

Komerční banka Group

Financial results as of 31 December 2014

According to International Financial Reporting Standards, consolidated, unaudited

Prague, 12 February 2015

NA PARTNERSTVÍ ZÁLEŽÍ



Disclaimer

This document contains a number of forward-looking statements relating to the targets and strategies of the Komerční banka Group. These statements are based on a series of assumptions, both general and specific. As a result, there is a risk that these projections will not be met. Readers are therefore advised not to rely on these figures more than is justified as the Group's future results are liable to be affected by a number of factors and may therefore differ from current estimates.

Readers are advised to take into account factors of uncertainty and risk when basing their investment decisions on information provided in this document.

Results and ratios in this presentation are as of 31 December 2014, unless stated otherwise.

Komerční banka, a.s., public limited company with registered office: Prague 1, Na Příkopě 33/ 969; identification number: 45 31 70 54; registered in the Commercial Register maintained by the Municipal Court in Prague, Section B, file 1360

Agenda

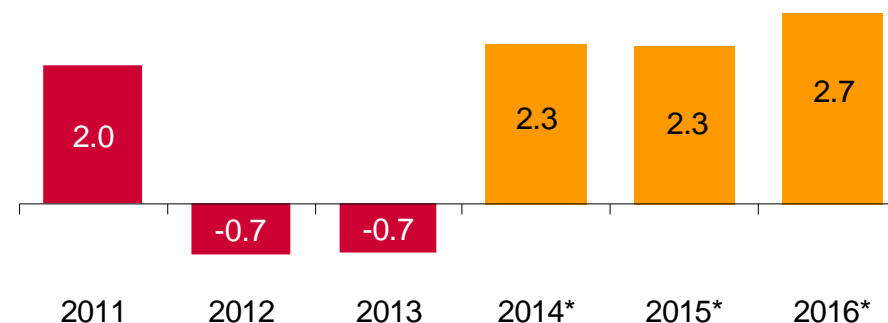
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Solid macroeconomic performance in the context of very low interest rates

- Czech GDP in 3Q14 +2.4% YoY, +0.4% QoQ. Recovery estimated to continue in the last quarter driven by domestic demand
- Public sector deficit in 2014 according to ESA at 1.5% of GDP*, public debt down to 43.4%*. Fiscal expansion to add 0.7% to GDP in 2015
- Lower oil price to improve Czech Republic's external balance, households' disposable income and companies' operational margins (later leading to higher investments)
- Inflation being dragged down by fuel, food and regulated prices. Temporary deflation expected for most of 2015*, however, not intolerable for forward-looking monetary policy
- Sharp drop in interest rates. CZGB 10Y yield below 0.4% in February 2015 from 2.5% in December 2013

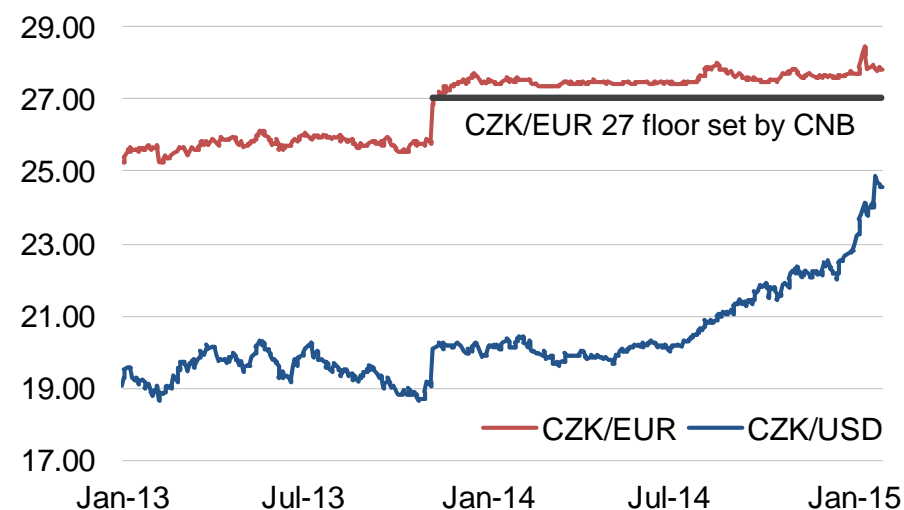
* KB Economic & Strategy Research estimates

Real GDP outlook (YoY, %)



Source: CSO, 2014–2016* KB Economic & Strategy Research forecast

Czech crown floats above intervention floor



Komerční banka in 2014: growth in business volumes counterbalanced margin pressure



A dynamic commercial performance...

- Increase in number of clients thanks to competitive product range and trust of clients
- Growing deposits from individuals and businesses, inflow into non-bank assets under management
- Outperforming the market in lending to individuals, accelerated growth of loans to corporations in the last quarter
- Important innovations introduced such as eTrading application for currency hedging and conversions, or 3D Secure technology for payment card transactions security

... contributing to healthy profitability and strong balance sheet

- Revenues almost stable despite extremely low interest rates and intense competition
- Long-term rigorous control of operating costs
- Low risk costs due to prudent risk management and favourable economic backdrop
- Strong capital adequacy and excellent liquidity as measured by loan-to-deposit ratio

Priorities for 2015

KB's strategy is based on developing long-term partnerships with clients, growth of lending, quality advisory and offer of value added products, proximity to clients through the branch network and direct channels. This is combined with a consistent focus on operational efficiency

- Further increasing satisfaction of our clients. Reflecting the changes in technology and clients' expectations in the client relationship management, as well as in design of the branches
- Growth of lending in retail and corporate segments building on KB's strengths and on economic recovery
- Development of sales and advisory capacity, incl. simplified processes and refined credit granting approach
- Further improvements in direct channels to confirm KB's market leadership in multichannel abilities
- Reinforcing agility, simplicity and accountability in KB's corporate culture, including improving capacity to timely implement changes from the dynamic regulatory, economic and technological developments
- Upgrade of selected key items of IT infrastructure
- Addressing challenges coming from new European and local regulatory initiatives
- Strong risk management to underpin long-term profitable growth of the portfolio of assets
- Continued focus on operating efficiency, while adequate resources will be allocated to underpin the future growth drivers
- Maintaining solid capital adequacy and liquidity buffers in order to conform to higher regulatory requirements

Selected deals of the fourth quarter of 2014



SAZKA, a.s.

Term Loan Facilities Agreement

CZK 7,500,000,000

Coordinator, Underwriter, Mandated
Lead Arranger and Facility Agent

2014



O2 Czech Republic a.s.

Term Loan Facility Agreement

CZK 4,000,000,000

Sole Arranger

2014



Borgers AG

Term and Revolving Facilities Agreement

EUR 210,000,000

Mandated Lead Arranger

2014



EP INDUSTRIES Group

Multitranche Multicurrency Facilities
Agreement

CZK 3,500,000,000

Mandated Lead Arranger

2014



Františkovy Lázně AQUAFORUM a.s.

Investment Loan

EUR 10,900,000

Complex bank services provider

2014



OC LUŽINY s.r.o.

Real Estate Financing

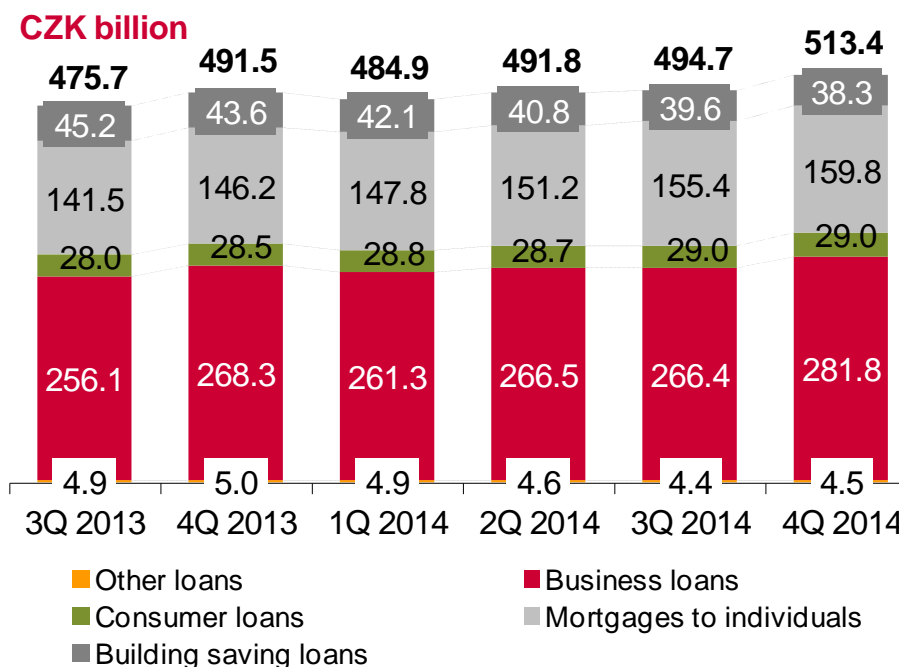
CZK 275,000,000

Complex bank services provider

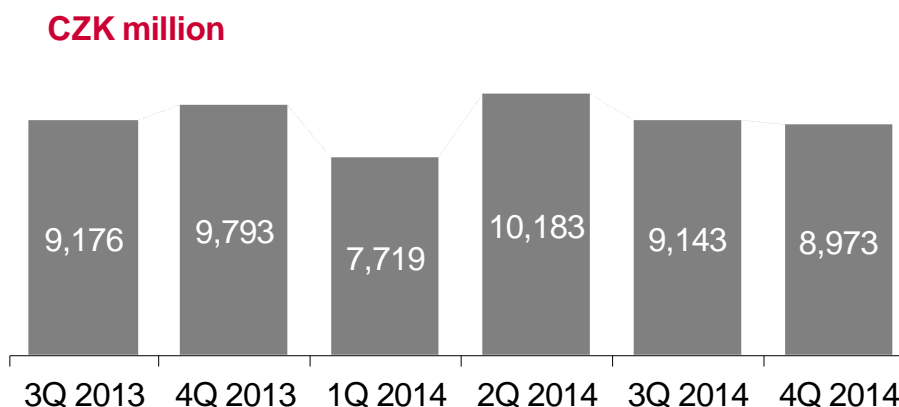
2014

Solid pace of total lending growth

- Gross loans up 4.5% YoY, +3.8% QoQ. The YoY growth mainly driven by large corporate lending and mortgages
- Group housing loans +4.4% YoY, of which
 - Mortgages to individuals +9.3% to CZK 159.8 bil.
 - Loans from Modrá pyramida down by 12.1% to CZK 38.3 billion, as clients preferred mortgages in the low interest rate environment
- Consumer loans (KB + ESSOX) up by 1.7% YoY to CZK 29.0 billion
- Business loans up 5.0% YoY, of which:
 - Small businesses (KB) -1.2% to CZK 28.0 bil.
 - Corporations (incl. Factoring KB) +5.7% to CZK 230.9 billion
 - SGEF (leasing) +6.0% to CZK 22.9 billion

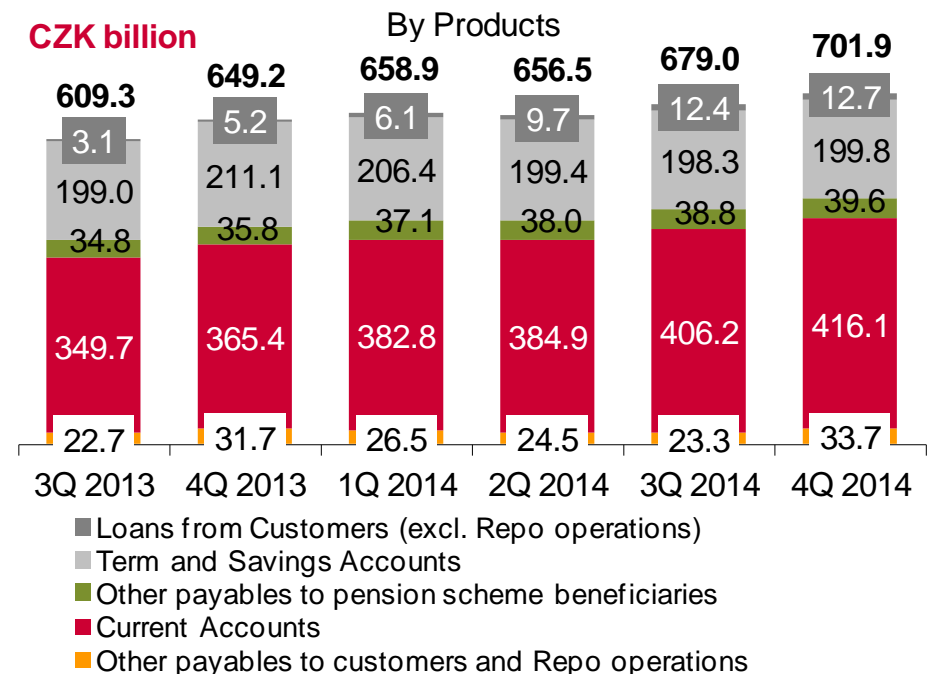
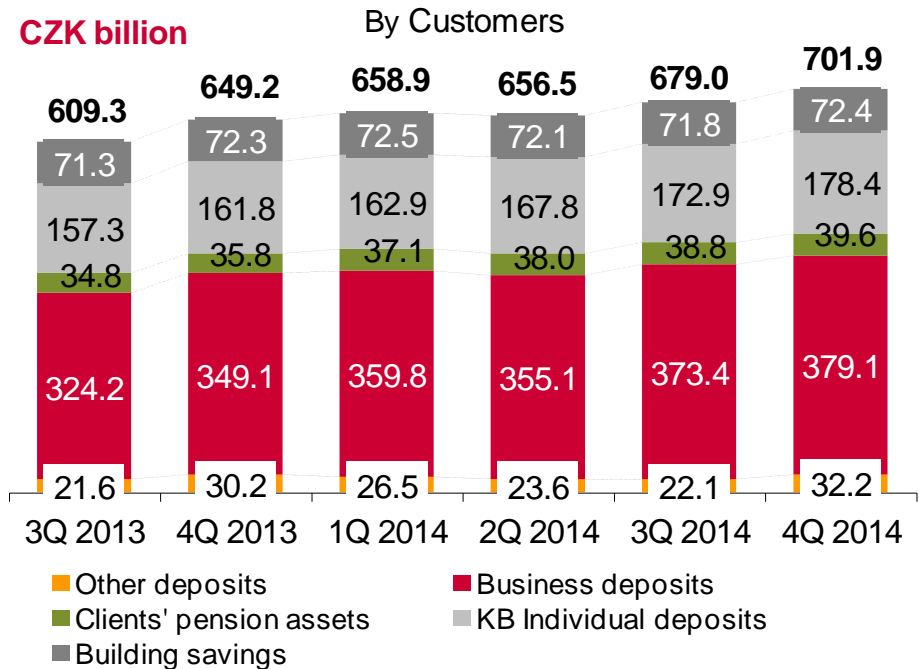


Sales volume of mortgages to individuals



Inflow of deposits and assets under management

- Group deposits +8.2% YoY to CZK 676.1 bil., +2.0% QoQ (excluding repos with clients). Total amounts due from clients +8.1% YoY
- Current account volumes expanded by 13.9% YoY, rising strongly both in retail and corporate
- Deposits from business clients +8.6% YoY and +1.5% QoQ to CZK 379.1 billion
- KB (bank) deposits from individuals +10.3% YoY to CZK 178.4 billion
- MPSS deposits up 0.2% YoY to CZK 72.4 bil.
- Clients' pension assets grew +12.7% YoY to CZK 40.6 bil. (o/w Transformed Fund, consolidated until 2014, +10.8% to CZK 39.6 bil.)
- KP life insurance technical reserves rose by 22.6% YoY to CZK 42.6 billion
- AUM in mutual funds (sold by KB+MPSS) increased by 21.2% YoY to CZK 37.7 billion



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Lower margins offset by increase in business volumes

Profit and Loss Statement (CZK million, unaudited)	FY 2013	FY 2014	Change YoY
Net interest income	21,207	21,423	1.0%
Net fees & commissions	7,077	6,752	-4.6%
Income from financial operations	2,490	2,385	-4.2%
Other income	121	116	-4.1%
Net banking income	30,894	30,677	-0.7%
Personnel expenses	-6,728	-6,754	0.4%
General administrative expenses	-4,666	-4,489	-3.8%
Depreciation, impairment and disposal of fixed assets	-1,754	-1,791	2.1%
Operating costs	-13,148	-13,034	-0.9%
Gross operating income	17,746	17,643	-0.6%
Cost of risk	-1,739	-1,296	-25.5%
Net operating income	16,007	16,347	2.1%
Profit on subsidiaries and associates	208	191	-8.2%
Share of profit of pension scheme beneficiaries	-484	-508	5.0%
Profit before income taxes	15,731	16,031	1.9%
Income taxes	-2,825	-2,669	-5.5%
Net profit	12,906	13,361	3.5%
Minority profit/(loss)	378	376	-0.5%
Net profit attributable to equity holders	12,528	12,985	3.6%

Balance sheet growth driven by client deposit inflow

Balance Sheet (CZK million, unaudited)	31 Dec 2013	31 Dec 2014	Change YoY
Assets	863,980	953,261	10.3%
Cash and balances with central bank	44,405	152,903	244.3%
Amounts due from banks	125,735	59,699	-52.5%
Loans and advances to customers (net)	473,090	494,706	4.6%
Securities and trading derivatives	182,533	195,927	7.3%
Other assets	38,218	50,026	30.9%
Liabilities and shareholders' equity	863,980	953,261	10.3%
Amounts due to banks	49,680	61,361	23.5%
Amounts due to customers	649,158	701,867	8.1%
Securities issued	22,417	22,584	0.7%
Other liabilities	46,187	57,956	25.5%
Shareholders' equity	96,538	109,494	13.4%

As of 1 January 2015, the Transformed Fund (TF) managed by KB Penzijní společnost, a.s., was deconsolidated from the consolidating group of Komerční banka. TF continues to be administrated by KB Penzijní společnost, KB's fully owned subsidiary, whose own consolidation has not changed and continues to be carried out on a line-by-line basis. See slides nr. 30 and 31 for pro forma consolidated Income statement and Balance sheet adjusted for the effects of deconsolidation.

Rise in equity due to earnings and revaluation of hedges

Total shareholders' equity
as of 31 December 2013

+12,956

Development year-to-date

Total shareholders' equity
as of 31 December 2014

	31/12/2013	1/1/2014	Increase	Decrease	31/12/2014
Share capital	19,005	19,005			19,005
Capital and reserve funds	47,439	59,967		-8,578	51,389
- Retained earnings, reserve funds and dividends	48,165	60,693		-8,578	52,115
- Treasury shares	-726	-726			-726
Current year attributable net profit	12,528	0	12,985		12,985
Cash flow hedge	8,181	8,181	7,799		15,980
AFS securities' fair value changes	6,211	6,211	448		6,660
Others	294	294	49		344
Minority equity	2,879	2,879	252		3,131
Total Shareholders' equity	96,538	96,538	21,534	-8,578	109,494
Equity for adjusted ROAE calculation*	79,266	79,266	13,034	-8,578	83,723

* Group shareholders' equity w/o minority equity, cash flow hedging and revaluation of AFS securities

As of 31 December 2014, CZK -3,326 million was transferred from Other comprehensive income (Cash flow hedging) to net profit (net of tax)

Solid foundations for further growth

Key ratios and indicators (year-to-date)	31 Dec 2013	31 Dec 2014	Change YoY
Capital adequacy	15.8%	16.4%	n.a.*
Tier 1 ratio	15.8%	16.4%	n.a.*
Total risk weighted assets (CZK billion)	373.8	384.2	n.a.*
Risk weighted assets for credit risk (CZK billion)	315.8	319.2	n.a.*
Net interest margin (NII/Av. interest bearing assets), annualised	2.8%	2.6%	▼
Loans (net) / deposits ratio	72.9%	70.5%	▼
Loans (net) / deposits ratio excl. TF client assets	77.1%	74.7%	▼
Cost / income ratio	42.6%	42.5%	▼
Return on average equity (ROAE), annualised	13.1%	13.0%	▼
Adjusted return on average equity (adjusted ROAE), annualised**	16.2%	15.9%	▼
Return on average assets (ROAA), annualised	1.5%	1.4%	▼
Earnings per share (CZK), annualised	332	344	3.6%
Average number of employees during the period	8,612	8,525	-1.0%

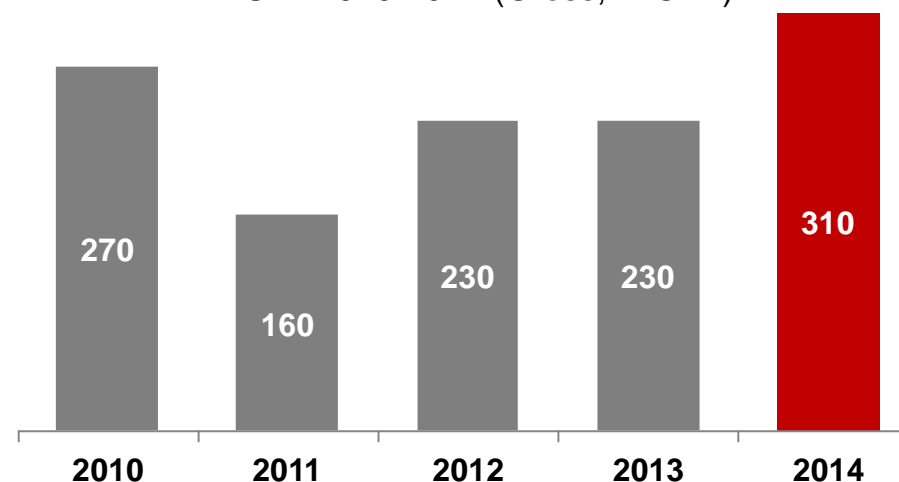
* According to Basel II methodology in 2013, Basel III since 2014. Capital adequacy ratio as of 31 December 2014 assuming retained earnings according to Board of Directors' dividend proposal (90.7% payout ratio). In 2Q&3Q 2014, capital ratios were including interim profit adjusted for 'foreseeable dividend' at the level of 2013 payout (69.8%) as prescribed by EU Regulation.

** Adjusted ROAE is computed as net profit attributable to equity holders divided by (average Group shareholders' equity w/o minority equity, cash flow hedging and revaluation of AFS securities)

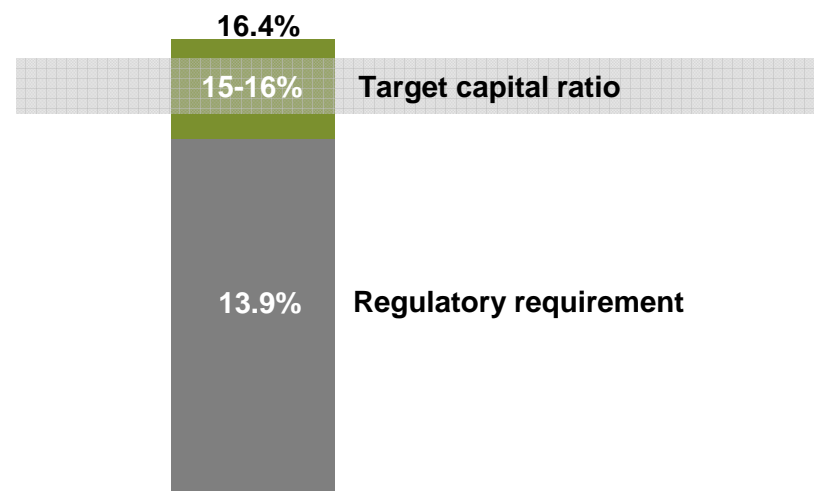
Increased payout, solid capital equipment preserved

- Out of KB's attributable net income for 2014, Board of Directors proposed to pay in dividends CZK 11,783 million, or CZK 310 per share
- The proposed amounts would represent a dividend payout of 90.7% from the consolidated attributable net profit, and 6.5% gross dividend yield based on 2014's closing share price
- The proposal is subject to approval by KB's Supervisory Board and by the Annual General Meeting of the bank on 23 April 2015
- Given the current state of affairs, the Board of Directors intends to propose increased distribution of 80-100% of attributable net income also in 2015 and 2016

DPS in 2010-2014 (Gross, in CZK)

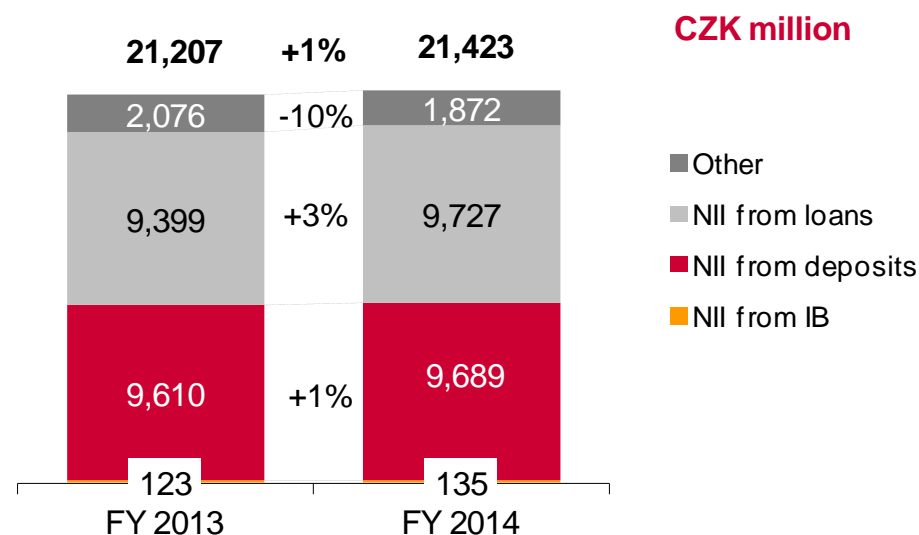
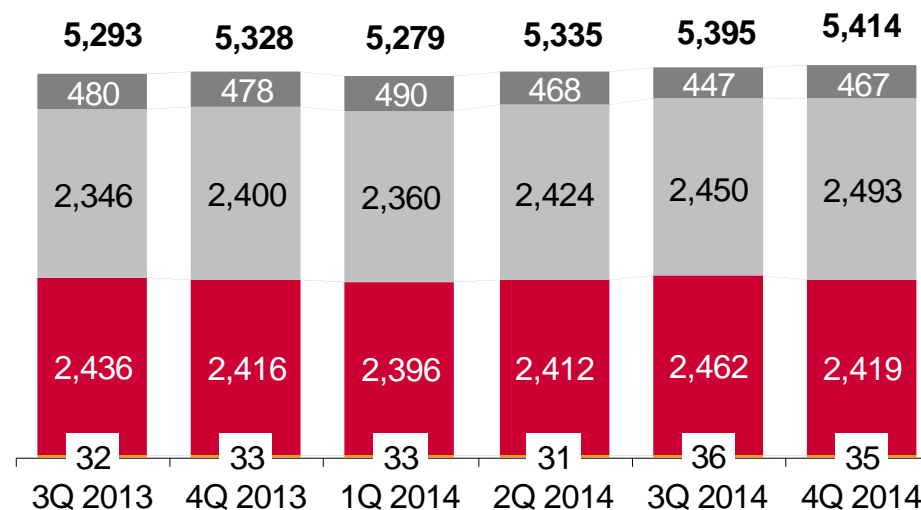


Capital adequacy ratio



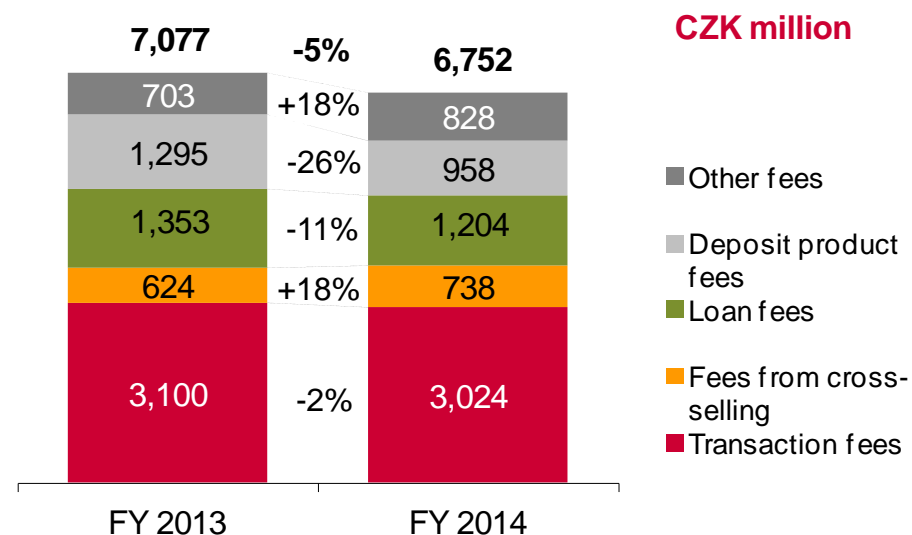
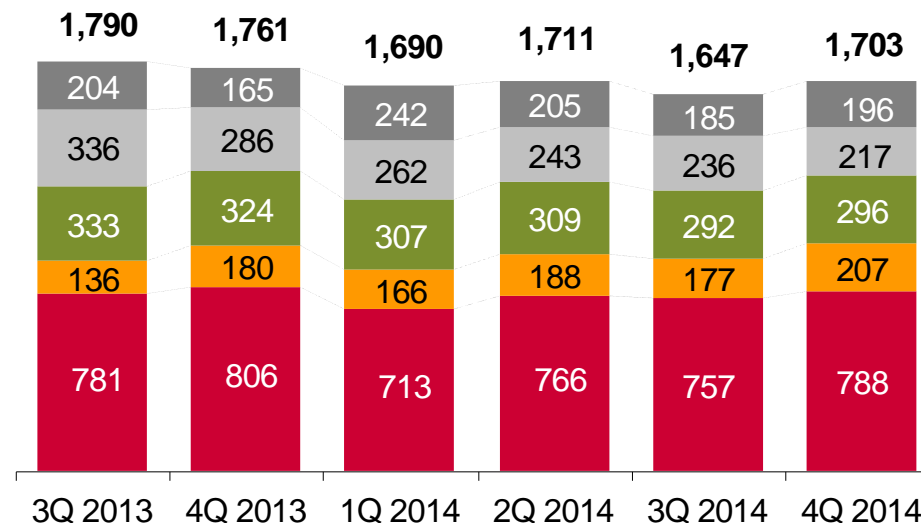
NII slightly up despite very challenging environment

- NII in FY 2014 up by 1.0% YoY. NII in 4Q 2014 increased by 0.4% QoQ
- NII from loans – reflecting volume growth and protection of spreads in the intense competition prevailing on the market
- NII from deposits – boosted by growing volumes. Continued decrease in market interest weighs on reinvestment income, partly mitigated by adjustments in deposit remuneration
- NII from other – decreasing yield from reinvestment of capital, impact moderated by long-term investment policy
- Net interest margin development influenced by flows of large-volume, low-spread deposits



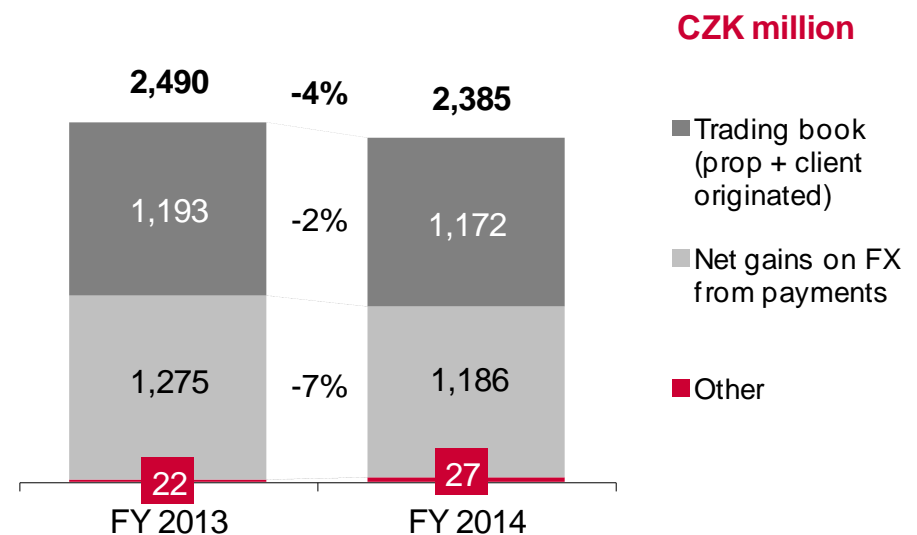
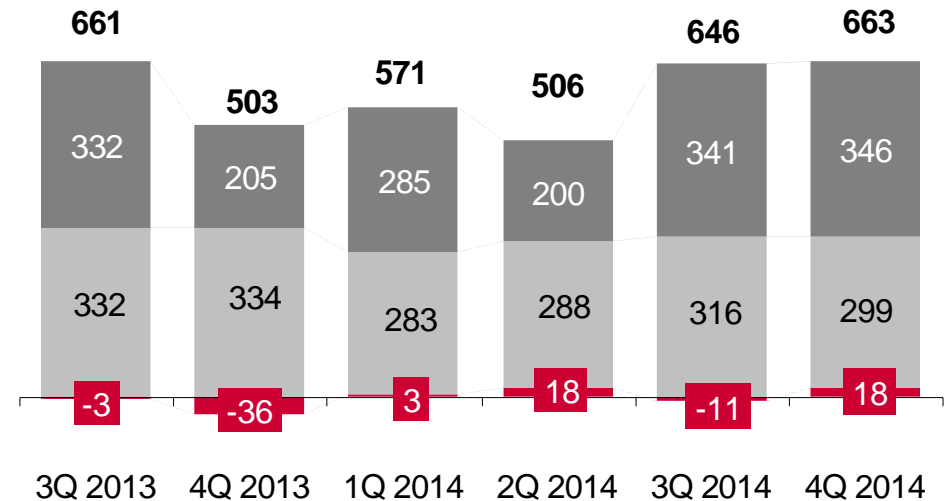
Positive contribution to fee income from cross-sell and structured financing

- NFC in FY 2014 down by 4.6% YoY. In 4Q 2014 rose by 3.4% QoQ
- Deposit product fees – drop in account maintenance fee income due to rewards in MojeOdměny programme
- Loan fees – rising share of retail loans not charging administration fees
- Fees from cross-selling – rising share of clients' savings in mutual funds and life insurance supportive for income
- Transaction fees – higher number of non-cash transactions, but bigger share of transactions included in the price of packages. Income from card payments increased
- Other fees – YoY increase in fees for loan syndications, debt capital markets, documentary payments and guarantees



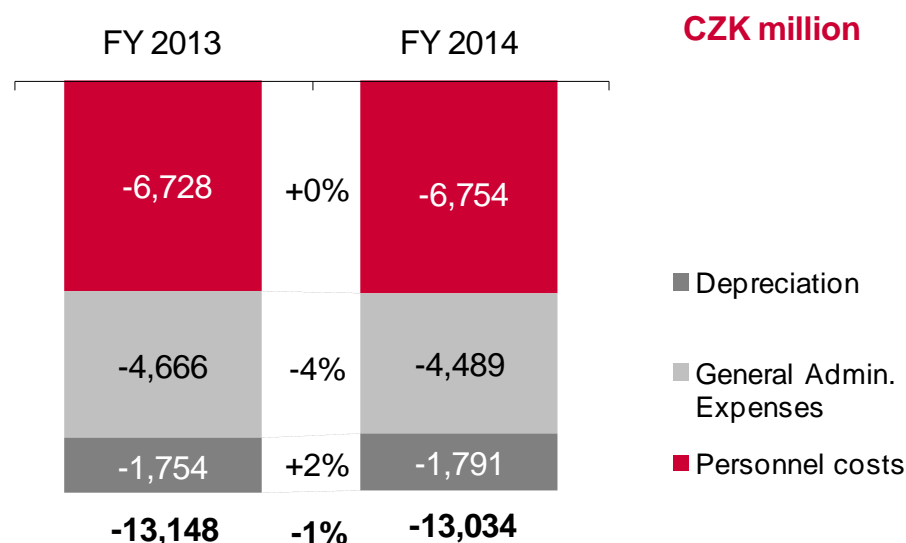
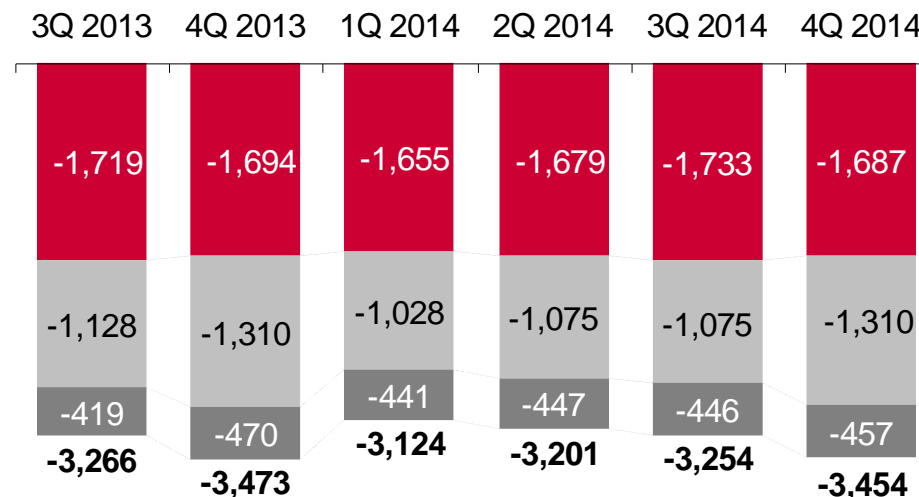
Improved market activity and offer to clients in the second half

- Net profit from financial operations in FY 2014 down by 4.2% YoY. NPFO in 4Q increased by 2.6% QoQ
- Client demand for FX hedging improved following increase in volatility on EUR/CZK and weakening versus USD in 2H2014
- Demand for IR hedging boosted by increased financing activity, including syndications and bond issues
- In 4Q 2014, a new eTrading application for clients launched, supporting foreign currency conversions, transacting with deposits, and hedging currency risks
- Clients economising on FX transaction costs mainly by shifting to cheaper payment and conversion methods



Cost discipline maintained

- OPEX in FY 2014 -0.9% YoY. 4Q 2014 up by 6.1% QoQ affected by seasonality
- Personnel costs in FY 2014 up by 0.4% YoY. Average staff level decreased by 1.0%
- GAE declined by 3.8% YoY. Savings achieved across the board, main contribution from real estate costs, telecommunications and IT support
- Depreciation & Amortisation rose by 2.1% YoY. The increase was mainly driven by software applications
- KB Group continues developing projects focused on improving security, branch network and bank infrastructure

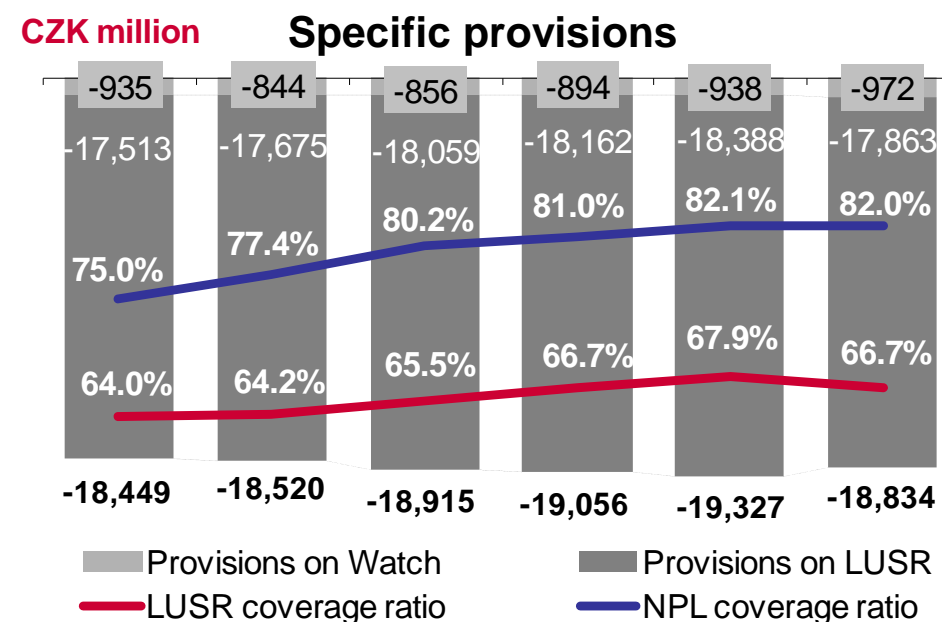
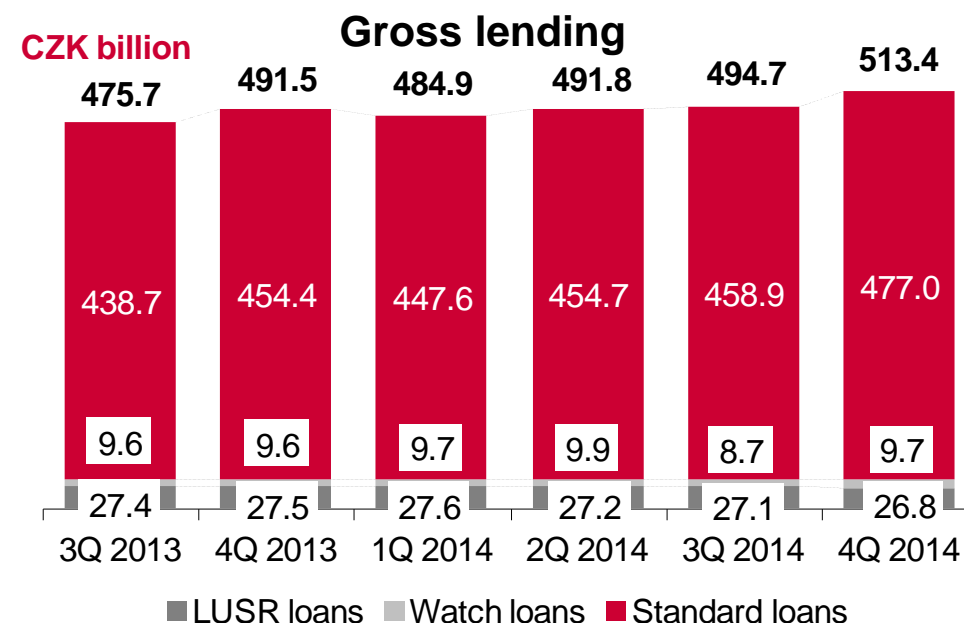


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Exposure growth with good loan quality

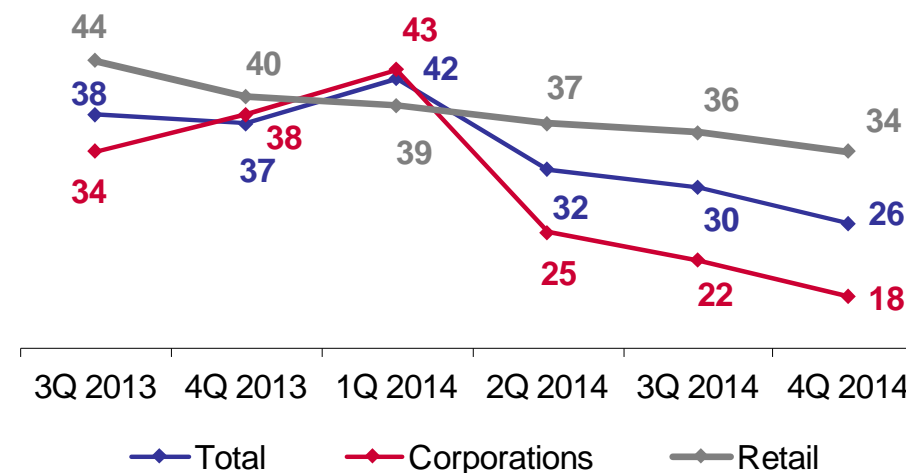
- Loan exposure +4.5% YoY, +3.8% QoQ mainly thanks to newly granted loans to Corporate clients
- Share of LUSR exposure down to 5.2% (5.5% in 3Q 2014)
- Share of NPL exposure down to 3.9% (4.1% in 3Q 2014). QoQ NPL exposure down to CZK 20 billion (CZK 20.3 billion in 3Q 2014)
- Provision coverage ratio for LUSR portfolio QoQ down to 66.7% (67.9% in 3Q 2014), for NPL portfolio stable at 82% (82.1% in 3Q 2014)



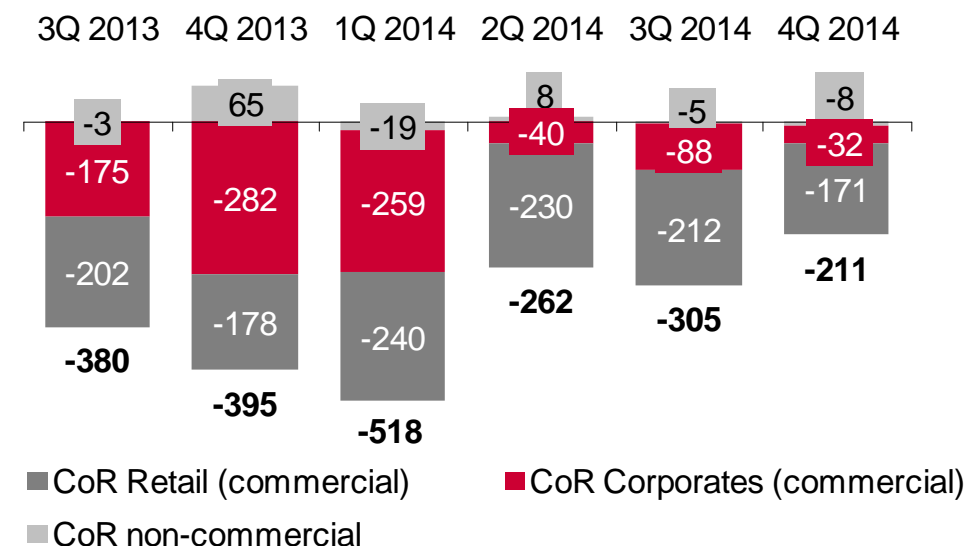
Further improved cost of risk

- CoR in FY 2014 -25.5% YoY. 4Q 2014 -30.8% OoQ
- YoY cost of risk decreased to 26 bps in FY 2014 from 37 bps in 2013, thanks to continuing favourable environment in the Czech economy
- YoY decrease in Retail CoR driven by Individuals (22 bps in FY 2014 vs. 31 bps in FY 2013). CoR in Small Business segment increased (131 bps in FY 2014 vs. 107 bps in FY 2013) driven by creations on a few isolated cases
- YoY CoR on Corporates down to 18 bps from 38 bps in FY 2013 driven by low number of new defaults and successful recovery

Total Cost of Risk (Year-to-date, in basis points)



Total Cost of Risk development (CZK million)



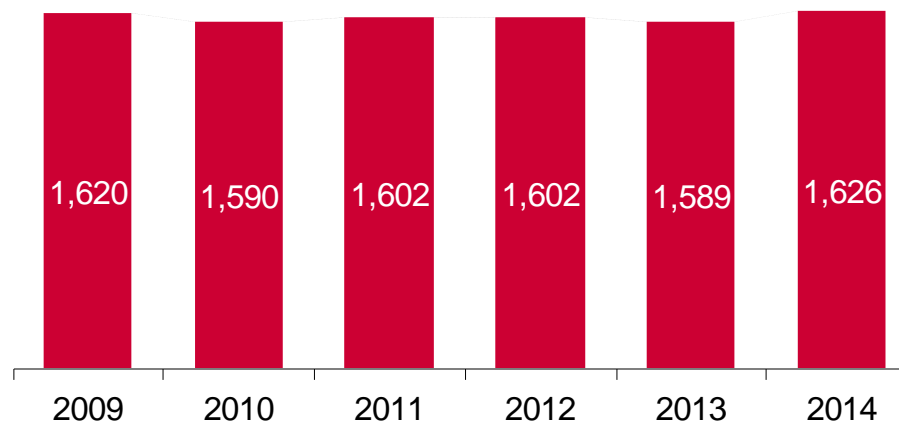
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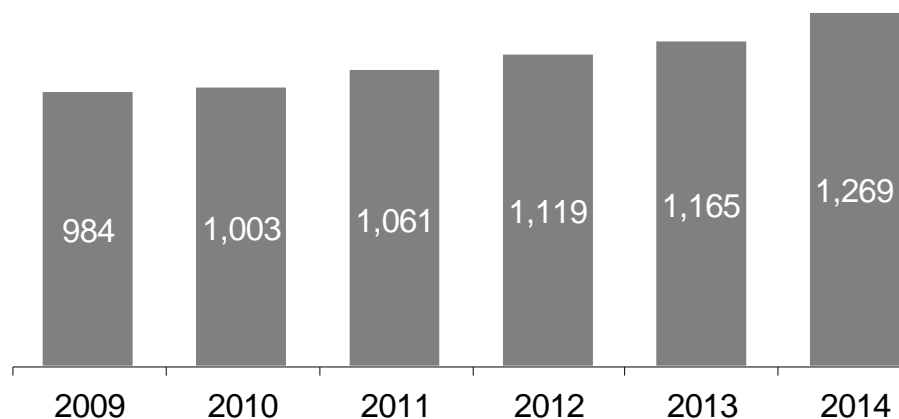
Number of clients and distribution network

- KB Group's 2.5 million clients, of which
 - KB bank 1,626,000 clients (+2%)
 - MPSS 554,000 clients (-3%)
 - KBPS 555,000 clients (-1%)
 - ESSOX 274,000 active clients (-4%)
- Network
 - 398 branches for retail clients, 10 corporate divisions and 4 divisions for large corporate clients in CZ, 1 in Slovakia
 - 754 ATMs
 - MPSS: 215 points of sale; 1,059 sales agents (of which 604 full-time professionals)
 - SGEF: 7 branches in CZ, 2 in Slovakia
- Direct Channels
 - 1,269,000 clients (i.e. 78% of KB client base) using direct banking channels
 - Two call centres, internet and mobile banking

Number of bank clients (ths., CZ)



Number of clients – Direct Channels (ths.)



Consolidated financial results

Profit and Loss Statement (CZK million, unaudited)	4Q 2013	3Q 2014	4Q 2014	Change YoY	Change QoQ
Net interest income	5,328	5,395	5,414	1.6%	0.4%
Net fees & commissions	1,761	1,647	1,703	-3.3%	3.4%
Income from financial operations	503	646	663	31.8%	2.6%
Other income	20	24	30	50.0%	25.0%
Net banking income	7,612	7,712	7,810	2.6%	1.3%
Personnel expenses	-1,694	-1,733	-1,687	-0.4%	-2.7%
General administrative expenses	-1,310	-1,075	-1,310	0.0%	21.9%
Depreciation, impairment and disposal of fixed assets	-470	-446	-457	-2.8%	2.5%
Operating costs	-3,473	-3,254	-3,454	-0.5%	6.1%
Gross operating income	4,139	4,458	4,356	5.2%	-2.3%
Cost of risk	-395	-305	-211	-46.6%	-30.8%
Net operating income	3,744	4,154	4,145	10.7%	-0.2%
Profit on subsidiaries and associates	110	48	49	-55.5%	2.1%
Share of profit of pension scheme beneficiaries	-112	-115	-146	30.4%	27.0%
Profit before income taxes	3,742	4,087	4,048	8.2%	-1.0%
Income taxes	-657	-729	-636	-3.2%	-12.8%
Net profit	3,085	3,358	3,412	10.6%	1.6%
Minority profit/(loss)	114	90	81	-28.9%	-10.0%
Net profit attributable to equity holders	2,970	3,268	3,331	12.2%	1.9%

Note: 4Q 2013 results were affected by FVA and CVA adjustments (CZK -141 mil.) in the line of Net profit from financial operations and a release of technical provisions in KP (CZK +83 mil.) in the line Profit on subsidiaries and associates

KB consolidated group

Pension insurance	KB Penzijní společnost (100%)	Management company for Transformed Fund (pension fund with 555,000 clients) and for new pension funds in 2nd and 3rd pillars of the Czech pension system
Building society	Modrá pyramida stavební spořitelna (100%)	#2 largest building savings bank according to loan volume with 554,000 clients and 1,059 strong agent distribution network
Consumer credit	ESOX (50.93%)	Consumer credit and car finance company. #4 non-bank consumer loan provider in the Czech Republic
Insurance	Komerční pojišťovna (49%)	Universal insurance company focused on life insurance
Corporate services	KB, branch in Slovakia	KB's branch in Slovakia focuses on serving large corporate clients. It operates as a locally well-established focused corporate bank.
	Factoring KB (100%)	#2 on the Czech factoring market, offering domestic, foreign and reverse factoring
	SGEF Czech Republic (50.1%)	Leading provider of asset-backed financing in the Czech Republic and also active in Slovakia

Business performance of subsidiaries 1/2

		FY 2013	FY 2014	Change YoY
MPSS	Volume of new loans (CZK million)	3,350	3,441	3%
	Volume of total loans (gross, CZK million)	43,555	38,294	-12%
	Volume of deposits (CZK million)	72,280	72,396	0%
	Number of clients	574,342	554,309	-3%
	Average number of FTEs	343	339	-1%
	Number of points of sale	208	215	3%
KB PS	Number of new contracts	34,678	26,915	-22%
	Number of clients	563,621	555,317	-1%
	Assets under management (CZK million)	36,004	40,568	13%
	of which in Transformed fund	35,765	39,628	11%
	Average number of FTEs	52	49	-6%
ESSOX	Volume of new contracts (CZK million)	5,275	4,460	-15%
	Volume of total loans (gross, CZK million)	9,753	9,469	-3%
	Number of active clients	283,872	273,776	-4%
	Average number of FTEs	353	348	-1%

Business performance of subsidiaries 2/2

		FY 2013	FY 2014	Change YoY
Factoring KB	Factoring turnover (CZK million)	26,540	34,114	29%
	Volume of total financing (gross, CZK million)	4,548	6,229	37%
	Average number of FTEs	42	42	1%
KP	Volume of technical reserves (CZK million)	34,760	42,610	23%
	Premium written (CZK million)	8,351	10,192	22%
	of which in life insurance	8,040	9,853	23%
	of which in non-life insurance	311	339	9%
	Average number of FTEs	155	160	4%
SGEF	Volume of new financing (CZK million)	8,859	9,678	9%
	Volume of total financing (gross, CZK million)	21,622	22,919	6%
	Average number of FTEs	117	123	5%

Standalone results of KB group companies and associated undertakings

	Account. standards	Share of KB	Net Profit	YoY	Equity	YoY	Assets	YoY
CZK million								
KB	IFRS	100%	12,796	-2.5%*	95,634	14.3%	862,766	11.5%
- o/w KB branch in Slovakia	IFRS	100%	235	n.a.	n.a.	n.a.	24,517	-2.0%
ESSOX, s.r.o.	IFRS	50.93%	534	-12.5%	3,938	15.8%	10,214	1.7%
Factoring KB, a.s.	CAS	100%	27	-57.1%	1,598	-1.8%	7,486	28.6%
KB Penzijní společnost, a.s.	CAS	100%	135	164.7%	1,192	43.1%	1,477	35.0%
Bastion European Investments S.A.	IFRS	100%	80	-5.9%	3,398	1.0%	6,733	-0.2%
Komerční pojišťovna, a.s.	IFRS	49%	387	-8.7%	2,514	13.6%	51,487	24.8%
Modrá pyramida SS, a.s.	IFRS	100%	995	-6.7%	7,611	-2.6%	82,393	0.6%
SG Equipment Finance CZ s.r.o.	IFRS	50.1%	285	13.1%	2,350	1.5%	27,613	6.3%
KB Real Estate, s.r.o.	CAS	100%	0	n.a.	494	0.0%	1,040	-2.9%
Protos	IFRS	90%	228	-9.2%	13,822	0.5%	13,882	0.5%
Czech Banking Credit Bureau	CAS	20%	16	433.3%	18	350.0%	32	-3.0%

* Affected by extraordinary dividend from a subsidiary received in 1Q 2013

Note: Fully consolidated companies are: Essox, Factoring, KB PS, Bastion, Modra pyramida, SGEF CZ, KB Real Estate and Protos, NP 33 and VN 42. CBCB is not consolidated. In 2014, Cataps, s.r.o was established by KB as its 100% subsidiary. The objects of the company are mediation of business transactions and services.

Effects of TF deconsolidation on income statement

Profit and Loss Statement (CZK million, unaudited)	FY 2014 Reported	FY 2014 Pro forma	Effect of deconsolidation
Net interest income	21,423	20,595	-828
Net fees & commissions	6,752	7,085	333
Income from financial operations	2,385	2,380	-5
Other income	116	109	-7
Net banking income	30,677	30,169	-508
Personnel expenses	-6,754	-6,754	0
General administrative expenses	-4,489	-4,489	0
Depreciation, impairment and disposal of fixed assets	-1,791	-1,791	0
Operating costs	-13,034	-13,034	0
Gross operating income	17,643	17,135	-508
Cost of risk	-1,296	-1,296	0
Net operating income	16,347	15,839	-508
Profit on subsidiaries and associates	191	191	0
Share of profit of pension scheme beneficiaries	-508	0	508
Profit before income taxes	16,031	16,030	0
Income taxes	-2,669	-2,669	0
Net profit	13,361	13,361	0
Minority profit/(loss)	376	376	0
Net profit attributable to equity holders	12,985	12,985	0

Note: Pro forma – adjusted for the effect of deconsolidation of Transformed Fund

Effects of TF deconsolidation on balance sheet

Balance Sheet (CZK million, unaudited)	31 Dec 2014 Reported	31 Dec 2014 Pro forma	Effect of deconsolidaton
Assets	953,261	911,829	-41,432
Cash and balances with central bank	152,903	152,904	0
Amounts due from banks	59,699	59,279	-420
Loans and advances to customers (net)	494,706	494,706	0
Securities and trading derivatives	195,927	154,583	-41,344
Other assets	50,026	50,357	331
Liabilities and shareholders' equity	953,261	911,829	-41,432
Amounts due to banks	61,361	61,360	0
Amounts due to customers	701,867	661,703	-40,164
Securities issued	22,584	22,584	0
Other liabilities	57,956	58,176	220
Shareholders' equity	109,494	108,006	-1,488

Note: Pro forma – adjusted for deconsolidation of Transformed Fund

Pro forma consolidated balance sheet as of 31 December 2014 contracts by CZK 41,432 million. Smaller are the items 'Amounts due to customers' (by CZK 40,164 mil.), 'Available-for-sale financial assets' (by CZK 35,406 mil.) and 'Held-to-maturity investments' (by CZK 7,070 mil.)

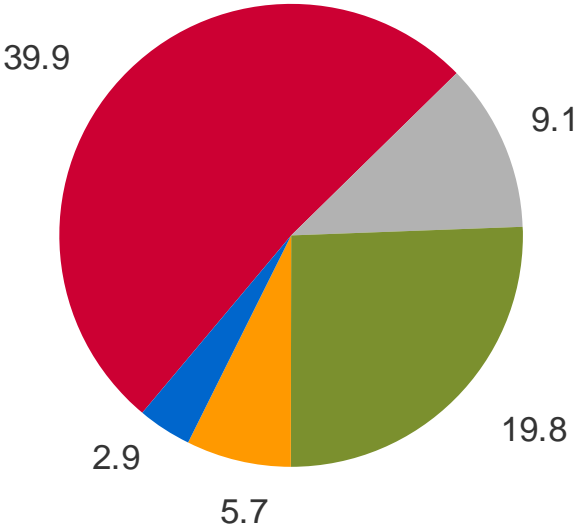
Securities portfolio in the banking book

As of 31 December 2014

CZK billion

Available-for-sale portfolio

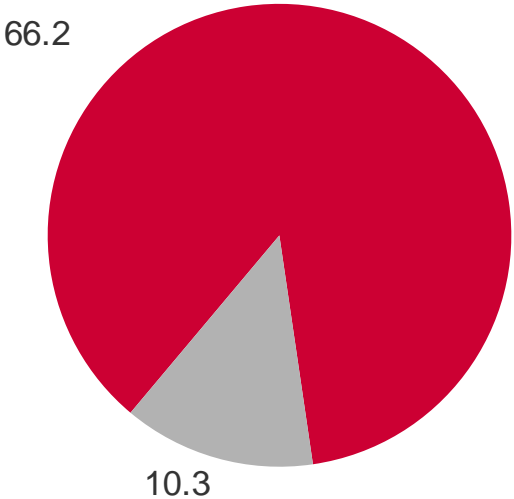
CZK 77.4 billion



- Czech sovereign
- Foreign sovereign
- Czech financial institutions
- Foreign financial institutions
- Others

Held-to-maturity portfolio

CZK 76.5 billion

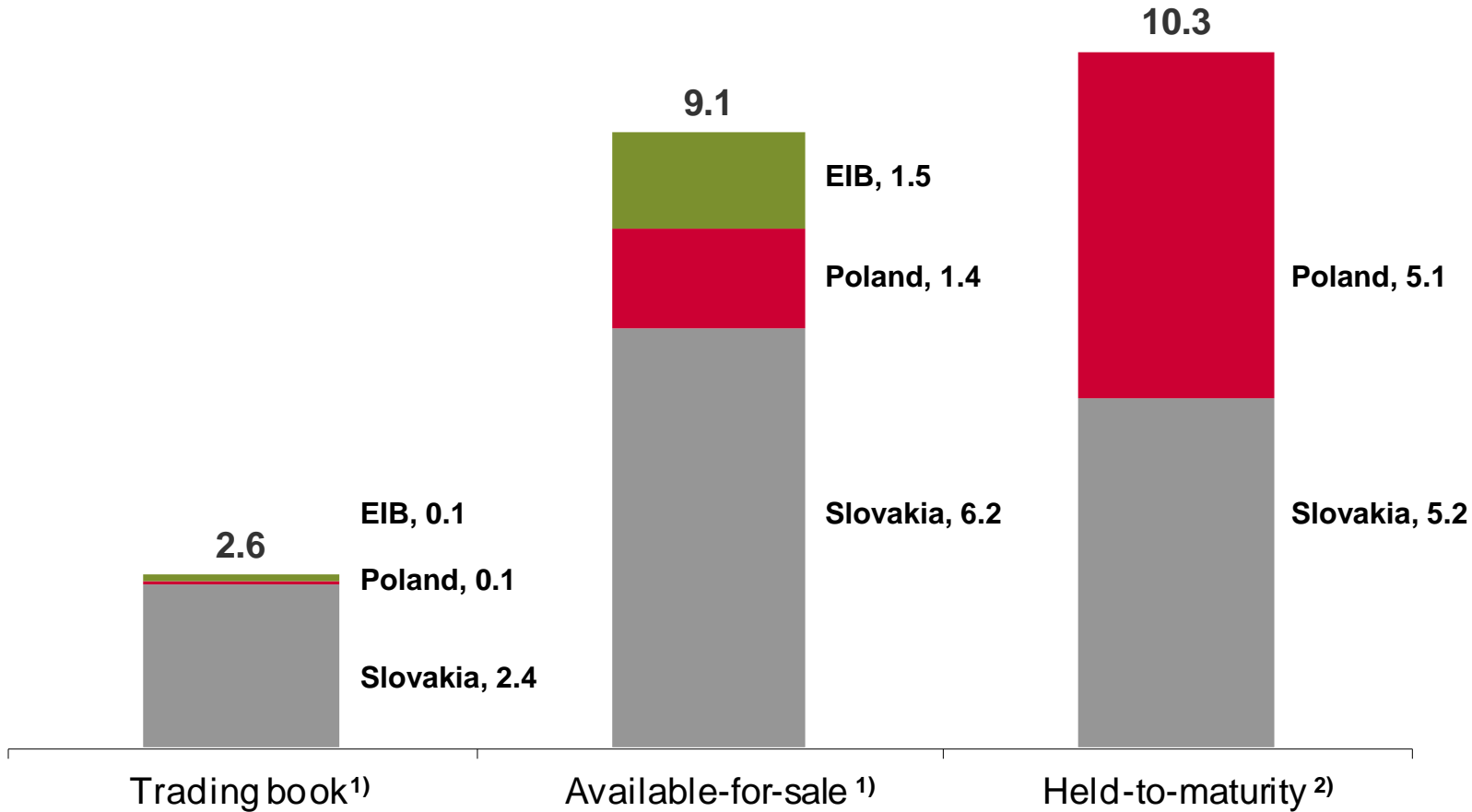


- Czech sovereign
- Foreign sovereign

Foreign sovereign exposure

As of 31 December 2014

CZK billion



Measurement at [1] fair value; [2] amortized cost

Macroeconomic environment – Czech Republic

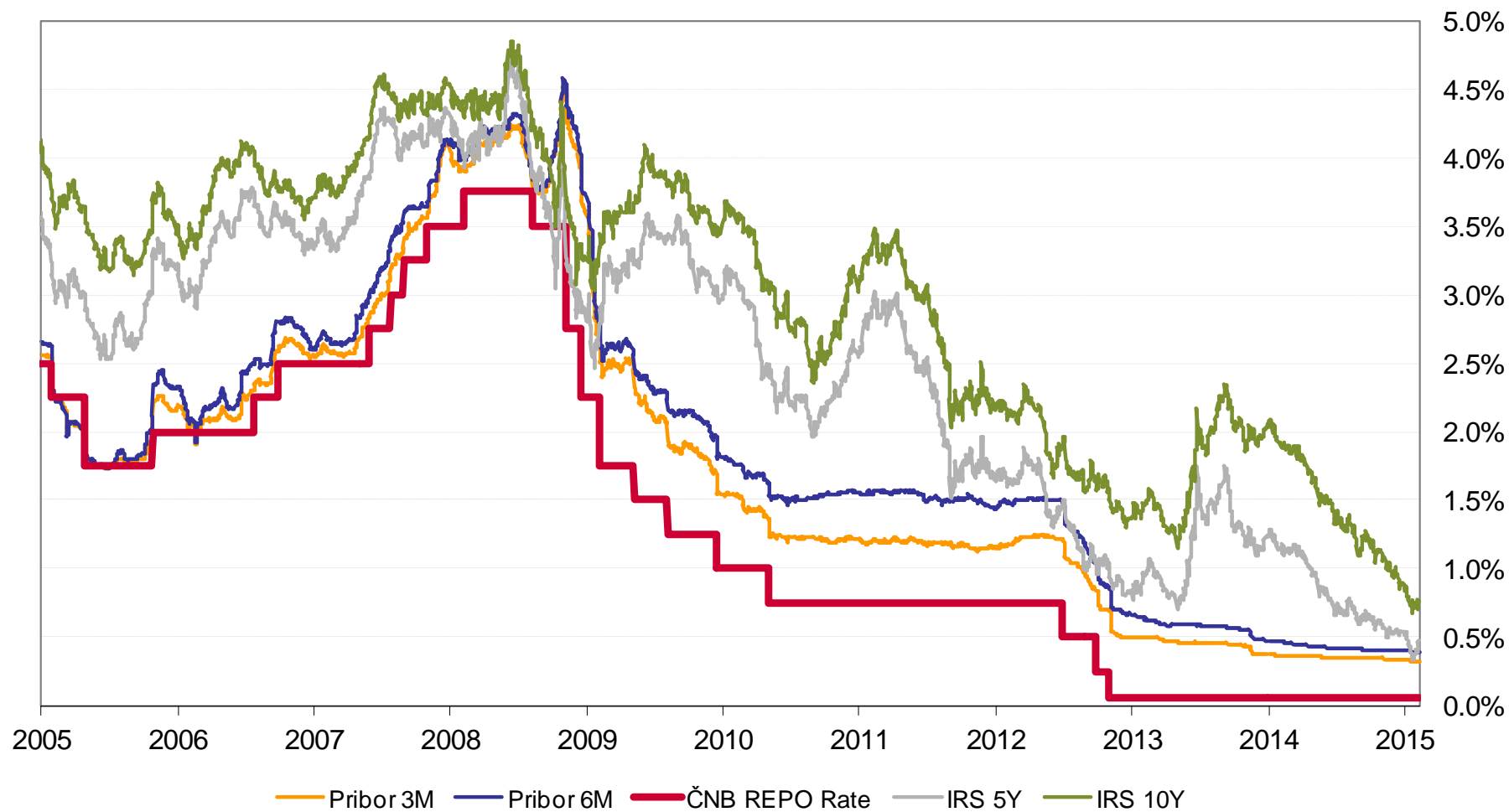
Macroeconomic Indicators	2011	2012	2013	2014*	2015*	2016*
Real GDP (% , average)	2.0	-0.7	-0.7	2.3	2.3	2.7
Inflation (% , average)	1.9	3.3	1.4	0.4	-0.1	2.0
Household consumption (% , average)	0.3	-1.8	0.4	1.3	2.3	1.5
Unemployment (% , av., MLSA meth.)	6.6	6.8	7.8	7.6	7.0	6.8
M2 (% , average)	3.4	6.0	4.6	4.3	5.0	5.0
3M PRIBOR (% , average)	1.2	1.0	0.5	0.4	0.3	0.6
Potential of the market **	2011	2012	2013	2014*	2015*	2016*
Loans / GDP (year-end)	57.3	58.3	61.5	61.5	62.7	62.8
Real estate loans / GDP (year-end)	19.2	20.0	20.9	21.2	21.9	22.0
Deposits / GDP (year-end)	72.5	77.3	81.7	81.3	82.3	81.3
Household loans / GDP (year-end)	25.1	25.8	26.7	26.9	27.6	27.7

* KB estimate

** Banking sector, year end

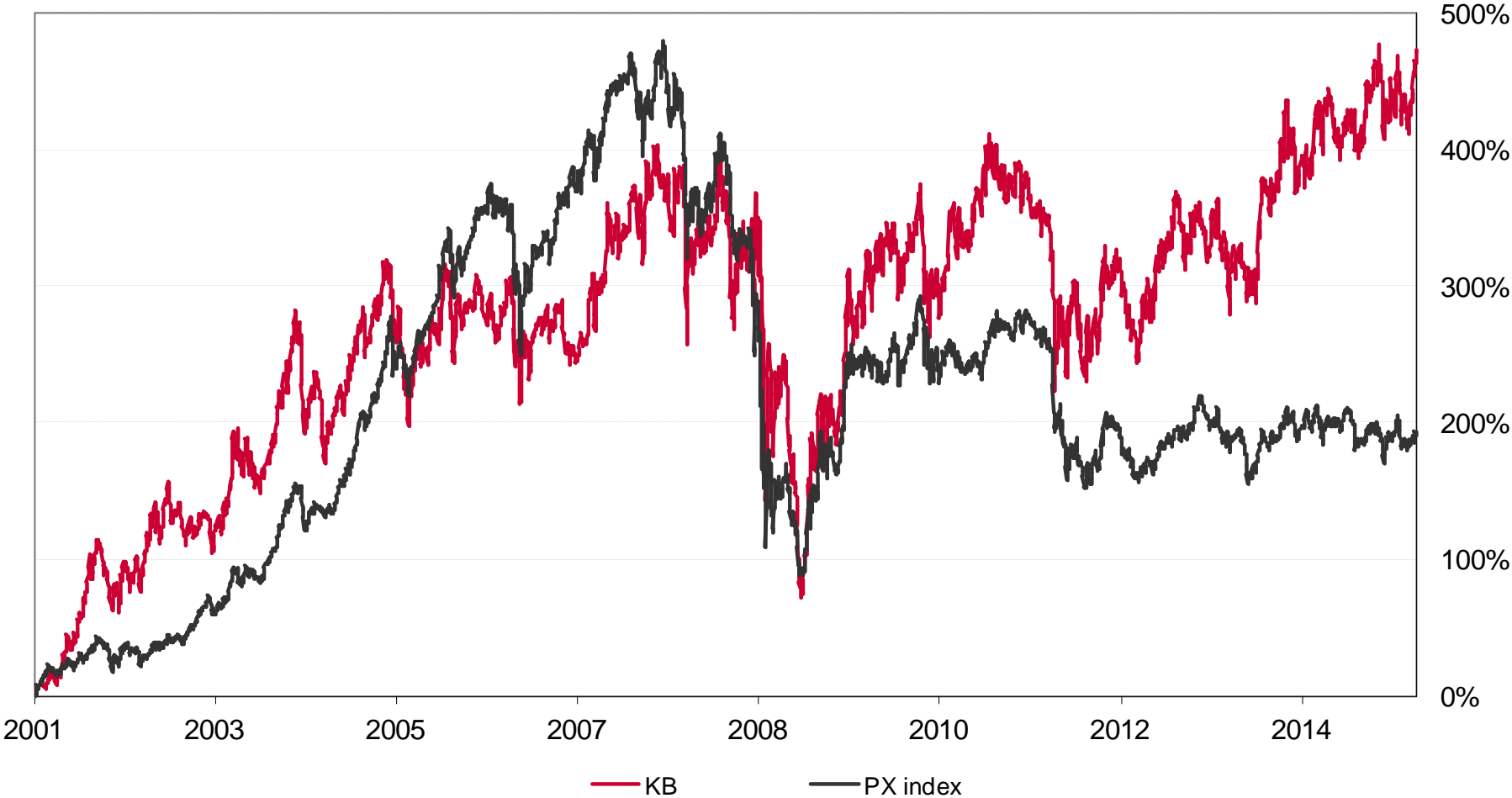
Interest rates evolution

(for the period 1 January 2005 – 9 February 2015)



Development of KB's share price and PX Index

(for the period 1 October 2001 – 9 February 2015)

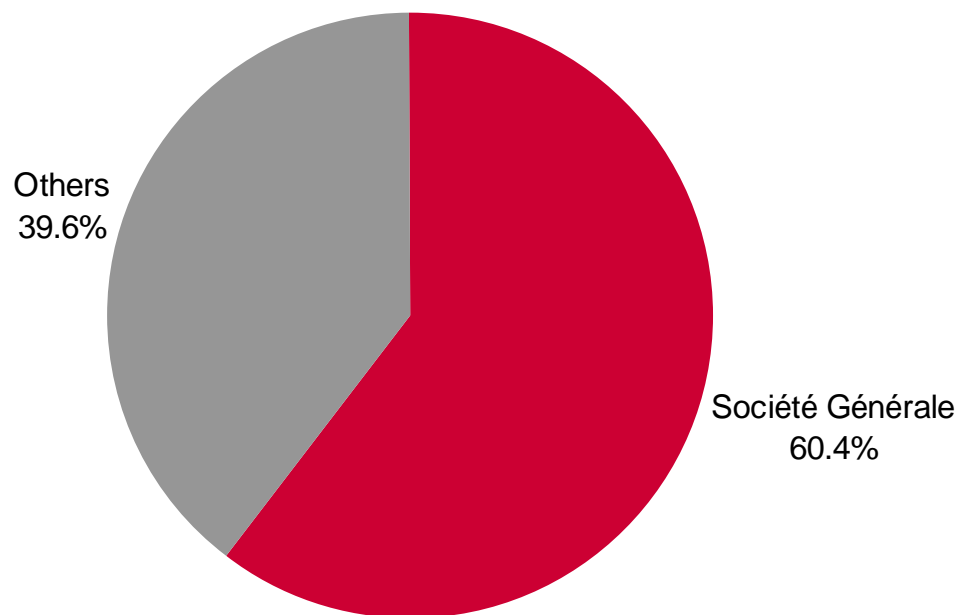


KB shareholders

As of 31 December 2014

The number of shareholders comprised 43,294 corporate entities and private individuals.

Of the Bank's total share capital of CZK 19,004,926,000 divided into 38,009,852 shares with a nominal value of CZK 500 each, Société Générale S.A. holds 60.35%.



The Bank of New York Mellon ADR Department is, with the permission of the Czech National Bank, the holder of those shares for which Global Depository Receipts (GDRs) were issued and which are in the possession of a significant number of foreign investors.

KB held 238,672 own shares in treasury, representing 0.63% stake on registered capital.



Investor Relations

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