

Prague, 11 November 2013

Unaudited results of Air Bank a.s. at 30 September 2013 under IFRS:

Air Bank continues to improve results as 9M 2013 loss cut 83% yoy to CZK 66.2 million

Over the first nine months of this year, Air Bank cut its net loss to CZK 66.2 million from last year's CZK 398.2 million, an 83% improvement year on year. Air Bank maintains its target of being in the black in 2015, the fourth year post-launch.

Air Bank's commercial success in 2013 has seen the number of its clients increase 185% year on year to more than 186,000 at 30 September 2013, and the volume of client deposits rise 77% year on year to CZK 44 billion.

"The successful start of consumer lending, which Air Bank launched in October 2012, is expected to be a major factor for the bank's future profitability. Between January and the end of September 2013, we provided retail customers with loans totalling CZK 1.9 billion," says **Pavel Pfauser**, Air Bank's CFO.

The strong growth in lending was also supported by the new refinancing service launched by Air Bank in early July 2013. At the end of the year, Air Bank plans to expand its range of loans to include debt consolidation.

In addition to growing revenues from consumer lending, the significant loss reduction was boosted by income from the bank's bond portfolio and from funds placed within the PPF Group. The bank's net operating income increased almost 100 times to CZK 549 million compared with the same period last year.

Despite the rapid growth in Air Bank's operations, with new employees recruited and additional branches opened, the increase in its operating costs was limited to 24% year on year at CZK 614 million.

Key ratios (in CZK '000)	30 September 2013	30 September 2012	YoY change
Interest income	962,303	295,955	225%
Interest expense	(523,695)	(270,856)	93%
Net interest income	438,608	25,099	1,648%
Operating income	549,162	5,858	9,275%
Operating costs	(614,275)	(496,587)	24%
Loss before tax	(65,113)	(490,729)	(87%)
Net loss	(66,164)	(398,160)	(83%)
Total assets	48,145,456	27,447,038	75%
Equity	3,605,345	2,186,206	65%