

s Autoleasing, a.s.
Annual Report 2017

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Introduction by the Chairman of the Board of Directors

Dear Ladies and Gentlemen,

I consider the year 2017 as a great success. We managed to achieve excellent business results, maintain our position among the TOP 5 leasing companies and be the largest brand independent provider of financial services.

Thanks to the effort of our employees, we managed to continue the trend of being a partner of first choice for our business partners and customers, as evidenced by excellent results in measuring satisfaction of business partners and end-clients.

In 2017, we have continued our intensive cooperation with leasing companies within the Erste Bank financial group, particularly in the field of opportunity mapping and the search for common ways to further harness the business in the Central European market. We have started a closer cooperation with our sister company Erste Leasing, a.s., in which we focused mainly on setting up processes leading to more efficient management of the leasing business and on unified approach in serving customers of the Regional Commercial Centers of Česká spořitelna.

We have also not forgotten the development of our IT system in relation to product and process improvements.

In 2017, we tried to be the first choice partner not only for our business partners and clients, but also for our employees. We paid attention not only to their development, but also to their satisfaction.

I appreciate very much all the business partners, clients and employees who have contributed to our past performance and I thank them for their trust and favor.



Wilfried Elbs
Chairman of the Board of Directors



Wilfried Elbs
Chairman of the Board of Directors

General Information

Company name:

s Autoleasing, a.s.

Registered Office:

Budějovická 1912/64b, Krč, 140 00 Prague 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 2017:**

Wilfried Elbs, Chairman
Ing. Tomáš Veverka, member

**Members of the Supervisory Board
as at 31 December 2017**

Jan Seger, Chairman
Roman Pařil, Vice-Chairman
Petr Vacek, member

Major business activities

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

Management Report

Macroeconomic framework

In 2017, were offered financial products in an environment of economic growth. The Czech economy grew thanks to foreign demand and household consumption, as well as recovery of investment activity. Under these circumstances in 2017, the volume of non-bank financing further 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 for 2017 of 2.5% (the highest figure for the past 5 years);
- record low unemployment rate in December of 3.8% (at the end of 2016 5.2%).

The share of credit financing in the leasing companies' business increased and the volume of financing increased through factoring. The volume of consumer finance stagnated, with a slight decrease in the volume of consumer credit and consumer leasing growth.

Non-bank financing has a significant share of financing for businesses and households in 2017. The member companies of the CLFA provided the total financing amount of CZK 163.28 billion (by CZK 8.32 billion more than in 2016 – year on year increase of 5.4%) through leasing, factoring, loans for consumers and entrepreneurs. Of that amount: CZK 132.09 billion was provided to financing of investments and business operations and CZK 31.19 billion to financing of goods and services for households. Road transport vehicles (mostly new ones) were financed by CZK 92.99 billion, of which CZK 63.39 billion was provided to purchase of passenger cars, including CZK 49.92 billion to acquisition of 120,440 new passenger cars (thus financing 44.3% of new passenger cars first registered in the Czech Republic in 2017). CZK 27.94 billion was provided to finance machinery and equipment. A total of 678,120 new leasing and credit transactions were made by CLFA member companies. At the end of 2017, CLFA member companies managed 1,294,366 active leasing and credit agreements. Receivables from ongoing leasing and credit transactions amounted to CZK 270.28 billion at the end of 2017.

In 2017, the CLFA member companies financed through leasing investments in the total purchase price (excluding VAT) of CZK 58.05 billion (total market estimate of CZK 59.85 billion). The total financing amount (initial debt) was CZK 55.60 billions. The share of operating leases including short-term leases in total leasing of movable investments increased to 62% year-on-year. 68,655 of

new leasing contracts for machinery, equipment and vehicles for entrepreneurs were concluded, of which 14,893 finance lease contracts, 13,404 operating leases, 37,215 full service leasing contracts and 3,143 short-term lease agreements. The number of newly concluded leasing contracts for business investment financing increased by 5.5% year-on-year. Receivables from contracts for the lease of movable property for entrepreneurs reached CZK 110.10 billion at the end of 2017 (CZK 106.08 billion at the end of 2016).

In 2017, loans and hire-purchase sales for entrepreneurs were provided by 22 member companies of CLFA. Loans in the total amount of CZK 55.08 billion, which represents a year-on-year increase by 12.4% in the volume of business loans by the leading 15 companies, were provided. In total, 80,232 loans were provided. The number of loans granted increased by 8.2% year-on-year, while the average amount of the loan was CZK 686,455. At the end of 2017 receivables from loans amounted to CZK 104.83 billion. In 2017, consumer loans were provided by 16 member companies of CLFA. Total loans for personal use amounted to CZK 27.33 billion, which represents a year-on-year decrease by 1%. Year-on-year, the volume of consumer credit for personal car financing increased by 6.9% to CZK 10.76 billion, their number increased year-on-year by 2,390 to 58,025 loans. A total of 512,981 consumer credit contracts were concluded (a year-on-year decline of 15.6%). At the end of 2017, the volume of receivables from active credit agreements was CZK 39.49 billion.

In consumer leasing there was a year-on-year increase in both volume and number of new contracts. In 2017, movable assets were acquired through consumer leasing and short-term leases in the aggregate purchase price (excluding VAT) of CZK 3.87 billion. The volume of consumer leasing, including short-term leases, grew by 15.5% year on year. The total amount financed (entry debt) was CZK 3.86 billion. The share of financial leasing in total consumer leasing of movables was 2.1%, the share of operating leases was 70.4%, the share of full service leasing was 21.3%, the share of short-term rentals was 6.2%. 12,623 new contracts on consumer leasing and short-term rentals have been concluded. At the end of 2017, consumer leases took place on the basis of active 16,630 contracts concluded by member companies of CLFA. At the end of 2017 receivables from concluded consumer leasing contracts amounted to CZK 2.37 billion.

Report on the Company's operating results

s Autoleasing, a.s., recorded a profit of 120 million and CZK 125 million in 2017 and 2016, respectively.

The changes in key financial indicators were as follows:

Changes in key financial indicators in CZK millions

	2017	2016	2015	2014	2013	2012	2011	2010
Total assets	11,273	10,035	9,174	8,559	8,352	8,432	8,459	9,230
Fixed assets	6,426	5,903	5,250	4,930	4,853	4,961	5,166	6,089
Total revenues	1,497	1,470	1,514	1,658	2,036	2,573	3,004	4,212
Profit before tax	153	164	179	172	176	144	74	26
Net profit for the year	120	125	138	130	128	101	44	20
Average number of FTE employees	110	115	111	110	108	106	109	108

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 Czech leasing and financial association and relating to all financial products on the domestic market was CZK 135.21 billion in 2017; the share of s Autoleasing, a.s., was CZK 4.87 billion, i.e. 3.6% market share. Based on the recorded results in 2017, the Company ranked ninth on the market of movables.

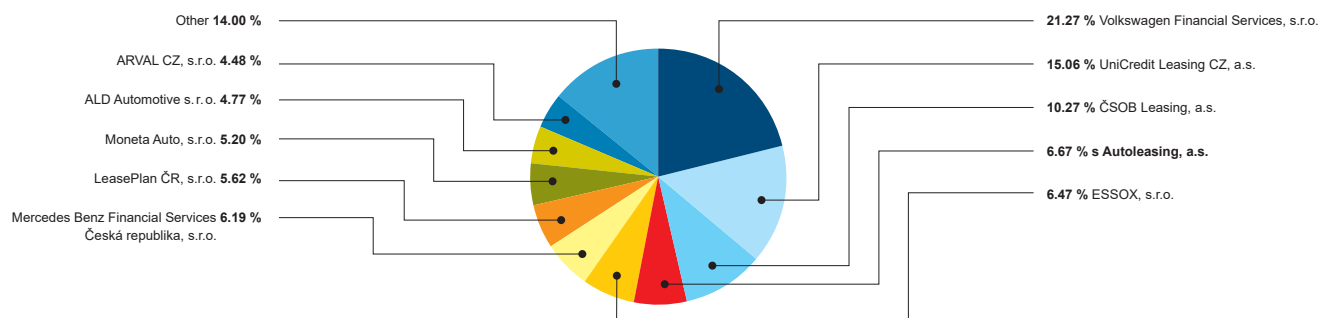
s Autoleasing, a.s., competitors in non-bank financial product market for vehicles in 2017:

Company	In CZK million	v %
Volkswagen Financial Services, s.r.o.	15,147.92	21.27
UniCredit Leasing CZ, a.s.	10,725.38	15.06
ČSOB Leasing, a.s.	7,318.33	10.27
s Autoleasing, a.s.	4,747.83	6.67
ESSO, s.r.o.	4,610.41	6.47
Mercedes Benz Financial Services Česká republika, s.r.o.	4,407.71	6.19
LeasePlan ČR, s.r.o.	3,999.51	5.62
Moneta Auto, s.r.o.	3,704.48	5.20
ALD Automotive, s.r.o.	3,395.98	4.77
ARVAL CZ, s.r.o.	3,188.01	4.48
Ostatní	9,981.50	14.00
Market	71,227.06	100.00

Note: The ranking of CLFA member companies by input debt in the sum of all products used to finance passenger and commercial vehicles (up to 3.5 tons) and motorcycles.

s Autoleasing, a.s., competitors in non-bank financial product market for vehicles in 2017

Car finance market (up to 3.5 tons)



Research and development activities

The Company does not carry out any research and development activities.

Activities in the field of environmental protection

The activity of the Company has no nature and focus that would have any particular impact on the environment. For this reason, the Company does not develop any special activities in this area.

Information on Organizational Units Abroad

The company did not have an organizational unit abroad during that period.

Subsequent events

No events have occurred subsequent to year-end that would have a material impact on the financial statements as at 31 December 2017 and / or the facts set out in this Annual Report.

Future Plans

Business development, market share and competitiveness are the primary areas for our attention in the next financial year 2018. We want to continue our ongoing direction of being a trustworthy, helpful and reliable partner for our partners and clients.

We will continue to find ways to deepen cooperation and profit from business opportunities within the financial group of Erste Bank and in closer liaison with our sister company, Erste Leasing, a.s. to maximize the potential on the domestic leasing market through mutual synergy and joint process management.

In 2018, we will also focus on IT development to be able to respond more quickly and efficiently to market demands while maintaining at least the same level of automation, but using more advanced technologies and digital services.

System and process adjustments are also awaiting us, which will emerge from the legal requirements and will in particular concern the protection of our clients' personal data.

In 2018, we will focus on deepening the qualifications of our employees by introducing targeted and systematic training.

We will also not forget the support of client and dealer satisfaction. We will continue to work on product and process innovation so that we are also the first choice partner in 2018.



Wilfried Elbs
Chairman of the Board of Directors

Points of Sale

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

Direct contact information

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Independent auditor's report

to the shareholder of s Autoleasing, a.s.

Opinion

We have audited the accompanying financial statements of s Autoleasing, a.s., with its registered office at Budějovická 1912/64b, Praha ("the Company") prepared in accordance with Czech accounting legislation, which comprise the balance sheet as at 31 December 2017, the income statement, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, which include significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2017, of its financial performance and its cash flows for the year then ended in accordance with Czech accounting legislation.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors and Standards on Auditing of the Chamber of Auditors of the Czech Republic. These standards consist of International Standards on Auditing (ISAs) which may be supplemented and modified by related application guidance. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Act on Auditors and Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA) and accepted by the Chamber of Auditors of the Czech Republic, and we have fulfilled our other ethical responsibilities in accordance with these regulations. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Annual Report other than the financial statements and auditor's report thereon. The Board of Directors is responsible for the other information.

Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge about the Company obtained in the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable law and regulation, in particular, whether the other information complies with law and regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- The other information describing the facts that are also presented in the financial statements is, in all material respects, consistent with the financial statements; and
- The other information is prepared in compliance with applicable law and regulation.

In addition, our responsibility is to report, based on the knowledge and understanding of the Company obtained in the audit, on whether the other information contains any material misstatement of fact.

Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement of fact.

Responsibilities of the Board of Directors and Supervisory Board for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with Czech accounting legislation and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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**Shareholder of s Autoleasing, a.s.
Independent auditor's report**

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the above stated requirements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the above stated requirements, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit 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 Company's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the notes, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors and Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

23 March 2018


represented by partner



Petr Kříž
Statutory Auditor, Evidence No. 1140

Note

Our report has been prepared in the Czech language and in English. In all matters of interpretation of information, views or opinions, the Czech version of our report takes precedence over the English version.

Financial Statements for the Year 2017

Company name: s Autoleasing, a.s.
Registered office: Budějovická 1912/64b, Krč, 140 00 Praha 4
Legal form: akciová společnost
Identification Number: 27089444

Balance Sheet

for the Year Ended 31 December 2017

CZK ths.				Current year	Prior year 2016
		Gross	Allowances	Net	Net
TOTAL ASSETS		12,382,671	(1,109,764)	11,272,907	10,034,586
B.	Fixed assets	7,353,246	(927,625)	6,425,621	5,902,676
B.I.	Research and development	162,784	(131,876)	30,908	31,183
B.I.2.	Valuable rights	162,784	(131,876)	30,908	31,183
B.I.2.1.	Software	143,948	(116,916)	27,032	27,921
B.I.2.2.	Other valuable rights	18,836	(14,960)	3,876	3,262
B.II.	Tangible fixed assets	1,611,488	(783,673)	827,815	929,517
B.II.2.	Movable assets and sets of movable assets	1,611,488	(783,673)	827,815	928,839
B.III.	Long-term investments	5,578,974	(12,076)	5,566,898	4,941,976
B.III.1.	Interests – controlled or controlling entity	121,725	0	121,725	86,051
B.III.6.	Loans and borrowings – other	5,457,249	(12,076)	5,445,173	4,855,925
C.	Current assets	4,148,016	(182,139)	3,965,877	3,277,845
C.I.	Inventories	4,330	(4,330)	0	181
C.I.3.	Finished products and goods	4,330	(4,330)	0	181
C.I.3.2.	Goods	4,330	(4,330)	0	181
C.II.	Receivables	4,109,082	(177,809)	3,931,273	3,244,778
C.II.1.	Long-term receivables	78,090	0	78,090	65,560
C.II.1.4.	Deferred tax asset	78,090	0	78,090	65,560
C.II.2.	Short-term receivables	4,030,992	(177,809)	3,853,183	3,179,218
C.II.2.1.	Trade receivables	2,616,137	(130,701)	2,485,436	2,244,770
C.II.2.4.	Other receivables	1,414,855	(47,108)	1,367,747	934,448
C.II.2.4.3.	Due from government – tax receivables	2,924	0	2,924	1,177
C.II.2.4.4.	Short-term advances granted	2,232	0	2,232	5,496
C.II.2.4.5.	Unbilled revenue	18,781	0	18,781	12,880
C.II.2.4.6.	Miscellaneous receivables	1,390,918	(47,108)	1,343,810	914,895
C.IV.	Cash	34,604	0	34,604	32,886
C.IV.1.	Cash in hand	198	0	198	212
C.IV.2.	Cash at bank	34,406	0	34,406	32,674
D.I.	Prepaid expenses and accrued income	881,409	0	881,409	854,065
D.I.1.	Prepaid expenses	850,826	0	850,826	812,139
D.I.3.	Accrued income	30,583	0	30,583	41,926

CZK ths.		Current year	Prior year
TOTAL EQUITY & LIABILITIES		11,272,907	10,034,586
A.	Equity	2,123,056	2,020,692
A.I.	Share capital	500,000	500,000
A.I.1.	Paid-up share capital	500,000	500,000
A.II.	Share premium and revaluation reserve	1,497,321	1,515,209
A.II.1.	Share premium	256,000	256,000
A.II.2.	Capital funds	1,241,321	1,259,209
A.II.2.1.	Other capital funds	1,256,900	1,256,900
A.II.2.2.	Gain or loss on revaluation of assets and liabilities (+/-)	(15,579)	2,309
A.III.	Funds from profit	37,429	31,165
A.III.1.	Other funds	37,429	31,165
A.IV.	Profit (loss) brought forward (+/-)	(31,946)	(150,972)
A.IV.2.	Accumulated loss (-)	(31,946)	(150,972)
A.V.1.	Profit (loss) for the year (+/-)	120,252	125,290
B. + C.	Provisions and liabilities	9,016,996	7,844,131
B.I.	Provisions	5,711	12,408
B.I.4.	Other provisions	5,711	12,408
C.	Liabilities	9,011,285	7,831,723
C.I.	Long-term liabilities	5,688,063	4,466,090
C.I.2.	Amounts owed to credit institutions	5,688,063	4,466,090
C.II.	Current liabilities	3,323,222	3,365,633
C.II.2.	Amounts owed to credit institutions	3,147,036	3,159,530
C.II.3.	Short-term advances received	60,031	60,762
C.II.4.	Trade payables	1,807	14,953
C.II.8.	Other liabilities	114,348	130,388
C.II.8.3.	Liabilities to employees	5,207	4,983
C.II.8.4.	Liabilities arising from social security and health insurance	2,513	2,500
C.II.8.5.	Due to government – taxes and subsidies	1,185	1,142
C.II.8.6.	Unbilled deliveries	97,679	114,749
C.II.8.7.	Miscellaneous liabilities	7,764	7,014
D.I.	Accruals and deferred income	132,855	169,763
D.I.1.	Accruals	7,369	6,767
D.I.2.	Deferred income	125,486	162,996

Income Statement

for the Year Ended 31 December 2017

CZK ths.	Current year	Prior year
I. Revenue from sale of finished products and services	438,252	513,687
II. Revenue from sale of goods	2,318	5,631
A. Production-related consumption	480,917	458,495
A.1. Cost of goods sold	12,972	9,359
A.2. Consumption of material and energy	4,080	5,399
A.3. Services	463,865	443,737
D. Personnel expenses	113,440	117,423
D.1. Wages and salaries	82,769	85,168
D.2. Social security and health insurance costs and other costs	30,671	32,255
D.2.1. Social security and health insurance costs	25,937	26,693
D.2.2. Other costs	4,734	5,562
E. Value adjustments in respect of operating activities	292,510	314,759
E.1. Value adjustments in respect of intangible and tangible fixed assets	320,535	332,986
E.1.1. Value adjustments in respect of intangible and tangible fixed assets – permanent	299,799	353,995
E.1.2. Value adjustments in respect of intangible and tangible fixed assets – temporary	20,736	(21,009)
E.2. Value adjustments in respect of inventory	(3,727)	5,866
E.3. Value adjustments in respect of receivables	(24,298)	(24,093)
III. Other operating income	337,861	278,976
III.1. Income from sale of fixed assets	220,539	133,577
III.3. Miscellaneous operating income	117,322	145,399
F. Other operating expenses	349,658	329,938
F.1. Net book value of fixed assets sold	246,175	150,900
F.3. Taxes and charges relating to operations	1,672	1,798
F.4. Provisions relating to operations and prepaid expenses (specific-purpose expenses)	(6,696)	(417)
F.5. Miscellaneous operating expenses	108,507	177,657
* Profit or loss on operating activities (+/-)	(458,094)	(422,321)
V. Income from other long-term investments	8,325	0
V.V.1. Income from other long-term investments – subsidiaries or parents	8,325	0
VI. Interest receivable and similar income	684,564	670,402
VI.2. Other interest receivable and similar income	684,564	670,402
J. Interest payable and similar expenses	83,229	81,706
J.1. Interest payable and similar expenses – subsidiaries or parents	80,844	79,656
J.2. Other interest payable and similar expenses	2,385	2,050
VII. Other finance income	25,214	1,392
K. Other finance cost	23,535	3,797
* Profit or loss on financial activities (+/-)	611,339	586,291
** Profit or loss before taxation (+/-)	153,245	163,970
L. Income tax	32,993	38,680
L.1. Income tax due	41,939	41,502
L.2. Income tax deferred (+/-)	(8,946)	(2,822)
** Profit or loss after taxation (+/-)	120,252	125,290
*** Profit or loss for the year (+/-)	120,252	125,290
* Net turnover	1,496,534	1,470,088

Cash flow statement

for the Year Ended 31 December 2017

CZK ths.	Current year	Prior year
Cash flows from operating activities		
Z.		
Profit or loss on ordinary activities before taxation (+/-)	153,245	163,970
A.1.	(197,189)	(98,009)
A.1.1.	384,173	508,403
A.1.2.	(7,291)	(39,235)
A.1.3.	(6,697)	(416)
A.1.5.	33,961	17,323
A.1.6.	(601,335)	(588,696)
A.1.7.	0	4,612
A*	(43,944)	65,961
Net cash from operating activities before taxation, changes in working capital and extraordinary items		
A.2.	(796,738)	(982,979)
A.2.1.	3,908	(5,844)
A.2.2.	(286,232)	(868,172)
A.2.3.	(447,172)	(67,598)
A.2.4.	(13,146)	11,183
A.2.5.	(54,096)	(52,548)
A**	(840,682)	(917,018)
Net cash from operating activities before taxation, interest paid and extraordinary items		
A.3.1.	(82,812)	(81,561)
A.3.2.	689,905	681,738
A.4.1.	(45,990)	(43,405)
A***	(279,579)	(360,246)
Net cash provided by (used in) operating activities		
Cash flows from investing activities		
B.1.1.	(1,122,508)	(554,539)
B.2.1.	212,214	133,577
B***	(910,294)	(420,962)
Net cash provided by (used in) investing activities		
Cash flows from financing activities		
C.1.	1,209,479	574,456
C.2.3.	(17,888)	200,000
C***	1,191,591	774,456
Net cash provided by (used in) financing activities		
F.	1,718	(6,752)
P.	32,886	39,638
R.	34,604	32,886
Cash and cash equivalents at beginning of year		
Cash and cash equivalents at end of year		

Statement of Changes in Shareholders' Equity

	Share capital	Share premium	Other capital funds	Contribution to statutory reserve fund	Differences arising from revaluation of assets	Accumulated losses	Net profit/(loss) for the current period	Total
As at 31 December 2015	500,000	256,000	1,056,900	24,261	(2,302)	(282,137)	138,068	1,690,790
Distribution of profit	0	0	0	0	0	131,165	(131,165)	0
Differences arising from revaluation of investments	0	0	0	1	4,611	0	0	4,612
Contribution to statutory reserve fund	0	0	0	6,903	0	0	(6,903)	0
Other capital funds increase	0	0	200,000	0	0	0	0	200,000
Net profit/(loss) for the current period	0	0	0	0	0	0	125,290	125,290
As at 31 December 2016	500,000	256,000	1,256,900	31,165	2,309	(150,972)	125,290	2,020,692
Distribution of profit	0	0	0	0	0	119,026	(119,026)	0
Differences arising from revaluation of investments	0	0	0	0	(17,888)	0	0	(17,888)
Contribution to reserve fund	0	0	0	6,264	0	0	(6,264)	0
Other capital funds increase	0	0	0	0	0	0	0	0
Net profit/(loss) for the current period	0	0	0	0	0	0	120,252	120,252
As at 31 December 2017	500,000	256,000	1,256,900	37,429	(15,579)	(31,946)	120,252	2,123,056

Notes to the Financial Statements

for the Year Ended 31 December 2017

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 activities and the related revenues are generated in the Czech Republic.

The Company's share capital is CZK 500,000 thousand as at 31 December 2017. The Company's sole shareholder is Česká spořitelna, a. s., holding 100% of the share capital.

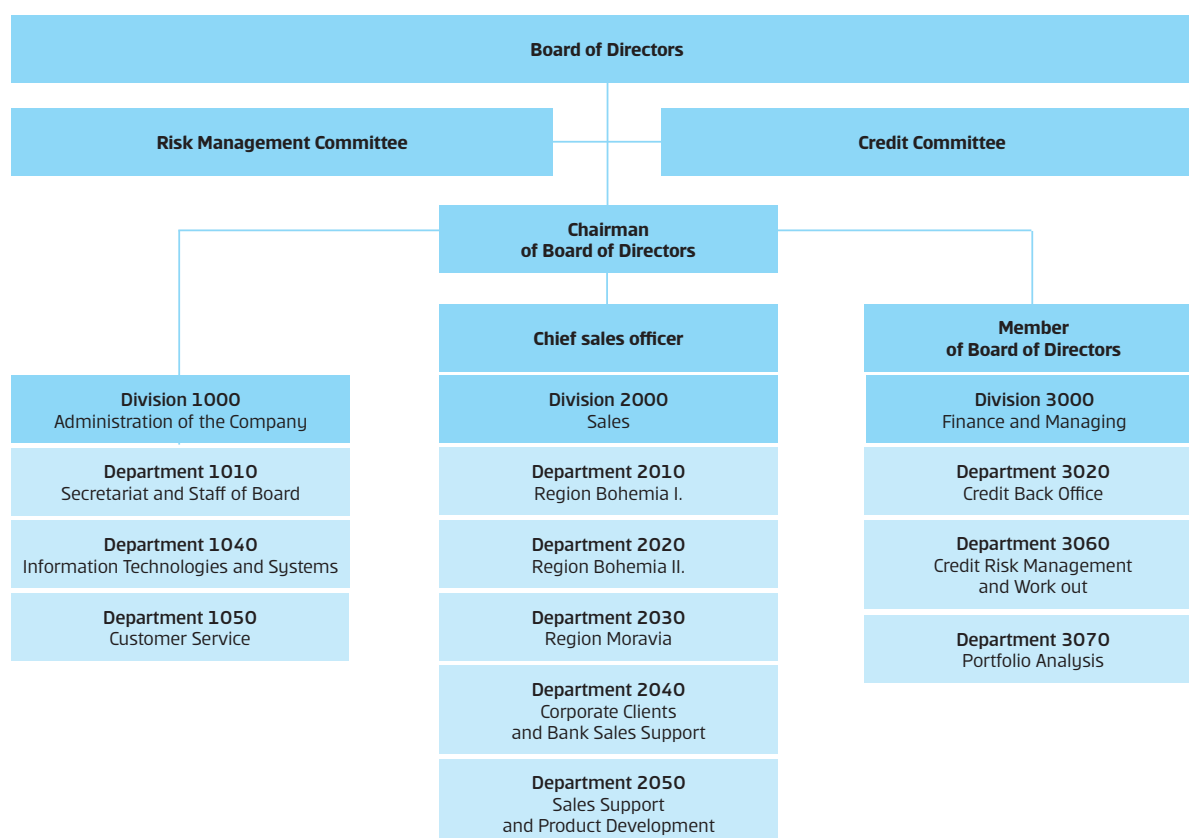
The Company concluded no controlling agreement with the parent company.

The financial statements have been prepared in accordance with the valid Czech accounting legislation as separate financial statements for the year ended 31 December 2017. Consolidated financial statements prepared in accordance with International Financial Reporting Standards for the immediate subgroup within the Erste Group (Česká spořitelna Financial Group (CSFG)), the Company being part of it, have been prepared by the parent company Česká spořitelna, a. s., and published on its website. Consolidated financial statements for the entire group and the ultimate group of entities of Erste Group Bank have been prepared and published on its website by Erste Group Bank AG, based in Austria.

1.2 Changes and Amendments in the Commercial Register

In the Commercial Register kept at the Municipal Court in Prague, changes in the composition of the Company's Supervisory Board were noted in 2017 – see point 1.5.

1.3 Organizational 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 2017

	Position	Name
Board of Directors	Chairman	Wilfried Reinhard Elbs
	Member	Tomáš Veverka
Supervisory Board	Chairman	Jan Seger
	Vice-Chairman	Roman Pařil
	Member	Petr Vacek

On 5 January 2017, the position of Vice-Chairman of the Board of Directors of Tomáš Veverka was terminated.

On 21 May 2017, the position of Chairman of Supervisory Board of Jan Jeřábek was terminated.

On 30 July 2017, the position of Vice-Chairman of Supervisory Board of Radka Turková was terminated.

On 30 July 2017, the position of Member of Supervisory Board of Petr Kapoun was terminated.

On 14 July 2017, Jan Seger was elected as a Member of Supervisory Board.

On 1 August 2017, Petr Vacek and Roman Pařil were elected as Members of Supervisory Board.

On 13 October 2017, Jan Seger was appointed Supervisory Board chair.

On 13 October 2017, Roman Pařil was appointed Supervisory Board Vice-Chairman.

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 provisions 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.

In 2017, there was a correction of the recognition of revenues from fees from the processing of credit agreements from the line revenue from the sale of products and services to the line other interest income. To ensure comparability, these items were reclassified also for 2016.

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 asset for a separate technical-economic purpose 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 asset for a separate technical-economic purpose 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 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 a straight-line method over their estimated useful lives.

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

Depreciation periods of the individual asset categories are as follows:

Asset category	Depreciation period in years
Machinery and equipment	4–12
Vehicles	4
Furniture and fixtures	4–6
Software, licenses 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 of Leased Assets and Receivables

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 exposure level, 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.

Loans and borrowings – other 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.

3.2.1 Equity Interests in Subsidiaries

Equity interests are valued at their acquisition cost. The acquisition cost of securities and equity 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 equity 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:

- Equity interests in subsidiaries are valued under the equity method;
- Equity interests recorded at 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 against 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 of leased assets and receivables (see Note 3.1).

Allowances against receivables arising from penalties are recognised at the full carrying value of these receivable balances.

3.4 Inventory

Seized assets from stock financing are measured at the estimated net realizable amount and presented within Goods for resale.

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 profit (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 Received

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.

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

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 to the Czech Currency

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

In contracts concluded since 1 January 2008 assets held under finance leases are depreciated in accordance with § 31, § 30a (contracts concluded between 20 July 2009 and 30 June 2010) of Act No. 586/1992 Coll., on Income Taxes as amended, as this method appropriately delimits depreciation over the lease term.

3.10.2 Current Tax Payable

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

Taxable profit is derived from the profit as reported in the income statement by excluding items of non-taxable income or non-deductible expense, further adjusted by tax allowances and potential credits from taxes 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 directly expensed.

3.12 Revenue Recognition

Revenues are divided into operational and financial.

Revenues relating to future periods are recognised on an 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 an 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 a predetermined amount of cash.

4. Balance sheet and income statement – additional information

4.1 Fixed Assets

4.1.1 Intangible Fixed Assets

At cost

CZK ths.	As at 31 Dec 2015	Additions	Disposals	As at 31 Dec 2016	Additions	Disposals	As at 31 Dec 2017
Royalties	16,394	936	0	17,330	1,506	0	18,836
Software	128,549	9,128	0	137,677	6,271	0	143,948
Total	144,943	10,064	0	155,007	7,777	0	162,784

Oprávký

CZK ths.	As at 31 Dec 2015	Additions	Disposals	As at 31 Dec 2016	Additions	Disposals	As at 31 Dec 2017
Royalties	(13,220)	(848)	0	(14,068)	(892)	0	(14,960)
Software	(103,061)	(6,695)	0	(109,756)	(7,160)	0	(116,916)
Total	(116,281)	(7,543)	0	(123,824)	(8,052)	0	(131,876)

Net book value

CZK ths.	As at 31 Dec 2015	As at 31 Dec 2016	As at 31 Dec 2017
Royalties	3,174	3,262	3,876
Software	25,488	27,921	27,032
Total, incl. allowances	28,662	31,183	30,908

All intangible fixed assets are used by the Company.

Amortisation of intangible fixed assets.

CZK ths.	2016	2017
Total	7,543	8,052

4.1.2 Tangible Fixed Assets

4.1.2.1 Own Tangible Fixed Assets

At cost

CZK ths.	As at 31 Dec 2015	Additions	Disposals	As at 31 Dec 2016	Additions	Disposals	As at 31 Dec 2017
Individual movable assets	32,279	13,074	(4,392)	40,961	5,231	(12,013)	34,179
- Machinery and equipment	17,690	6,600	(742)	23,548	1,286	(4,258)	20,576
- Vehicles	14,589	6,474	(3,650)	17,413	3,945	(7,755)	13,603
Other tangible fixed assets	27	0	0	27	0	(27)	0
Tangible fixed assets in the course of construction	551	651	(551)	651	0	(651)	0
Total	32,857	13,725	(4,943)	41,639	5,231	(12,691)	34,179

Accumulated depreciation

CZK ths.	As at 31 Dec 2015	Additions	Disposals	As at 31 Dec 2016	Additions	Disposals	As at 31 Dec 2017
Individual movable assets	(22,701)	(3,983)	3,351	(23,333)	(4,537)	9,704	(18,166)
– Machinery and equipment	(16,345)	(919)	741	(16,523)	(1,895)	4,258	(14,160)
– Vehicles	(6,356)	(3,064)	2,610	(6,810)	(2,642)	5,446	(4,006)
Total	(22,701)	(3,983)	3,351	(23,333)	(4,537)	9,704	(18,166)

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

CZK ths.	As at 31 Dec 2015	As at 31 Dec 2016	As at 31 Dec 2017
Individual movable assets	9,578	17,628	16,013
- Machinery and equipment	1,345	7,025	6,416
- Vehicles	8,233	10,603	9,597
Other tangible fixed assets	27	27	0
Tangible fixed assets in the course of construction	551	651	0
Total, incl. allowances	10,156	18,306	16,013

4.1.2.2 Tangible Fixed Assets Held Under Leases and Seized Assets

At cost

CZK ths.	As at 31 Dec 2015	Additions	Disposals	As at 31 Dec 2016	Additions	Disposals	As at 31 Dec 2017
Individual movable assets	2,092,834	492,600	(706,691)	1,878,743	483,897	(785,331)	1,577,309
- Machinery and equipment	558,611	0	(161,334)	397,277	2,560	(254,481)	145,356
- Vehicles	1,490,247	394,737	(436,880)	1,448,104	358,777	(436,259)	1,370,622
- Furniture and fixtures	5,126	0	0	5,126	0	0	5,126
- Seized assets from client loans	38,850	97,863	(108,477)	28,236	122,560	(94,591)	56,205
Tangible fixed assets in the course of construction	0	394,737	(394,737)	0	361,259	(361,259)	0
Advances paid for tangible fixed assets	0	2,107	(2,107)	0	0	0	0
Total	2,092,834	889,444	(1,103,535)	1,878,743	845,156	(1,146,590)	1,577,309

Accumulated depreciation

CZK ths.	As at 31 Dec 2015	Additions	Disposals	As at 31 Dec 2016	Additions	Disposals	As at 31 Dec 2017
Individual movable assets	(1,095,016)	(552,688)	706,962	(940,742)	(562,491)	785,252	(717,981)
- Machinery and equipment	(401,668)	(85,869)	161,334	(326,203)	(46,770)	254,481	(118,492)
- Vehicles	(690,133)	(357,569)	436,880	(610,822)	(420,628)	436,180	(595,270)
- Furniture and fixtures	(3,215)	(502)	0	(3,717)	(502)	0	(4,219)
- Seized assets from client loans	0	(108,748)	108,748	0	(94,591)	94,591	0
Total	(1,095,016)	(552,688)	706,962	(940,742)	(562,491)	785,252	(717,981)

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.	As at 31 Dec 2015	Additions	Disposals	As at 31 Dec 2016	Additions	Disposals	As at 31 Dec 2017
Allowances to equipment	(47,797)	(64,269)	85,276	(26,790)	(86,194)	65,458	(47,526)
- Allowances to tangible fixed assets – current contracts	(12,797)	(698)	8,914	(4,581)	(5,090)	1,793	(7,878)
- Allowances to tangible fixed assets – prematurely terminated contracts	(3,522)	(45)	1,426	(2,141)	(2,277)	3,648	(770)
- Seized assets from client loans	(31,478)	(63,526)	74,936	(20,068)	(78,827)	60,017	(38,878)
Total	(47,797)	(64,269)	85,276	(26,790)	(86,194)	65,458	(47,526)

Net book value

CZK ths.	As at 31 Dec 2015	As at 31 Dec 2016	As at 31 Dec 2017
Individual movable assets	950,021	911,211	811,802
- Machinery and equipment	156,943	71,074	26,864
- Vehicles	783,795	830,560	766,704
- Furniture and fixtures	1,911	1,409	907
- Allowances to seized assets from client loans	7,372	8,168	17,327
Total, incl. allowances	950,021	911,211	811,802

Depreciation of tangible fixed assets

CZK ths.	2016	2017
Total	346,452	291,747

4.1.3 Non-Current Financial Investments

Ownership Interests in Subsidiaries

As at 31 December 2017, 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 2017, 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 2016 and 2017, the share capital in s Autoleasing SK, s.r.o. was increased.

2017

Subsidiaries CZK ths.	As at 1 Jan 2017	Additions	Revaluation	As at 31 Dec 2017
DINESIA a. s.	39,108	0	(18,858)	20,250
s Autoleasing SK, s. r. o.	46,943	57,145	(2,613)	101,475
Total	86,051	57,145	(21,471)	121,725

2016

Subsidiaries CZK ths.	As at 1 Jan 2016	Additions	Revaluation	As at 31 Dec 2016
DINESIA a. s.	34,892	0	4,216	39,108
s Autoleasing SK, s. r. o.	10,608	35,139	1,196	46,943
Celkem	45,500	35,139	5,412	86,051

Acquisition cost

Name	Registered office	Acquisition price	Share	Voting rights	Equity	Profit for the year	Dividends per year	Valuation as at 31 Dec 2017
DINESIA a. s.	Střelničná 8/1680, Praha 8	2,105	100 %	100 %	20,250	(10,499)	0	20,250
s Autoleasing SK, s. r. o.	Vajnorská 100/A, Bratislava	40,538	100 %	100 %	101,475	2,494	0	101,475
Celkem		42,643			121,725	(8,005)	0	121,725

Data for the year 2017 are based on unaudited Financial Statements.

Other long-term financial assets

Gross amount

CZK ths.	As at 31 Dec 2015	Change in credit	As at 31 Dec 2016	Change in credit	As at 31 Dec 2017
Loans granted – Individuals non-entrepreneurs	1,401,835	197,907	1,599,742	206,968	1 806,710
Loans granted – Individuals entrepreneurs / Legal entities	2,827,032	439,791	3,266,823	383,716	3 650,539
Total	4,228,867	637,698	4,866,565	590,684	5 457,249

Allowances

CZK ths.	As at 31 Dec 2015	Additions	Disposals	As at 31 Dec 2016	Additions	Disposals	As at 31 Dec 2017
Allowance against principal – Individuals non-entrepreneurs	(2,876)	(4,283)	4,486	(2,673)	(6,543)	6,483	(2,733)
Allowance against principal – Individuals entrepreneurs / Legal entities	(9,613)	(24,928)	26,574	(7,967)	(30,256)	28,880	(9,343)
Total	(12,489)	(29,211)	31,060	(10,640)	(36,799)	35,363	(12,076)

Net value

CZK ths.	Net value as at 31 Dec 2016	Net value as at 31 Dec 2017
Loans granted – Individuals non-entrepreneurs	1,597,069	1,803,977
Loans granted – Individuals entrepreneurs / Legal entities	3,258,856	3,641,196
Total	4,855,925	5,445,173

4.2 Inventory

4.2.1 Goods

Acquisition cost

CZK ths.	As at 31 Dec 2016	As at 31 Dec 2017
Seized assets from stock financing	8,238	4,330
Total	8,238	4,330

Allowances

CZK ths.	As at 31 Dec 2016	As at 31 Dec 2017
Seized assets from stock financing	(8,057)	(4,330)
Total	(8,057)	(4,330)

4.3 Long-term Receivables

The Company does not have long-term receivables (ie due after 1 year from the balance sheet date).

4.4 Short-term Receivables

4.4.1 Aging of Trade Receivables

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

CZK ths.	As at 31 Dec 2016	As at 31 Dec 2017
Receivables from instalment sales	13,004	10,827
Receivables from lease instalments	10,333	9,867
Receivables from consumer loans	2,358,946	2,595,218
Other receivables	579	225
Total receivables	2,382,862	2,616,137

Year CZK ths.	Category	Before due date					Past due More than 2 years	Total
			0–90 days	91–180 days	181–360 days	1–2 years		
2017	Gross	2,470,215	34,760	13,938	30,605	25,910	40,709	2,616,137
	Allowances							(130,701)
	Net							2,485,436
2016	Gross	2,221,622	45,959	24,414	33,976	15,715	41,176	2,382,862
	Allowances							(138,092)
	Net							2,244,770

4.4.2 Allowances against Short-term Receivables

CZK ths.	As at 1 Jan 2016	Additions	Disposals	As at 31 Dec 2016	Additions	Disposals	As at 31 Dec 2017
Current contracts	(6,271)	(13,248)	14,703	(4,816)	(17,239)	16,411	(5,644)
Prematurely terminated contracts	(101,578)	(127,666)	150,345	(78,899)	(125,970)	132,240	(72,629)
Penalty	(1,285)	(619)	973	(931)	(581)	874	(638)
Contractual penalties	(10)	0	5	(5)	0	5	0
Bankruptcy	(19,593)	(15,679)	9,215	(26,057)	(10,093)	8,687	(27,463)
Contractual fees and late charges	(8,626)	(8,690)	11,371	(5,945)	(5,325)	6,917	(4,353)
Contractual penalties - loans	(30,160)	(17,629)	26,350	(21,439)	(14,286)	15,751	(19,974)
Total allowance against receivables	(167,523)	(183,531)	212,962	(138,092)	(173,494)	180,885	(130,701)
Stock financing	(58,267)	(89,117)	81,931	(65,453)	(99,338)	117,683	(47,108)
Total allowances against receivables	(225,790)	(272,648)	294,893	(203,545)	(272,832)	298,568	(177,809)

4.4.3 Short-term Receivables including Intercompany Receivables

Company name CZK ths.	As at 31 Dec 2016	As at 31 Dec 2017
Česká spořitelna, a. s.	2,342	1,068
Reico investiční společnost České spořitelny, a. s.	14	0
ČS do domu, a.s.	3	0
Total short-term intercompany receivables	2,359	1,068
Receivables from third parties	3,380,404	4,029,924
Total short-term receivables (gross)	3,382,763	4,030,992

4.5. Other receivables

4.5.1 Tax Receivables and Short-term Advances Granted

Tax receivables include receivables arising from income tax and VAT.

The advance payments include in particular items related to facility management and advances paid to suppliers in the ordinary course of business.

4.5.2 Estimated Receivables

CZK ths.	As at 31 Dec 2016	As at 31 Dec 2017
Insurance commissions	5,372	7,073
Other	332	937
Interest income on dealer loans	7,176	10,771
Total estimated receivables	12,880	18,781

4.5.3 Other Receivables

CZK ths.	As at 31 Dec 2016	As at 31 Dec 2017
Short-term loan to suppliers – Gross	980,337	1,390,918
Allowances against other receivables	(65,453)	(47,108)
Short-term loan to suppliers – Net	914,884	1,343,810
Other receivables	11	0
Total other receivables	914,895	1,343,810

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

4.6 Cash

CZK ths.	As at 31 Dec 2016	As at 31 Dec 2017
Cash in hand	212	198
Cash at bank	32,674	34,406
Total cash	32,886	34,604

4.7 Prepaid Expenses

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 an 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.

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

4.8 Deferred tax

Deferred tax asset can be analysed as follows:

Deferred tax arising from CZK ths.	As at 31 Dec 2016	As at 31 Dec 2017
Net book value of fixed assets	53,750	60,677
Allowances against assets	6,621	9,853
Non-current financial assets	(7,031)	(3,447)
Allowances against receivables	9,622	8,229
Unpaid social security and health insurance	2,598	2,778
Total	65,560	78,090

The increase of deferred tax asset in 2017 amounted to CZK 12,530 thousand (2016: CZK 2,021 thousand) of which CZK (3,584) thousand (2016: 801 thousand) was recognised in equity and CZK (8,946) thousand (2016: (2,822)) as tax expense.

4.9 Equity

The Annual General Meetings held on 31 May 2017 approved the profit distribution for 2016 (see Statement of Changes in Shareholders' Equity). In accordance with its Articles of Association, the Company allocated a portion of profit to the reserve fund.

The Company expects to use the profit of 2017 to cover the remaining accumulated losses and retain the balance in retained earnings.

4.9.1 Differences Arising from Revaluation of Assets and Liabilities

Ownership interest CZK ths.	Revaluation as at 31 Dec 2016	Revaluation as at 31 Dec 2017
DINESIA a. s.	37,003	18,145
s Autoleasing SK, s.r.o.	(27,663)	(30,277)
Deferred tax arising from revaluation differences	(7,031)	(3,447)
Total revaluation	2,309	(15,579)

4.10 Provisions

In 2017 and 2016, the Company used a provision for litigation. By the end of 2017, the position amounted to CZK 5,711 thousand (in 2016: CZK 12,408 thousand).

4.11 Bank Loans and Borrowings

4.11.1 Bank Loans

CZK ths.	As at 31 Dec 2016	As at 31 Dec 2017
Long-term bank loans	4,466,090	5,688,063
Short-term bank loans	3,159,530	3,147,036
Total bank loans	7,625,620	8,835,099

2017

Bank/Creditor CZK ths.	Balance as at 31 Dec 2017	Type of collateral	Currency
Česká spořitelna, a.s.	8,489,867	no collateral	CZK
Česká spořitelna, a.s.	260,190	no collateral	EUR
Raiffeisenbank a.s.	85,042	bank guarantee	CZK
	8,835,099		

2016

Bank/Creditor CZK ths.	Balance as at 31 Dec 2016	Type of collateral	Currency
Česká spořitelna, a.s.	6,852,231	no collateral	CZK
Česká spořitelna, a.s.	228,255	no collateral	EUR
UniCredit bank, a.s.	400,000	bank guarantee	CZK
Raiffeisenbank a.s.	145,134	bank guarantee	CZK
	7,625,620		

Payment Schedule of Bank Loans as at 31 December 2017

Bank/Creditor CZK ths.	2018	2019	2020	2021	2022	2023	2024
Česká spořitelna, a.s.	3,061,995	2,375,015	1,665,833	978,655	464,765	153,839	49,955
Raiffeisenbank, a.s.	85,042						
Total	3,147,037	2,375,015	1,665,833	978,655	464,765	153,839	49,955

In accordance with applicable accounting standards, a portion of loans due by 31 December 2018 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.

4.12 Current Liabilities

4.12.1 Short-term Advances Received

Short-term advances received totalling CZK 60,031 thousand (2016: CZK 60,762 thousand) include in particular payments received before the receivable due date.

4.12.2 Aging of Current Trade Payables

Before due date CZK ths.	As at 31 Dec 2016	As at 31 Dec 2017
Current trade payables	14,953	1,807

The Company has no overdue trade payables.

Current trade payables comprise payables to suppliers.

4.12.3 Other Current Liabilities

CZK ths.	As at 31 Dec 2016	As at 31 Dec 2017
Liabilities to employees	4,983	5,207
Liabilities from social security	2,500	2,513
Due to government – taxes	1,142	1,185
Estimated payables	114,749	97,679
- unbilled deliveries	93,141	77,079
- other	21,608	20,600
Other liabilities	7,014	7,764
Total other current liabilities	130,388	114,348

Overview of current liabilities to related parties is disclosed in the following table:

Company name CZK ths.	As at 31 Dec 2016	As at 31 Dec 2017
Česká spořitelna, a. s. – loan interest	6,030	7,348
Česká spořitelna, a. s. – risk participation	3,685	3,685
Total short-term intercompany payables	9,715	11,033

Other liabilities include guarantee payments 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.

4.13 Deferred Income

CZK ths.	As at 31 Dec 2016	As at 31 Dec 2017
Lease instalments	110,997	93,140
Fee for entering into agreements	51,679	32,346
Instalment sales	320	0
Total deferred income	162,996	125,486

4.14 Revenues from Ordinary Activities by Principal Activity

CZK ths.	2016	2017
Loan item sales (sales of goods)	5,631	2,318
Sales of goods total	5,631	2,318
Finance lease	320,387	239,712
Operating lease	75,120	85,198
Other	16,137	12,660
Total lease (sales of own products and services)	411,644	337,750
Commissions for the mediation of insurance	31,108	42,027
Revenues from fees for loan agreements conclusion and processing	40,334	28,978
Revenues from other fees	27,507	25,619
Other revenues	3,094	4,058
Total revenues from the sale of products and services	513,687	438,252
Total revenues from the sale of goods, products and services	519,318	440,570

All revenues from ordinary activities arose from the Czech Republic market.

4.14.1 Structure of Leasing Portfolio

Commodity	Podíl na portfoliu v % 2016	Podíl na portfoliu v % 2017
Cars	64.53	71.07
Vans	8.56	10.08
Trucks	7.09	6.95
Semi-trailers and trailers	3.72	2.39
Tow trucks	4.35	2.74
Buses	3.00	2.69
Handling equipment	0.06	0
Marine and railway equipment	0.72	0.62
Total vehicles and transport equipment	92.03	96.54
Machinery	3.38	0.67
Machinery for the food industry	0.29	0
Furniture, fixtures and services	1.98	1.44
Other special purpose machines	1.41	0.56
Construction machines	0.27	0
Power machinery	0.49	0.41
Other machines and equipment	0.15	0.38
Total machinery and equipment	7.97	3.46
Total net book values, net of allowances	100.00	100.00

4.15 Related Party Transactions

4.15.1 Revenues Generated from Related Party Transactions

Entity CZK ths.	Relation to Company	2016	2017
Česká spořitelna, a. s.	Parent company	8,959	1,108
Stavební spořitelna, a. s.	Sister company	147	181
REICO investiční společnost České spořitelny, a. s.	Sister company	184	21
Procurement Services CZ, s. r. o.	Other related party	153	222
s Autoleasing SK, s. r. o.	Subsidiary	1,553	1,581
ČS do domu, a. s.	Sister company	1,242	0
Erste Leasing, a. s.	Sister company	7	13
Factoring České spořitelny, a. s.	Sister company	12	21
Pojišťovna České spořitelny, a. s.	Other related party	72	48
Česká spořitelna - penzijní společnost, a. s.	Sister company	15	0
Erste Grantika advisory, a. s.	Sister company	172	41
Věrnostní program iBOD, a. s.	Sister company	164	161
s IT Solutions CZ, s. r. o.	Other related party	33	0
Global Payments Europe, s. r. o.	Other related party	0	1,232
Total		12,713	4,629

4.15.2 Expenses Incurred from Related Party Transactions

2017

Entity CZK ths.	Relation to Company	Services	Other costs	Finance cost	Total
Česká spořitelna, a. s.	Parent company	20,701	37	82,148	102,886
Erste Leasing, a. s.	Sister company	1	0	0	1
Procurement Services CZ, s. r. o.	Other related party	469	373	0	842
Erste Group Bank AG	Other related party	2,673	0	0	2,673
Total		23,844	410	82,148	106,402

2016

Subjekt CZK ths.	Relation to Company	Services	Other costs	Finance cost	Total
Česká spořitelna, a. s.	Parent company	24,804	144	80,974	105,922
Erste Leasing, a. s.	Sister company	791	0	0	791
Procurement Services CZ, s. r. o.	Subsidiary	120	40	0	160
s Autoleasing SK, s. r. o.	Other related party	0	52	0	52
Erste Group Bank AG	Other related party	473	0	0	473
Total		26,188	236	80,974	107,398

4.16 Consumption

CZK ths.	2016	2017
Consumed material	3,458	2,193
Energy and fuel consumption	1,941	1,887
Total consumption of material and energy	5,399	4,080

4.17 Services

CZK ths.	2016	2017
Marketing	27,892	28,574
Statutory auditor's fees	2,274	1,643
Legal and advisory services	19	2,023
Services related to the extraordinary termination of contracts	12,173	9,801
Consideration for professional services – agreements	13,666	15,140
Training	1,068	1,065
Telephone, fax, postal charges	2,356	2,190
Repairs and maintenance	1,348	584
Travel expenses	644	542
Outsourcing	3,883	4,084
Commissions for trade partners	329,689	352,152
Rental	8,030	6,662
Others services related to leasing	16,872	14,026
Other	23,823	25,379
Total	443,737	463,865

4.18 Staff Costs and Number of Employees

The average number of employees and staff costs in 2017 and 2016 are as follows:

2017

CZK ths.	Number	Wages and salaries	Bonuses to members of statutory bodies	Social security and health insurance	Other costs	Total staff costs
Employees	101	57,993	0	19,966	4,296	82,255
Management	9	16,612	8,164	5,971	438	31,185
Total	110	74,605	8,164	25,937	4,734	113,440

2016

CZK ths.	Number	Wages and salaries	Bonuses to members of statutory bodies	Social security and health insurance	Other costs	Total staff costs
Employees	105	58,184	0	20,070	5,098	83,352
Management	10	16,857	10,127	6,623	464	34,071
Total	115	75,041	10,127	26,693	5,562	117,423

Management includes the Board of Directors and executive management.

4.18.1 Loans and Other Management Emoluments

Members of the Board of Directors received the following loans and compensation in excess of their base salaries:

CZK ths.	2017
Contribution to life and pension insurance	38
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)	808
Other items (increase of tax base – personal fuel consumption)	205
Total	1,051

CZK ths.	2016
Contribution to life and pension insurance	57
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)	893
Other items (increase of tax base – personal fuel consumption)	280
Total	1,230

4.19 Overview of Changes in Allowances for Doubtful Debts

CZK ths.	As at 1 Jan 2016	Additions	Disposals	As at 31 Dec 2016	Additions	Disposals	As at 31 Dec 2017
Allowance to leased assets	(16,319)	(743)	10,342	(6,720)	(7,369)	5,441	(8,648)
Allowance to trade receivables	(167,523)	(183,531)	212,962	(138,092)	(173,494)	180,885	(130,701)
Allowance to other receivables	(58,267)	(89,117)	81,931	(65,453)	(99,338)	117,683	(47,108)
Allowance to loans	(12,489)	(29,211)	31,060	(10,640)	(36,799)	35,363	(12,076)
Allowance to seized assets	(31,478)	(63,526)	74,936	(20,068)	(78,827)	60,017	(38,878)
Allowance to goods	(2,191)	(11,176)	5,310	(8,057)	(6,588)	10,315	(4,330)
Total	(288,267)	(377,304)	416,541	(249,030)	(402,415)	409,704	(241,741)

4.20 Other Operating Income

CZK ths.	2016	2017
Fixed assets sold	133,577	220,539
Other operating income: of which	145,399	117,322
Contractual fines and late charges	28,546	21,203
Loss compensation	102,707	84,060
Re-charge and insurance premium proceeds	3,856	3,567
Income from ceded and written-off receivables	5,819	4,588
Other income except for leases	4,471	3,904
Total other operating income	278,976	337,861

4.21 Other Operating Expenses

CZK ths.	2016	2017
Net book value of sold fixed assets	150,900	246,175
Taxes and fees	1,798	1,672
Provisions from operating activities	(417)	(6,696)
Other operating expenses, of which:	177,657	108,507
Other operating expenses	12,275	14,936
Costs of ceded receivables	94,665	52,970
Write off of receivables	5,474	4,575
Insurance premium cost	5,155	4,609
Shortages and losses in operating activities	60,088	31,417
Total other operating expenses	329,938	349,658

4.22 Revenue from Other Long-Term Financial Assets

CZK ths.	2016	2017
Dividends received (DINESIA a. s.)	0	8,325
Total	0	8,325

4.23 Interest Income

CZK ths.	2016	2017
Margin on instalment sales	1,449	319
Interest on loans granted to individuals (non-entrepreneurs)	299,224	308,143
Interest on loans granted to individuals (entrepreneurs) and legal entities	347,177	352,748
Interest – other debtors	22,552	23,354
Total	670,402	684,564

4.24 Interest Expense

CZK ths.	2016	2017
Interest on loans	80,926	82,518
Interest on overdrafts	780	711
Total	81,706	83,229

4.25 Other Finance Income

CZK ths.	2016	2017
Foreign exchange gains	1,030	24,753
Other	362	461
Total	1,392	25,214

4.26 Other Finance Cost

CZK ths.	2016	2017
Bank charges	2,748	3,031
Foreign exchange losses	1,049	20,504
Total	3,797	23,535

4.27 Tax on Ordinary Activities

The charge for the year can be reconciled to the profit before tax per the income statement as follows:

CZK ths.	As at 31 Dec 2016	As at 31 Dec 2017
Profit before taxes	163,970	153,245
Tax non-deductible items	154,010	251,878
Tax deductible items	(99,334)	(188,903)
Tax base	218,646	216,220
Tax base decrease – gifts	0	0
Tax base adjusted	218,646	216,220
Tax at local income tax rate of 19% (2016: 19%)	41,543	41,082
Additional tax assessment/refund	(41)	857
Tax due	41,502	41,939
Tax deferred	(2,822)	(8,946)
Total tax on ordinary activities	38,680	32,993

5. Contingent assets and liabilities

As at 31 December 2017, 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 executory contracts.

6. Statement of cash flows

The cash flow statement was prepared under the indirect method. Cash and cash equivalents can be analyzed as follows:

CZK ths.	31 Dec 2016	+/- 2017	31 Dec 2017
Cash in bank	32,674	1,732	34,406
Liquid valuables	212	(14)	198
Total cash and cash equivalents	32,886	1,718	34,604

Cash flows from investing and financing activities are disclosed in the statement of cash flows uncompensated.

7. Subsequent events

No events have occurred subsequent to year-end that would have a material impact on the financial statements as at 31 December 2017.



Wilfried Elbs
Chairman of the Board of Directors



Tomáš Veverka
Member of the Board of Directors

Person responsible for accounting:



Tomáš Veverka
Member of the Board of Directors

Person responsible for financial statements:



Tomáš Veverka
Member of the Board of Directors

Report on Relations

between Related Parties pursuant to Section 82 of the Law no. 90/2012 Sb., Business Corporations Act

s Autoleasing, a.s. with its registered address located in Prague 4, Budějovická 1912/64B, Krč, 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 period from 1 January 2017 till 31 December 2017 (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.
—	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.
—	DINESIA a. s.
—	Erste Leasing, a. s.
—	REICO investiční společnost České spořitelny, a. s.
—	s Autoleasing SK, s. r. o.
—	Česká spořitelna – penzijní společnost, a. s.
—	brokerjet České spořitelny, a. s.
—	Erste Grantika Advisory, a. s.
—	Stavební spořitelna České spořitelny, a.s.
—	Věrnostní program iBod, a. s.

B. Controlling Persons

- **Erste Group Bank AG**, with its registered address located in Vienna, Am Belvedere 1, A-1100, Austria
Relation to the Company: indirectly controlling person
- **EGB Ceps Beteiligungen GmbH**, with its registered address located in Vienna, Graben 21, Austria
Relation to the Company: Other Related party
- **EGB Ceps Holding GmbH**, with its registered address located in Vienna, Graben 21, Austria
Relation to the Company: Other Related party
- **Česká spořitelna, a. s.**, with its registered address located in Prague 4, Olbrachtova 1929/62, postal code 140 00, Business Reg. No. (IČ) 45 24 47 82
Relation to the Company: directly controlling person
Description of relations – see **Annex 1**

C. Other Related Parties

- **DINESIA a. s.**, with its registered address located in Prague 8, Střelničná 8/1680, postal code 182 00, Business Reg. No. (IČ) 63 99 95 79
Relation to the Company: a company directly controlled by the Submitter (subsidiary)
Description of relations – see **Annex 2**
- **s Autoleasing SK, s. r. o.**, with its registered address located in Bratislava, Tomášikova 48, postal code 832 44, Business Reg. No. (IČ) 46 806 491
Relation to the Company: a company directly controlled by the Submitter (subsidiary)
Description of relations – see **Annex 3**
- **Erste Leasing, a. s.**, with its registered address located in Znojmo, Horní náměstí 264/18, postal code 669 02, Business Reg. No (IČ) 163 25 460
Relation to the Company: a company directly controlled by Česká spořitelna (sister company)
Description of relations – see **Annex 4**
- **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) 292 16 061
Relation to the Company: Other Related party
Description of relations – see **Annex 4**

- **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) 27 56 71 17
Relation to the Company: related party directly controlled by Česká spořitelna (sister company)
Description of relations – see **Annex 4**

- **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 4**

- **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) 27 63 16 21
Relation to the Company: a company directly controlled by Procurement Services GmbH
Description of relations – see **Annex 4**

- **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 4**

- **Erste Grantika Advisory, a. s.**, with its registered address located in Brno, Jánská 448/10, Brno-město, postal code 602 00
Relation to the Company: related party directly controlled by Česká spořitelna (sister company)
Description of relations – see **Annex 4**

- **Česká spořitelna – penzijní společnost, a. s.**, with its registered address located in Prague 4, Poláčkova 1976/2, postal code 140 21
Relation to the Company: related party directly controlled by Česká spořitelna (sister company)
Description of relations – see **Annex 4**

- **Věrnostní program iBod, a. s.**, with its registered address located in Prague 4, Olbrachtova 1929/62, postal code 140 00
Relation to the Company: related party directly controlled by Česká spořitelna (sister company)
Description of relations – see **Annex 4**

- **Stavební spořitelna České spořitelny, a. s.**, with its registered address located in Prague 3, Vinohradská 1632/180, postal code 130 11
Relation to the Company: related party directly controlled by Česká spořitelna (sister company)
Description of relations – see **Annex 4**

D. Other Legal Acts

In the accounting period, the Submitter did not accept or perform any other legal acts or actions in the interest or at the instigation of the related parties related to assets, which would exceed 10% of the net assets of the Submitter as determined by the latest financial statements.

E. Other Factual Arrangement

s Autoleasing cooperates on group projects within Erste Group Bank. Collaboration on these group projects did not cause any harm to the Submitter. 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 2017 fiscal year.

Annex No. 1 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
Operating lease agreements incl. follow-up contracts	Česká spořitelna, a. s.	2012	Operative leasing of transport equipment	None incurred

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	Česká spořitelna, a. s.	2004	Current account maintenance	None incurred
Outsourcing service contract	Česká spořitelna, a. s.	2013	Outsourcing of selected activities	None incurred
Business cooperation contract	Česká spořitelna, a. s.	2006	Commission	None incurred
Contract for bank guarantee	Česká spořitelna, a. s.	2006	Bank guarantees for provided bank loans	None incurred
Master agency agreement on receivable portfolio administration	Česká spořitelna, a. s.	2006	Administration of receivable portfolio	None incurred
Contract of cooperation for securing of funds	Česká spořitelna, a. s.	2007	Patronage statement	None incurred
Business cooperation contract	Česká spořitelna, a. s.	2006	Participation in risk	None incurred
Credit line agreement no. 1048/04/LCD	Česká spořitelna, a. s.	2004	Granting of loans	None incurred
Credit line agreement no. 839/09/LCD	Česká spořitelna, a. s.	2009	Granting of loans	None incurred
Agreement on lease of non-residential premises	Česká spořitelna, a. s.	2012	Lease of non-residential premises in Brno, Jánská	None incurred
Agreement on interrelated exchange of information throughout application KLIENT	Česká spořitelna, a. s.	2009	Use of application KLIENT	None incurred
Agreement on lease of business premises	Česká spořitelna, a. s.	2014	Lease of non-residential premises in Praha 4, Antala Staška, Prague	None incurred
Agreement on IT services provision	Česká spořitelna, a. s.	2014	Provision of HW a SW infrastructure	None incurred
General mandatory agreement on receivable portfolio	Česká spořitelna, a. s.	2014	Administration of receivable portfolio	None incurred
Agreement on lease of safe deposit boxes	Česká spořitelna, a. s.	2013–2015	Lease of a safe deposit box	None incurred
Agreement on lease of non-residential premises	Česká spořitelna, a. s.	2014	Lease of non-residential premises in Prague 4, Budějovická, Trianon 13B	None incurred
Agreement on lease of non-residential premises	Česká spořitelna, a. s.	2016	Lease of non-residential premises in Prague 4, Budějovická 1912/64b	None incurred

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

Receivables	34,625
Payables	8,765,223
Other liabilities	3,685
Costs	102,886
Revenues	1,108

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

In the accounting period, the Submitter did not pay any dividends, profit shares or equity interests.

Annex No. 2 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 share capital of DINESIA a. s. is CZK 30,000 thousand. The Submitter reported the net value of the investment of CZK 20,250 thousand.

The sole shareholder decided on payment of advance dividend of CZK 8,325 thousand on 28 November 2017.

Summary of transactions with DINESIA, a.s. up to the balance sheet date (in CZK thousands):

Revenues	8,325
Costs	0

Annex No. 3 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 share capital of s Autoleasing SK, s. r. o., was increased in 2017 to the total amount CZK 127,700 thousand. The Submitter reported net value of the investment of CZK 101,475 thousand in respect of the above ownership interest.

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 incurred
Provision of professional services contract	s Autoleasing SK, s. r. o.	2012	Provision of professional services	None incurred

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

Revenues	1,581
Costs	0

Annex No. 4 to the Related Party Report

Description of Relations to Other Related Parties

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
Operating lease agreement incl. follow-up contracts	REICO investiční společnost České spořitelny, a. s.	2011	Operative leasing of transport equipment	None incurred
Operating lease agreement incl. follow-up contracts	Procurement Service CZ, s.r.o.	2016	Operative leasing of transport equipment	None incurred
Operating lease agreement incl. follow-up contracts	Stavební spořitelna, a. s.	2015	Operative leasing of transport equipment	None incurred
Leasing contracts	Stavební spořitelna, a. s.	2014	Leasing of transportation technology	None incurred
Operating lease agreement incl. follow-up contracts	Věrnostní program iBod, a. s.	2015	Operative leasing of transport equipment	None incurred
Loan agreement	Erste Grantika advisory, a.s.	2015–2016	Agreement on loan provision	None incurred

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 incurred
Purchase of assets	Procurement Services AT	2014	Purchase of assets	None incurred

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

Receivables	0
Payables	545
Costs	3,516
Revenues	1,940

This Report was discussed with and approved by the Company's Board of Directors on 23 March 2018.



Wilfried Elbs
Chairman of the Board of Directors



Ing. Tomáš Veverka
Member of the Board of Directors

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