



# **Komerční Banka's Results as at 30 June 2006**

(International Financial Reporting Standards)

Prague - 3 August 2006

SOCIETE  
GENERALE  
GROUP





## Contents

- n Strategy and Business Highlights
- n Financial Performance
- n Loan Portfolio Development
- n Acquisition of Modrá pyramida stavební spořitelna
- n Appendix

## Strong earnings growth and strategic expansion

As of 30 June 2006, year-on-year comparison

- In July, **KB signed a contract for acquiring up to 50% in building society Modrá pyramida stavební spořitelna** from BHW Holding for EUR 120 million, thus rising its stake from the current 40%.
- **KB performance is favourably affected by strong economic growth** in ČR.
- **Total revenues increased by almost 8%** driven mainly by NII, including impact of one-off gains.
- **Total costs declined by 2%** helped by savings in general administrative expenses.
- **Operating profit up 17%** thanks to rising banking revenues, helped by extraordinary income, and exceptionally lower costs.
- In line with the fast growing retail portfolio **the cost of risk increased to 36 bp** (25bp in 1H 2005).
- **Net unconsolidated profit** increased 12% to **CZK 4,688 million**.



## Multichannel approach - strong growth of direct banking

As of 30 June 2006, year-on-year comparison

- n **Number of total clients increased by 49,000 to 1.48 million** year on year, mainly as a result of individual clients' acquisition
- n **KB network comprises 360 points of sale and 618 ATMs**
- n KB's focus on alternative distribution channels resulted in **dynamic increase of the direct banking products' usage:**
  - 4 55% of the KB clients are using direct banking products
  - 4 Rapid growth of internet banking users by 25% to 324,000
  - 4 Mobile banking gained nearly 10,000 clients since it was introduced in April 2005
- n Emphasis on **payment cards**: the number of active credit cards rose by 60% to 149,000 with cards to entrepreneurs rising by 184%



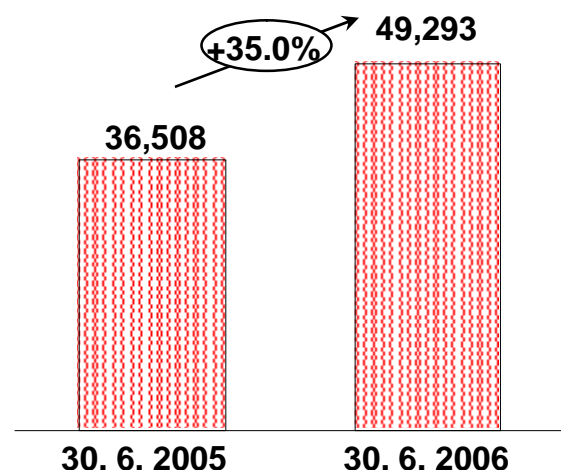
## Strategic Target - Expansion of KB Loan Portfolio

As of 30 June 2006, year-on-year comparison

- Outstanding **mortgages to individuals**: + 35% to CZK 49.3 billion
- Outstanding **consumer loans**: + 20% to CZK 14 billion
- Outstanding **loans on credit cards**: + 91% to CZK 2.4 billion, of which CZK 1.5 billion individuals.
- Outstanding **loans to SMEs**: +14% to CZK 59.0 billion, out of which small businesses +29%
- Outstanding **corporate loans**: +16.5% to CZK 82.1 billion

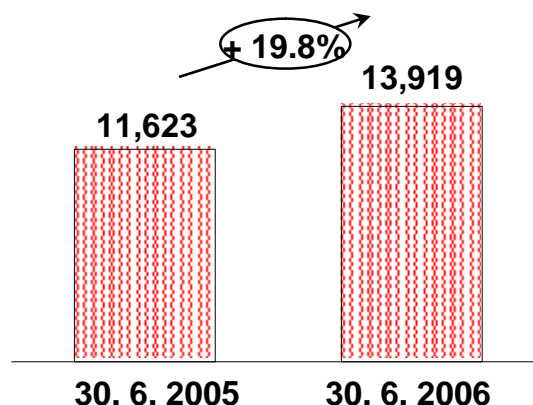
### Mortgages to Individuals

Total volume outstanding in CZK mil.



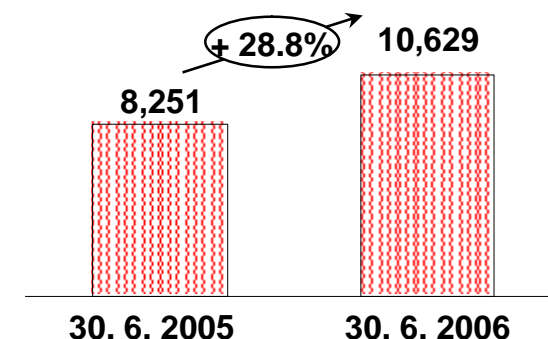
### Consumer loans

Total volume outstanding in CZK mil.  
including credit cards



### Loans to Small Businesses

Total volume outstanding in CZK mil.  
including credit cards





## Continuous emphasis on cross-selling activities

- n Improvement in the **cross-selling ratio for individuals to 5.07** from 4.77
- n Increase in **sales of life insurance products**: premium written up 8% year-on-year
- n Successful **partnership with Allianz**: 42% year-on-year increase in non-life insurance policies sold through KB
- n Ongoing growth of **building saving** accounts: new contracts sold through KB grew 81% year-on-year
- n Dynamic growth in **factoring**: turnover through KB up 39% year-on-year
- n Strong growth in **KB Leasing** provided by SG Equipment Finance: turnover up by 113% year on year



## Corporate and Investment banking

- n KB participated in several **important deals in the 1H 2006**:
  - 4 Granting up to CZK 2 bil. (€ 68 mil.) to the Czech leading construction company Metrostav for participating in the biggest Czech Republic's construction tender ever announced by the City of Prague
  - 4 A € 1.1 billion long-term syndication loan for OKD-Mining, the largest Czech coal mining company, with KB's share of € 125 million.
  - 4 KB won the tender for the financial services organized by Veolia Environment, strategic client of both KB and Société Générale. This co-operation will include around 25 companies.
  - 4 As a result of expanding business activities **Corporate and Investment Banking revenues increased 10% year-on-year**
- n In June, KB received the first prize in the “**MasterCard Corporate Bank of the Year 2006**” competition confirming the high level of quality of services offered and continuing strong position of KB in the segment of large corporate clients



## Contents

- n Strategy and Business Highlights
- n Financial Performance
- n Loan Portfolio Development
- n Acquisition of Modrá pyramida stavební spořitelna
- n Appendix





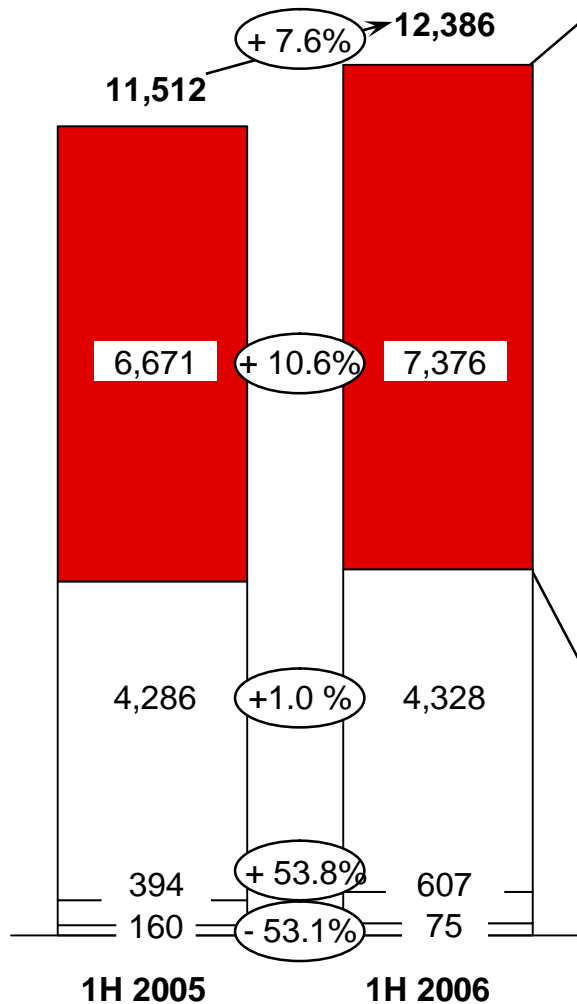
## Unconsolidated Financial Results

<b>Unconsolidated Profit and Loss Statement</b> CZK million, unaudited	<b>1H 2005</b>	<b>1H 2006</b>	<b>Change 06/05</b>
<b>Net banking income</b>	11,512	12,386	+ 7.6%
<b>Operating costs</b>	- 5,677	- 5,564	- 2.0%
<b>Net operating income</b>	5,834	6,822	+ 16.9%
<b>Cost of risk</b>	- 526	- 785	+ 49.0%
<b>Profit on subsidiaries and associates</b>	262	0	-
<b>Profit before income taxes</b>	5,570	6,037	+ 8.4%
<b>Income taxes</b>	- 1,386	- 1,349	- 2.7%
<b>Net profit</b>	4,184	4,688	+ 12.1%
<b>Key ratios and indicators</b>	<b>30. 6. 2005</b>	<b>30. 6. 2006</b>	<b>Change 06/05</b>
<b>Capital Adequacy</b>	14.3%	12.1%	→
<b>Tier 1 Ratio</b>	14.9%	12.5%	→
<b>Risk weighted assets (CZK billion)</b>	233.4	272.8	+16.9%
<b>Net Interest Margin - NII/Av. Interest Bearing Assets</b>	3.2%	3.2%	→
<b>Cost / Income ratio</b>	49.3%	44.9%	→
<b>Return on Average Equity (ROAE) - Annualized</b>	18.3%	20.2%	→
<b>Return on Average Assets (ROAA) - Annualized</b>	1.8%	1.9%	→
<b>Earnings per Share - Annualized (CZK)</b>	220	247	→
<b>Average number of employees during the period</b>	7,331	7,475	+2.0%

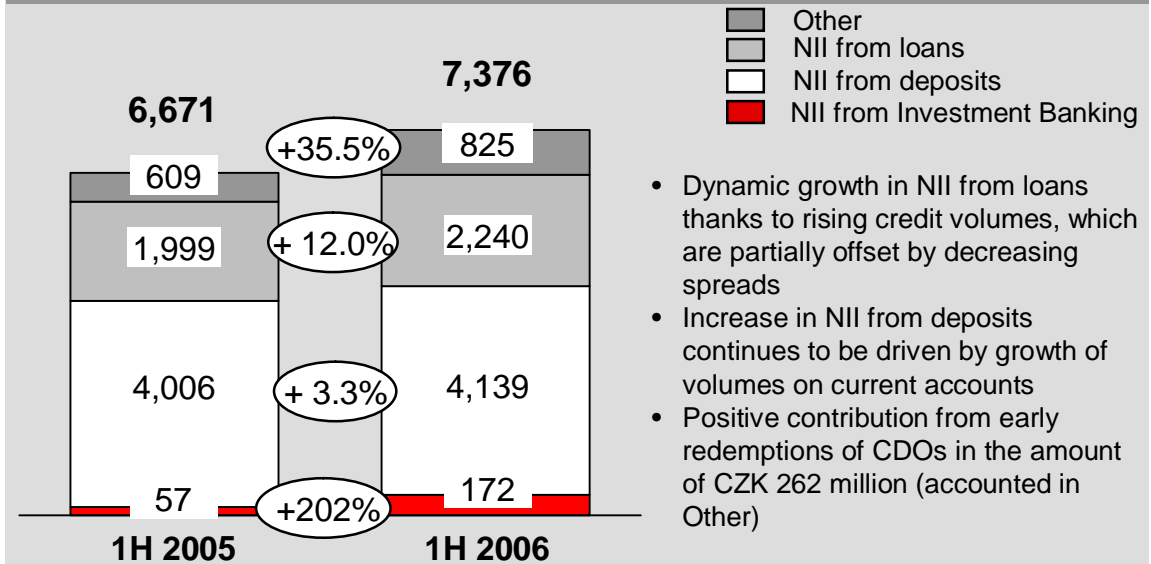
# NII growth fuelled mainly by loan growth

CZK million, unconsolidated

## Net Banking Income

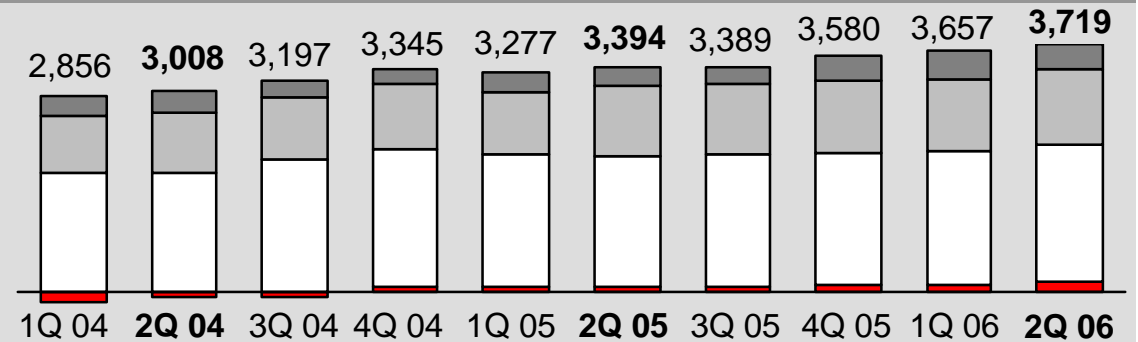


## Net Interest Income



- Dynamic growth in NII from loans thanks to rising credit volumes, which are partially offset by decreasing spreads
- Increase in NII from deposits continues to be driven by growth of volumes on current accounts
- Positive contribution from early redemptions of CDOs in the amount of CZK 262 million (accounted in Other)

## QxQ development of Net Interest Income

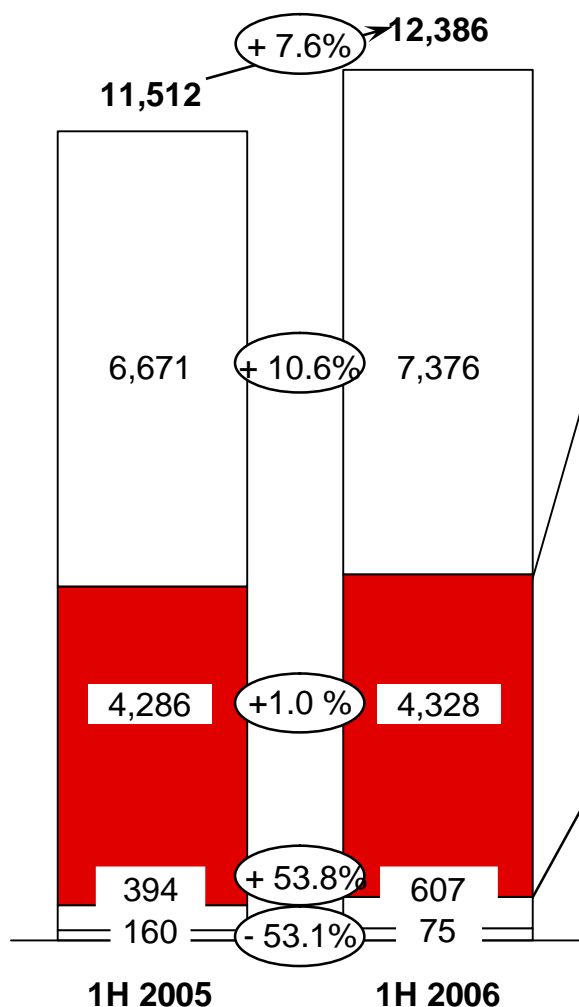




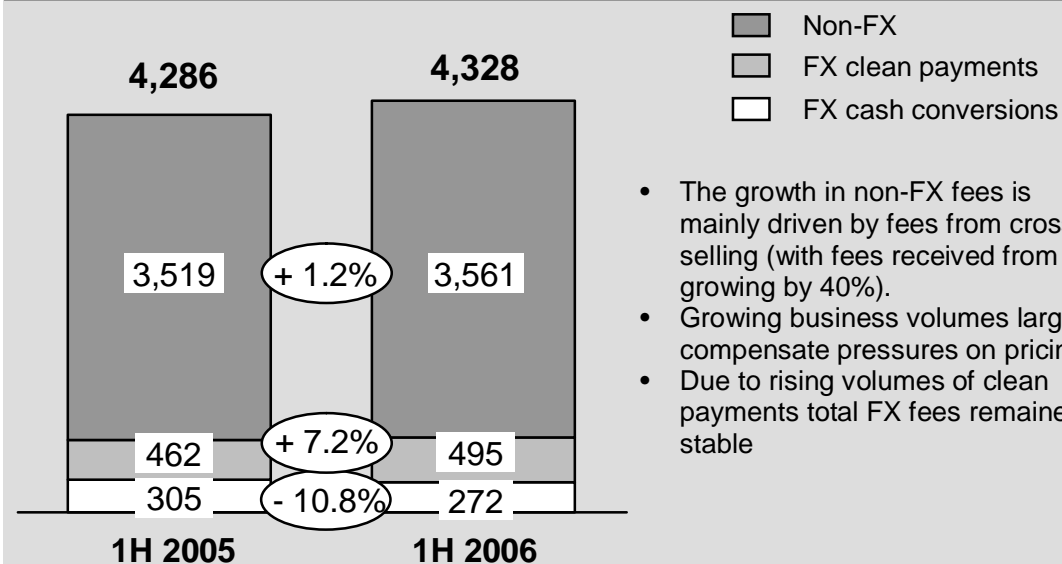
## Total fees slightly increased

CZK million, unconsolidated

### Net Banking Income

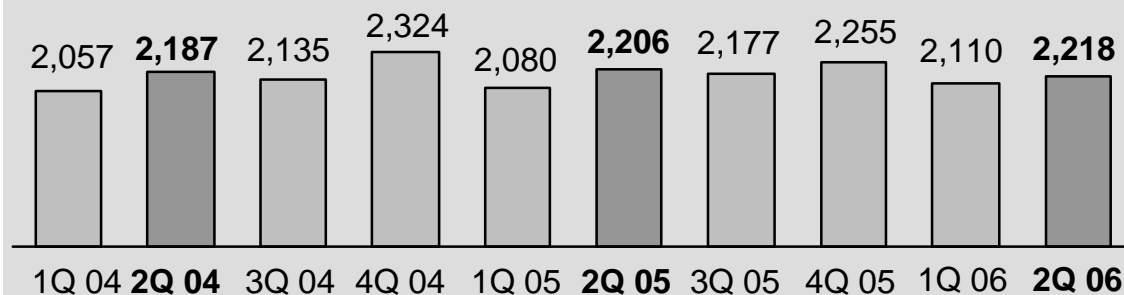


### Net Fees and Commissions



- The growth in non-FX fees is mainly driven by fees from cross-selling (with fees received from IKS growing by 40%).
- Growing business volumes largely compensate pressures on pricing
- Due to rising volumes of clean payments total FX fees remained stable

### QxQ development of Net Fees and Commissions

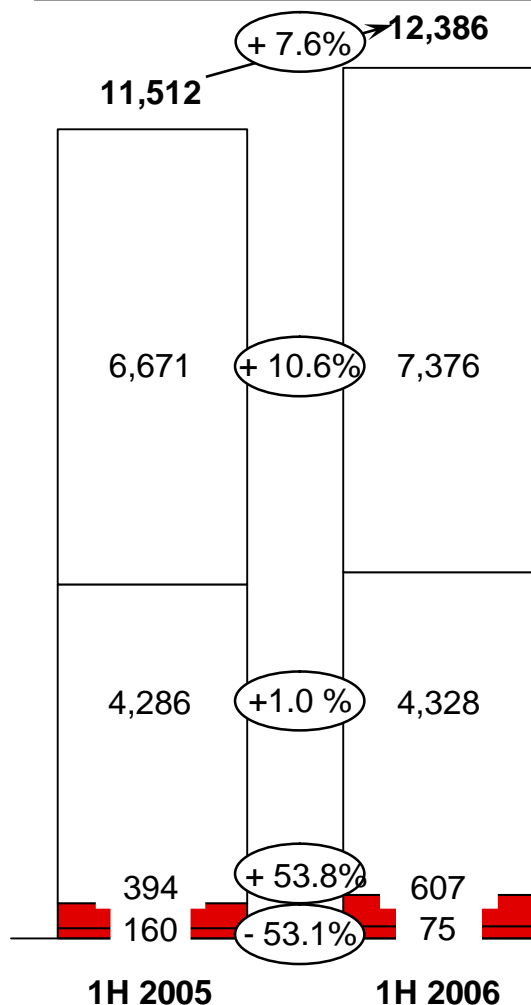




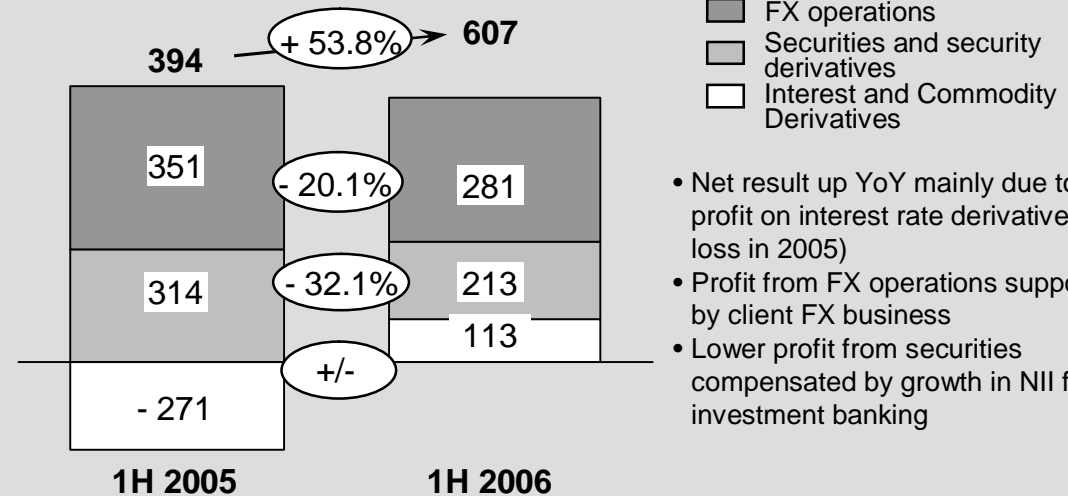
## KB trading profit up 54%

CZK million, unconsolidated

### Net Banking Income

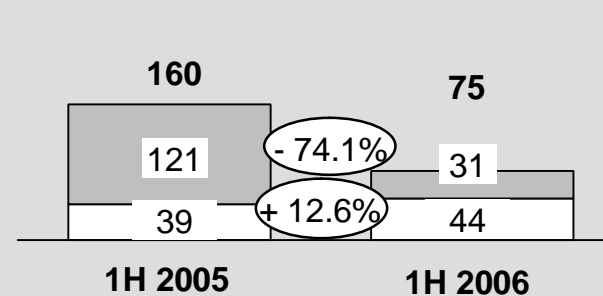


### Net Profit from Financial Operations



- Net result up YoY mainly due to profit on interest rate derivatives (a loss in 2005)
- Profit from FX operations supported by client FX business
- Lower profit from securities compensated by growth in NII from investment banking

### Other Income

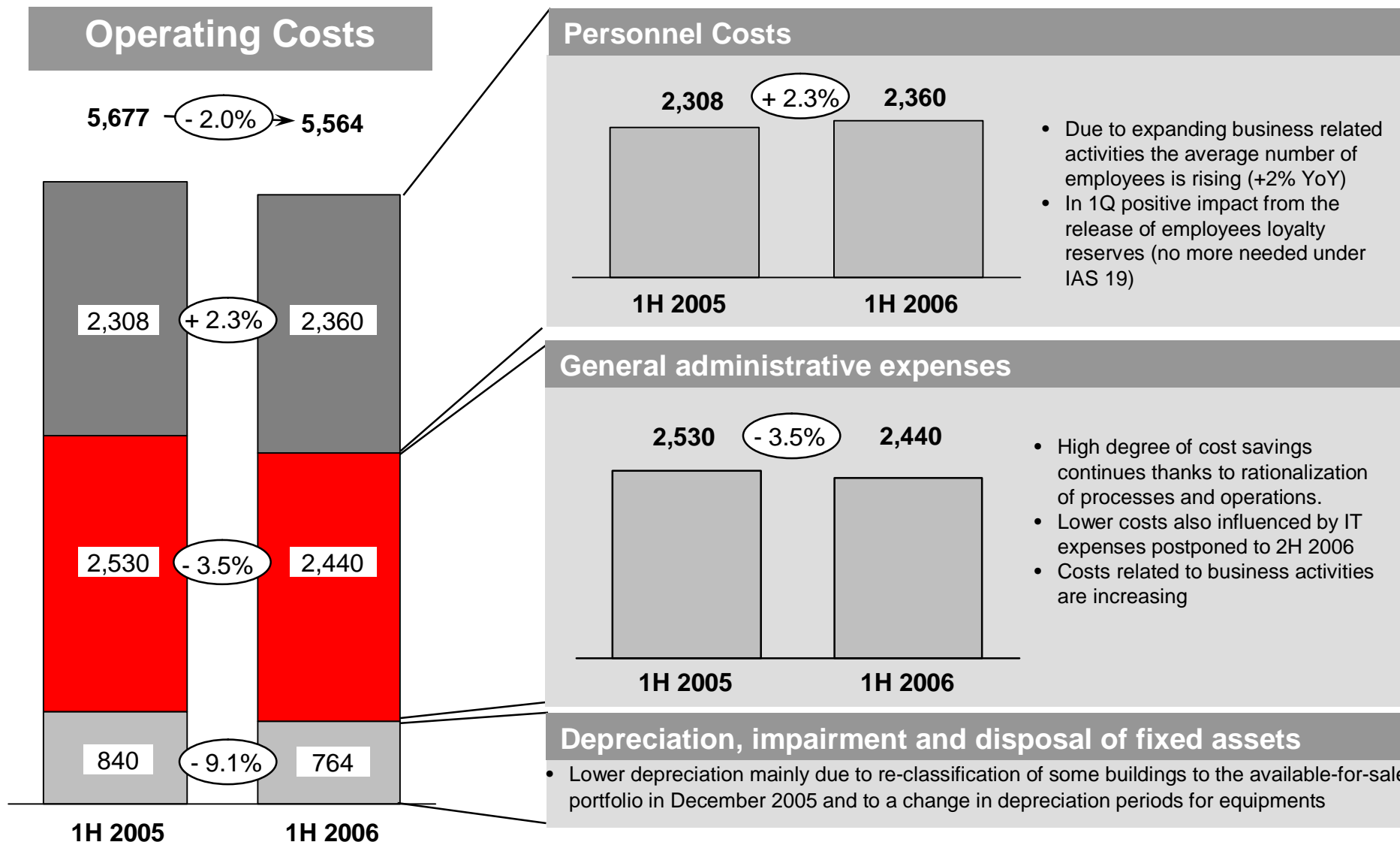


- In 2Q 2006 dividends from PF KB (CZK 31 mil.)
- 2005 result influenced by extraordinary dividend from IKS KB (CZK 96 mil.) and dividend from PF KB (CZK 25 mil.)



## Total expenses declined 2%, supported by one-offs

CZK million, unconsolidated

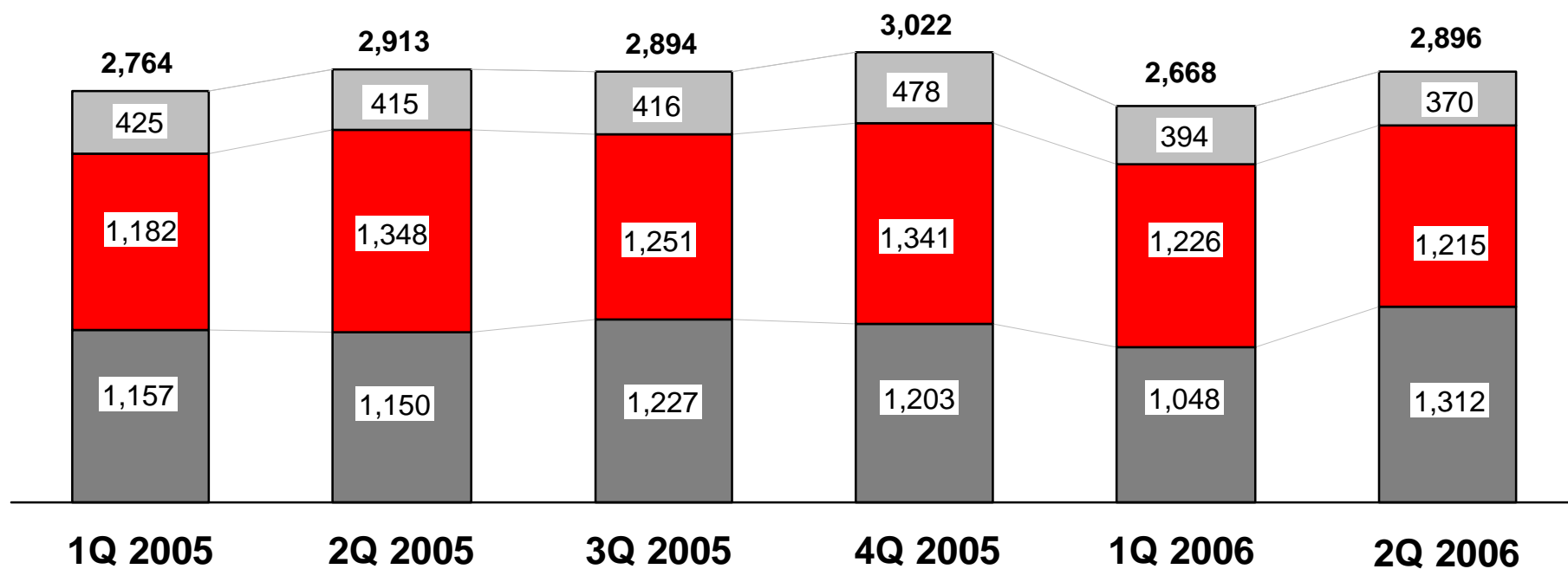




## Operating costs Q-on-Q development

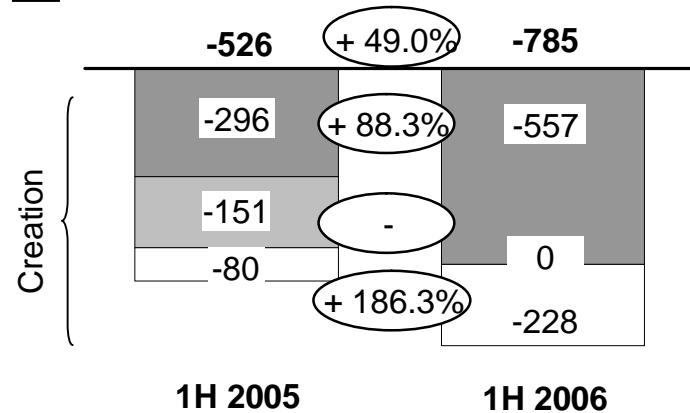
CZK million, unconsolidated

- Depreciation, impairment and disposal of fixed assets
- General administrative expenses
- Personnel expenses



## Cost of Risk

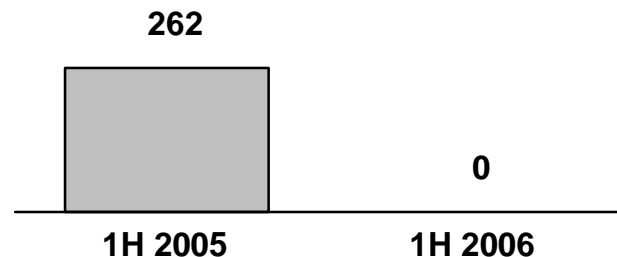
- Provisions for loan losses
- Impairment of securities
- Provisions for other risk expenses



### Comments

- Higher loan loss provisions mainly reflecting growing share of mass retail activities.
- No impact from impairment of securities in 2006 following finalisation of CDO portfolio restructuring in 2005.
- Provision for other risk expenses posted at CZK 228 million, including a one-off provision of CZK 149 mil. for litigation.

## Net profit on subsidiaries and associates before tax



### Comments

- 2005 result mainly consisting of the positive impact of first instalment from IKS sale (CZK 56 million) and the release of provisions linked to the sale of Komerční pojišťovna (CZK 185 million)



## Balance Sheet

### Assets

### Liabilities

CZK million, unconsolidated

				YoY Change					YoY Change
	30.6.2005	31.12.2005	30.6.2006			30.6.2005	31.12.2005	30.6.2006	
<b>Assets</b>	<b>472,982</b>	<b>493,738</b>	<b>490,666</b>	<b>+ 3.7%</b>		<b>472,982</b>	<b>493,738</b>	<b>490,666</b>	<b>+ 3.7%</b>
Cash and balances with central bank	11,777	9,231	11,650	- 1.1%	Amounts due to banks	20,925	31,526	22,163	+ 5.9%
Amounts due from banks	235,295	245,953	214,391	- 8.9%	Amounts due to customers	363,652	370,058	377,056	+ 3.7%
Loans and advances to customers (net)	168,104	185,225	205,022	+ 22.0%	Securities issued	11,859	22,672	21,902	+ 84.7%
Securities	25,222	25,741	34,266	+ 35.9 %	Other liabilities	28,910	19,168	27,023	- 6.5%
Other assets	32,584	27,588	25,338	- 22.2%	Shareholders' equity	47,636	50,314	42,522	- 10.7%
	<b>30.6.2005</b>	<b>31.12.2005</b>	<b>30.6.2006</b>			<b>30.6.2005</b>	<b>31.12.2005</b>	<b>30.6.2006</b>	



## Development since the end of 2005

CZK million, unconsolidated

Total shareholder's equity  
as at 31 December 2005:

**50,514**

**- 7,992**

Total shareholder's equity  
as at 30 June 2006:

**42,522**

Shareholders' equity	31. 12. 2005	1. 1. 2006	Increase	Decrease	30. 6. 2006
Share capital	19,005	19,005	-	-	19,005
Capital and reserve funds	17,590	26,738	-	-	17,093
- Retained earnings, reserve funds and dividends	17,597	26,746	-	-9,503	17,243
- Own shares	-7	-7	-	-143*	-150*
Net profit	9,148	0	+4,688	-	4,688
Hedging revaluation reserve	4,152	4,152	-	-2,460	1,692
AFS securities' fair value changes	285	285	-	-391	-106
Others	134	134	+16	-	150
<b>Total Shareholders' equity</b>	<b>50,314</b>	<b>50,314</b>	<b>+4,704</b>	<b>-12,497</b>	<b>42,522</b>

\* In June, KB bought less than 0.5% of its share capital in line with the AGM resolution of April 26, 2006 for CZK 150 million



## Contents

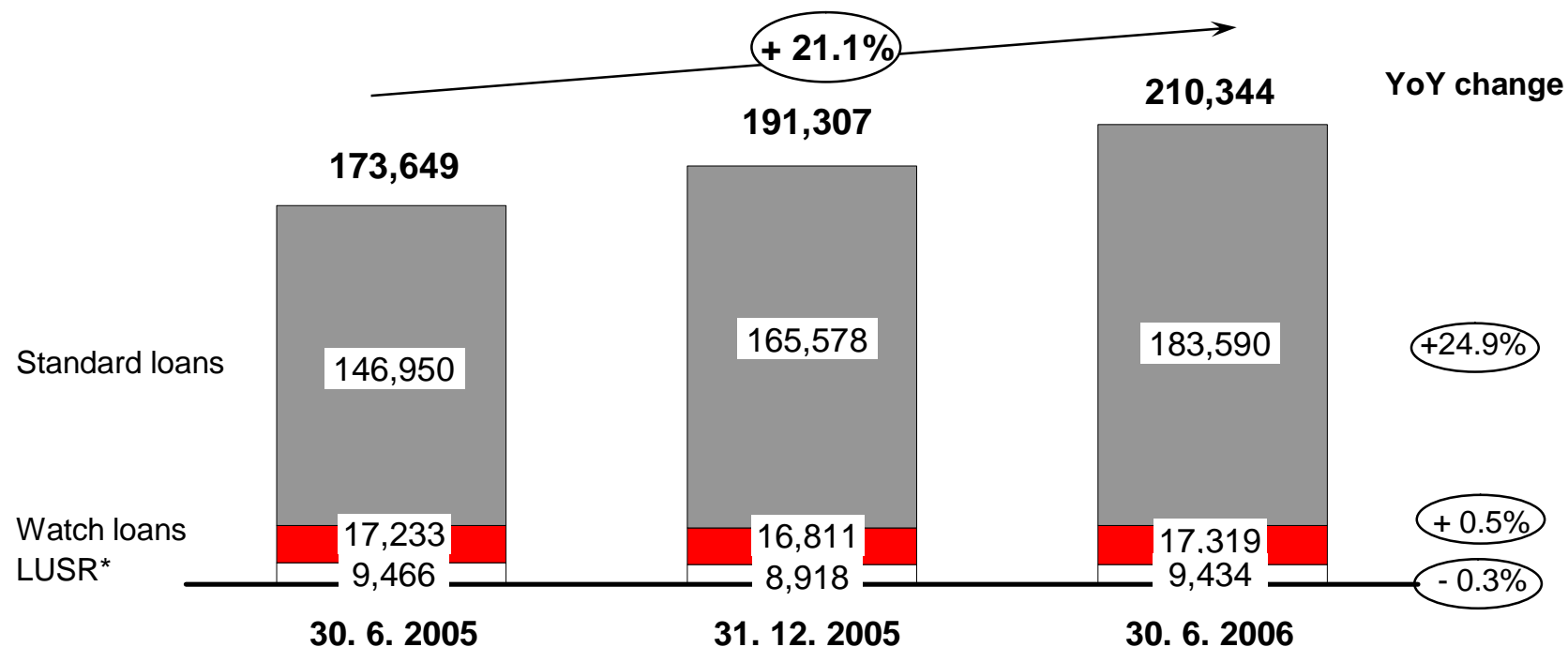
- n Strategy and Business Highlights
- n Financial Performance
- n **Loan Portfolio Development**
- n Acquisition of Modrá pyramida stavební spořitelna
- n Appendix

## Overall quality of loan portfolio remained satisfactory

CZK million, unconsolidated

### Client loans, On-balance sheet

Gross amount



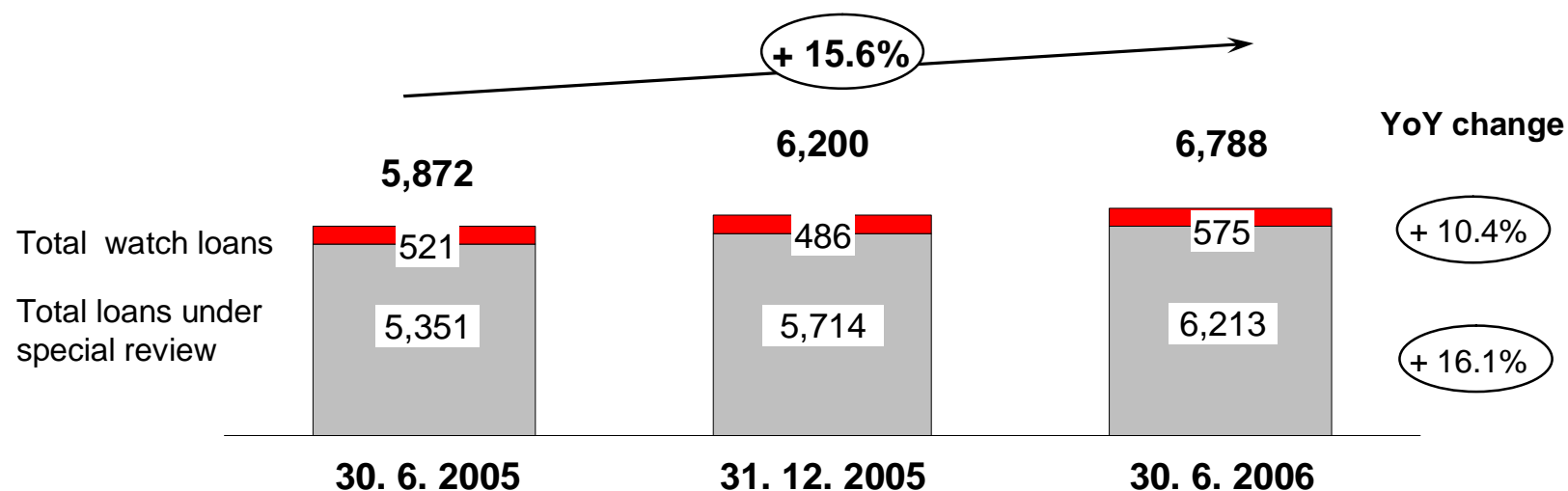
- Share of standard loans in total portfolio slightly increasing at 87% (85% as of June 2005)
- LUSR\* stable despite strong loan portfolio growth, representing 4.5% out of total loan exposure (5.5% as of June 2005)

\* LUSR = Loans under special review (sub-standard, doubtful and loss)

## Improved provision coverage

CZK million, unconsolidated

### Specific provisions



- Increase in specific provisions overall in line with portfolio expansion.
- Slightly higher provisioning rate for LUSR\* at 66% (compared to 64% at the end of 2005) reflecting growing share of mass retail activities.
- Cost of risk posted at 36 bp (compared to 25 bp in 1H 2005), in line with context of fast growing mass retail credit activities.

\* LUSR = Loans under special review (sub-standard, doubtful and loss)



## Contents

- n Strategy and Business Highlights
- n Financial Performance
- n Loan Portfolio Development
- n Acquisition of Modrá pyramida stavební spořitelna
- n Appendix

## Significant Acquisition on the Czech Market



- n **On 20 July 2006**, KB signed an agreement with BHW Holding AG on **acquisition of up to an additional 50% of Modrá pyramida building society (MPSS)**. Under all circumstances, **KB shall become majority shareholder with at least 80% share** of the capital of MPSS.
- n The transaction is subject to approvals by the Czech Antimonopoly Office and Czech National Bank as well as to confirmatory due diligence. **Completion of the transaction is expected during the last quarter of 2006.**
- n **Price of the transaction was agreed at EUR 120 million for 50%**, representing Price/Book of 3.8 as of June 2006.
- n **Expected impact on the consolidated CAD ratio is -1.5%.**



### Business model of MPSS

- n **MPSS was established** as a joint venture of Komerční banka, BHW and Česká pojišťovna under the name Všeobecná stavební spořitelna, a. s. **in 1993**. The company is licensed by the Czech National Bank to provide specialised products and services connected with building saving.
  
- n **Main products** of MPSS comprise:
  - 4 **Building saving products**
    - Available to all permanent citizens in the Czech Republic
    - Designed for saving period of min. 5-6 years
    - State subsidy in the form of yearly contribution is granted under conditions defined by law
  
  - 4 **Building loans**
    - Granted under conditions given by law
    - Specific loan for housing purposes (reconstruction, purchase of real estate etc.)
    - Deduction of interest paid from the tax base
  
  - 4 **Bridging loans**
    - In case the client does not meet yet the conditions for granting building loan
    - It is designed to bridge the period until the client is entitled to receive a standard building loan
  
- n MPSS distributes its products through **points of sale and an extensive network of mobile sales agents in the whole Czech Republic.**



## **MPSS ranks among the largest and most rapidly growing building societies in CR**

- n **MPSS is the third largest and most dynamic building society company on the Czech market as measured by volume of new saving contracts concluded in 2005. In number of clients, MPSS increased its market share to 15.6% from 15.2% in 2004.**
- n **In 2005, MPSS granted by 38% more new loans in terms of volume than in 2004 (compared to +8% of the market). The number of new loans increased by 48% year on year (+40% for market as a whole).**
- n **With 365 employees, MPSS provides its services to nearly 1 million clients through 160 own points of sale, over 240 external agencies and 1,800 well-trained agents out of which almost 500 are exclusive full-time professionals.**
- n **MPSS reported 2005 audited net result of CZK 271 million representing 20.4% ROAE.**

Note: Market shares relate to the market of building saving societies in CR.





## MPSS - Key Financial and Business Data

CAS

Company Data	30.6.2006 (unaudited)	31.12.2005 (audited)	YTD Change
n Total equity (CZK mil):	1,824	1,605	+14%
n Volume of deposits (CZK mil):	54,529	54,728	+0%
n Volumes of loans (CZK mil):	21,376	19,523	+9%
	30.6.2006 (unaudited)	30.6.2005 (unaudited)	YoY Change
n Net profit (CZK mil):	216	154	+40%

Market shares*	31.12.2005	31.12.2004	YoY Change
n Market share in total client contracts:	15.6%	15.2%	+0.4 p.p.
n Market share in new saving contracts (as measured by target amounts):	27.0%	25.5%	+1.5 p.p.
n Market share in new loans (volume):	20.8%	16.2%	+4.6 p.p.
n Market share in new loans (number):	20.6%	19.2%	+1.4 p.p.

\* Market shares calculated based on the data from the Association of Building Societies in the Czech Republic



## MPSS complementary to KB Business Model

This transaction is in line with KB's strategic focus on continuing enhancement of its business activities and revenues' generation and represents a significant strategic step in terms of expansion on the Czech market.

### n Acquisition of new clients

- 4 Almost **1,000,000** customers of MPSS, out of which at least two thirds will be **new clients for KB**, will have more direct access to all products offered by KB and other Société Générale companies in the Czech Republic;

### n New distribution channel for KB

- 4 KB gains the access to **160 own points of sale and over 240 external agencies**, which will complement the wide network of KB branches and other alternative sale channels;

### n Acquisition of professional sale staff

- 4 KB gains a strong, well-trained and exclusive **network of 1,800 professional and well-trained agents**.



## Future Synergies from the Acquisition

The main aim of the transaction is the revenues' enhancement for KB.

### n Strong revenue synergies as a result of:

- 4 Continuous strong **growth of MPSS' business** in the Czech market;
- 4 Significant **cross-selling potential** from an increased client base and expanded sales network;

n Acquisition will **enhance consolidated EPS** immediately from 2007, with an estimated increase of consolidated EPS of 3 – 5% in 2009.

### n Higher efficiency and cost synergies



## Contents

- n Strategy and Business Highlights
- n Financial Performance
- n Loan Portfolio Development
- n Acquisition of Modrá pyramida stavební spořitelna
- n Appendix



### Consolidated Financial Results and Ratios

<b>Profit and Loss Statement</b> CZK million, unaudited	<b>1H 2005</b>	<b>1H 2006</b>	<b>Change 06/05</b>
Net interest income	7,193	7,854	+9.2%
Net fees & commissions	4,331	4,321	-0.2%
Income from financial operations	494	733	+48.4%
Other income	-49	37	+/-
<b>Net banking income</b>	<b>11,969</b>	<b>12,945</b>	<b>+8.2%</b>
<b>Operating costs</b>	<b>-5,979</b>	<b>-5,865</b>	<b>-1.9%</b>
<b>Net operating income</b>	<b>5,990</b>	<b>7,080</b>	<b>+18.2%</b>
Profit on subsidiaries and associates	72	136	+88.9%
Share of profit of pension scheme beneficiaries	-190	-193	+1.6%
Cost of risk	-533	-847	+58.9%
Income taxes	-1,394	-1,360	-2.4%
<b>Net profit</b>	<b>3,945</b>	<b>4,816</b>	<b>+22.1%</b>
<b>Balance Sheet</b> CZK million	<b>30. 6. 2005</b>	<b>30. 6. 2006</b>	<b>Change 06/05</b>
<b>Total assets</b>	<b>499,396</b>	<b>513,604</b>	<b>+2.8%</b>
<b>Shareholders' equity</b>	<b>49,092</b>	<b>43,163</b>	<b>-12.1%</b>
<b>Key ratios and indicators</b>	<b>30. 6. 2005</b>	<b>30. 6. 2006</b>	<b>Change 06/05</b>
Capital Adequacy	14.0%	11.8%	→
Cost / Income ratio	49.9%	45.3%	→
Return on Average Equity annualised (ROAE)	16.8%	20.4%	→
Return on Average Assets (ROAA)	1.6%	1.9%	→
Average Number of Employees*	7,783	7,832	+0.6%

\* Including fully consolidated companies only: KB, PF, KBB, Factoring, Essox, Bastion European Investments (KP included just for 1H 2005)

## Subsidiary and associated undertakings results

As at 30 June 2006, CZK mil., CAS/IFRS

	Share of KB	Profit after tax	Equity	Assets
ESSOX, s.r.o. (IFRS)	51%	-27	22	3,224
Factoring KB, a.s. (CAS)	100%	16	178	4,919
Komerční banka Bratislava, a.s. (IFRS)	100%	25	565	4,450
Penzijní fond Komerční banky, a. s. * (CAS)	100%	32	494	17,578
Bastion European Investments S.A. (IFRS)	99.84%	-4	-2	3,851
<b>Total subsidiary undertakings</b>		<b>42</b>	<b>1,257</b>	<b>34,022</b>
Komerční pojišťovna, a.s.**	49%	103	836	10,738
Modrá pyramida SS, a.s. (CAS)	40%	216	1,711	59,907
Czech Banking Credit Bureau (CAS)	20%	3	4	21
<b>Total subsidiary and associated undertakings</b>		<b>364</b>	<b>3,808</b>	<b>104,688</b>
<b>KB direct share</b>		<b>179</b>	<b>2,352</b>	<b>x</b>

### Companies excluded from the consolidation

ALL IN REAL ESTATE LEASING, s.r.o. ** (CAS)	100%	0	4	4
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\* Fully consolidated since 1 January 2005, 85% of net profit redistributed to the policyholders and thus only 15% of net profit included in the table. Total net profit is CZK 212 million as of 30 June 2006

\*\* Pro forma IFRS results



## Growth in usage of direct banking channels continues

As of 30 June 2006, year-on-year comparison

§ **1,484,000 clients** - increase by 49,000 (+3%)

- of which 1,203,000 are individual clients (+4%)

### § **Network**

- 360 points of sale for retail clients

- including 35 business centres for medium enterprises and municipalities

- 8 business centres for large corporates

- 618 ATMs

### § **Direct banking**

- 1,090,000 active products of direct banking (+13%)

- 685,000 clients using phone banking

- 324,000 users of internet banking

- 22,900 users of PC banking

- 9,600 users of mobile banking (service launched just in April 2005)

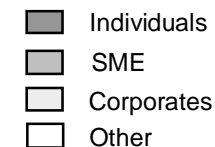
- 823,000 clients (i.e. 55% of the client base) using direct banking products



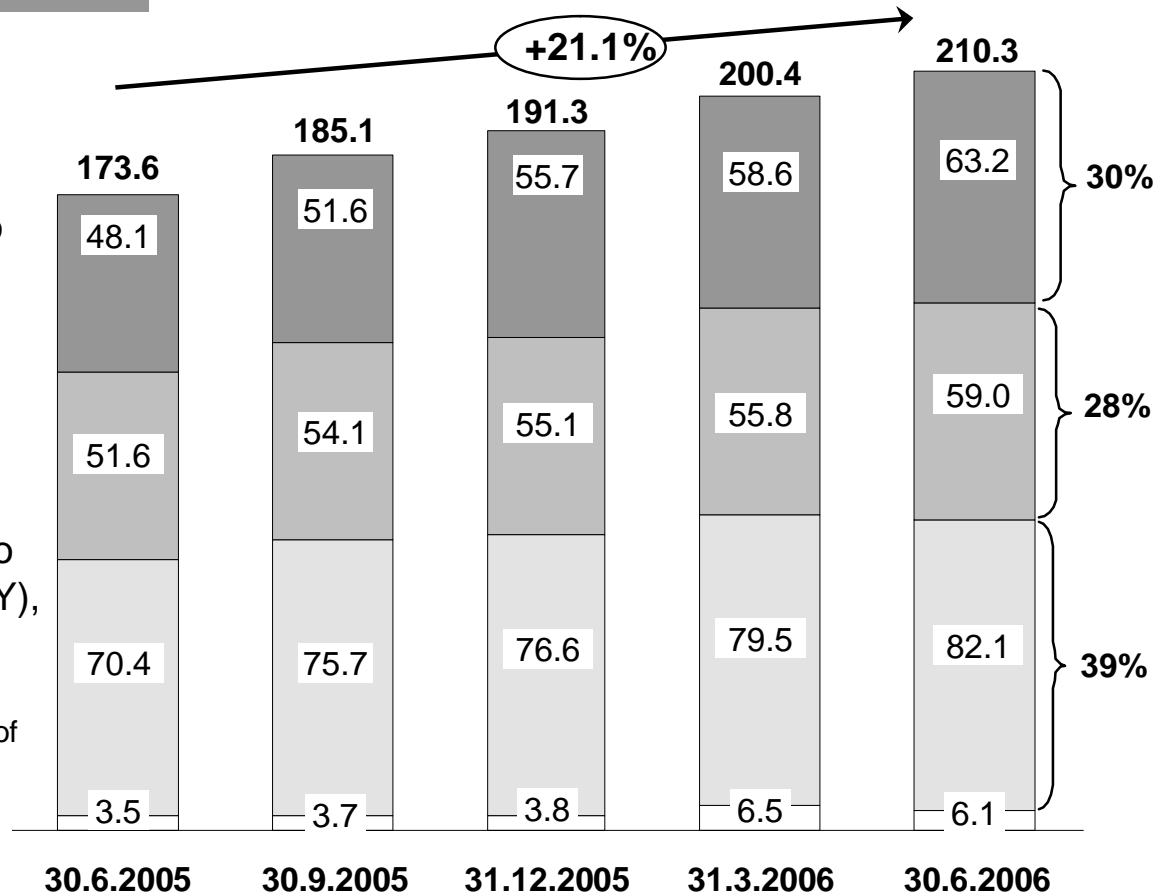
## Loan portfolio growing in all client segments

### Volume of loans

CZK billion, Gross amount



- **Year-on-year growth** of the loan portfolio by **21.1%**
- **Total mortgage loans** amounted to CZK 53.0 billion and **consumer loans** to CZK 13.9 billion
- **Total off-balance sheet commitments** to clients stood at **CZK 139.5 bil.** (+21% YoY), of which:
  - Undrawn limits CZK 82.2 bil. (+18.1%)
  - Guarantees and irrevocable promises of loans of CZK 35.6 bil. (+37.3%)





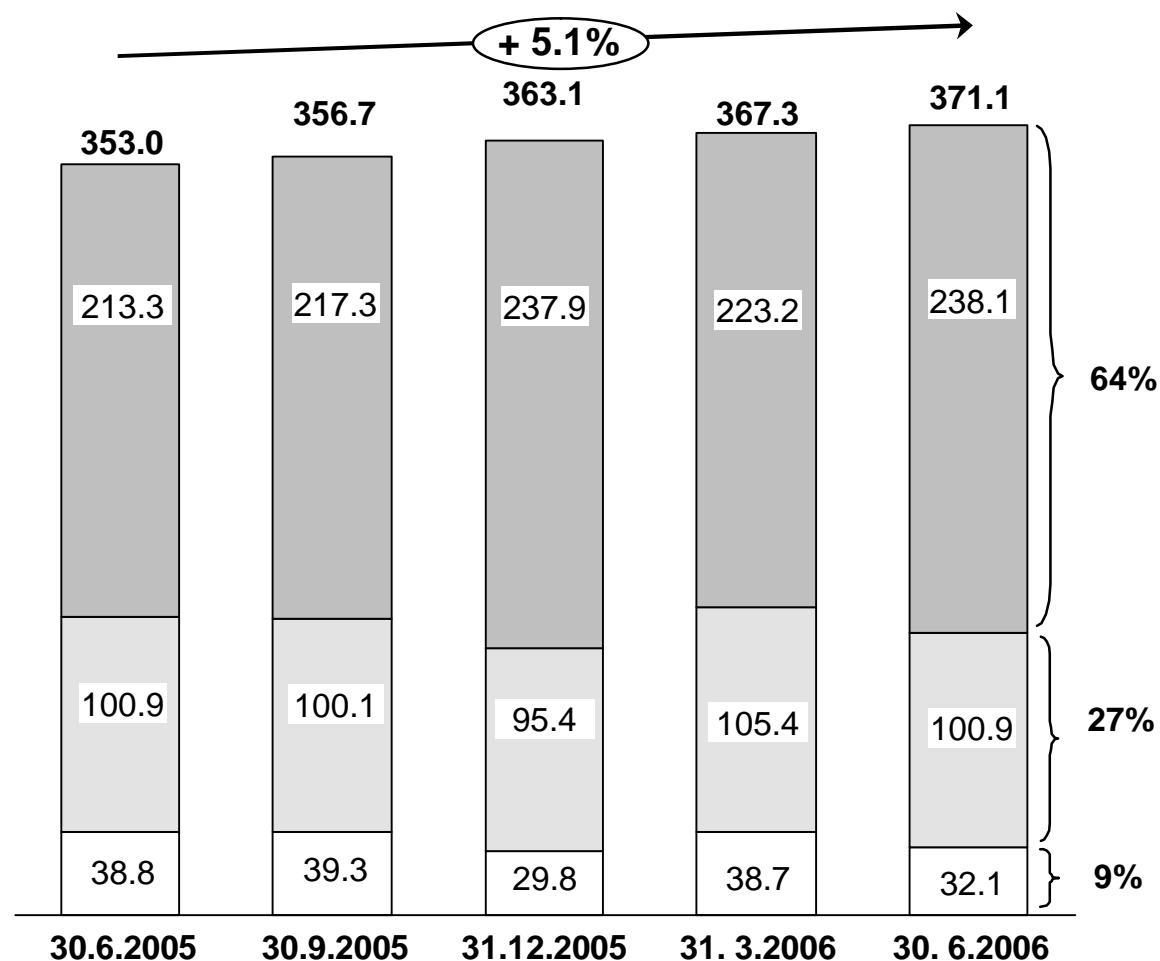
## Growth in deposits driven by current accounts

### Volume of primary client deposits

CZK billion

- Current Accounts incl. O/N
- Term and Savings Accounts
- Loans from Customers (excl. repo transactions)

- Depository base increased by 5.1% year-on-year
- Volumes on current accounts rose by +11.6% YoY and term accounts remained stable
- Deposits from individuals represent 35% share of total primary deposits reaching CZK 128.6 billion
- Sales of alternative saving products during 1H 2006
  - IKS sales (CZK + 8.6 bil.)
  - KP Vital insurance product premium written (CZK + 1.0 bil.)
  - Increase of PFKB client contributions (CZK + 0.8 bil.)





## Ongoing growth of penetration ratios

	30. 6. 2005	30. 6. 2006	YoY Change
<b>Cross-selling ratio*</b>			
Individuals	4.77	5.07	+6%
<b>Penetration ratio – Individuals**</b>			
Mortgages	2.7	3.4	+26%
Consumer loans	10.5	12.1	+15%
Credit cards	6.7	9.3	+39%
Life insurance	8.1	10.0	+23%
<b>Penetration ratio - Small businesses**</b>			
Packages	51.2	58.8	+15%
Business loans	5.1	5.8	+13%
Credit cards	4.5	12.8	+184%

\* Number of products sold / Number of current accounts

\*\* Number of clients with a product / 100 clients



## Sales of key products

Financial Packages	30. 6. 2005	30. 6. 2006	YoY Change
<b>PACKAGES FOR INDIVIDUALS</b>	<b>666,329</b> packages	<b>724,988</b> packages	<b>+ 9%</b>
<b>GAUDEAMUS</b> package for young clients	<b>108,503</b> packages	<b>115,240</b> packages	<b>+ 6%</b>
<b>CHILD ACCOUNT</b>	<b>113,116</b> accounts	<b>138,404</b> accounts	<b>+ 22%</b>
<b>MERLIN</b> payment cards' insurance	<b>136,757</b> policies	<b>216,651</b> policies	<b>+58%</b>
<b>PACKAGES FOR SMALL BUSINESSES</b>	<b>136,192</b> packages	<b>155,009</b> packages	<b>+ 14%</b>
<b>Business loans</b>	<b>14,364</b> total loans	<b>17,810</b> total loans	<b>+ 24%</b>
<b>Authorised overdrafts</b>	<b>63,208</b> active authorised overdrafts	<b>66,221</b> active authorised overdrafts	<b>+ 5%</b>



## Further expansion of card business

	30. 6. 2005	30. 6. 2006	YoY Change
<b>Debit cards - active</b>	<b>1,206,697</b>	<b>1,271,457</b>	<b>+5%</b>
<b>Credit cards – active</b>	<b>93,062</b>	<b>149,263</b>	<b>+60%</b>
<b>o/w to entrepreneurs</b>	<b>12,097</b>	<b>34,356</b>	<b>+184%</b>
<b>Number of POS</b> (points of sales using electronic device)	<b>14,051</b>	<b>15,715</b>	<b>12%</b>
	<b>1H 2005</b>	<b>1H 2006</b>	
<b>Number of transactions via payment cards</b>	<b>45.3 mil.</b>	<b>50.2 mil.</b>	<b>+11%</b>



## Co-operation within KB/SG Group and Strategic Partnerships

	Provided in co-operation with:	1H 2005	1H 2006	Change 06/05
<b>Life insurance Vital</b> (number of sold policies through KB)	Komerční pojišťovna	<b>25,992</b>	<b>21,812</b>	<b>-16%</b>
<b>Non-life insurance</b> (number of sold policies through KB)	Allianz	<b>7,595</b>	<b>10,790</b>	<b>+42%</b>
<b>Mutual funds</b> (sales in CZK bil.)	Investiční kapitálová společnost KB	<b>10.0</b>	<b>8.6</b>	<b>-14%</b>
<b>Pension insurance</b> (number of contracts through KB)	Penzijní fond KB	<b>26,881</b>	<b>27,847</b>	<b>+4%</b>
<b>Building saving</b> (number of sold contracts)	Modrá pyramida stavební spořitelna	<b>4,229</b>	<b>7,652</b>	<b>+81%</b>
<b>Factoring</b> (turnover in CZK bil.)	Factoring KB	<b>4.1</b>	<b>5.7</b>	<b>+39%</b>
<b>KB FleetLease (cars)</b> (# of cars provided through KB)	ALD Automotive	<b>890</b>	<b>930</b>	<b>+4%</b>
<b>KB Leasing (big tickets)</b> (turnover in CZK bil. through KB)	SG Equipment Finance	<b>0.8</b>	<b>1.7</b>	<b>+113%</b>



## Czech Republic

Macroeconomic indicators	2003	2004	2005	2006*	2007*
Real GDP (%)	+ 3.6	+ 4.2	+ 6.1	+ 5.8	+ 4.8
Inflation (%)	+ 0.1	+ 2.8	+ 1.9	+ 2.8	+ 2.5
Households income (%)	+ 4.8	+ 4.9	+ 4.8	+ 5.0	+ 5.0
M2 (%)	+ 6.9	+ 4.4	+ 8.2	+ 8.0	+ 7.5
3M PRIBOR (%)	2.3	2.4	2.0	2.4	2.9

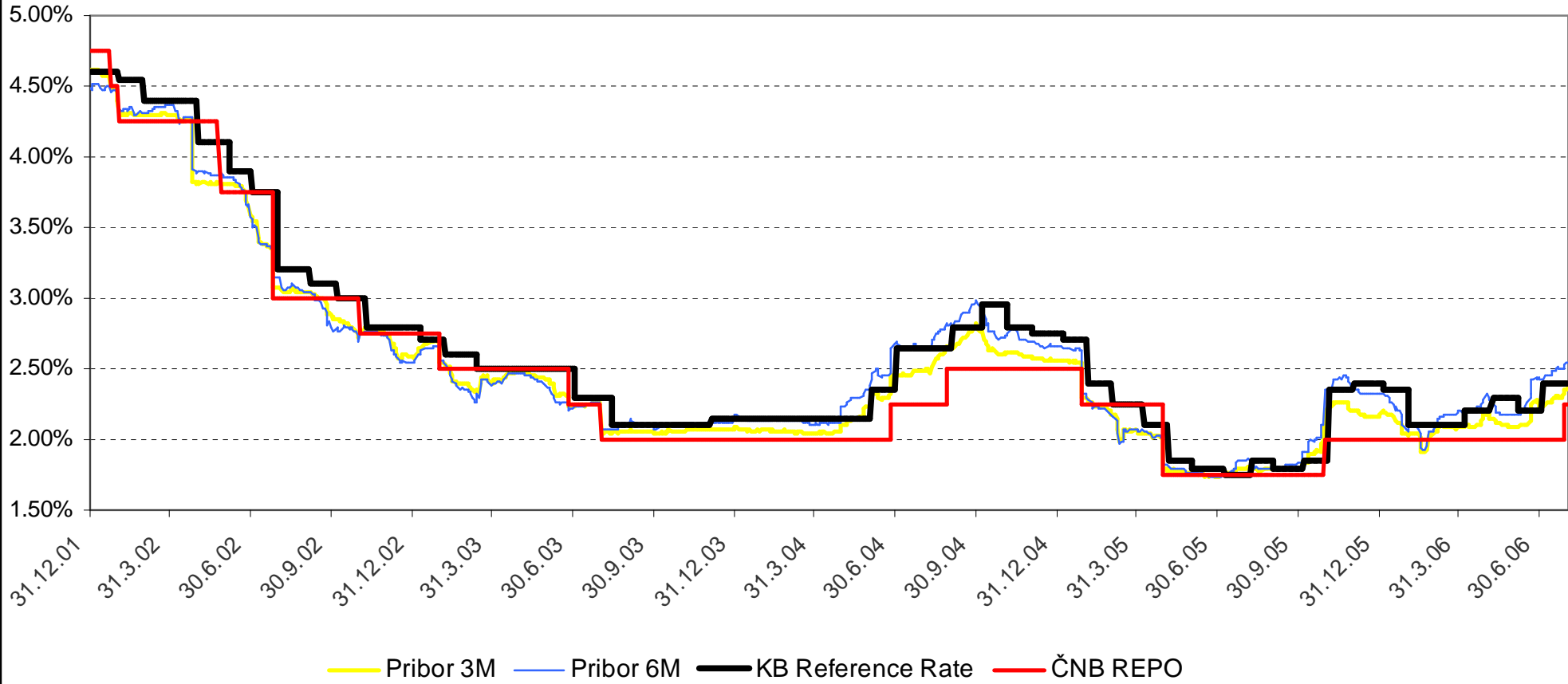
  

Potential of the market	2003	2004	2005	2006*
Loans/GDP (year-end)	38.7	37.9	40.6	43.5
Mortgages/GDP (year-end)	4.2	5.9	7.9	10.5
Deposits/GDP (year-end)	64.9	63.4	68.2	72.5

\* KB estimates

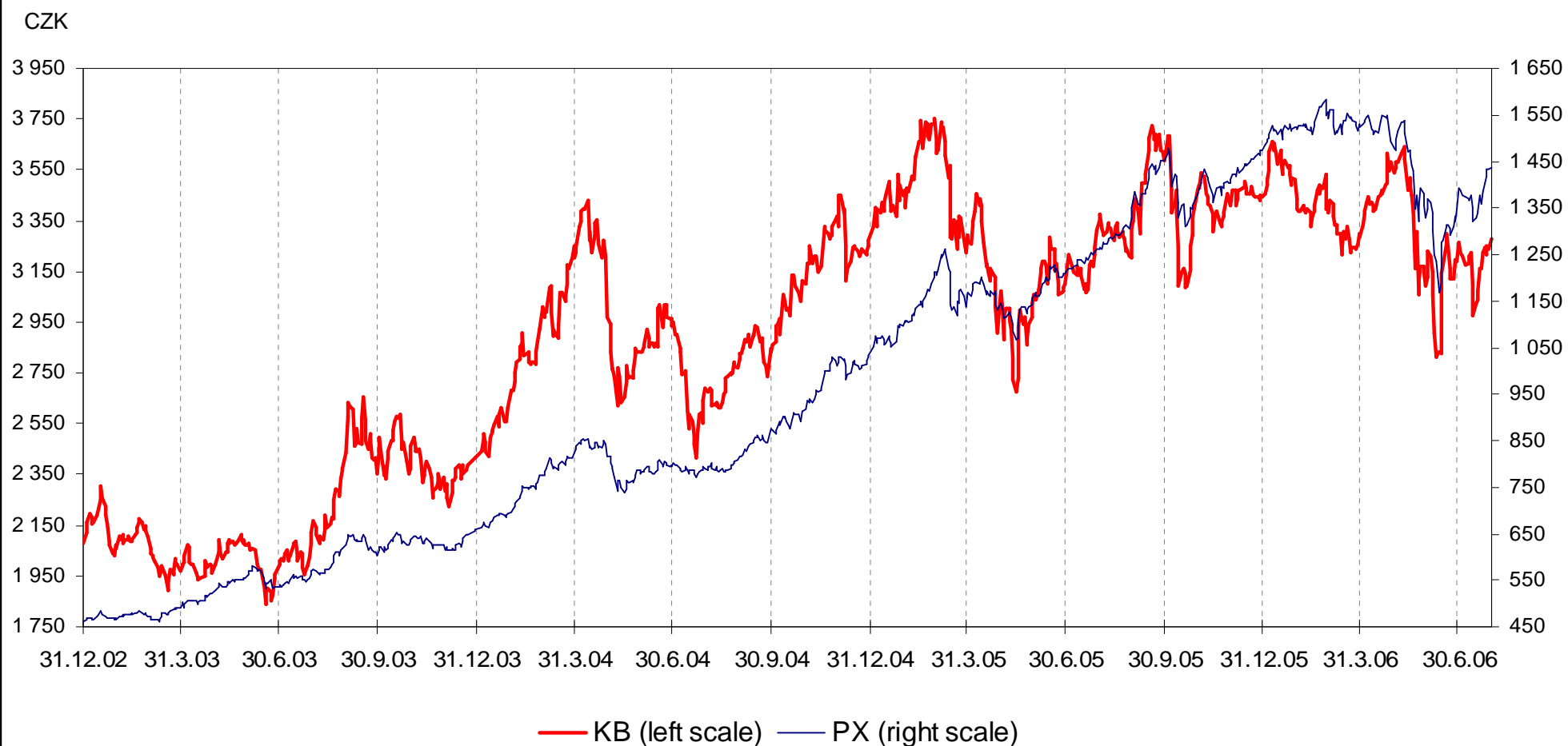


# Interest Rates Evolution





## Development of KB's share price and PX Index



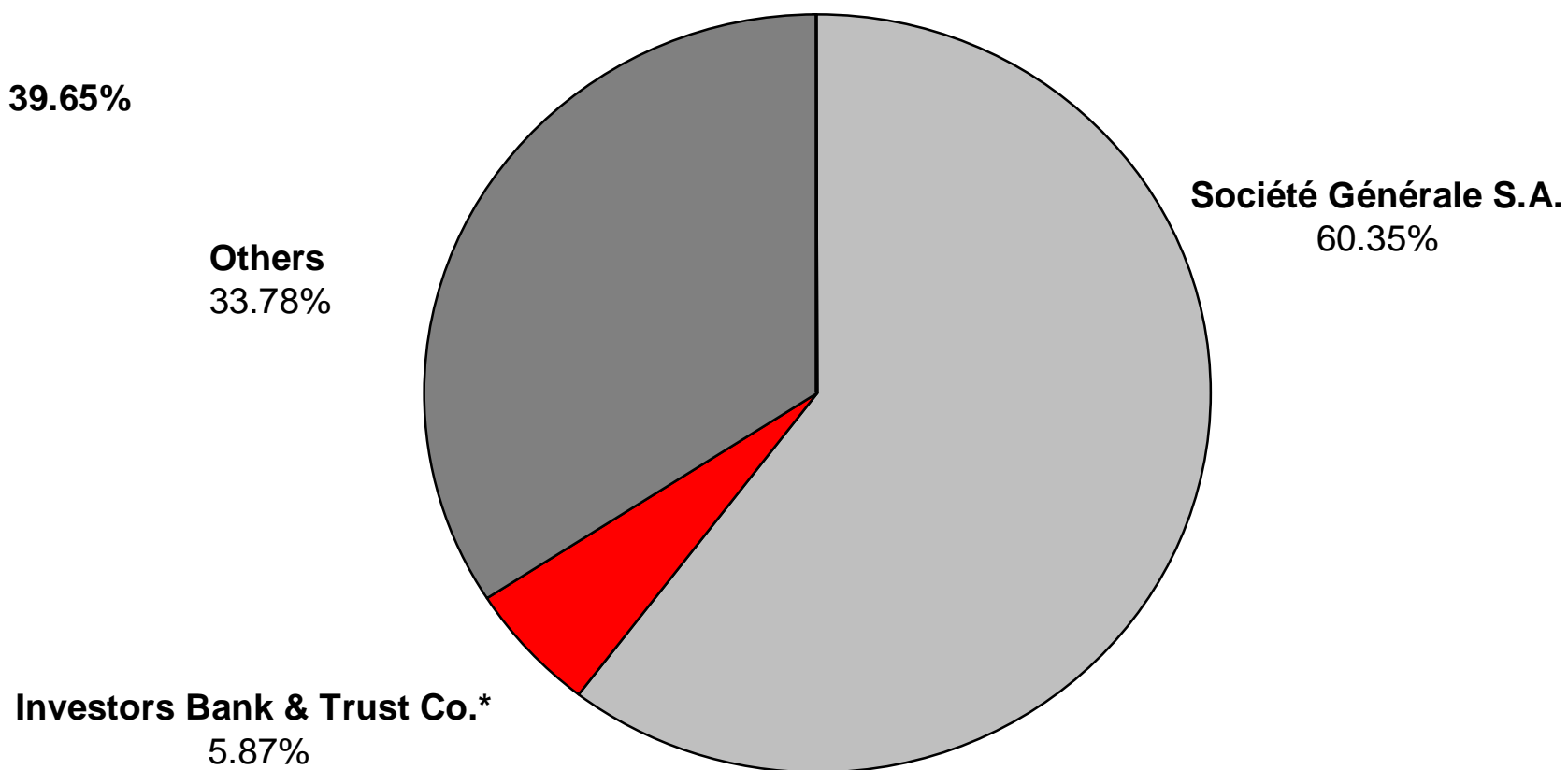


## Structure of Shareholders

Major shareholders of Komerční banka, a. s.  
as at 26 May 2006

Number of shares outstanding – 38,009,852

Free Float: 39.65%



\* Shares held on behalf of third parties



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