

# Annual Report 2014



# Content

Introduction by the Chairman of the Board of Directors	2
General Information	3
Organizational Structure	4
Management Report	5
Supervisory Board Report	7
Future Plans	8
Points of Sale	9
Independent Auditor's Report	10
Balance Sheet – Long Form	12
Income Statement – Long Form	14
Cash Flow Statement	15
Notes to the Financial Statements	16
Report on Relations between Related Parties	38

# Introduction by the Chairman of the Board of Directors

Dear Ladies and Gentlemen,

2014 was another successful year in the 10-year history of s Autoleasing, a.s. We are proud to announce record-breaking results in vehicle financing as well as in the Company's profitability, customer satisfaction and satisfaction of both end clients and business partners.

Out of all the subsidiaries and departments of Česká spořitelna within Erste Group, our employees expressed highest satisfaction and commitment to reaching the Company's goals. Personal commitment of the Company's employees contributed to increasing satisfaction of both its end clients and its business partners, i.e. new and used car dealers, with both the provided services and the level of communication. Although we are not among the cheapest financial service providers, thanks to the transparency of our products, the level of services, conscientious and reliable provision of financing and availability on the market, we have become an appreciated and sought-after business partner for both our business partners and end clients.

We focus on and devote maximum time and attention to the needs of our moto-oriented clients. With every signed lease or loan contract, our clients receive a travel card that allows for free accommodation for one to seven nights in more than 1,600 hotels in 18 countries. In addition, our clients have a free 24/7 access to an online zone where they can manage existing lease and other contracts or submit their requests from the comfort of their home or while on the road.

In 2014, we introduced a new loan product based on a vehicle's residual value in a pilot project offered to selected business partners; the new product is primarily intended for retail clients, i.e. non-entrepreneurs. The pilot project has proved that the new product is the right choice on our way to supporting further development towards satisfying client expectations. The introduction of the product showed that securing continuous mobility through the use, rather than ownership, of a vehicle is the clients' primary requirement. Major benefits of the new product include variability connected with contract termination and lower monthly installments depending on the selected residual value at the end of the financing period. At the end of the financing period, the client can choose one of the following options: buy the vehicle for a pre-agreed residual value, extend the financing to cover full price of the vehicle, or sell the vehicle. In the future, we would like to continue our trend of product innovation.

At the end of last year, trusting in the return on its investment, the sole shareholder, Česká spořitelna, a.s., increased the Company's equity in view of supporting its further business development.



**Wilfried Elbs**

Chairman of the Board of Directors  
and CEO

Thanks to the cooperation with our business partners, i.e. new and used car dealers, we have, in addition to maintaining our position in the lease and credit markets, become the largest brand independent provider of financial services and the largest provider of used cars in the Czech Republic for the third year in a row. Our subsidiary established in the Slovak republic helped us to further develop business cooperation with our business partners, particularly Czech companies with operations in the Slovak Republic.

On behalf of the management of s Autoleasing, a.s., I would like to extend my thanks and appreciation to all our employees for their excellent work, to our business partners for their trust and cooperation and to all our clients for allowing us the opportunity to finance their mobility.

Thank you

A handwritten signature in black ink, appearing to be 'W. Elbs', written in a cursive style.

Wilfried Elbs  
Chairman of the Board of Directors and CEO

# General Information

**Company Name:**

s Autoleasing, a.s.

**Registered Office:**

Budějovická 1518/13 B, 140 00 Praha 4

Company Identification Number (IČ): 27089444

**Shareholders:**

Česká spořitelna, a. s. – CZK 500,000,000 (100%)

**Members of the Board of Directors  
as at 31 December 2014:**

Wilfried Elbs, Chairman

Ing. Tomáš Veverka, Vice-chairman

Martin Klapka, Member

**Members of the Supervisory Board  
as at 31 December 2014:**

Karel Mourek, Chairman

Dr. Heinz Knotzer, Vice-chairman

Ing. Radmila Raymanová, Member

Radka Turková, Member

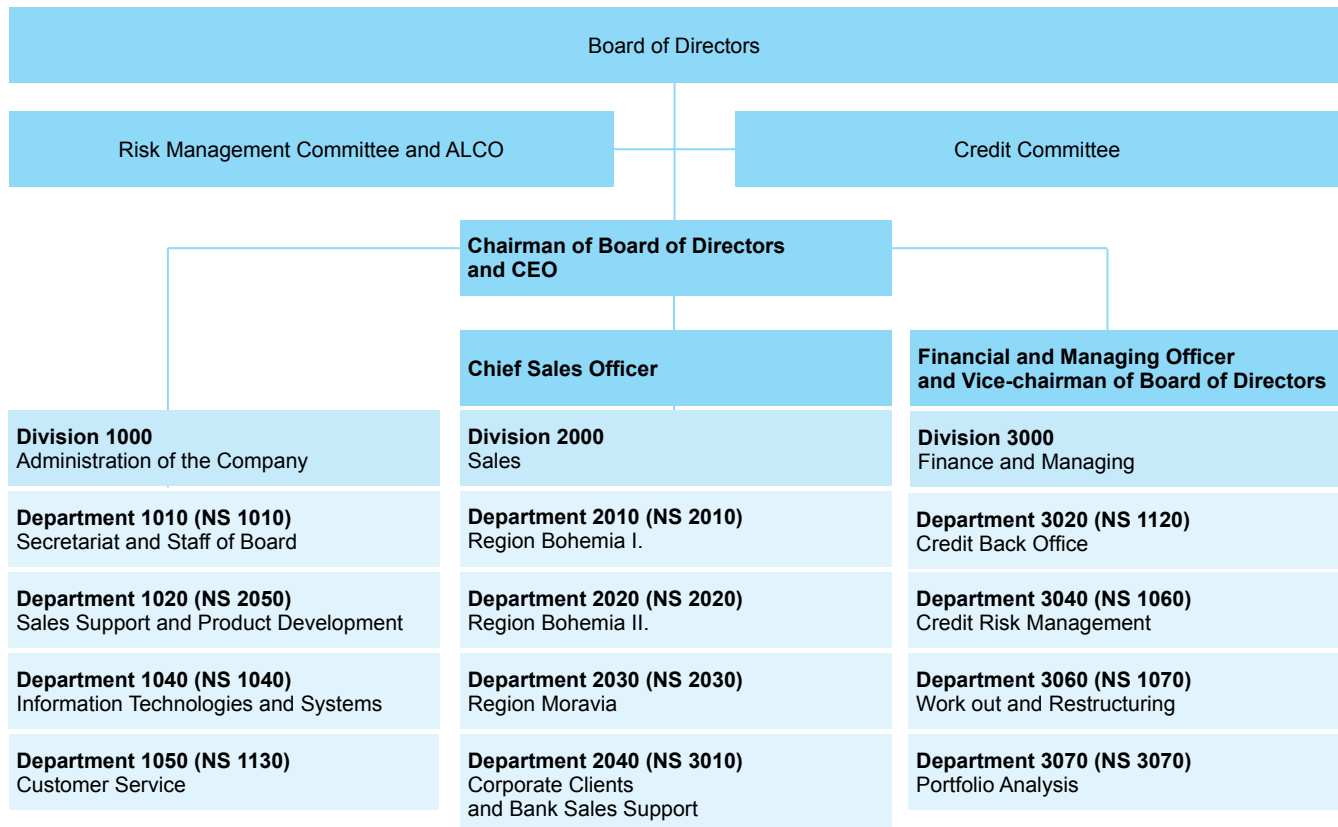
Reinhard Ortner, Member

**Major Business Activities:**

Provision of lease services, consumer loans  
and hire-purchase sale.

# Organizational Structure

The organizational structure of s Autoleasing, a.s. is as follows:



# Management Report

## Macroeconomic framework

In 2014, the marketing of financial products relied on the economic recovery that had commenced at the end of 2013. In most sectors, investments were marked by a slight growth. Household expenditures also experienced a growth. Under these circumstances in 2014, the volume of non-bank financing increased year-on-year.

Information on economic development in the Czech Republic relevant to non-bank financing business:

- GDP growth year-on-year,
- industrial production growth year-on-year,
- investment growth,
- retail revenues real growth year-on-year,
- average inflation rate was 0.4% year-on-year (drop from 1.4% at the end of 2013),
- unemployment reached 7.5% at the end of 2014 (compared to 8.2% at the end of 2013).

A large part of the demand for financing investment and consumer plans still bore significant risks and, under prudent evaluation criteria applied to both the customers and the financed commodities, could not be accepted. The share of loan financing in lease companies' business continued to grow.

In 2014, the volume of financing provided by the member companies of the Czech Leasing and Finance Association (CLFA) through leasing, factoring, consumer loans and loans for businesses totaled CZK 135.3 billion (CZK 11.95 billion more than in 2013), of which: CZK 98.35 billion went to financing of investments and business operations and CZK 36.95 billion to financing of goods and services for households. The share of loans in financing business entities' investments was 48.6% in 2014. The member companies provided a total of CZK 62.93 billion for financing (mostly new) road vehicles, of which the acquisition of passenger cars accounted for CZK 37.07 billion, including CZK 27.69 billion for the acquisition of 78,850 new passenger cars (thus financing 41% of new passenger cars first registered in the CR in 2014). Further, CZK 22.41 billion were provided to finance machinery and equipment. The member companies concluded 1,042,002 new lease and loan agreements. At the end of 2014, CLFA members had a total of 2,015,407 active lease and loan agreements. Receivables from active lease and loan transactions amounted CZK 251.99 billion at the end of 2014.

Concerning the lease of movable assets, the aggregate of the acquisition cost (excluding VAT) of the portfolio managed by ČLFA members totaled CZK 42.13 billion (a year-on-year increase of 17.1% generated by top fifteen companies). The estimation of the

overall market is CZK 43.44 billion and the total amount financed (input debt) was CZK 39.35 billion. The share of operating leases in the total leases of movable assets remained at 43.7%, i.e. the same as in 2013.

A total of 44,527 new lease agreements were concluded on the lease of machinery, equipment and vehicles for entrepreneurs, of which 16,043 were finance leases, 7,062 were operating leases, 20,423 full service leases and 999 short-term lease agreements. The number of newly concluded lease agreements to finance business investments increased by 6% compared to 2013. Receivables from concluded agreements on the lease of movable assets for entrepreneurs amounted to CZK 123 billion at the end of 2014.

26 CLFA member companies provided loans and installment sales to businesses. The total volume of provided loans was CZK 40.03 billion, which represents a year-on-year increase of 15.7 % in the volume of loans provided to businesses by the top 15 companies. The number of provided loans was 67,188, i.e. a 3.2% decrease year-on-year. The average loan amount was CZK 595,770. Receivables from loans totaled CZK 70.53 billion at the end of 2014.

Consumer loans were provided by 18 ČLFA members. Loans provided for personal purposes totaled CZK 34.94 billion, representing a 1.5% increase year-on-year. The volume of loans provided for the purposes of financing a passenger car increased to CZK 7.93 billion year-on-year, i.e. by 2.6%; the number of the above loans dropped by 0.8% to 50,468 loans. A total of 921,119 consumer loan agreements were concluded in 2014 (down by 1.6% year-on-year). The volume of receivables from active loan agreements was CZK 57.1 billion at the end of 2014.

The acquisition cost of movable assets (excluding VAT) acquired through consumer leases and short-term leases amounted to CZK 2.02 billion in 2014. The volume of consumer leases, including short-term leases, increased by 37.6% year-on-year. The share of finance leases in total consumer leases of movable assets was 5.3%, the share of operating leases was 74.6%, and the share of short-term leases was 19.8%. At the end of 2014, there were 11,541 active agreements on consumer leases concluded by member companies of ČLFA. Receivables from consumer agreements amounted to CZK 1.36 billion at the end of 2014.

## Report on the Company's operating results

s Autoleasing, a. s. recorded a profit of CZK 130 million and CZK 128 million in 2014 and 2013, respectively.

The changes in key financial indicators were as follows:

### Changes in key financial indicators

CZK mil.	2014	2013	2012	2011	2010	2009
Total assets	8,559	8,352	8,432	8,459	9,230	6,990
Fixed assets	4,930	4,853	4,961	5,166	6,089	5,972
Total revenues	1,658	2,036	2,573	3,004	4,212	4,774
Profit/loss before tax	172	176	144	74	26	(131)
Profit/loss for the year	130	128	101	44	20	(131)
Average number of FTE employees	110	108	106	109	108	67

## Report on the Company's business activities

s Autoleasing, a. s. commenced its business activities on 1 October 2004. The Company primarily engages in top quality services relating to the provision of loans and leases in cooperation with business partners, leased commodity suppliers and sales representatives.

The total input debt on all commodities financed by the members of ČLFA and relating to all financial products on the domestic market was CZK 107.52 billion in 2014. The share of s Autoleasing, a. s. was CZK 3.53 billion, i.e. 3.3% market share. Based on the recorded results in 2014, the Company ranked eleventh on the market of movables.

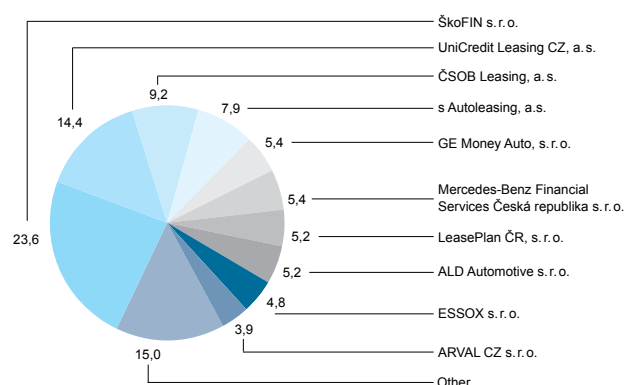
### s Autoleasing, a. s. competitors in non-bank financial product market in 2014 were as follows:

Company	In CZK million	in %
ŠkoFIN s. r. o.	9,824.39	23.6 %
UniCredit Leasing CZ, a. s.	5,968.20	14.4 %
ČSOB Leasing, a. s.	3,813.29	9.2 %
<b>s Autoleasing, a. s.</b>	<b>3,293.35</b>	<b>7.9 %</b>
GE Money Auto, s. r. o.	2,237.20	5.4 %
Mercedes-Benz Financial Services Česká republika s. r. o.	2,231.73	5.4 %
LeasePlan Česká republika, s. r. o.	2,163.17	5.2 %
ALD Automotive s. r. o.	2,157.90	5.2 %
ESSOX s. r. o.	1,990.38	4.8 %
ARVAL CZ s. r. o.	1,632.11	3.9 %
Other	6,230.59	15.0 %
<b>Market</b>	<b>41,542.31</b>	<b>100.00 %</b>

Note: CLFA members are listed according to their input debt in the aggregate of all products designed to finance cars, utility vehicles and motorcycles.

### s Autoleasing, a. s. competitors in non-bank financial product market for vehicles in 2014

#### Financing of vehicles of up to 3.5 tons





# Supervisory Board Report

In the accounting period from January to December 2014, similarly to the previous years, the Supervisory Board of s Autoleasing, a. s. in compliance with the powers and competence entrusted upon it by the Law on Commercial Corporations and the Company's Articles of Association, fulfilled the role of the Company's supervisory and control body supervising the activities of the Board of Directors and the Company's economic and business activities.

Supervisory Board supervised the functionality and efficiency of managing and controlling system of Company and evaluated it once a year.

According to the requirements stipulated in the Company's Articles of Association, the Supervisory Board held four meetings in 2014. During these meetings, the Board of Directors provided information to the Supervisory Board regarding the business and economic developments of the Company. The Supervisory Board discussed the key issues of the Company's economic and business policy and commercial strategy.

In compliance with its powers and competences following from the applicable laws and the Articles of Association, the Supervisory

Board has discussed the 2014 Report on the Company's business activities and state of assets (the Management Report) and reviewed the Company's 2014 financial statements submitted by the Board of Directors and, following the conclusions of the auditor, Ernst & Young Audit, s. r. o., expresses the opinion that the financial statements present fairly, in all material respects, the assets, liabilities, equity and financial position of the company s Autoleasing, a. s. as at 31 December 2014 and states that the results of the Company's operations for 2014 are recorded in compliance with the Act on Accounting and the applicable rules and regulations as valid in the Czech Republic.

In view of the above, the Supervisory Board recommends that the annual financial statements of s Autoleasing a. s. for 2014 and the proposed settlement of the result as submitted by the Board of Directors be approved.



Karel Mourek  
Chairman of the Supervisory Board

# Future Plans

In 2015, we will focus our attention on maintaining and expanding our market share and further supporting satisfaction of our cooperating business partners and end clients. In light of the continuous trend of growing pressure on our service prices and margins, effective cost management will be the center of our attention in 2015 in order to ensure continuous growth even in an environment of decreasing costs. Our efforts will aim at using the potential of digitalization of processes.

In satisfying our clients' requirements, we will emphasize personal approach in order to maintain the position of a reliable, responsive and available partner providing transparent services to our clients. We will further adopt a balanced and prudent risk policy to allow us to achieve a "healthy" profit needed for further operation of the Company. In cooperation with the parent company, our approval processes were successfully set to reach balance between risk management and client needs, and we would like to continue devoting our attention to their correct setting.

In the forthcoming period, we plan to further develop the client zone, marked by growing numbers of visitors, in order to increase the comfort of services provided to our clients.

Our priorities will further include supporting the development of the Slovak subsidiary, particularly its back-office functionality, and expanding our product portfolio.

We will focus on and devote further attention to the development of our employees' potential and our communication skills used vis-à-vis both our partners and our clients. We will further improve the quality of our services provided to our partners and to our clients in order to become and remain a reliable, communicative, fair and available partner for them. Maintaining their positive approach and loyalty is among our priority goals in the forthcoming period.



Wilfried Elbs  
Chairman of the Board of Directors and CEO

# Points of Sale

s Autoleasing, a. s. products are distributed via a network of business partners.

**Direct contact information:**

s Autoleasing, a. s.  
Budějovická 1518/13 B  
140 00 Praha 4 – Headquarters

**Phone:** 956 785 111

**Fax:** 224 646 111

**E-mail:** [info@sautoleasing.cz](mailto:info@sautoleasing.cz)

**Internet:** [www.sautoleasing.cz](http://www.sautoleasing.cz)

(Translation of the report originally issued in Czech - see Note 1.5 to the financial statements)

## INDEPENDENT AUDITOR'S REPORT

To the Shareholder of s Autoleasing, a.s.:

- I. We have audited the financial statements of s Autoleasing, a.s. ("the Company") as at 31 December 2014 presented in the annual report of the Company on pages 12 - 37 and our audit report dated 18 March 2015 stated the following:

"We have audited the accompanying financial statements of s Autoleasing, a.s., which comprise the balance sheet as at 31 December 2014, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information. For details of s Autoleasing, a.s., see Note 1 to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the Czech Republic, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Act on Auditors and International Standards on Auditing as amended by implementation guidance of the Chamber of Auditors of the Czech Republic. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of s Autoleasing, a.s., as at 31 December 2014, and its financial performance and its cash flows for the year then ended in accordance with accounting principles generally accepted in the Czech Republic."

- II. We have also audited the consistency of the annual report with the financial statements described above. The management of s Autoleasing, a.s. is responsible for the accuracy of the annual report. Our responsibility is to express, based on our audit, an opinion on the consistency of the annual report with the financial statements.

We conducted our audit in accordance with International Standards on Auditing and the related implementation guidance issued by the Chamber of Auditors of the Czech Republic. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the information presented in the annual report that describes the facts reflected in the financial statements is consistent, in all material respects, with the financial statements. We have checked that the accounting information presented in the annual report on pages 1 - 9 and 38 - 42 is consistent with that contained in the audited financial statements as at 31 December 2014. Our work as auditors was confined to checking the annual report with the aforementioned scope and did not include a review of any information other than that drawn from the audited accounting records of the Company. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accounting information presented in the annual report is consistent, in all material respects, with the financial statements described above.

Ernst & Young Audit, s.r.o.  
License No. 401

  
Roman Hauptfleisch, Auditor  
License No. 2009

23 April 2015  
Prague, Czech Republic

# Balance Sheet – Long Form

For the year ended 31 December 2014

CZK ths.				Current year	Prior year 2013
		Gross	Allowances	Net	Net
<b>Total assets</b>		<b>10,383,029</b>	<b>(1,877,561)</b>	<b>8,505,468</b>	<b>8,351,734</b>
<b>B.</b>	<b>Fixed assets</b>	<b>6,447,467</b>	<b>(1,517,435)</b>	<b>4,930,032</b>	<b>4,852,571</b>
B.I.	Intangible assets	136,783	(107,977)	28,806	33,443
B.I.3	Software	121,169	(95,581)	25,588	29,634
B.I.4	Patents, royalties and similar rights	15,614	(12,396)	3,218	3,697
B.I.7	Intangible assets in progress	0	0	0	112
B.II.	Tangible assets	2,588,517	(1,390,562)	1,197,955	1,504,786
B.II.3	Separate movable items and groups of movable items	2,577,411	(1,380,279)	1,197,132	1,504,671
B.II.6	Other tangible assets	27	0	27	27
B.II.7	Tangible assets in progress	10,283	(10,283)	0	88
B.II.8	Advances granted for tangible assets	796	0	796	0
B.III.	Financial investments	3,722,167	(18,896)	3,703,271	3,314,342
B.III.1	Subsidiaries	37,445	0	37,445	35,782
B.III.5	Other long-term investments	3,684,722	(18,896)	3,665,826	3,278,560
<b>C.</b>	<b>Current assets</b>	<b>3,172,996</b>	<b>(360,126)</b>	<b>2,812,870</b>	<b>2,776,187</b>
C.I.	Inventory	4,089	(3,268)	821	2,030
C.I.5	Goods	4,089	(3,268)	821	2,030
C.II.	Long-term receivables	103,919	0	103,919	182,459
C.II.1	Trade receivables	42,038	0	42,038	119,972
C.II.8	Deferred tax asset	61,881	0	61,881	62,487
C.III.	Short-term receivables	3,044,592	(356,858)	2,687,734	2,559,934
C.III.1	Trade receivables	2,247,527	(277,087)	1,970,440	1,846,020
C.III.6	Due from government – tax receivables	0	0	0	2,365
C.III.7	Short-term advances granted	7,285	0	7,285	7,207
C.III.8	Unbilled revenue	11,892	0	11,892	9,910
C.III.9	Other receivables	777,888	(79,771)	698,117	694,432
C.IV.	Short-term financial assets	20,396	0	20,396	31,764
C.IV.1	Cash	222	0	222	228
C.IV.2	Bank accounts	20,174	0	20,174	31,536
<b>D.</b>	<b>Other assets – temporary accounts of assets</b>	<b>762,566</b>	<b>0</b>	<b>762,566</b>	<b>722,976</b>
D.I.	Accrued assets and deferred liabilities	762,566	0	762,566	722,976
D.I.1	Prepaid expenses	694,615	0	694,615	650,389
D.I.3	Unbilled revenue	67,951	0	67,951	72,587

CZK ths.	Current year	Prior year 2013
<b>Total equity &amp; liabilities</b>	<b>8,505,468</b>	<b>8,351,734</b>
<b>A. Equity</b>	<b>1,554,183</b>	<b>685,262</b>
A.I. Basic capital	500,000	500,000
A.I.1 Registered capital	500,000	500,000
A.II. Capital funds	1,312,058	573,350
A.II.1 Share premium (agio)	256,000	256,000
A.II.2 Other capital funds	1,056,900	310,000
A.II.3 Gain or loss on revaluation of assets and liabilities	(842)	7,350
A.III. Reserve funds and other funds created from profit	17,751	11,353
A.III.1 Legal reserve fund	17,751	11,353
A.IV. Profit (loss) for the previous years	(405,839)	(527,406)
A.IV.2 Accumulated loss of previous years	(405,839)	(527,406)
A.V. Profit (loss) for the year (+/-)	130,213	127,965
<b>B. Liabilities</b>	<b>6,662,986</b>	<b>7,298,332</b>
B.I. Provisions	9,842	4,041
B.I.4 Other provisions	9,842	4,041
B.III. Current liabilities	203,537	213,288
B.III.1 Trade payables	1,061	2,009
B.III. 5 Liabilities to employees	5,011	4,266
B.III.6 Liabilities arising from social security and health insurance	2,406	2,358
B.III.7 Due to government – taxes and subsidies	6,529	7,017
B.III.8 Short-term advances received	51,294	43,690
B.III.10 Unbilled deliveries	104,295	116,209
B.III.11 Other liabilities	32,941	37,739
B.IV. Bank loans and borrowings	6,449,607	7,081,003
B.IV.1 Long-term bank loans	3,840,041	3,883,563
B.IV.2 Short-term bank loans	2,609,566	3,197,440
<b>C. Other liabilities – temporary accounts of liabilities</b>	<b>288,299</b>	<b>368,140</b>
C.I. Accrued liabilities and deferred assets	288,299	368,140
C.I.1 Accruals	7,796	10,397
C.I.2 Deferred income	280,503	357,743

# Income Statement – Long Form

for the year ended 31 December 2014

CZK ths.		Current year	Prior year 2013
I.1	Revenue from sale of goods	4,517	18,620
A.2	Cost of goods sold	9,240	20,765
<b>+</b>	<b>Gross margin</b>	<b>(4,723)</b>	<b>(2,145)</b>
II.	Production	831,221	1,171,079
II.1	Revenue from sale of finished products and services	831,221	1,171,079
B.	Production related consumption	437,647	427,656
B.1	Consumption of material and energy	3,785	6,141
B.2	Services	433,862	421,515
<b>+</b>	<b>Value added</b>	<b>388,851</b>	<b>741,278</b>
C.	Personnel expenses	105,558	100,356
C.1	Wages and salaries	69,329	72,411
C.2	Bonuses to members of company or cooperation bodies	7,912	664
C.3	Social security and health insurance	24,186	24,636
C.4	Other social costs	4,131	2,645
D.1	Taxes and charges	1,371	1,844
E.1	Amortization and depreciation of intangible and tangible fixed assets	527,550	794,797
III.	Revenue from sale of intangible and tangible fixed assets and materials	141,088	149,781
III.1	Revenues from sale of intangible and tangible fixed assets	141,088	149,781
F.	Net book value of intangible and tangible fixed assets and materials sold	208,828	210,803
F.1	Net book value of intangible and tangible fixed assets sold	208,828	210,803
G.1	Change in provisions and allowances relating to operations and in prepaid expenses (specific-purpose expenses)	(84,477)	(87,024)
IV.1	Other operating revenues	130,390	129,689
H.2	Other operating expenses	152,399	206,047
<b>*</b>	<b>Profit or loss on operating activities</b>	<b>(250,900)</b>	<b>(206,075)</b>
X.1	Interest income	546,731	550,395
N.2	Interest expense	117,792	141,378
XI.1	Other finance income	4,110	16,917
O.2	Other finance cost	9,806	43,630
<b>*</b>	<b>Profit or loss on financial activities</b>	<b>423,243</b>	<b>382,304</b>
Q.	Tax on profit or loss on ordinary activities	42,131	48,267
Q.1	– due	41,731	37,902
Q.2	– deferred	400	10,365
<b>**</b>	<b>Profit or loss on ordinary activities after taxation</b>	<b>130,212</b>	<b>127,962</b>
XIII.1	Extraordinary gains	1	3
<b>*</b>	<b>Extraordinary profit or loss</b>	<b>1</b>	<b>3</b>
<b>***</b>	<b>Profit or loss for the year (+/-)</b>	<b>130,213</b>	<b>127,965</b>
<b>****</b>	<b>Profit or loss before taxation</b>	<b>172,344</b>	<b>176,232</b>



# Cash Flow Statement

for the year ended 31 December 2014

CZK ths.	Current year	Prior year 2013
<b>Cash flows from operating activities</b>		
<b>Z. Profit or loss on ordinary activities before taxation (+/-)</b>	<b>172,343</b>	<b>176,229</b>
A.1. Adjustments to reconcile profit or loss to net cash provided by or used in operating activities	206,690	546,283
A.1.1. Depreciation and amortization of fixed assets and write-off of receivables	660,559	977,957
A.1.2. Change in allowances	(90,279)	(88,030)
A.1.3. Change in provisions	5,801	1,005
A.1.4. Foreign exchange differences	0	538
A.1.5. (Gain)/Loss on disposal of fixed assets	67,740	61,022
A.1.6. Interest expense and interest income	(428,939)	(409,017)
A.1.7. Other non-cash movements (e.g. revaluation at fair value to profit or loss, dividends received)	(8,192)	2,808
<b>A* Net cash from operating activities before taxation, changes in working capital and extraordinary items</b>	<b>379,033</b>	<b>722,512</b>
A.2. Change in non-cash components of working capital	(631,595)	(691,228)
A.2.1. Change in inventory	3,848	1,612
A.2.2. Change in trade receivables	(486,048)	(413,757)
A.2.3. Change in other receivables and in prepaid expenses and unbilled revenue	(59,482)	(154,917)
A.2.4. Change in trade payables	(948)	897
A.2.5. Change in other payables, short-term loans and in accruals and deferred income	(88,965)	(125,063)
<b>A** Net cash from operating activities before taxation, interest paid and extraordinary items</b>	<b>(252,562)</b>	<b>31,284</b>
A.3.1. Interest paid	(115,749)	(138,252)
A.4.1. Tax paid	(43,247)	(43,319)
A.5.1. Gains and losses on extraordinary items	546,456	552,925
<b>A*** Net cash provided by (used in) operating activities</b>	<b>134,898</b>	<b>402,638</b>
<b>Cash flows from investing activities</b>		
B.1.1. Purchase of fixed assets	(402,858)	(470,444)
B.2.1. Proceeds from sale of fixed assets	141,088	149,781
<b>B*** Net cash provided by (used in) investing activities</b>	<b>(261,770)</b>	<b>(320,663)</b>
<b>Cash flows from financing activities</b>		
C.1.1. Change in long-term liabilities and long-term, resp. short-term, loans	(631,396)	(68,455)
C.2.3. Effect of other changes in basic capital on cash	746,900	(17,483)
<b>C*** Net cash provided by (used in) financing activities</b>	<b>115,504</b>	<b>(85,938)</b>
F. Net increase (decrease) in cash	(11,368)	(3,963)
P. Cash and cash equivalents at beginning of year	31,764	35,727
<b>R. Cash and cash equivalents at end of year</b>	<b>20,396</b>	<b>31,764</b>

# Notes to the Financial Statements

for the Year Ended 31 December 2014

## 1. General information

### 1.1 Incorporation and Description of the Business

s Autoleasing, a.s. (“the Company” or “SAL”) was created by a Deed of Incorporation as a joint stock company on 15 August 2003 and was incorporated by registration at the Commercial Register kept in the Municipal Court in Prague on 6 October 2003. The principal business activity of the Company is to provide leasing services including instalment sales and providing consumer loans. These activities account for all of the Company’s revenues and are performed in the Czech Republic.

The Company’s share capital is CZK 500,000 thousand as at 31 December 2014. The Company’s sole shareholder is Česká spořitelna, a.s., holding 100% of the share capital.

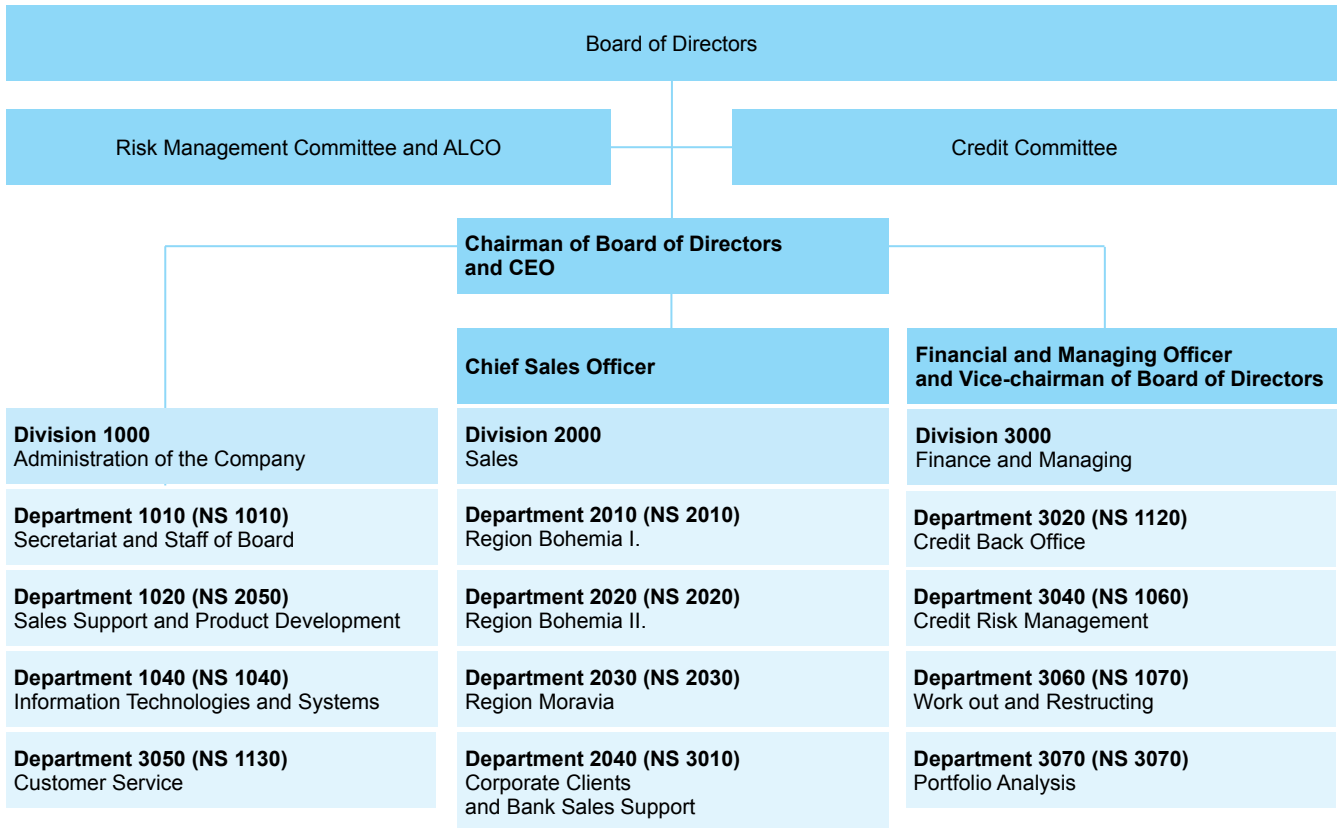
The Company concluded no controlling agreement with the parent company.

The financial statements have been prepared as separate financial statements for the year ended 31 December 2014. Consolidated financial statements prepared in accordance with International Financial Reporting Standards have been prepared by the parent company Česká spořitelna, a.s. In accordance with valid Czech accounting legislation, the Company prepares its annual financial statements in accordance with accounting principles generally accepted in the Czech Republic.

### 1.2 Changes and Amendments in the Commercial Register

In 2014, no changes in the Company’s statutory bodies were made to the Commercial Register maintained in the Municipal Court in Prague, except for the changes in 1.5.

### 1.3 Organisational Structure of the Company



The Company has no foreign branch.

## 1.4 Group Identification

The Company is part of the Česká spořitelna, a. s. financial group. The Company is included in the consolidated group of Česká spořitelna, a. s.

## 1.5 Board of Directors and Supervisory Board as at 31 December 2014

	Position	Name
Board of Directors	Chairman	Wilfried Reinhard Elbs
	Vice-chairman	Ing. Tomáš Veverka
	Member	Martin Klapka
Supervisory Board	Chairman	Karel Mourek
	Vice-chairman	Dr. Heinz Knotzer
	Member	Ing. Radmila Raymanová
	Member	Reinhard Ortner
	Member	Radka Turková

Effective from 1 May 2014, Reinhard Ortner was appointed a Supervisory Board member. Effective from 21 July 2014, the membership in Supervisory Board expired for Petra Šimůnková.

### Explanation Added for Translation into English

These financial statements are presented on the basis of accounting principles and standards generally accepted in the Czech Republic. Certain accounting practices applied by the Company that conform with generally accepted accounting principles and standards in the Czech Republic may not conform with generally accepted accounting principles in other countries.

## 2. Accounting methods and general accounting principles

The Company's accounting is maintained and the financial statements were prepared in accordance with Accounting Act 563/1991 Coll., as amended; Regulation 500/2002 Coll., which provides implementation guidance on certain allowances of the Accounting Act for reporting entities which maintain a double-entry bookkeeping system and Czech Accounting Standards for Businesses, as amended.

The accounting is maintained in compliance with general accounting principles, specifically the historical cost valuation basis, the accrual principle, the prudence concept and the going concern assumption.

These financial statements are presented in thousands of Czech crowns (CZK), unless stated otherwise.

## 3. Summary of significant accounting policies

### 3.1 Tangible and Intangible Fixed Assets

Tangible fixed assets include identifiable assets with physical substance which have an estimated useful life greater than one year and a cost greater than CZK 40 thousand on an individual basis.

Intangible fixed assets include identifiable assets without physical substance which have an estimated useful life greater than one year and a cost greater than CZK 60 thousand.

Purchased tangible and intangible fixed assets are recorded at their acquisition costs, which consist of the purchase price and related costs (assembly, freight, etc.).

The assets acquired based on the collateralized transfer of the ownership right from loan contracts are recorded in tangible fixed assets in the amount of outstanding receivables from customers.

The cost of fixed asset improvements exceeding CZK 40 thousand and CZK 40 thousand in aggregate for individual tangible and intangible fixed assets, respectively for the taxation period increases the acquisition cost of the related fixed asset.

Tangible assets with a cost below CZK 40 thousand which are not included in the selected low value fixed assets, technical improvements and tangible assets with a cost below CZK 40 thousand and intangible assets with a cost below CZK 60 thousand are charged to expenses in the period in which they were acquired.

### Depreciation for accounting purposes

#### Assets used by the Company

Assets are depreciated using the straight line method over their estimated useful lives.

Irrespective of their value, works of art and assets under construction are not depreciated.

The depreciation periods of the individual asset categories are as follows:

Asset category	Depreciation period in years
Machinery and equipment	4–12
Vehicles	4–5
Furniture and fixtures	4–6
Software, licences and other intangible assets	4

#### Commencement of Depreciation

Depreciation of tangible and intangible fixed assets for internal use begins in the month following the month the assets are put into use.

Depreciation of leased movable assets commences in the month following the month the assets are put into use by the lessee, based on a putting-into-use record received.

#### Impairment

Allowances against impaired tangible and intangible fixed assets are established and updated as the difference between the carrying value of the relevant asset and its market value, based on a review of prematurely terminated contracts. The allowance is created as

the full amount of the estimated difference less any underlying collateral.

With respect to current contracts, an allowance against impaired leased tangible and intangible fixed assets is calculated based on the difference between the exposure and the market price, to which a percentage derived from the number of past due days of the oldest receivable relating to the respective lease contract is applied.

The impairment is assessed using a statistical model, which determines a specific impairment coefficient for each contract. The level of the coefficient depends on the category defined by Czech National Bank (“CNB”), the length of collection period and the course of collection.

For reporting purposes, this calculated allowance is then divided into an allowance against assets and an allowance against receivables, based on an analysis of the whole portfolio by commodity, reflecting the share of allowances arising from prematurely terminated transactions which are created separately against assets (see above) and against receivables (see Note 3.3).

An allowance against advances on tangible fixed assets is created on the basis of an analysis of the entity to which the advance was made.

### 3.2 Non-Current Financial Investments

Non-current financial investments mainly include loans falling due after one year and ownership interests.

Other non-current financial investments include principal of the consumer loans provided to the individuals, entrepreneurs and corporations.

Only the portion of the principal payable after one year is assessed as a non-current financial asset.

#### Impairment

Allowances are created individually. The impairment is assessed using a statistical model, which determines a specific impairment coefficient for each contract. The level of the coefficient depends on the CNB category, the length of collection period and the course of collection.

#### 3.2.1 Ownership Interests in Subsidiaries

Ownership interests are valued at their acquisition cost upon purchase. The acquisition cost of securities and ownership interests includes direct costs related to the acquisition, e.g. fees and commissions paid to agents, advisors and stock exchanges.

At the date of acquisition of securities and ownership interests, the Company classifies these non-current financial assets based on their underlying characteristics as investments in subsidiaries and in associates.

Investments in companies in which the Company has the power to govern the financial and operating policies so as to obtain benefits from their operations are classified as “Subsidiaries”.

As at the balance sheet date, investments in subsidiaries are valued as follows:

- Ownership interests in subsidiaries are valued under the equity method; and
- Ownership interests recorded at acquisition cost upon acquisition are revalued at the balance sheet date to reflect the value of the Company’s share of the subsidiary’s equity.

### 3.3 Receivables

Upon origination, receivables are stated at their nominal value as subsequently reduced by appropriate allowances for doubtful and bad amounts.

Receivables consist of outstanding lease payments and the aggregate balance of amounts due from instalment sales and granted consumer loans.

#### Impairment (see Note 3.1).

Allowances against receivables arising from penalties are recognised in respect of the entire carrying value of these receivable balances.

### 3.4 Inventory

Seized assets from Stock financing are valued on the basis of the estimated net realizable amount and accounted for as Goods.

### 3.5 Equity

The share capital of the Company is stated at the amount recorded in the Commercial Register maintained in the Municipal Court. Other capital funds consist of monetary contributions in excess of share capital.

The Annual General Meeting may decide to establish a reserve fund from profits and to allocate the net income (or part) as reported in the annual financial statements to the reserve fund. The reserve fund can be used to cover the loss or for any other purpose approved by the General Meeting.

### 3.6 Trade payables

Trade payables are recorded at their nominal values.

### 3.7 Loans

Loans are stated at their outstanding nominal value. Loan interest is recorded on the accrual basis and included in the profit or loss for the period to which it belongs to.

Any portion of long-term debt which is due within one year of the balance sheet date is classified as short-term debt.

### 3.8 Provisions

Provisions are created in order to cover future payables or expenses the purpose of which is known and is probable that they will arise although their amount and date of arising are usually uncertain.

### 3.9 Foreign Currency Translation

Transactions denominated in foreign currencies during the year are translated using the exchange rate of the CNB prevailing on the date of the transaction.

At the balance sheet date, financial assets, current assets and liabilities denominated in a foreign currency are translated using the effective exchange rate announced by the CNB as at that date. Any resulting foreign exchange rate gains and losses are recorded through the current period's financial expenses or income as appropriate.

### 3.10 Taxes

#### 3.10.1 Depreciation of Fixed Assets for Tax Purposes

Depreciation of the Company's own assets and assets held under operating leases is calculated on a straight line basis for tax purposes. Assets held under finance leases according to contracts concluded before 31 December 2007 are depreciated over the lease term. Assets held under finance leases according to contracts concluded after 1 January 2008 are depreciated on a straight line basis according to Sections 31 of Act No. 586/1992 Coll., on Income Taxes, as amended. Assets held under finance leases according to contracts concluded between 20 July 2009 and 30 June 2010 are depreciated on a straight line basis according to Sections 30a of Act No. 586/1992 Coll., on Income Taxes, as amended.

#### 3.10.2 Current Tax Payable

The current tax payable is based on taxable profit for the reporting period.

Taxable profit differs from the net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible, further adjusted by tax allowances and potential credits of tax paid abroad.

The current tax payable is determined using tax rates applicable as at the balance sheet date.

#### 3.10.3 Deferred Tax

Deferred tax is accounted for using the balance sheet liability method.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also included in equity.

Deferred tax assets and liabilities are offset and reported on an aggregate net basis in the balance sheet, except when partial tax assets cannot be offset against partial tax liabilities.

### 3.11 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of fixed assets are added to the cost of those assets.

All other borrowing costs are recognised in the income statement in the period in which they are incurred.

### 3.12 Revenue Recognition

Revenues are recorded on an accrual basis, i.e. they are charged to income for the year in which they were earned. Revenues are recognised on an incremental basis from the beginning of the financial reporting period. With a view to determining the results of operations in the required format, the Company categorises its revenues as operating, financial and extraordinary.

Revenues relating to future periods are recognised on the accrual basis.

- Interest on provided loans is accrued on an annuity basis over the loan contract period and is always recognised as at the last day of the month;
- Fees for the processing of contracts are accrued on a straight-line basis over the contract period and are always recognised as at the last day of the month; Other revenues are recognised on an accrual basis into income for the period in which they were earned.

### 3.13 Costs

Costs are recorded on the accrual basis, i.e. they are expenses in the year in which they were incurred.

Dealer commissions are deferred and amortised over the contract term on a straight-line basis.

### 3.14 Use of Estimates

The presentation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets (specifically receivables and tangible assets) and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. Management of the Company has made these estimates and assumptions on the basis of all the relevant information available.

### 3.15 Cash Flow Statement

The cash flow statement is prepared using the indirect method. Cash equivalents include current liquid assets easily convertible into cash in an amount agreed in advance. Cash and cash equivalents can be analysed as follows:

CZK ths.	As at 31 Dec 2013	+/- 2014	As at 31 Dec 2014
Cash at bank	31,536	(11,362)	20,174
Liquid valuables	228	(6)	222
<b>Total cash and cash equivalents</b>	<b>31,764</b>	<b>(11,368)</b>	<b>20,396</b>

Cash flows from operating, investing and financing activities presented in the cash flow statement are not offset.

## 4. Balance Sheet and Income Statement – Additional Information

### 4.1 Fixed Assets

#### 4.1.1 Intangible Fixed Assets

Acquisition cost

CZK ths.	Balance as at 31 Dec 2012	Additions	Disposals	Balance as at 31 Dec 2013	Additions	Disposals	Balance as at 31 Dec 2014
Intangibles in progress	455	282	(625)	112	6,395	(6,507)	0
Patents, royalties and similar rights	12,774	1,889	0	14,663	951	0	15,614
Software	110,795	4,818	0	115,613	5,556	0	121,169
<b>Total</b>	<b>124,024</b>	<b>6,989</b>	<b>(625)</b>	<b>130,388</b>	<b>12,902</b>	<b>(6,507)</b>	<b>136,783</b>

Accumulated amortisation

CZK ths.	Balance as at 31 Dec 2012	Additions	Disposals	Balance as at 31 Dec 2013	Additions	Disposals	Balance as at 31 Dec 2014
Patents, royalties and similar rights	(8,862)	(2,104)	0	(10,966)	(1,430)	0	(12,396)
Software	(74,974)	(11,005)	0	(85,979)	(9,602)	0	(95,581)
<b>Total</b>	<b>(83,836)</b>	<b>(13,109)</b>	<b>0</b>	<b>(96,945)</b>	<b>(11,032)</b>	<b>0</b>	<b>(107,977)</b>

Net book value

CZK ths.	Balance as at 31 Dec 2012	Balance as at 31 Dec 2013	Balance as at 31 Dec 2014
Intangibles in progress	455	112	0
Patents, royalties and similar rights	3,912	3,697	3,218
Software	35,821	29,634	25,588
<b>Total, incl. allowances</b>	<b>40,188</b>	<b>33,443</b>	<b>28,806</b>

All the intangible fixed assets are used by the Company.

#### Amortisation of intangible fixed assets

<b>CZK ths.</b>	<b>2013</b>	<b>2014</b>
<b>Total</b>	<b>13,109</b>	<b>11,032</b>

### 4.1.2 Tangible Fixed Assets

#### 4.1.2.1 Own tangible fixed assets

##### Acquisition cost

<b>CZK ths.</b>	<b>Balance as at 31 Dec 2012</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance as at 31 Dec 2013</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance as at 31 Dec 2014</b>
Individual movable assets	35,464	1,724	(2,976)	34,212	6,355	(6,167)	34,400
– Machinery and equipment	21,544	235	(474)	21,305	416	(1,077)	20,644
– Vehicles	13,921	1,488	(2,502)	12,907	5,939	(5,090)	13,756
Other tangibles	27	0	0	27	0	0	27
Tangibles in progress	0	1,577	(1,489)	88	6,297	(6,367)	0
<b>Total</b>	<b>35,491</b>	<b>3,301</b>	<b>(4,465)</b>	<b>34,327</b>	<b>12,652</b>	<b>(12,552)</b>	<b>34,427</b>

##### Accumulated depreciation

<b>CZK ths.</b>	<b>Balance as at 31 Dec 2012</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance as at 31 Dec 2013</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance as at 31 Dec 2014</b>
Individual movable assets	(20,560)	(4,499)	1,778	(23,281)	(4,677)	4,550	(23,408)
– Machinery and equipment	(16,978)	(1,511)	474	(18,014)	(1,416)	1,076	(18,354)
– Vehicles	(3,583)	(2,988)	1,304	(5,267)	(3,261)	3,474	(5,054)
<b>Total</b>	<b>(20,560)</b>	<b>(4,499)</b>	<b>1,778</b>	<b>(23,281)</b>	<b>(4,677)</b>	<b>4,550</b>	<b>(23,408)</b>

\* Additions and disposals to accumulated depreciation include both the additions and disposals to accumulated depreciation and the net book value of fixed assets sold and/or damaged.

##### Net book value

<b>CZK ths.</b>	<b>Balance as at 31 Dec 2012</b>	<b>Balance as at 31 Dec 2013</b>	<b>Balance as at 31 Dec 2014</b>
Individual movable assets	14,904	10,931	10,992
– Machinery and equipment	4,566	3,291	2,290
– Vehicles	10,338	7,640	8,702
Other tangibles	27	27	27
Tangibles in progress	0	88	0
<b>Total, incl. allowances</b>	<b>14,931</b>	<b>11,046</b>	<b>11,019</b>



#### 4.1.2.2 Tangible Fixed Assets Held Under Leases and Seized Assets

##### Acquisition cost

CZK ths.	Balance as at 31 Dec 2012	Additions	Disposals	Balance as at 31 Dec 2013	Additions	Disposals	Balance as at 31 Dec 2014
Individual movable assets	5,208,189	464,841	(2,213,093)	3,459,937	392,274	(1,309,200)	2,543,011
– Machinery and equipment	1,781,093	5,502	(529,922)	1,256,673	0	(448,229)	808,444
– Vehicles	3,354,909	371,818	(1,615,046)	2,111,681	286,786	(741,433)	1,657,034
– Furniture and fixtures	44,726	0	(6,548)	38,178	0	(16,072)	22,106
– Seized assets from client loans	27,461	87,521	(61,577)	53,405	105,488	(103,466)	55,427
Tangibles in progress	10,175	377,428	(377,320)	10,283	286,786	(286,786)	10,283
Advances for tangibles	2,151	5,105	(7,256)	0	13,846	(13,050)	796
<b>Total</b>	<b>5,220,515</b>	<b>847,374</b>	<b>(2,597,669)</b>	<b>3,470,220</b>	<b>692,906</b>	<b>(1,609,036)</b>	<b>2,554,090</b>

##### Accumulated depreciation

CZK ths.	Balance as at 31 Dec 2012	Additions	Disposals	Balance as at 31 Dec 2013	Additions	Disposals	Balance as at 31 Dec 2014
Individual movable assets	(3,081,136)	(997,114)	2,212,913	(1,865,337)	(726,117)	1,309,200	(1,282,255)
– Machinery and equipment	(1,001,414)	(310,508)	529,922	(782,000)	(189,401)	448,229	(523,172)
– Vehicles	(2,048,952)	(621,914)	1,615,046	(1,055,820)	(431,344)	741,433	(745,732)
– Furniture and fixtures	(30,770)	(3,294)	6,548	(27,517)	(1,907)	16,072	(13,351)
– Seized assets from client loans	0	(61,398)	61,398	0	(103,465)	103,466	0
<b>Total</b>	<b>(3,081,136)</b>	<b>(997,114)</b>	<b>2,212,913</b>	<b>(1,865,337)</b>	<b>(726,117)</b>	<b>1,309,200</b>	<b>(1,282,255)</b>

\* Additions and disposals to accumulated depreciation include both the additions and disposals to accumulated depreciation and the net book value of fixed assets sold and/or damaged.

##### Allowances

CZK ths.	Balance as at 31 Dec 2012	Additions	Disposals	Balance as at 31 Dec 2013	Additions	Disposals	Balance as at 31 Dec 2014
Individual movable assets	(125,565)	(74,774)	99,478	(100,860)	(84,577)	110,821	(74,616)
– Tangibles – current contracts	(68,222)	(4,067)	24,186	(48,103)	(98)	26,541	(21,660)
– Tangibles – prematurely terminated contracts	(39,107)	(7,549)	32,759	(13,897)	(2,412)	7,177	(9,132)
– Seized assets from client loans	(18,236)	(63,158)	42,533	(38,860)	(82,067)	77,103	(43,824)
Tangibles in progress	(10,175)	(108)	0	(10,283)	0	0	(10,283)
<b>Total</b>	<b>(135,740)</b>	<b>(74,882)</b>	<b>99,478</b>	<b>(111,143)</b>	<b>(84,577)</b>	<b>110,821</b>	<b>(84,899)</b>

##### Net book value

CZK ths.	Balance as at 31 Dec 2012	Balance as at 31 Dec 2013	Balance as at 31 Dec 2014
Individual movable assets	2,001,488	1,493,740	1,186,140
– Machinery and equipment	779,679	474,673	285,271
– Vehicles	1,198,628	993,861	880,511
– Furniture and fixtures	13,956	10,661	8,755
– Seized assets from client loans	9,225	14,545	11,603
Tangibles in progress	0	0	0
Advances for tangibles	2,151	0	796
<b>Total, incl. allowances</b>	<b>2,003,639</b>	<b>1,493,740</b>	<b>1,186,936</b>

## Depreciation of tangible fixed assets

CZK ths.	2013	2014
<b>Total</b>	<b>781,688</b>	<b>516,518</b>

## 4.1.3 Non-Current Financial Investments

## Ownership Interests in Subsidiaries

As at 31 December 2014, the Company holds 100% ownership interest in DINESIA a. s. (former Leasing České spořitelny, a. s.). The ownership interest in DINESIA a. s. was acquired based on a contract, from Česká spořitelna, a. s., in 2008.

As at 31 December 2014, the Company holds 100% ownership interest in s Autoleasing SK, s. r. o.; the ownership interest was acquired through establishing a subsidiary in 2012. In 2014, the share capital in s Autoleasing SK, s. r. o. was increased.

## 2014

Subsidiaries CZK ths.	Balance as at 1 Jan 2014	Additions	Revaluation	Balance as at 31 Dec 2014
DINESIA a. s.	33,619	0	1,087	34,706
s Autoleasing SK, s. r. o.	2,163	9,648	(9,072)	2,739
<b>Total</b>	<b>35,782</b>	<b>9,648</b>	<b>(7,985)</b>	<b>37,445</b>

## 2013

Subsidiaries CZK ths.	Balance as at 1 Jan 2013	Additions	Revaluation	Balance as at 31 Dec 2013
DINESIA a. s.	32,310	0	1,309	33,619
s Autoleasing SK, s. r. o.	2,500	15,312	(15,649)	2,163
<b>Total</b>	<b>34,810</b>	<b>15,312</b>	<b>(14,340)</b>	<b>35,782</b>

## Acquisition cost

Name CZK ths.	Registered office	Acquisition price	Share	Voting rights	Equity	Profit for the year	Dividends per year	Valuation as at 31 Dec 2014
DINESIA a. s.	Střelnická 8/1680, Prague 8	2,105	100%	100%	34,706	1,087	0	34,706
s Autoleasing SK, s. r. o.	Tomášikova 48, Bratislava	31,884	100%	100%	2,739	(9,152)	0	2,739
<b>Total</b>		<b>33,989</b>			<b>37,445</b>	<b>(8,065)</b>	<b>0</b>	<b>37,445</b>

\*Data for the year 2014 are based on unaudited Financial figures.

## Other Financial Investments

## Gross amount

CZK ths.	Balance as at 31 Dec 2012	Change in credit	Balance as at 31 Dec 2013	Change in credit	Balance as at 31 Dec 2014
Other financial investments	2,891,737	410,263	3,302,000	382,722	3,684,722
– Loans granted – Individuals non-entrepreneurs	1,423,510	(47,229)	1,376,281	(14,455)	1,361,826
– Loans granted – Individuals entrepreneurs / Legal entities	1,468,227	457,492	1,925,719	397,177	2,322,896
<b>Total</b>	<b>2,891,737</b>	<b>410,263</b>	<b>3,302,000</b>	<b>382,722</b>	<b>3,684,722</b>

## Allowances

CZK ths.	Balance as at 31 Dec 2012	Additions	Disposals	Balance as at 31 Dec 2013	Additions	Disposals	Balance as at 31 Dec 2014
Allowance against principal – Individuals non-entrepreneurs	(12,116)	(20,401)	24,290	(8,227)	(12,363)	15,069	(5,521)
Allowance against principal – Individuals entrepreneurs / Legal entities	(12,565)	(51,523)	48,875	(15,213)	(38,922)	40,760	(13,375)
<b>Total</b>	<b>(24,681)</b>	<b>71,924</b>	<b>73,165</b>	<b>(23,440)</b>	<b>(51,285)</b>	<b>55,829</b>	<b>(18,896)</b>

## Net value

CZK ths.	Net value as at 31 Dec 2013	Net value as at 31 Dec 2014
Other financial investments	3,278,560	3,665,826
– Loans granted – Individuals non-entrepreneurs	1,368,054	1,356,305
– Loans granted – Individuals entrepreneurs / Legal entities	1,910,506	2,309,521
<b>Total</b>	<b>3,278,560</b>	<b>3,665,826</b>

## 4.2 Long-term Receivables

Long-term trade receivables were as follows:

CZK ths.	Balance as at 31 Dec 2013	Balance as at 31 Dec 2014
Instalment sales	119,972	42,038
<b>Total long-term trade receivables</b>	<b>119,972</b>	<b>42,038</b>

Long-term trade receivables comprise that part of receivables from instalment sales that is due within 1 year of the balance sheet date.

## 4.3 Inventory

## 4.3.1 Goods

## Acquisition cost

CZK ths.	Balance as at 31 Dec 2013	Balance as at 31 Dec 2014
Seized assets from stock financing	7,937	4,089
<b>Total</b>	<b>7,937</b>	<b>4,089</b>

## Allowances

CZK ths.	Balance as at 31 Dec 2013	Balance as at 31 Dec 2014
Seized assets from stock financing	(5,907)	(3,268)
<b>Total</b>	<b>(5,907)</b>	<b>(3,268)</b>

## 4.4 Short-term Receivables

### 4.4.1 Ageing of Trade Receivables

Trade receivables represent the aggregate of receivables arising from lease instalments, instalment sales and loan contracts.

CZK ths.	Balance as at 31 Dec 2013	Balance as at 31 Dec 2014
Receivables from instalment sales	44,679	33,664
Receivables from lease instalments	164,728	143,576
Receivables from consumer loans	1,987,341	2,070,287
<b>Total receivables</b>	<b>2,196,748</b>	<b>2,247,527</b>

Year CZK ths.	Category	Before due date	Past due					Total
			0–90 days	91–180 days	181–360 days	1–2 years	More than 2 years	
2014	Gross	1,939,292	50,711	14,782	42,588	60,053	140,101	<b>2,247,527</b>
	Allowances							<b>(277,087)</b>
	Net							<b>1,970,440</b>
2013	Gross	1,823,956	45,441	21,192	67,204	75,980	162,975	<b>2,196,748</b>
	Allowances							<b>(350,728)</b>
	Net							<b>1,846,020</b>

### 4.4.2 Allowances against Short-term Receivables

CZK ths.	Balance as at 1 Jan 2013	Additions	Disposals	Balance as at 31 Dec 2013	Additions	Disposals	Balance as at 31 Dec 2014
Current contracts	(43,833)	(19,449)	42,792	(20,490)	0	7,632	(12,858)
Prematurely terminated contracts	(315,621)	(256,008)	313,476	(258,153)	(182,362)	252,327	(188,188)
Penalty	(6,000)	(1,000)	2,887	(4,113)	(806)	1,218	(3,701)
Contractual penalties	(161)	(167)	247	(81)	(2)	48	(35)
Bankruptcy	(45,905)	(12,165)	44,260	(13,810)	(15,407)	8,883	(20,334)
Contractual fees and late charges	(15,991)	(16,606)	16,212	(16,385)	(14,586)	17,297	(13,674)
Contractual penalties – loans	(24,007)	(26,396)	12,707	(37,696)	(24,802)	24,201	(38,297)
<b>Total allowance against receivables</b>	<b>(451,518)</b>	<b>(331,791)</b>	<b>432,581</b>	<b>(350,728)</b>	<b>(237,965)</b>	<b>311,606</b>	<b>(277,087)</b>
Stock financing	(24,543)	(81,093)	42,653	(62,983)	(106,425)	89,637	(79,771)
<b>Total allowances against receivables</b>	<b>(476,061)</b>	<b>(412,884)</b>	<b>475,234</b>	<b>(413,711)</b>	<b>(344,390)</b>	<b>401,243</b>	<b>(356,858)</b>

#### 4.4.3 Short-term Receivables including Intercompany Receivables

Name CZK ths.	Balance as at 31 Dec 2013	Balance as at 31 Dec 2014
Česká spořitelna, a. s.	3,798	2,673
DINESIA a. s.	48	0
Investiční společnost České spořitelny, a. s.	175	0
s Autoleasing SK, s. r. o.		
– Receivables from the provision of professional services	265	275
– Receivables from rebilling of IT services	1,110	0
<b>Total short-term intercompany receivables</b>	<b>5,396</b>	<b>2,948</b>
Receivables to third parties	2,968,249	3,041,644
<b>Total short-term receivables (gross)</b>	<b>2,973,645</b>	<b>3,044,592</b>

#### 4.5 Short-term Financial Assets

CZK ths.	Balance as at 31 Dec 2013	Balance as at 31 Dec 2014
Liquid valuables	228	222
<b>Cash</b>	<b>228</b>	<b>222</b>
Current accounts	31,536	20,174
<b>Cash at bank</b>	<b>31,536</b>	<b>20,174</b>
<b>Total short-term financial assets</b>	<b>31,764</b>	<b>20,396</b>

#### 4.6 Prepaid Expenses

CZK ths.	Balance as at 31 Dec 2013	Balance as at 31 Dec 2014
Prepaid expense	650,389	694,615
Accrued income	72,587	67,951
<b>Total accrued assets and deferred liabilities</b>	<b>722,976</b>	<b>762,566</b>

Prepaid expenses comprise supplied services invoiced in the current period but partly related to the following period. These expenses will be charged against income in the period to which they relate on the accrual basis.

Prepaid expenses include commissions for the mediation of business transactions. The commission expenses are charged against income over the term of the lease and loan contract.

Unbilled revenues include unbilled lease revenues and unbilled interest on loans granted, which are recognized into income in the year in which they were earned.

#### 4.7 Unbilled Revenues

CZK ths.	Balance as at 31 Dec 2013	Balance as at 31 Dec 2014
Insurance commissions	5,582	5,675
Insurance proceeds	0	149
Other	208	431
Interest income on dealer loans	4,120	5,637
<b>Total unbilled revenues</b>	<b>9,910</b>	<b>11,892</b>

#### 4.8 Other Receivables

CZK ths.	Balance as at 31 Dec 2013	Balance as at 31 Dec 2014
Short-term loan to suppliers – Gross	757,415	777,884
Allowances against other receivables	(62,983)	(79,771)
Short-term loan to suppliers – Net	694,432	698,113
Other receivables	0	4
<b>Total other receivables</b>	<b>694,432</b>	<b>698,117</b>

Other receivables include short-term loans provided to the suppliers of leased assets.

#### 4.9 Deferred Tax

Deferred tax can be analysed as follows:

Deferred tax arising from CZK ths.	Balance as at 31 Dec 2013	Balance as at 31 Dec 2014
Net book value of fixed assets	25,173	37,043
Allowances against assets	20,286	14,798
Non-current financial assets	(5,988)	(6,194)
Allowances against receivables	20,147	14,033
Unpaid social security and health insurance	2,869	2,201
<b>Total</b>	<b>62,487</b>	<b>61,881</b>

#### 4.10 Equity

##### Changes in Equity

CZK ths.	Balance as at 31 Dec 2013	Balance as at 31 Dec 2014
Profit	127,965	130,213
<b>Equity</b>	<b>685,262</b>	<b>1,554,183</b>

The Annual General Meetings held on 24 June 2014 and 17 June 2013, respectively, approved the profit distribution for 2013 and 2012 (see Note 8). In accordance with the act on provisions, the Company allocated a portion of profit to the legal reserve fund (see Note 8).

The agreement with Česká pojiťelna, a. s. about the provision surcharge outside the capital in amount CZK 746,900 thousand was concluded on 27 November 2014.

##### 4.10.1 Differences Arising from Revaluation of Assets and Liabilities

Ownership interest CZK ths.	Revaluation as at 31 Dec 2013	Revaluation as at 31 Dec 2014
DINESIA a. s.	31,515	32,602
s Autoleasing SK, s. r. o.	(18,177)	(27,250)
Deferred tax arising from revaluation differences	(5,988)	(6,194)
<b>Total revaluation</b>	<b>7,350</b>	<b>(842)</b>

## 4.11 Current Liabilities

### 4.11.1 Aging of Current Trade Payables

Before due date CZK ths.	Balance as at 31 Dec 2013	Balance as at 31 Dec 2014
Current trade payables	2,009	1,061

The Company has no overdue trade payables.

Current trade payables comprise payables to suppliers.

### 4.11.2 Short-term Payables including Intercompany Payables

Name CZK ths.	Balance as at 31 Dec 2013	Balance as at 31 Dec 2014
Česká spořitelna, a. s.	19,717	16,991
Česká spořitelna, a. s. – other liabilities	30,575	32,623
<b>Total short-term intercompany payables</b>	<b>50,292</b>	<b>49,614</b>
Payables to third parties	162,996	153,923
<b>Total short-term payables</b>	<b>213,288</b>	<b>203,537</b>

Other liabilities include in particular guarantees received from Česká spořitelna, a. s. due to participation in the risk related to business transactions concluded which will be offset with outstanding receivables from prematurely terminated contracts once final settlement with the customer is completed.

## 4.12 Unbilled Deliveries

CZK ths.	Balance as at 31 Dec 2013	Balance as at 31 Dec 2014
Accrual for unbilled supplies	91,422	83,793
Other	24,787	20,502
<b>Total unbilled deliveries</b>	<b>116,209</b>	<b>104,295</b>

## 4.13 Provisions

In 2014 and 2013, the Company established provision for litigation of CZK 9,842 thousand and CZK 4,041 thousand, respectively.

## 4.14 Bank Loans and Borrowings

### 4.14.1 Bank Loans

CZK ths.	Balance as at 31 Dec 2013	Balance as at 31 Dec 2014
Long-term loans	3,883,563	3,840,041
Short-term loans	3,197,440	2,609,566
<b>Total bank loans</b>	<b>7,081,003</b>	<b>6,449,607</b>

## 2014

Bank/Creditor CZK ths.	Balance as at 31 Dec 2014	Type of collateral	Currency
Česká spořitelna, a. s.	6,240,286	no collateral	CZK
Česká spořitelna, a. s.	137,555	no collateral	EUR
Raiffeisenbank a. s.	63,768	bank guarantee	EUR
Raiffeisenbank a. s.	7,998	bank guarantee	CZK
<b>Total</b>	<b>6,449,607</b>		

## 2013

Bank/Creditor CZK ths.	Balance as at 31 Dec 2013	Type of collateral	Currency
Česká spořitelna, a. s.	6,117,302	no collateral	CZK
Česká spořitelna, a. s.	174,699	no collateral	EUR
Českomoravská záruční a rozvojová banka, a. s.	400,000	bank guarantee	CZK
Raiffeisenbank a. s.	60,335	bank guarantee	EUR
Raiffeisenbank a. s.	255,067	bank guarantee	CZK
UniCredit Bank Czech Republic and Slovakia, a. s.	54,850	bank guarantee	EUR
Oberbank AG pobočka Česká republika	18,750	bank guarantee	CZK
<b>Total</b>	<b>7,081,003</b>		

## Payment Schedule of Bank Loans as at 31 December 2014

Bank/Creditor CZK ths.	2015	2016	2017	2018	2019	2020	2021
Česká spořitelna, a. s.	2,537,800	1,806,152	1,099,958	567,678	248,456	94,962	22,835
Raiffeisenbank a. s.	71,766	0	0	0	0	0	0
<b>Total</b>	<b>2,609,566</b>	<b>1,806,152</b>	<b>1,099,958</b>	<b>567,678</b>	<b>248,456</b>	<b>94,962</b>	<b>22,835</b>

In accordance with applicable accounting standards, a portion of loans due by 31 December 2015 is recorded in short-term bank loans.

Based on existing framework agreements with banks, the Company anticipates ongoing re-financing of the current portions of loans with new sources on a short- and medium-term basis. Given the fact that all non-CS credit lines are guaranteed by the parent company, there is no risk of individual loan tranches being terminated without adequate substitution. Management of cash flow is carried out on a regular short- and medium-term basis in collaboration with the parent bank.

## 4.15 Deferred Income

CZK ths.	Balance as at 31 Dec 2013	Balance as at 31 Dec 2014
Lease instalments	225,101	179,302
Fee for entering into agreements	118,061	91,211
Instalment sales	14,581	9,990
<b>Total deferred income</b>	<b>357,743</b>	<b>280,503</b>



#### 4.16 Income Tax on Ordinary and Extraordinary Activities

The charge for the year can be reconciled to the loss per the income statement as follows:

CZK ths.	Balance as at 31 Dec 2013	Balance as at 31 Dec 2014
Profit before taxes	176,233	172,344
Tax non-deductible items	187,826	130,576
Tax deductible items	(156,483)	(80,042)
Tax base	207,576	222,878
Tax base decrease – gifts	0	0
Tax base adjusted	207,576	222,878
Tax at local income tax rate of 19% (2013: 19%)	39,439	42,347
Additional tax assessment	(1,537)	(616)
Tax due	37,902	41,731
Tax deferred	10,365	400
<b>Total tax on ordinary activities</b>	<b>48,267</b>	<b>42,131</b>

#### 4.17 Revenues from Ordinary Activities by Principal Activity

CZK ths.	2013		2014	
	Domestic	Total	Domestic	Total
Instalment sales (sales of goods)	1,396	1,396	463	463
Loan item sales (sales of goods)	17,224	17,224	4,054	4,054
<b>Sales of goods total</b>	<b>18,620</b>	<b>18,620</b>	<b>4,517</b>	<b>4,517</b>
Finance lease	814,377	814,377	525,605	525,605
Operating lease	98,681	98,681	72,101	72,101
Other	22,654	22,654	11,492	11,492
<b>Total lease (sales of own products and services)</b>	<b>935,712</b>	<b>935,712</b>	<b>609,198</b>	<b>609,198</b>
Commissions for the mediation of insurance	27,435	27,435	26,774	26,774
Revenues from fees for loan agreements conclusion and processing	173,200	173,200	161,577	161,577
Revenues from other fees	33,210	33,210	32,577	32,577
Other revenues	1,522	1,522	1,095	1,095
<b>Total sales of own products and services</b>	<b>1,171,079</b>	<b>1,171,079</b>	<b>831,221</b>	<b>831,221</b>
<b>Total sales of goods, own products and services</b>	<b>1,189,699</b>	<b>1,189,699</b>	<b>835,738</b>	<b>835,738</b>

#### 4.17.1 Structure of Leasing Portfolio

Commodity	Percentage of portfolio in 2013	Percentage of portfolio in 2014
Cars	35.81	41.94
Vans	5.03	7.22
Trucks	11.88	7.55
Semi-trailers and trailers	6.20	6.82
Tow trucks	3.28	7.01
Buses	2.77	3.06
Handling equipment	1.96	1.30
Marine and railway equipment	1.50	0.76
<b>Total vehicles and transport equipment</b>	<b>68.44</b>	<b>75.66</b>
Machinery	14.60	11.14
Machinery for the food industry	5.17	3.32
Furniture, fixtures and services	3.04	3.10
Office equipment	1.66	1.19
Other machines	3.53	3.25
Agricultural machines and equipment	0.15	0.11
Construction machines	0.96	0.63
Health equipment	0.09	0.01
Measurement and laboratory equipment	0.26	0.25
Telecommunication equipment	0.06	0.03
Printing machines	0.58	0.38
Power machinery	0.55	0.57
Other machines and equipment	0.89	0.36
<b>Total machinery and equipment</b>	<b>31.56</b>	<b>24.34</b>
<b>Total net book values, net of allowances</b>	<b>100.00</b>	<b>100.00</b>

#### 4.18 Related Party Transactions

##### 4.18.1 Revenues Generated from Related Party Transactions

2014

Entity CZK ths.	Relation to Company	Services	Total
Česká spořitelna, a. s.	Parent company	10,135	10,135
s IT Solutions CZ, s. r. o.	Sister company	1,057	1,057
REICO investiční společnost České spořitelny, a. s.	Sister company	775	775
Investiční společnost České spořitelny, a. s.	Other related party	41	41
Procurement services CZ, s. r. o.	Other related party	169	169
s Autoleasing SK, s. r. o.	Subsidiary	1,104	1,104
ČS do domu, a. s.	Sister company	1,614	1,614
Erste Group Share Services (EGSS)	Other related party	167	167
<b>Total</b>		<b>15,062</b>	<b>15,062</b>

2013

Entity CZK ths.	Relation to Company	Services	Total
Česká spořitelna, a. s.	Parent company	11,626	11,626
DINESIA a. s.	Subsidiary	498	498
s IT Solutions CZ, s. r. o.	Sister company	1,671	1,671
REICO investiční společnost České spořitelny, a. s.	Sister company	851	851
Investiční společnost České spořitelny, a. s.	Other related party	600	600
ČS do domu, a. s.	Sister company	1,647	1,647
Procurement services CZ, s. r. o.	Other related party	197	197
Erste Group Share Services (EGSS)	Other related party	167	167
ÖCI Unternehmensbeteiligungsgesellschaft	Other related party	493	493
s Autoleasing SK, s. r. o.	Subsidiary	1,356	1,356
Erste Leasing, a. s.	Sister company	366	366
<b>Total</b>		<b>19,472</b>	<b>19,472</b>

#### 4.18.2 Expenses Incurred from Related Party Transactions

2014

Entity CZK ths.	Relation to Company	Services	Other costs	Finance cost	Total
Česká spořitelna, a. s.	Parent company	20,911	560	114,365	135,836
Erste Leasing, a. s.	Sister company	792	0	0	792
ÖCI-G.m.b.H.	Other related party	7,003	0	0	7,003
Procurement Services CZ, s. r. o.	Other related party	333	0	0	333
<b>Total</b>		<b>29,039</b>	<b>560</b>	<b>114,365</b>	<b>143,964</b>

2013

Entity CZK ths.	Relation to Company	Services	Other costs	Finance cost	Total
Česká spořitelna, a. s.	Parent company	28,198	1,535	130,467	160,200
Erste Leasing, a. s.	Sister company	795	0	0	795
ÖCI-G.m.b.H.	Other related party	4,737	0	0	4,737
s Autoleasing SK, s. r. o.	Subsidiary	0	200	0	200
Procurement Services CZ, s. r. o.	Other related party	175	0	0	175
<b>Total</b>		<b>33,905</b>	<b>1,735</b>	<b>130,467</b>	<b>166,107</b>

#### 4.19 Consumption of Material and Energy

CZK ths.	2013	2014
Consumed material	5,586	4,443
Consumed energy	555	(658)
<b>Total consumption of material and energy</b>	<b>6,141</b>	<b>3,785</b>

#### 4.20 Services

CZK ths.	2013	2014
Marketing	24,324	26,471
Audit	2,266	2,284
Legal and advisory services	129	58
Services related to the extraordinary termination of contracts	15,035	12,342
Consideration for professional services – agreements	9,987	10,294
Services based on the mandate contract with DINESIA a. s.	9	2
Training	837	1,118
Telephone, fax, postal charges	2,776	2,075
Repairs and maintenance	2,491	1,928
Travel expenses	439	460
Outsourcing	5,372	4,221
Commissions for trade partners	314,935	330,326
Rental	8,134	8,171
Others services related to leasing	13,688	7,565
Other	21,093	26,547
<b>Total</b>	<b>421,515</b>	<b>433,862</b>

#### 4.21 Change in Provisions and Allowances

CZK ths.	2013	2014
Change in accounting allowances for fixed assets and receivables	(88,030)	(90,282)
Change in provisions	1,006	5,805
<b>Total change in provisions and allowances in operating activities</b>	<b>(87,024)</b>	<b>(84,477)</b>

#### 4.22 Summary of Changes in Allowances

CZK ths.	Balance as at 1 Jan 2013	Additions	Disposals	Balance as at 31 Dec 2013	Additions	Disposals	Balance as at 31 Dec 2014
Allowance to leased assets	(107,329)	(11,614)	56,943	(62,002)	(2,510)	33,720	(30,792)
Allowance to tangibles in progress	(10,175)	(108)	0	(10,283)	0	0	(10,283)
Allowance to trade receivables	(451,521)	(367,588)	468,381	(350,728)	(237,965)	311,606	(277,087)
Allowance to other receivables	(24,543)	(81,093)	42,653	(62,983)	(106,425)	89,637	(79,771)
Allowance to loans	(24,681)	(71,925)	73,166	(23,440)	(51,285)	55,829	(18,896)
Allowance to seized assets	(18,236)	(63,158)	42,533	(38,860)	(82,067)	77,103	(43,824)
Allowance to goods	(5,747)	(8,131)	7,971	(5,907)	(1,699)	4,338	(3,268)
<b>Total</b>	<b>(642,232)</b>	<b>(603,617)</b>	<b>691,647</b>	<b>(554,203)</b>	<b>(481,951)</b>	<b>572,233</b>	<b>(463,921)</b>

#### 4.23 Sales of Fixed Assets

CZK ths.	2013	2014
Sales of fixed assets	149,781	141,088
Net book value of sold fixed assets	(210,803)	(208,828)
<b>Loss (-) from the sale of fixed assets</b>	<b>(61,022)</b>	<b>(67,740)</b>

In 2014 and 2013, the Company sold part of its portfolio of lease contracts. The loss from the sale of related fixed assets was fully covered by a release of allowances that were created in prior years.

**4.24 Other Operating Income**

<b>CZK ths.</b>	<b>2013</b>	<b>2014</b>
Contractual fines and late charges	48,404	42,309
Loss compensation	67,696	75,632
Re-charge and insurance premium proceeds	1,539	1,522
Ceded receivables	7,205	5,344
Other income except for leases	4,845	5,583
<b>Total other operating income</b>	<b>129,689</b>	<b>130,390</b>

**4.25 Other Operating Expenses**

<b>CZK ths.</b>	<b>2013</b>	<b>2014</b>
Other operating expenses	10,016	8,842
Costs of ceded receivables	169,999	119,450
Write off of receivables	10,517	11,842
Insurance premium cost	5,277	5,193
Shortages and losses in operating activities	10,238	7,072
<b>Total other operating expenses</b>	<b>206,047</b>	<b>152,399</b>

**4.26 Interest Income**

<b>CZK ths.</b>	<b>2013</b>	<b>2014</b>
Interest on current bank accounts	10	11
Margin on instalment sales	23,302	8,412
Interest on loans granted to individuals (non-entrepreneurs)	237,689	219,778
Interest on loans granted to individuals (entrepreneurs) and legal entities	277,829	303,457
Interest – other debtors	11,565	15,073
<b>Total</b>	<b>550,395</b>	<b>546,731</b>

**4.27 Interest Expense**

<b>CZK ths.</b>	<b>2013</b>	<b>2014</b>
Interest on loans	141,046	117,522
Interest on overdrafts	332	270
<b>Total</b>	<b>141,378</b>	<b>117,792</b>

**4.28 Other Finance Income**

<b>CZK ths.</b>	<b>2013</b>	<b>2014</b>
Foreign exchange gains	16,437	3,812
Other	480	298
<b>Total</b>	<b>16,917</b>	<b>4,110</b>

**4.29 Other Finance Cost**

<b>CZK ths.</b>	<b>2013</b>	<b>2014</b>
Bank charges	6,444	2,785
Other	276	1
Foreign exchange losses	36,910	7,020
<b>Total</b>	<b>43,630</b>	<b>9,806</b>

## 5. Employees, Management and Statutory Bodies

### 5.1 Personnel Expenses and Number of Employees

The average number of employees and personnel expenses in 2014 and 2013 are as follows:

2014

CZK ths.	Number	Wages and salaries	Bonuses to members of statutory bodies	Social security and health insurance	Other costs	Total personnel expenses
Employees	98	54,041	0	18,067	2,615	74,723
Management	10	15,288	7,912	6,119	1,516	30,835
<b>Total</b>	<b>108</b>	<b>69,329</b>	<b>7,912</b>	<b>24,186</b>	<b>4,131</b>	<b>105,558</b>

2013

CZK ths.	Number	Wages and salaries	Bonuses to members of statutory bodies	Social security and health insurance	Other costs	Total personnel expenses
Employees	96	56,473	0	19,407	1,179	77,059
Management	12	15,938	664	5,229	1,466	23,297
<b>Total</b>	<b>108</b>	<b>72,411</b>	<b>664</b>	<b>24,636</b>	<b>2,645</b>	<b>100,356</b>

Management includes the Board of Directors and executive management.

### 5.2 Provided Loans, Credits and other Items

In 2014 members of the Board of Directors received the following loans and compensation in excess of their base salaries:

CZK ths.	Board of Directors
Contribution to life and pension insurance	48
Passenger cars / other movable and immovable items with the possibility of personal use (data represent an amount by which the tax base of employees is increased)	247
Shares (data represent an amount by which the tax base of employees is increased)	0
Other items (increase of tax base – personal fuel consumption)	61
<b>Total</b>	<b>356</b>

## 6. Contingent Assets and Liabilities

As at 31 December 2014, the Company was not party to any litigation whose outcome would have a material impact on the Company.

As at the balance sheet date, the Company has no contractual commitments comprising investment expenses from executed contracts.

## 7. Statement of Cash Flows

The cash flow statement was prepared under the indirect method.

## 8. Statement of Changes In Equity

CZK ths.	Share capital	Share premium	Other capital funds	Allocation to legal reserve fund	Differences arising from revaluation of assets	Accumulated loss	Profit/(loss) for the period	Total
<b>As at 31 Dec 2012</b>	<b>500,000</b>	<b>256,000</b>	<b>310,000</b>	<b>6,287</b>	<b>22,025</b>	<b>(623,658)</b>	<b>101,318</b>	<b>571,972</b>
Distribution of profit or loss	0	0	0	0	0	101,318	(101,318)	0
Differences arising from revaluation of investments	0	0	0	0	(14,675)	0	0	(14,675)
Allocation to legal reserve fund	0	0	0	5,066	0	(5,066)	0	0
Profit/(loss) for the period	0	0	0	0	0	0	127,965	127,965
<b>As at 31 Dec 2013</b>	<b>500,000</b>	<b>256,000</b>	<b>310,000</b>	<b>11,353</b>	<b>7,350</b>	<b>(527,406)</b>	<b>127,965</b>	<b>685,262</b>
Distribution of profit or loss	0	0	0	0	0	127,965	(127,965)	0
Differences arising from revaluation of investments	0	0	0	0	(8,192)	0	0	(8,192)
Allocation to legal reserve fund	0	0	0	6,398	0	(6,398)	0	0
Other capital funds increase	0	0	746,900	0	0	0	0	746,900
Profit/(loss) for the period	0	0	0	0	0	0	130,213	130,213
<b>As at 31 Dec 2014</b>	<b>500,000</b>	<b>256,000</b>	<b>1,056,900</b>	<b>17,751</b>	<b>(842)</b>	<b>(405,839)</b>	<b>130,213</b>	<b>1,554,183</b>

Prepared on 18 March 2015.

Signature of accounting unit's statutory body:



Wilfried Elbs  
Chairman of the Board of Directors



Ing. Tomáš Veverka  
Vice-chairman of the Board of Directors

Person responsible for accounting:



Ing. Tomáš Veverka  
Financial and Managing Officer

Person responsible for financial statements:



Ing. Tomáš Veverka  
Financial and Managing Officer

# Report on Relations between Related Parties

pursuant to Section 82 of the Law no. 90/2012 Sb., Business Corporations Act for the year ended 31 December 2014

s Autoleasing, a. s. with its registered address located in Prague 4, Budějovická 1518/13B, postal code 140 00, Business Registration Number (IČ) 27 08 94 44, incorporated in the Commercial Register, Section B, File No. 8912, maintained in the Municipal Court in Prague (hereinafter the “**Submitter**”) is a member of a group in which the following relations exist between the Submitter and the controlling persons and between the Submitter and other persons controlled by the same controlling persons (hereinafter the “**Related Parties**”).

This Report on relations between the persons listed below has been prepared in compliance with the provisions of Section 82 of Act No. 90/2012 Coll., Business Corporations, as amended, for the year ended 31 December 2014 (hereinafter the “**fiscal year**”). The Submitter and the persons listed below entered into the following contracts and received or made the following legal acts and other distinct measures:

## A. Overview of the Group and/or Persons whose Relations are Described Below (See Notes B and C Below)

Erste Group Bank AG	
	Erste Group Shared Services (EGSS), s.r.o.
	Investiční společnost České spořitelny, a.s.
	ÖCI-Unternehmensbeteiligungsgesellschaft m. b. H.
	Procurement Services GmbH
	Procurement Services CZ, s.r.o.
	EGB Ceps Beteiligungen GmbH
	EGB Ceps Holding GmbH
	Česká spořitelna, a.s.
	ČS do domu, a.s.
	DINESIA a.s.
	Erste Leasing, a.s.
	REICO investiční společnost České spořitelny, a.s.
	s Autoleasing SK, s.r.o.
	s IT Solutions CZ, s.r.o.

## B. Controlling Persons

- **Erste Group Bank AG**,  
with its registered address located in Vienna, Graben 21, Austria  
Relation to the Company: indirectly controlling person  
Description of relations – see **Annex 1**
- **EGB Ceps Beteiligungen GmbH**,  
with its registered address located in Vienna, Graben 21, Austria
- **EGB Ceps Holding GmbH**,  
with its registered address located in Vienna, Graben 21, Austria
- **Česká spořitelna, a.s.**,  
with its registered address located in Prague 4, Olbrachtova 1929/62, postal code 140 00, Business Reg. No. (IČ) 45244782  
Relation to the Company: directly controlling person  
Description of relations – see **Annex 2**

## C. Other Related Parties

- **DINESIA a.s.**,  
with its registered address located in Prague 8, Střelnická 8/1680, postal code 182 00, Business Reg. No. (IČ) 63999579  
Relation to the Company: a company directly controlled by the Submitter (subsidiary)  
Description of relations – see **Annex 3**
- **s Autoleasing SK, s.r.o.**,  
with its registered address located in Bratislava, Tomášikova 48, postal code 832 44, Business Reg. No. (IČ) 46806491  
Relation to the Company: a company directly controlled by the Submitter (subsidiary)  
Description of relations – see **Annex 4**
- **ČS do domu, a.s.**,  
with its registered address located in Prague 4, Poláčkova 1976/2, postal code 140 21, Business Reg. No. (IČ) 28909011  
Relation to the Company: a company directly controlled by Česká spořitelna (sister company)  
Description of relations – see **Annex 5**



- **Erste Leasing, a. s.,**  
with its registered address located in  
Znojmo, Horní náměstí 264/18, postal code 669 02,  
Business Reg. No. (IČ) 16325460  
Relation to the Company: a company directly controlled by  
Česká spořitelna (sister company)  
Description of relations – see **Annex 5**
- **s IT Solutions CZ, s. r. o.,**  
with its registered address located in  
Prague 4, Antala Staška 32/1292, postal code 140 00,  
Business Reg. No. (IČ) 27864260  
Relation to the Company: a company directly controlled by  
Česká spořitelna (sister company)  
Description of relations – see **Annex 5**
- **Erste Group Shared Services (EGSS), s. r. o.,**  
with its registered address located in  
Hodonín, Národní třída 44, postal code 695 01,  
Business Reg. No. (IČ) 29216061  
Relation to the Company: Other Related party  
Description of relations – see **Annex 5**
- **Investiční společnost České spořitelny, a. s.,**  
with its registered address located in  
Prague 6, Evropská 2690/17, postal code 160 00,  
Business Reg. No. (IČ) 44796188  
Relation to the Company: other related party  
Description of relations – see **Annex 5**
- **REICO investiční společnost České spořitelny, a. s.,**  
with its registered address located in  
Prague 4, Antala Staška 2027/79, postal code 140 00,  
Business Reg. No. (IČ) 27567117  
Relation to the Company: related party directly controlled by  
Česká spořitelna (sister company)  
Description of relations – see **Annex 5**
- **ÖCI-Unternehmensbeteiligungsgesellschaft. m. b. H.,**  
with its registered address located in  
Vienna, Graben 21, Austria  
Relation to the Company: a company directly controlled by  
the parent company of Česká spořitelna, a. s., Erste Group  
Bank AG  
Description of relations – see **Annex 5**
- **Procurement Services CZ, s. r. o.,**  
with its registered address located in  
Prague 4 – Krč, Budějovická 1912/64b, postal code 140 00,  
Business Reg. No. (IČ) 27631621  
Relation to the Company: a company directly controlled by  
Procurement Services GmbH  
Description of relations – see **Annex 5**
- **Procurement Services GmbH,**  
with its registered address located in  
Vienna, Brehmstrasse 12, Austria  
Relation to the Company: related party directly controlled by  
Erste Group Bank AG  
Description of relations – see **Annex 5**

## D. Other Legal Acts

The agreement with Česká pořitelna, a. s. about the provision surcharge outside the capital in amount CZK 746,900 thousand was concluded on 27 November 2014.

## E. Other Factual Arrangement

s Autoleasing cooperates on group projects within Erste Group Bank. The submitter suffers no detriment as a result of this cooperation. Almost all activities related to administration pursuant to Section 38 ZISIF for s Autoleasing are procured by Česká spořitelna, a. s. With respect to close relations within providing loans and other outsourcing activities the Submitter has evaluated the relations among related parties as favourable for s Autoleasing, a. s. with low risk.

## Conclusion

Considering the relations between the Submitter and the Related Parties reviewed by us the Submitter appears to have suffered no detriment as a result of the contracts, other legal acts or other measures entered into, made or received by the Submitter in the interest or at the initiative of the Related Parties in the 2014 fiscal year.

## Annex No. 1 to the Related Party Report

### Description of Relations to Erste Group Bank AG

#### Other legal acts

The Submitter accepted or rendered no other legal acts in the interest or at the initiative of the Controlling Person or Related Parties in the 2014 fiscal year.

## Annex No. 2 to the Related Party Report

### Description of Relations to Česká spořitelna, a. s.

Performance rendered in relation to contracts entered into in prior years:

Contract name	Contracting party	Year of conclusion	Performance description and quantity	Detriment, if any
Leas agreements	Česká spořitelna, a. s.	2008–2012	Lease of transportation technology and other technology	None
General administration agreement	Česká spořitelna, a. s.	2008	General agreement on vehicle fleet administration	None

Performance received from contracts entered into in prior years:

Contract name	Contracting party	Year of conclusion	Performance description and quantity	Detriment, if any
Current account contracts	Česka spořitelna, a. s.	2004	Current account maintenance	None
Outsourcing service contract	Česka spořitelna, a. s.	2013	Outsourcing services for internal audit, marketing and corporate communication	None
Business cooperation contract	Česka spořitelna, a. s.	2006	Commission	None
Contract for bank guarantee	Česka spořitelna, a. s.	2006	Bank guarantees for provided bank loans	None
Master agency agreement for receivable portfolio administration	Česka spořitelna, a. s.	2006	Receivable portfolio administration	None
Contract of cooperation for securing of funds	Česka spořitelna, a. s.	2007	Patronage statement	None
Business cooperation contract	Česka spořitelna, a. s.	2006	Participation in risk	None
Credit line agreement no. 1048/04/LCD	Česká spořitelna, a. s.	2004	Granting of loans	None
Credit line agreement no. 839/09/LCD	Česká spořitelna, a. s.	2009	Granting of loans	None
Agreement on lease of non-residential premises	Česká spořitelna, a. s.	2011	Lease of non-residential premises in Praha 4, Antala Staška – technology centrum	None
Agreement on lease of non-residential premises	Česká spořitelna, a. s.	2011	Lease of non-residential premises in Praha 4, Antala Staška – technické centrum	None
Agreement on lease of non-residential premises	Česká spořitelna, a. s.	2012	Lease of non-residential premises in Brno, Jánská	None
Agreement on interrelated exchange of information throughout application KLIENT	Česká spořitelna, a. s.	2008	Use of application KLIENT	None
Agreement on lease of premises for business	Česká spořitelna, a. s.	2014	Lease of premises in Praha 4, Antala Staška	None
Agreement on IT services provision	Česká spořitelna, a. s.	2014	Provision of HW a SW infrastructure	None
Agreement on provision of fee excluded from equity	Česká spořitelna, a. s.	2014	Provision of fee excluded from equity	None
General mandatory agreement on receivable portfolio	Česká spořitelna, a. s.	2014	Administration of receivable portfolio	None

Summary of transactions with Česká spořitelna, a. s. as at the balance sheet date (in CZK thousands):

Receivables	25,135
Payables	6,394,832
Other liabilities	3,759
Costs	135,836
Revenues	10,135

Other liabilities include in particular guarantees received from Česká spořitelna due to participation in the risk related to business transactions concluded which will be offset with outstanding re-

ceivables from prematurely terminated contracts once final settlement with the customer is done.

#### Other Legal Acts

The Submitter accepted or rendered no other legal acts in the interest or at the initiative of the Controlling Person or Related Parties in the 2014 fiscal year.

The Submitter did not distribute any dividends, shares in profit or equity shares in the fiscal year.

## Annex No. 3 to the Related Party Report

### Description of Relations to DINESIA a. s.

#### Ownership interest

The Submitter is the sole shareholder of DINESIA a. s. The basic capital of DINESIA a. s. is CZK 30,000 thousand. The Submitter reported gain/loss on revaluation of CZK 32,600 thousand in respect of the above ownership interest in its equity.

Performance rendered in relation to contracts entered into in prior years:

Contract name	Contracting party	Year of conclusion	Performance description and quantity	Detriment, if any
Business activities transfer contract	DINESIA a. s.	2014	Payment for business activities administration services rendered to the Submitter	None

#### Other legal acts

The Submitter accepted or rendered no other legal acts in the interest or at the initiative of the Controlling Person or Related Parties in the 2014 fiscal year.

## Annex No. 4 to the Related Party Report

### Description of Relations to s Autoleasing SK, s. r. o.

#### Ownership interest

The Submitter is the sole shareholder of s Autoleasing SK, s. r. o. The basic capital of s Autoleasing SK, s. r. o., was increased in 2014 to the total amount CZK 31,884 thousand. The Submitter reported gain/loss on revaluation of CZK – 29,145 thousand in respect of the above ownership interest in its equity.

Performance rendered in relation to contracts entered into in prior years:

Contract name	Contracting party	Year of conclusion	Performance description and quantity	Detriment, if any
Consignment contract	s Autoleasing SK, s. r. o.	2012	Purchase of hardware, software and movable items (cars; IT technology)	None
Provision of professional services contract	s Autoleasing SK, s. r. o.	2012	Provision of professional services	None
Purchase of assets	s Autoleasing SK, s. r. o.	2012	Purchase of assets	None

Summary of transactions with s Autoleasing SK, s. r. o., as at the balance sheet date (in CZK thousands):

Receivables	275
Revenues	1,251

#### Other legal acts

The Submitter accepted or rendered no other legal acts in the interest or at the initiative of the Controlling Person or Related Parties in the 2014 fiscal year.

## Annex No. 5 to the Related Party Report

### Description of Relations to other Related Parties

Performance rendered in relation to contracts entered into in prior years:

Name	Contracting party	Year of conclusion	Performance description and quantity	Detriment, if any
Lease agreements	ČS do domu, a. s.	2009–2014	Lease of transportation and office technology	None
Master lease agreement of vehicle feel administration	ČS do domu, a. s.	2010	Administration of vehicle feel	None
Lease agreements	Erste Group Shared Services (EGSS), s. r. o.	2010	Leasing	None
Management services	ÖCI	2009	Provision of professional services	None
Lease agreements	Procurement Services CZ, s. r. o.	2012–2014	Lease of transportation technology	None
Master agreement for administration	Procurement Services CZ, s. r. o.	2012–2014	Master agreement for car fleet administration	None
Service contract	Procurement Services CZ, s. r. o.	2012–2014	Service contract to the master agreement for car fleet administration	None
Lease agreements	REICO investiční společnost České spořitelny, a. s.	2010–2011	Lease of transportation technology and furniture	None
Master lease agreement of vehicle feel administration	REICO investiční společnost České spořitelny, a. s.	2010	Administration of vehicle feel	None
Lease agreements	s IT Solutions CZ, s. r. o.	2009–2011	Lease of transportation technology	None

Performance received from contracts entered into in prior years:

Contract name	Contracting party	Year of conclusion	Performance description and quantity	Detriment, if any
Purchase of assets	Procurement Services CZ, s. r. o.	2014	Purchase of assets	None
Purchase of assets	Procurement Services AT	2014	Purchase of assets	None
Service contract	s IT Solutions CZ, s. r. o.	2014	Warranty and post-warranty of IT equipment servicing	None
Order for the purchase of assets	s IT Solutions CZ, s. r. o.	2014	Purchase of tangible fixed assets	None

Summary of other related party transactions as at the balance sheet date (in CZK thousands):

Costs	8,128
Revenues	4,927

### Other Legal Acts

The Submitter accepted or rendered no other legal acts in the interest or at the initiative of the Controlling Person or Related Parties in the 2014 fiscal year.

Supervisory Board in accordance with the option given by the provision of Article 83 paragraph 3 of Law 90/2012 Coll. of Laws, on Commercial Corporations and Cooperatives, did not review this Report.

This Report was discussed with and approved by the Company's Board of Directors on 20 March 2015.



Wilfried Elbs  
Chairman of the Board of Directors

**s Autoleasing, a.s.**

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