

SEMI-ANNUAL FINANCIAL REPORT OF VÚB, a. s. 1st HALF OF 2020

*prepared in accordance with Article 35 of Act No. 429/2002 Coll. on the Stock Exchange, as amended,
and Article 77 of Act No. 566/2001 Coll. on Securities and Investment Services and on changes and
amendments to some acts, as amended*

Part 1 – Issuer’s identification

Business name:	Všeobecná úverová banka, a.s.
Registered office:	Mlynské nivy 1, 829 90 Bratislava
Company ID:	31 320 155
Date of establishment:	April 1, 1992
Founder:	National Property Fund of the Slovak Republic, Bratislava
Capital in EUR:	EUR 430,819,063.81
Contact person:	Ing. Ľubomír Fedor
Phone no.:	+421 2 5055 2184
E-mail:	lfedor@vub.sk
Website:	www.vub.sk

Scope of business

Pursuant to Article 2 of Act No. 483/2001 Coll. on Banks, the Bank carries out, apart from taking deposits and providing loans, the following activities:

1. The provision of payment services and clearing;
2. The provision of investment services, investment activities and auxiliary services under the Act on Securities, and investing in securities for account;
3. Trading activities for the Bank’s account:
 - a) in financial instruments of the money market in euro or foreign currency, in gold, including currency exchange services;
 - b) in financial instruments of the capital market in euro or foreign currency;
 - c) in precious metal coins, commemorative coins and banknotes, sheets of banknotes and sets of circulation coinage;
4. The management of claims on behalf of clients, including advisory services;
5. Financial leasing;
6. The provision of guarantees, opening and endorsing of letters of credit;
7. The provision of business advisory services;
8. The issuance of securities, participation therein, and the provision of related services;
9. Financial intermediation;
10. The safe custody of assets;

11. The renting of safe deposit boxes;
12. The provision of banking information;
13. Mortgage transactions pursuant to Article 67(1) of the Act on Banks;
14. Performance of the functions of a depository under a separate regulation;
15. The processing of banknotes and coins;
16. The issuance and administration of electronic money;
17. Financial intermediation under a special regulation as an independent financial agent in the insurance and reinsurance sector, provision of loans, housing loans and consumer loans, and as a tied financial agent in the supplementary pension savings sector.

Pursuant to Article 79a(1) in conjunction with Article 6(1) and (2) of Act No. 566/2001 Coll. on Securities and Investment Services, the provision of investment services, investment activities and ancillary services within the following scope:

(i) Reception and transmission of client orders in relation to one or more financial instruments with respect to the following financial instruments:

- a) transferable securities;
- b) money market instruments;
- c) fund shares or securities issued by foreign collective investment entities;
- d) options, futures, swaps, forwards and other derivatives related to securities, currencies, interest rates or yields or other derivative instruments, financial indexes or financial rates which can be settled by delivery or in cash;
- e) options, swaps and forwards related to commodities which must be settled in cash or can be settled at the option of one of the parties; this does not apply if the settlement is carried out due to insolvency or another event resulting in contract termination;
- f) options and swaps related to commodities which can be settled in cash, if traded on a regulated market or within a multilateral trading system;
- g) options, swaps and forwards related to emission licences, inflation rate which must be settled in cash or can be settled at the option of one of the parties, for a reason other than due to insolvency or another event resulting in contract termination;

(ii) execution of orders on behalf of clients with respect to financial instruments:

- a) transferable securities,
- b) money market instruments,
- c) fund shares or securities issued by foreign collective investment entities;
- d) options, futures, swaps, forwards and other derivatives related to securities, currencies, interest rates or yields or other derivative instruments, financial indexes or financial rates which can be settled by delivery or in cash;
- e) options, swaps and forwards related to commodities which must be settled in cash or can be settled at the option of one of the parties; this does not apply if the settlement is carried out due to insolvency or another event resulting in contract termination;
- f) options and swaps related to commodities which can be settled in cash, if traded on a regulated market or within a multilateral trading system;

g) options, swaps and forwards related to emission licences, inflation rate, which must be settled in cash or can be settled at the option of one of the parties, for a reason other than due to insolvency or another event resulting in contract termination;

(iii) dealing on own account with respect to financial instruments:

- a) transferable securities,
- b) money market instruments,
- c) fund shares or securities issued by foreign collective investment entities;
- d) options, futures, swaps, forwards and other derivatives related to securities, currencies, interest rates or yields or other derivative instruments, financial indexes or financial rates which can be settled by delivery or in cash;
- e) options, swaps and forwards related to commodities which must be settled in cash or can be settled at the option of one of the parties; this does not apply if the settlement is carried out due to insolvency or another event resulting in contract termination;
- f) options and swaps related to commodities which can be settled in cash, if traded on a regulated market or within a multilateral trading system;
- g) options, swaps and forwards related to emission licences, inflation rate, which must be settled in cash or can be settled at the option of one of the parties, for a reason other than due to insolvency or another event resulting in contract termination;

(iv) portfolio management with respect to financial instruments:

- a) transferable securities,
- b) money market instruments,
- c) fund shares or securities issued by foreign collective investment entities;
- d) options, futures, swaps, forwards and other derivatives related to securities, currencies, interest rates or yields or other derivative instruments, financial indexes or financial rates which can be settled by delivery or in cash;

(v) investment advice with respect to financial instruments:

- a) transferable securities,
- b) money market instruments,
- c) fund shares or securities issued by foreign collective investment entities;

(vi) underwriting or placing of financial instruments on a firm commitment basis with respect to financial instruments:

- a) transferable securities,
- b) fund shares or securities issued by foreign collective investment entities;

(vii) placing of financial instruments without a firm commitment basis with respect to financial instruments:

- a) transferable securities,
- b) money market instruments,
- c) fund shares or securities issued by foreign collective investment entities;

- (viii) safe custody and administration of financial instruments for the account of clients, including custodianship and related services, such as cash/collateral management with respect to financial instruments:
- a) transferable securities,
 - b) money market instruments,
 - c) fund shares or securities issued by foreign collective investment entities;
- (ix) granting credits or loans to an investor to allow him to carry out a transaction in one or more financial instruments, where the provider of the credit or loans is involved in the transaction;
- (x) advice on capital structure and business strategy, and advice and services relating to the merger, consolidation, transformation or splitting of undertakings or the purchase of undertakings;
- (xi) foreign exchange transactions where these are connected to the provision of investment services;
- (xii) investment survey and financial analysis or the other forms of general recommendation relating to transactions in financial instruments;
- (xiii) services related to the underwriting of financial instruments;
- (xiv) receipt and transmission of clients' orders concerning one or more financial instruments, execution of clients' order on their own account, trading on own account related to underlying derivative instruments – forwards related to emission licenses which must be settled in cash or can be settled at the option of one of the parties for a reason other than due to insolvency or other event resulting in contract termination, provided that they are connected with the provision of investment services or ancillary investment services for these derivatives.

Notification on the manner and date of publishing of the semi-annual financial report pursuant to Article 47(4) of Act No. 429/2002 Coll. on the Stock Exchange, as amended (hereinafter referred to as the "Stock Exchange Act")
(Issuer's website or daily newspaper, or a generally recognised information system in which the semi-annual financial report has been published)

Hospodárske noviny daily, 25 August 2020 – Notification on the publishing of the Semi-Annual Financial Report of 1st half of 2020 on the company's website www.vub.sk, 25 August 2020.

Part 2 – Financial Statements

Interim separate financial statements prepared in accordance with IFRS

Separate statement of financial position according to IFRS

Separate statement of profit or loss and other comprehensive income according to IFRS

Separate statement of changes in equity according to IFRS

Separate statement of cash flows according to IFRS

Notes according to IFRS

The Interim separate financial statements of VÚB, a.s. is published on the company's website

<https://www.vub.sk/en/financial-indicators/information-about-bank-activities/>

Interim consolidated financial statements prepared in accordance with IFRS

Consolidated statement of financial position according to IFRS

Consolidated statement of profit or loss and other comprehensive income according to IFRS

Consolidated statement of changes in equity according to IFRS

Consolidated statement of cash flows according to IFRS

Notes according to IFRS

The Interim consolidated financial statements of VÚB, a.s. is published on the company's website

<https://www.vub.sk/en/financial-indicators/information-about-bank-activities/>

Pursuant to Article 35(3) of the Stock Exchange Act, where an issuer is required to prepare consolidated financial statements in accordance with a separate regulation, the semi-annual report shall also contain the interim financial statements of the mother company produced in compliance with the legal regulations of the Member State in which the mother company was established.

The interim financial statements of the parent company Intesa Sanpaolo S.p.A., Torino, Italy, is fully available on the parent company's website:

www.group.intesasanpaolo.com

Pursuant to Article 35(11) of the Stock Exchange Act, if the semi-annual financial report has not been audited or reviewed by an auditor, the issuer shall make a statement to that effect in this report.

The semi-annual financial report as of 30 June 2020 has not been reviewed by an auditor.

Part 3 – Interim Report

Prepared pursuant to Article 77(4) of Act No. 566/2001 Coll. on Securities and Investment Services, as amended

a) Financial statements for the past half year

The information on the financial statements for the past half year is provided in Part 2 Financial Statements.

b) Report on the financial position in the extent specified in par. 2(b) for the past half year

1. Comparative table containing information from the balance sheet and profit and loss accounts from consolidated financial statements for the past two accounting periods, the methods used to execute the consolidated accounts, business name, registered office and identification number of the undertakings included in the consolidated financial statements

Information on the entities included in the consolidated financial statements

Business name and company reg. no	Address	Consolidation method
VÚB Leasing, a.s. CRN: 31318045	Mlynské nivy 1 820 05 Bratislava	Full method
VÚB Generali, d.s.s., a.s. CRN: 35903058	Mlynské nivy 1 820 04 Bratislava	Net equity method
Slovak Banking Credit Bureau, s.r.o. CRN: 35869810	Mlynské nivy 14 821 09 Bratislava	Net equity method

The comparative table containing information from the balance sheet and from the profit and loss accounts from the consolidated financial statements for the past two accounting periods is provided in the interim consolidated financial statements on the company's website

<https://www.vub.sk/en/financial-indicators/information-about-bank-activities/>

2. Overview of received bank loans and other loans and information on their maturity, classified as short-term and long-term loans

in EUR '000	Short-term	Long-term
Bank loans (including multinational institutions)	15,889	646,386
Subordinated debt	-	200,126
Other loans	-	9,043

3. Type, form, number and nominal value of issued and non-repaid securities and description of associated rights

Securities issued by the Bank as of 30 June 2020:

Shares

Security name:	Shares of VÚB, a. s., 1
Total issue amount	EUR 135,393,185.60
Type, form of security	Ordinary registered shares in book-entry form
Number and nominal value per share	4,078,108 shares per EUR 33.20
ISIN	SK1110001437 (series 01, 02, 03, 04, 05, 06)
Share in capital %	31.42%
Admitted / not admitted for trading	Admitted to the main listed market (Abbreviation: 1VUB02AE)

Security name:	Shares of VÚB, a. s., 2
Total issue amount	EUR 295,425,878.21
Type, form of security	Ordinary registered shares in book-entry form
Number and nominal value per share	89 shares per EUR 3,319,391.89
ISIN	SK1110003573 (series 01)
Share in capital %	68.58%
Admitted / not admitted for trading	Not admitted for trading

Pursuant to generally binding legal regulations and the Articles of Association of the Bank, the shares of VÚB, a.s. carry the right of the shareholder to participate in the management of VÚB, a.s., as well as the right to a share in its profit (dividend) and in the liquidation surplus in the case of dissolution.

The shares are freely transferrable by registration through the Central Depository of Securities (CDCP SR, a.s.) or its member.

Debt securities

ISSUE NAME	I S I N	ISSUE DATE	MATURITY DATE	DENOMINATION	NOMINAL VALUE	PIECES	COUPON	COUPON PAYMENTS	PUT OPTION	STOCK EXCHANGE MARKET
Mortgage bonds VUB, a.s., XX.	SK4120004946	9.3.2006	9.3.2021	EUR	331,939.19	50	4.30%	annually	no	BCPB listed parallel market
Mortgage bonds VUB, a.s., XXX.	SK4120005547	5.9.2007	5.9.2032	EUR	33,193.92	1,000	5.00%	annually	no	BCPB listed parallel market
Mortgage bonds VUB, a.s., 31	SK4120005679	29.11.2007	29.11.2037	EUR	33,193.92	600	4.90%	annually	no	BCPB listed parallel market
Mortgage bonds VUB, a.s., 43	SK4120006271	26.9.2008	26.9.2025	EUR	33,193.92	500	5.10%	annually	no	BCPB listed parallel market
Mortgage bonds VUB, a.s., 67	SK4120008228	29.11.2011	29.11.2030	EUR	50,000.00	300	5.35%	annually	no	BCPB listed parallel market
Mortgage bonds VUB, a.s., 72	SK4120008608	21.6.2012	21.6.2027	EUR	100,000.00	250	4.70%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 73	SK4120008624	11.7.2012	11.7.2022	EUR	100,000.00	500	4.20%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 74	SK4120008939	16.1.2013	15.12.2023	EUR	100,000.00	700	3.35%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 79	SK4120009846	24.3.2014	24.9.2020	EUR	1,000.00	10,000	2.00%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 80	SK4120009879	27.3.2014	27.3.2021	EUR	1,000,000.00	31	1.85%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 81	SK4120009887	27.3.2014	27.3.2024	EUR	1,000,000.00	38	2.55%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 82	SK4120010042	16.6.2014	16.12.2020	EUR	1,000.00	1,701	1.65%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 85	SK4120010364	14.11.2014	14.11.2029	EUR	100,000.00	500	2.25%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 87	SK4120010794	9.6.2015	9.6.2025	EUR	100,000.00	1,000	1.25%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 88	SK4120011040	11.9.2015	11.9.2020	EUR	100,000.00	716	0.50%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 89	SK4120011065	29.9.2015	29.9.2025	EUR	100,000.00	1,000	1.20%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 90	SK4120011149	29.10.2015	29.10.2030	EUR	100,000.00	1,000	1.60%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 91	SK4120011529	21.3.2016	21.3.2023	EUR	100,000.00	1,000	0.60%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 93	SK4120012469	18.1.2017	18.1.2024	EUR	100,000.00	2,500	0.50%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 94	SK4120012824	27.4.2017	27.4.2027	EUR	100,000.00	2,500	1.05%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 95	SK4120013251	26.9.2017	26.9.2022	EUR	100,000.00	2,500	0.375%	annually	no	BCPB regulated free market
Covered bonds VUB, a.s., 1	SK4120014168	26.6.2018	26.6.2023	EUR	100,000.00	2,500	0.50%	annually	no	BCPB regulated free market
Covered bonds VUB, a.s., 2	SK4120014531	5.10.2018	15.12.2027	EUR	100,000.00	500	1.50%	annually	no	BCPB regulated free market

ISSUE NAME	ISIN	ISSUE DATE	MATURITY DATE	DENOMINATION	NOMINAL VALUE	PIECES	COUPON	COUPON PAYMENTS	PUT OPTION	STOCK EXCHANGE MARKET
Covered bonds VÚB, a.s., 3	SK4120015108	26.3.2019	26.3.2024	EUR	100,000.00	5,000	0.25%	annually	no	LSE regulated market
Covered bonds VÚB, a.s., 4	SK4000015475	26.6.2019	26.6.2029	EUR	100,000.00	5,000	0.50%	annually	no	LSE regulated market
Covered bonds VÚB, a.s., 5	SK4000017455	23.6.2020	23.6.2025	EUR	100,000.00	5,000	0.01%	annually	no	LSE regulated market

All debt securities issued by VÚB, a.s., are bearer bonds in book entry form. No entity guarantees the repayment of their nominal value and/or coupon payment.

The bonds are transferable to another holder without any restrictions. The rights related to bonds are defined in the terms and conditions of issue and in the respective securities prospectus, as well as in the applicable legal regulations of the Slovak Republic, in particular in Act No. 530/1990 Coll. on Bonds, as amended, Act No. 483/2001 Coll. on Banks, as amended, and in Act No. 566/2001 Coll. on Securities and Investment Services, as amended.

Investment certificates

ISSUE NAME	ISIN	ISSUE DATE	MATURITY DATE	DENOMINATION	NOMINAL VALUE	PIECES	COUPON	COUPON PAYMENTS	PUT OPTION	STOCK EXCHANGE MARKET
Investment certificates of VÚB, a.s., 2020 02	SK5110000745	18.12.2017	18.12.2020	EUR	1.00	38,400	0.00%	-	No	Not admitted for trading
Investment certificates of VÚB, a.s., 2021	SK5110000828	28.6.2018	28.6.2021	EUR	1.00	385,500	0.00%	-	No	Not admitted for trading
Investment certificates of VÚB, a.s., 2022	SK4000015582	27.6.2019	27.6.2022	EUR	1.00	312,700	0.00%	-	No	Not admitted for trading
Investment certificates of VÚB, a.s., 2023	SK4000017554	29.6.2020	29.6.2023	EUR	1.00	144,800	0.00%	-	No	Not admitted for trading

In the course of the 1st half of 2020, the Company issued Investment certificates of VÚB, a. s., 2023. These certificates were issued in order to comply with the obligations under per Act No. 483/2011 Coll. on Banks, as amended, in connection with EU Regulation No. 575/2013 on prudential requirements for credit institutions and investment firms.

The investment certificates issued by VÚB, a.s. are registered certificates in book-entry form. No entity guarantees the repayment of their nominal value and/or the coupon payment. No pre-emption or convertible rights are associated with the investment certificates.

Investment certificates are not freely transferrable to another owner. The rights associated with the investment certificates are defined in the legal regulations of the Slovak Republic, in particular Act No. 566/2001 Coll. on Securities and Investment Services, as amended, and in the applicable conditions of issue of investment certificates.

4. Number and nominal value of issued bonds carrying the right to request the issue of shares at the time specified therein, and the procedure for the exchange of shares

As of 30 June 2020, VÚB, a.s. did not issue, nor it decided to issue convertible bonds carrying the right to exchange for shares or the pre-emptive subscription right.

c) Description of any important factors that affected the issuer's business activities and profit/loss results for the semi-annual report's reference period

At the beginning of the year 2020, the whole world was affected by an unprecedented crisis caused by the global pandemics. This inevitably had an impact on both Slovakia's economy and the entire banking sector. The world of banks, as we used to know it, suddenly changed, and we were forced to immediately find solutions so that our clients can continue fulfilling their daily tasks without having to leave their homes. We had to make enormous changes in the course of a few days instead of months or years. We had to learn to provide our services to clients with an emphasis on the protection of the health of both our clients and our employees.

VÚB was one of the first ones to take the necessary measures, continued to provide financing to our clients, and even helped the less fortunate who were temporarily unable to meet their obligations because of the crisis. In addition, through the VUB Foundation, we provided support in several ways, including by ensuring the necessary hospital equipment and protective tools for medical staff.

In this challenging environment, VUB has repeatedly confirmed its role as a responsible financial institution, strongly linked to the regional needs and supporting the Slovak economy. In addition, at its ordinary General Assembly, VUB decided not to redistribute profits among its shareholders, but instead to strengthen the Bank's capital for any further measures and to help citizens in line with the ECB recommendations. VUB considers this step responsible and fair both for its clients and for the country as a whole.

While VUB recorded a positive development in terms of its commercial performance, the financial performance considerably deteriorated compared to the same period of the previous year, mainly because of the significant pressure on margins, caused both by the strong competition and the double amount of the bank levy. After its cancellation, the doubling of the bank levy compared to the previous year represents a less dramatic threat to the sustainability of the business models of banks. Nevertheless, the saved funds will be used to ensure a strong capital position so that the banks can continue financing households and companies. Even though the on-going efforts in the field of costs will bring benefits in the form of savings, it will not be sufficient to compensate for the above-mentioned negative effects.

d) Information on the expected economic and financial situation in the next calendar half year

Given the current state of the Slovak banking sector as described above, our aim in these hard times, more difficult than ever, is to remain the best partner to our clients.

At its ordinary General Assembly meeting, VUB decided not to redistribute profits among its shareholders, but instead to strengthen the Bank's capital for any further measures and to help citizens in line with the ECB recommendations. VUB considers this step responsible and fair both for its clients and for the country as a whole and wishes to keep this approach until life returns to pre-crisis levels.

We will continue focusing on our clients and their experience and, last but not least, on their health. Secondly, we must focus on our employees, protecting their health and keeping their maximum commitment. And finally, our third priority will be to maintain the trend of efficient operation of the Group and the use of each opportunity for the modernisation of processes in favour of client satisfaction.

VÚB is a modern and flexible institution that can promptly react even to unexpected situations. The year 2020 has so far been the most fundamental stress test for the banking system and for the entire country and society, and VUB is ready to be a strong partner to the government and other institutions in coping with this crisis.

Article 35(9) of the Stock Exchange Act

Important events that have occurred during the reference period of the financial year, and their impact on the financial statements, together with a description of the principal risks and uncertainties. For issuers of shares, this financial report shall also include the following information as major related parties' transactions:

a) transactions that have materially affected the financial position or performance of the issuer; and

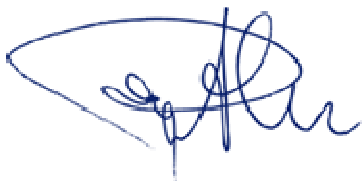
b) any changes in such transactions described in the most recent financial report that could have a material effect on the financial position or performance of the issuer.

In the course of the reference period, no such important events, transactions or changes occurred that would have materially affected the financial position and performance of the issuer.

Article 35(2)(c) of the Stock Exchange Act

A statement made by the persons responsible within the issuer, whose first and last names and functions are clearly indicated, that to the best of their knowledge, the interim financial statements prepared in accordance with separate regulations give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer, and the undertakings included in the consolidation as a whole as required under paragraphs (3) and (4) of the Stock Exchange Act and the interim report includes a fair review of the information under Article 35(9) of the Stock Exchange Act.

We hereby declare that to the best of our knowledge that the interim financial statements, prepared in accordance with separate regulations, provides a true and fair view of the assets, liabilities, financial position and profit or loss of the Bank and of the undertakings included in the consolidation as a whole and that the interim report contains a true and fair overview of the development and results of the business and position of the Bank and of the undertakings included in the consolidation as a whole, including a description of the risks and uncertainties it faces.



Alexander Resch
Chairman of the Management Board



Roberto Vercelli
Member of the Management Board