financial sector entities where the institution has a significant investment	4 (1) (27), 56 (d), 59, 79	-	-
Excess of deduction from T2 items over T2	36 (1) (j)	-	-
Additional tier 1 capital (AT1)	61	150 000	300 000
Tier 1 capital - total amount of common equity tier 1 (CET1) and additional tier 1 (AT1)	25	1 315 968	1 527 591

Table continues on the following page.

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continued		31.12.2019	30.9.2020
EUR ths.	Article pursuant to CRR		
Tier 1 capital - total amount of common equity tier 1 (CET1) and additional tier 1 (AT1)	25	1 315 968	1 527 591
Tier 2 capital (T2)			
Capital instruments and subordinated loans eligible as T2	62 (a), 63 to 65, 66 (a), 67	33 741	27 425
Own T2 instruments	63 (b) (i), 66 (a), 67	-	-
Instruments issued by subsidiaries recognised in T2	87, 88	-	-
Transitional adjustments due to additional recognition in T2 of instruments issued by subsidiaries	480	-	-
Transitional adjustments due to grandfathered T2 instruments and subordinated loans	483 (6) (7), 484, 486, 488, 490, 491	-	-
IRB excess of provisions over expected losses eligible	62 (d)	42 996	43 323
Standardised approach general credit risk adjustments	62 (c)	-	-
Other transitional adjustments to T2	476, 477, 478, 481	-	-
T2 instruments of financial sector entities where the institution has a significant investment	4 (1) (27), 66 (d), 68, 69, 79	(5 255)	(5 278)
Tier 2 capital (T2)	71	71 482	65 469
Total own funds	4 (1) (118) and 72	1 387 450	1 593 060
Capital requirement	92 (3), 95, 96, 98	662 878	667 026
CET1 capital ratio	92 (2) (a)	14,07%	14,72%
Tier 1 capital ratio	92 (2) (b)	15,88%	18,32%
Total capital ratio	92 (2) (c)	16,74%	19,11%

The Following table shows risk exposure amounts reflecting the structure according to Regulation (EU) No 575/2013:

		31.12.2019		30.9.2020	
EUR ths.	Article pursuant to CRR	Total risk	Capital requirement	Total risk	Capital requirement
Total Risk Exposure Amount	92 (3), 95, 96, 98	8 285 977	662 878	8 337 820	667 026
Risk weighted assets (credit risk)	92 (3) (a) (f)	7 379 595	590 367	7 396 423	591 715
Standardised approach		213 659	17 093	176 000	14 080
IRB approach		7 165 936	573 274	7 220 423	577 635
Settlement Risk	92 (3) (c) (ii), 92 (4) (b)	-	-	-	-
Trading book, foreign FX risk and commodity risk	92 (3) (b) (i) and (c) (i) and (iii), 92 (4) (b)	983	79	3 953	316
Operational Risk	92 (3) (e), 92 (4) (b)	879 878	70 390	915 526	73 242
Exposure for CVA	92 (3) (d)	25 521	2 042	21 918	1 753
Other exposure amounts incl. Basel 1 floor	3, 458, 459, 500	-	-	-	-

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Transitional provisions

The transitional Provisions are not applied by the Bank.

Own funds template

Disclosure requirements: Art. 437 (1) (d) (e) CRR

The Bank does not consider Art. 437 (1) (f) CRR for the calculation of own funds.

The table below presents the composition of the regulatory capital based on the Implementing Technical Standards on the disclosure of own funds published in the Official Journal of the EU. There are no transitional provisions that would affect the calculation of the own funds. The table is presenting own funds according to Basel 3 fully loaded regime.

The following table shows Own funds disclosure template according to Article 5 in Commission implementing regulation (EU) No 1423/2013:

EUR ths.	REFERENCE TO RECONCILIATION TABLES	31.12.2019	30.9.2020
Common equity tier 1 (CET1) capital: instruments and reserves			
1 Common equity tier 1 (CET1) capital: instruments and reserves	a	212 000	212 000
thereof ordinary shares	a	212 000	212 000
2 Retained earnings	b	979 119	1 115 912
3 Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	c	65 072	5 752
3a Fund for general banking risk		-	-
4 Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1		-	-
Public sector capital injections grandfathered until Jan 18		-	-
5 Minority interests (amount allowed in consolidated CET1)	d	-	-
5a Independently reviewed interim profits net of any foreseeable charge or dividend		-	-
6 Common Equity Tier 1 (CET1) capital before regulatory adjustments		1 256 191	1 333 664

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continued	REFERENCE TO RECONCILIATION TABLES	31.12.2019	30.9.2020
EUR ths.			
Common Equity Tier 1 (CET1) capital before regulatory adjustments			
7 Additional value adjustments (negative amount)		(3 105)	(1 998)
8 Intangible assets (net of related tax liability) (negative amount)	e	(23 739)	(17 442)
9 Empty Set in the EU		-	-
10 Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	f	(175)	(175)
11 Fair value reserves related to gains or losses on cash flow hedges	g	-	-
12 Negative amounts resulting from the calculation of expected loss amounts		(20 598)	-
13 Any increase in equity that results from securitised assets (negative amount)		-	-
14 Gains or losses on liabilities valued at fair value resulting from changes in own credit standing		116	116
15 Defined-benefit pension fund assets (negative amount)		-	-
16 Direct and indirect holdings by an institution of own CET1 instruments (negative amount)		-	-
17 Holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		-	-
18 Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		-	-
19 Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		-	-
20 Empty Set in the EU		-	-
20a Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative		-	-
20b of which: qualifying holdings outside the financial sector (negative amount)		-	-
20c of which: securitisation positions (negative amount)		-	-
20d of which: free deliveries (negative amount)		-	-
21 Deferred tax assets arising from temporary differences (amount above 10 % threshold , net of related tax liability where the conditions in 38 (3) are met) (negative amount)		-	-
22 Amount exceeding the 15% threshold (negative amount)		-	-
23 of which: direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities		-	-
24 Empty Set in the EU		-	-
25 of which: deferred tax assets arising from temporary differences		-	-
25a Losses for the current financial year (negative amount)		-	-
25b Foreseeable tax charges relating to CET1 items (negative amount)		-	-
26 Regulatory adjustments applied to Common Equity Tier 1 in respect of amounts subject to pre-CRR treatment		-	-
26a Regulatory adjustments relating to unrealised gains and losses pursuant to Articles 467 and 468		-	-
unrealised loss		-	-
unrealised gain		-	-
26b Amount to be deducted from or added to Common Equity Tier 1 capital with regard to additional filters and deductions required pre CRR		-	-
27 Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)		-	-
CET1 other deductions		(42 723)	(86 574)
28 Total regulatory adjustments to Common equity Tier 1 (CET1)		(90 223)	(106 073)
29 Common Equity Tier 1 (CET1) capital		1 165 968	1 227 591

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continued	REFERENCE TO RECONCILIATION TABLES	31.12.2019	30.9.2020
EUR ths.			
Additional Tier 1 (AT1) capital: instruments			
30 Capital instruments and the related share premium accounts	i	150 000	300 000
31 of which: classified as equity under applicable accounting standards		150 000	300 000
32 of which: classified as liabilities under applicable accounting standards		-	-
33 Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	i	-	-
Public sector capital injections grandfathered until 1 January 2018		-	-
34 Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interest not included in row 5) issued by subsidiaries and held by third parties		-	-
35 of which: instruments issued by subsidiaries subject to phase out		-	-
36 Additional Tier 1 (AT1) capital before regulatory adjustments	i	150 000	300 000
Additional Tier 1 (AT1) capital: regulatory adjustments			
37 Direct and indirect holdings by an institution of own AT1 Instruments (negative amount)	i	-	-
38 Holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		-	-
39 Direct and indirect holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		-	-
40 Direct and indirect holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above the 10% threshold net of eligible short positions) (negative amount)		-	-
41 Regulatory adjustments applied to additional tier 1 in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (ie. CRR residual amounts)		-	-
41a Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013		-	-
Of which items to be detailed line by line, e.g. Material net interim losses, intangibles, shortfall of provisions to expected losses etc		-	-
41b Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Tier 2 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013		-	-
Of which items to be detailed line by line, e.g. Reciprocal cross holdings in T2 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, etc		-	-
41c Amount to be deducted from or added to Additional Tier 1 capital with regard to additional filters and deductions required pre- CRR		-	-
Of which: ... possible filter for unrealised losses		-	-
Of which: ... possible filter for unrealised gains		-	-
Of which: ...		-	-
42 Qualifying T2 deductions that exceed the T2 capital of the institution (negative amount)		-	-
43 Total regulatory adjustments to Additional Tier 1 (AT1) capital		-	-
44 Additional Tier 1 (AT1) capital		150 000	300 000
45 Tier 1 capital (T1 = CET1 + AT1)		1 315 968	1 527 591

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continued	REFERENCE TO RECONCILIATION TABLES	31.12.2019	30.9.2020
EUR ths.			
Tier 2 (T2) capital: Instruments and provisions			
46 Capital instruments and the related share premium accounts	l	33 741	27 425
47 Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2		-	-
Public sector capital injections grandfathered until 1 January 2018		-	-
48 Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	m	-	-
49 of which: instruments issued by subsidiaries subject to phase out		-	-
50 Credit risk adjustments		42 996	43 323
51 Tier 2 (T2) capital before regulatory adjustments		76 737	70 748
Tier 2 (T2) capital: regulatory adjustments			
52 Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)	l	-	-
53 Holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		-	-
54 Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10 % threshold and net of eligible short positions) (negative amount)		-	-
54a Of which new holdings not subject to transitional arrangements		-	-
54b Of which holdings existing before 1 January 2013 and subject to transitional arrangements		-	-
55 Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)		(5 255)	(5 278)
56 Regulatory adjustments applied to tier 2 in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)		-	-
56a Residual amounts deducted from T2 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013		-	-
Of which items to be detailed line by line, e.g. Material net interim losses, intangibles, shortfall of provisions to expected losses etc		-	-
56b Residual amounts deducted from Tier 2 capital with regard to deduction from Additional Tier 1 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013		-	-
Of which items to be detailed line by line, e.g. reciprocal cross holdings in AT1 instruments, direct holdings of non significant investments in the capital of other financial sector entities, etc		-	-
56c Amount to be deducted from or added to Tier 2 capital with regard to additional filters and deductions required pre CRR		-	-
Of which: ... possible filter for unrealised losses		-	-
Of which: ... possible filter for unrealised gains		-	-
Of which: ...		-	-
57 Total regulatory adjustments to Tier 2 (T2) capital		(5 255)	(5 278)
58 Tier 2 (T2) capital		71 482	65 469
59 Total capital (TC = T1 + T2)		1 387 450	1 593 060

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EUR ths.			
59a Risk weighted assets in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)		-	-
Of which: ... items not deducted from CET1 (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. Deferred tax assets that rely on future profitability net of related tax liability, indirect holdings of own CET1, etc.)		-	-
Of which: ... items not deducted from AT1 items (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. Reciprocal cross holdings in T2 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, etc.)		-	-
Items not deducted from T2 items (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. Indirect holdings of own T2 instruments, indirect holdings of non-significant investments in the capital of other financial sector entities, indirect holdings of significant investments in the capital of other financial sector entities etc.)		-	-
60 Total risk-weighted assets		8 285 977	8 337 820
Capital ratios and buffers			
61 Common Equity Tier 1 (as a percentage of risk exposure amount)		14,1%	14,7%
62 Tier 1 (as a percentage of total risk exposure amount)		15,9%	18,3%
63 Total capital (as a percentage of total risk exposure amount)		16,7%	19,1%
64 Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus the systemically important institution buffer (G-SII or O-SII buffer), expressed as a percentage of risk exposure amount)		5,9%	5,5%
65 of which: capital conservation buffer requirement		2,5%	2,5%
66 of which: countercyclical buffer requirement		1,4%	1,0%
67 of which: systemic risk buffer requirement		1,0%	1,0%
67a of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer		1,0%	1,0%
68 Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)		9,6%	10,2%
69 [non-relevant in EU regulation]		-	-
70 [non-relevant in EU regulation]		-	-
71 [non-relevant in EU regulation]		-	-
Capital ratios and buffers			
72 Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)		7 375	7 207
73 Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)		47 892	70 430
74 Empty Set in the EU		-	-
75 Deferred tax assets arising from temporary differences (amount below 10 % threshold , net of related tax liability where the conditions in Article 38 (3) are met)		43 972	74 798

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continued	REFERENCE TO RECONCILIATION TABLES	31.12.2019	30.9.2020
EUR ths.			
Applicable caps on the inclusion of provisions in Tier 2			
76 Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)		-	-
77 Cap on inclusion of credit risk adjustments in T2 under standardised approach		-	-
78 Credit risk adjustments included in T2 in respect of exposures subject to internal rating-based approach (prior to the application of the cap)		45 940	89 635
79 Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach		42 996	43 323
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)			
80 Current cap on CET1 instruments subject to phase-out arrangements		-	-
81 Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)		-	-
82 Current cap on AT1 instruments subject to phase out arrangements		-	-
83 Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)		-	-
84 Current cap on T2 instruments subject to phase out arrangements		-	-
85 Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)		-	-

32. Events after the reporting period

From 30 September 2020 until the date of issue of this interim individual financial statement, no events have been identified that would require adjustment or recognition.

These interim separate financial statements were signed and authorised for issue by the Board of Directors of the Bank on 30 October 2020.

Ing. Peter Krutil

Chairman of the Board of Directors
and Chief Executive Officer

Ing. Pavel Cetkovský

Member of the Board of Directors
and Deputy of Chief Executive Officer