

## MINUTES

**of the Ordinary General Meeting (hereinafter the “General Meeting”)  
of Komerční banka, a. s., based Praha 1, Na Příkopě 33, č. p. 969, PSČ 114 07,  
(hereinafter the “company or bank”)  
held on 29 April 2008 from 1.00 p.m.  
in the Great Hall of Slovanský dům, Na Příkopě 22, Prague 1**

The chairman of the company's Board of Directors and Chief Executive Officer, Mr Laurent Goutard (hereinafter the “Opening Chairman”) at 1.03 p.m. welcomed those attending, presented himself to the participants of the ordinary General Meeting and stated that, according to the company's Articles of Association and by the authorisation of the Board of Directors of the company Komerční banka, a. s., he will preside over the General Meeting up to the instance that this task will be taken up by the chairman of the General Meeting elected by the shareholders. He also stated that the proceedings of today's General Meeting will take place in Czech and French with simultaneous interpreting, and it is for this purpose that shareholders were provided at their attendance registration with earphones and controls which have been set for the shareholders to receive Czech on channel no. 1 and French on channel no. 2. As part of the materials, the shareholders were also presented with brief instructions on how to operate the controls. He asked the shareholders to return the complete device to the attendance service before their departure.

The chairman of the company's Board of Directors and Chief Executive Officer, Mr Laurent Goutard, then presented the members of the Board of Directors, Messrs Didier Colin, Patrice Taillandier-Thomas, Jan Juchelka, Peter Palečka and Pavel Čejka, the executive director of Strategy and Finance. He stated that members of the Supervisory Board headed by its chairman, Mr Didier Alix, are also present at the General Meeting. The General Meeting also presented notary Lucie Foukalová who will execute a notarial record.

The Opening Chairman informed the General Meeting that in compliance with the bank's Articles of Association, the company's Board of Directors invited to the proceedings of the General Meeting as guests a representative of the auditing company Deloitte Audit, s.r.o., and informed the shareholders that the company Centin, a.s. had been entrusted by the Board of Directors with securing the attendance and voting. He also stated that in accordance with the valid Banking Act an extract was used from the register of the issuer approved by the Czech National Bank for today's attendance of shareholders.

The chairman of the company's Board of Directors and Chief executive Officer, Mr Laurent Goutard informed them that he had received a report from persons authorised with the attendance of shareholders according to which shareholders are now attending the General Meeting who hold shares to the nominal value representing a total of 63.53 % of the bank's registered capital. He declared that according to the company's valid Articles of Association, the General Meeting can constitute a quorum and adopt resolutions and no objections was filed against the exercise of voting rights.

He also asked the shareholders, for reasons of identification, to attach the KB logo that they had received at the attendance registration to a visible spot. He then opened the proceedings of the General Meeting.

The chairman of the company's Board of Directors and General Executive Officer, Mr Laurent Goutard, stated that he shall acquaint those attending with the agenda of today's proceedings as published in the notice of the General Meeting in the Commercial Bulletin and in the economic daily newspaper *Hospodářské noviny* on 26.3.2008, apart from this, the agenda was also displayed on the official notice board in the bank's registered office and also on its website. He then read out the agenda as follows:

1. Opening
2. Approval of the rules of procedure and of voting the General Meeting, election of the General Meeting chairman, minutes clerk, minutes verifiers and scrutineers
3. Approval of the Board of Directors' Report on the Bank's business activities and on the state of its assets and liabilities for the year 2007
4. Discussion of the regular financial statements with the proposal for the distribution of profit for the year 2007 and of the consolidated financial statements for the year 2007
5. Position of the Supervisory Board on the regular financial statements for the year 2007, on the proposal for the distribution of profit for the year 2007 and on the consolidated financial statements of the year 2007, report by the Supervisory Board on the results of its supervisory activity and the position of the Supervisory Board on the Board of Directors' Report on relations among related entities in accordance with § 66a (9) of the Commercial Code No. 513/1991 Coll., as amended
6. Approval of the regular financial statements for the year 2007
7. Resolution on the distribution of profit for the year 2007
8. Approval of the consolidated financial statements for the year 2007
9. Changes in the ranks of the Supervisory Board
10. Resolution on the remuneration of the members of the Bank's Board of Directors
11. Resolution on the acquisition of the Bank's treasury stock
12. Amendments to the Articles of Association
13. Closing

After reading out the agenda of the General Meeting, the Opening Chairman draw the attention of the General Meeting to the fact that according to the valid Articles of Association of *Komerční banka, a. s.*, voting takes place by ballot papers which all the shareholders received when registering their attendance, but if the Board of Directors or the chairman of the General Meeting so requests, or the General Meeting so decides, voting can take place in a different way. Firstly a vote is taken on the proposal of the Board of Directors. In case the proposal of the Board of Directors is adopted by the required majority, no vote is taken on the remaining proposals.

A vote is taken on the further proposals or counter-proposals in the time order they were presented.

The Opening Chairman informed the General Meeting in detail of the voting method. He stated that when voting each shareholder always separates the ballot paper with the announced order number of the voting round and if he agrees with the presented proposal, he will separate the green ballot paper, if he does not agree he will separate the red ballot paper, if he abstains from voting he will separate the yellow ballot paper and place the relevant ballot paper into the ballot box with which the scrutineers will go round the shareholders. He reminded them that during registration the shareholders also received an attendance and acclamation paper with the marked number of their votes. Voting by this paper will only take place if voting by a method other than ballot papers. He

also stated that for the premises allocated for the proceedings of the General Meeting are the premises of the conference hall with the balcony and vestibule. When leaving these premises, the shareholders must be signed out and when re-entering they must be signed in again using an attendance and acclamation paper. In case they leave the General Meeting proceedings permanently they must return the ballot papers at the attendance registration point.

The Opening Chairman also informed the shareholders that there is an information centre in the back part of the conference hall in which workers of the company Komerční banka, a.s. are prepared to answer questions or requests for explanations from shareholders. He also asked the shareholders to submit their written proposals, counter-proposals, explanation requests and any objections to this centre.

After opening the General Meeting and its introduction, the Opening Chairman proceeded with the discussion of **item 2** of today's agenda which was - **Approval of the rules of procedure and of voting the General Meeting, election of the General Meeting chairman, minutes clerk, minutes verifiers and scrutineers.**

The Opening Chairman stated that the shareholders had received the procedural and voting rules which only determine the technical exercise of the voting right and the proceedings of the General Meeting in writing during their attendance registration marked as material no. 1. The rules for the proceedings of the General Meeting including the method of voting at the General Meeting and the legal conditions for the exercise of the voting right are regulated by the bank's Articles of Association and the voting technique will be repeated before each vote.

The Opening Chairman asked whether any written request for an explanation, proposal, counter-proposal or objection to this agenda item was submitted or is being submitted. Then the Opening Chairman asked whether any oral request for an explanation, proposal, counter-proposal or objection to this agenda item is being submitted.

No written or oral request for an explanation, proposal, counter-proposal or objection to this agenda item was submitted or is being submitted.

The Opening Chairman also stated that according to data from persons authorised to register the attendance of the shareholders the General Meeting is able to constitute a quorum and adopt a resolution before voting on the proposal which will be submitted because the shareholders attending the General Meeting at this time hold shares to the total nominal value which in total represent 63.65 % of the bank's registered capital.

The Opening Chairman also presented the draft resolution hereunder to the General Meeting.

### **Resolution One**

**The General Meeting approves the Procedural and Voting Rules of the General Meeting of Komerční banka, a. s., according to the proposal submitted by the Board of Directors.**

The Opening Chairman informed the General Meeting of the fact that an absolute majority of votes of the attending shareholders is required to adopt the draft resolution.

The Opening Chairman then called on the shareholders to vote on the submitted draft resolution by separating the ballot paper with the order number of voting round 1 so that

they can voice their approval by separating the green ballot paper or their disapproval by separating the red ballot paper. He informed the shareholders that if they wished to abstain they must separate the yellow ballot paper and also asked the scrutineers to take up their task and inform him that the ballot papers had been collected.

After the voting had ended, the Opening Chairman announced the preliminary results of the voting on resolution one expressed in a percentage of votes. More than 95.01% of the votes of attending shareholders were for the resolution.

The Opening Chairman stated that resolution one was adopted by an absolute majority of votes and the attending shareholders would be informed of the precise result of voting in the further proceedings of the General Meeting.

The final percentage results of voting on individual resolutions during the proceedings of the General Meeting are being attached due to transparency in these minutes to the resolution on which the vote was taken.

**The percentage results of voting on resolution one** announced and read from the monitor by the chairman of the General Meeting Mr Pavel Henzl during the proceedings of the General Meeting were as follows:

**shareholders with 24,023,897 votes voted for approval  
which represents: 99.434301 % of the present number of votes  
no shareholders voted against  
which represents: 0.00 % of the present number of votes  
shareholders with 134,007 votes abstained from voting  
which represents: 0.554652 % of the present number of votes  
shareholders with 2,669 votes did not vote  
which represents: 0.011047 % of the present number of votes**

After announcing the results of the voting the Opening Chairman of the General Meeting submitted the proposal of the Board of Directors on the election of the chairman, minutes clerk, verifiers and scrutineers. The Board of Directors proposed Mr Pavel Henzl as chairman of the General Meeting, Mr Karel Kohout as the minutes clerk, Mr Jiří Matyásek and Mr Jaroslav Hoch as verifiers, and Mr Antonín Králík and Mr Václav Novotný as scrutineers.

The Opening Chairman informed the General Meeting that all these candidates are elected only for the proceedings of this ordinary General Meeting and their obligations will be to ensure its proper proceedings in accordance with the requirements of the law and the bank's Articles of Association.

The Opening Chairman also stated that the Board of Directors also proposes that these proposals are voted for en bloc.

Then the Opening Chairman asked whether any written request for an explanation, proposal, counter-proposal or objection to this agenda item was submitted.

No other written request for an explanation, proposal, counter-proposal or objection to this agenda item was submitted.

The Opening Chairman asked whether anyone had some oral request for an explanation, proposal, counter-proposal or objection to this agenda item.

No oral request for an explanation, proposal, counter-proposal or objection to this agenda item was submitted.

The Opening Chairman stated that according to the data from the persons authorised to register the attendance of the shareholders the General Meeting is able to constitute a quorum and adopt a resolution before voting on the proposal which will be submitted because the shareholders attending the General Meeting at this time hold shares to the total nominal value which in total represent 63.64 % of the bank's registered capital.

The Opening Chairman subsequently presented the Board of Directors' draft resolution to the General Meeting as follows:

### **Resolution Two**

**The General Meeting elects:**

**Pavel Henzl as chairman of the General Meeting,**

**Karel Kohout as minutes clerk,**

**Jiří Matyášek and Jaroslav Hoch as verifiers,**

**Antonín Králík and Václav Novotný as scrutineers.**

The Opening Chairman announced that the Board of Directors proposes that a vote is taken on these proposals en bloc and that an absolute majority of the votes of attending shareholders is required for adopting the draft resolution.

The Opening Chairman subsequently called on the shareholders to separate the ballot paper with the order number of voting round 2 and subsequently placing the green, red or yellow ballot paper in the ballot box. He also asked the scrutineers to take up their task and inform him that the ballot papers had been collected.

After the voting had ended, the Opening Chairman announced the preliminary results of the voting on resolution two expressed in a percentage of votes as follows: so far more than 94.86% of the votes of attending shareholders were for the resolution.

The Opening Chairman stated that resolution two was adopted by an absolute majority of votes and the attending shareholders would be informed of the result of voting in the further proceedings of the General Meeting.

**The percentage results of voting on resolution two** announced and read from the paper received from the persons authorised with the registration of shareholders of the monitor by the chairman of the General Meeting Mr Pavel Henzl during the proceedings of the General Meeting were as follows:

**shareholders with 24,031,377 votes voted for approval  
which represents: 99.465154 % of the present number of votes**

**no shareholders voted against  
which represents: 0.00 % of the present number of votes**

**shareholders with 126,753 votes abstained from voting  
which represents: 0.524627 % of the present number of votes**

**shareholders with 2,469 votes did not vote  
which represents: 0.010219 % of the present number of votes**

The Opening Chairman then allowed the elected chairman, Mr Pavel Henzl, to continue presiding over the ordinary General Meeting and asked all the elected officials of the General Meeting to take up their functions.

The chairman of the General Meeting, Mr. Pavel Henzl, took over to preside over the General Meeting at 1.24 p.m.

He informed the shareholders that the quorum of the General Meeting and the results of the voting will be projected on the screen behind him in the hall.

The agenda of the General Meeting continued on the basis of the approved agenda with the discussion of item no. 3 which was - **Approval of the Board of Directors' report on the Bank's business activities and on the state of its assets and liabilities for the year 2007.**

The chairman of the General Meeting informed the shareholders that the Board of Directors' report on the Bank's business activities is part of the Annual Report of Komerční banka, a.s. for the year 2007 which the shareholders received together with materials for today's General Meeting. Likewise material no. 2 was distributed to the shareholders entitled "Explanatory report to facts required with the amendment to the Act on Business Activities on the Capital Market". The Board of Directors must submit this report to the shareholder at the General Meeting every year in connection with the amendment to the Act on Business Activities on the Capital Market in force as of 1 April 2008. In this report the Board of Directors must explain the protective structure and mechanisms in case of a tender offer. Part of the Annual Report is also the regular financial statements for 2007, the Consolidated Financial Statements for 2007 and Report on relations among related entities for 2007.

The chairman of the General Meeting then asked the chairman of the company and Chief Executive Officer, Mr Laurent Goutard, to present the commentary to this item of the agenda.

The chairman of the company's General Meeting and Chief Executive Officer, Mr Laurent Goutard, stated that he will first comment on the submitted report on the bank's business activities and on the state of its assets and liabilities for 2007 and then give the floor to the financial director, Mr Pavel Čejka, who will inform the shareholders in detail of the bank's financial results.

The chairman of the company's Board of Directors and Chief Executive Officer, Mr Laurent Goutard, stated the following:

"It can be stated that the year 2007 was a good year again for the Czech economy. The rate of growth of the economy reached the level of 6.6 %. This annual growth enabled considerable improvement of all internal and external macro-economic indicators so that at the end of 2007 the rate of inflation was 2.8 % and the rate of unemployment fell to 6 %, which is the lowest level for the last 10 years. Despite the continuous strengthening of the Czech crown in 2007 (plus 2 % against the EUR and plus 10 % against the dollar) Czech exporters achieved record revenues and the balance of trade for 2007 increased by 85 billion Czech crowns.

This positive macro-economic context also supported the activities and revenues of Komerční banka. At the end of 2007 the bank achieved the historically best results and all the key indicators of the Komerční banka group in 2007 recorded a two-figure growth.

In the first place the net consolidated profit, which reached more than 11 billion Czech crowns, which means a growth against 2006 by several percent.

At the end of 2007 there were considerable innovations in all segments. Komerční banka launched or improved more than fifty products and he mentioned mostly the flexible mortgage loan, personalisation of the appearance of the payment card, the free selection of a PIN number, pack for the young and new enterprises, creation of an EU Point for small and medium enterprises and local self-government and an entirely new range of Blue Products for clients of Modrá Pyramida (Blue Pyramid), the bank's subsidiary.

All these new products and innovations were sold successfully because they reflect or envisage the needs of the clients, and this extended offer was also projected in the good results of Komerční banka for 2007.

He stated that as the shareholders can see on the projected slide, the number of bank clients increased by 5 %, so Komerční banka had a total of 1 293 000 clients at the end of 2007. This increase arose in 2007 due, above all, to the success of young people and students. Simultaneously mortgage loans provided to the public increased by 32 %. At the end of 2007 over 5 % of private individual clients had a mortgage loan, simultaneously the number of active credit cards increased by 21 %. Thanks to these business successes the bank also proceeded with the cross sale of products so that at the end of 2007 it had an average of 5.44 products in one account. Komerční banka also made great progress in organisation and the corporate clients of large enterprises were reorganised, for example, managed by four specialised divisions while other commercial clients are managed by thirty-five regional centres. At the end of 2007 Komerční banka strengthened its position as the leading bank for financing enterprises, when 84 of the biggest Czech enterprises are its clients and Komerční banka is the main bank of most of these enterprises.

The total volume of loans provided to enterprises increased by 17 %. Another positive trend is that the bank's corporate sphere continues to use an entire range of the group's products and services, whether this concerns Trade Finance, investment banking, as well as the services of our specialised subsidiaries such as Factoring, Pension Fund or the Société Générale Group in the Czech Republic such as industrial leasing, mortgage leasing, car leasing and further ECS.

2007 was also a good business year for all subsidiaries of Komerční banka. He mentioned, as an example, that the number of clients of Penzijní fond (Pension Fund) increased by 13 % and the subsidiary for Essox consumer loans increased its portfolio by 42 %, the volume of bank clients for the IKS collective funds increased by 14 % for 2007. He stated that the integration of Modrá Pyramida in the bank's business network took place quickly in 2007 and in accordance with the bank's forecasts. The offer of products which the bank offers to Modrá Pyramida clients was enriched in the last quarter of 2007 by Komerční banka credit cards together with Essox and the Blue offer which contains traditional bank packs, life insurance and collective administration of funds.

The results of Modrá Pyramida in its main activities, i.e. mortgage loans and savings, were truly excellent and Modrá Pyramida represents 6 % of the Komerční banka group's consolidated results. He also stressed the rapid development and increasing profitability of Komerční banka Bratislava, the subsidiary in Slovakia.

After the deduction of joint clients, at the end of 2007 the Komerční banka group had a portfolio of 2.5 million private individuals, so very few people are still not clients of Komerční banka.

In 2007 Komerční banka continued in its plan to open new branches with two to three employees. These are branches which are normally found in new residential districts of big cities. In total eight new branches were opened and several older branches were moved to more lucrative areas. At the end of 2007 the Komerční banka network consisted of 386 branches and 600 cash machines. The target is 400 branches by the end of 2008.

Good results recorded in 2007 are also displayed in annual financial results. The consolidated yield was almost 30 billion Czech crowns which is an increase of 12 % and the operating profit increased by 15 %. This success arises above all from the growth of income from interest rates. Simultaneously thanks to an audit of expenses, the ratio fell of expenses with regard to revenues to 45.7 % and consolidated expenses to risk fell to 37 basic points. He stated that thanks to the great increase in the bank's activity and restriction of risks and expenses, Komerční banka increased its net profit by almost 22 % in 2007.

In conclusion, he reiterated his trust in the future and the growth potential of the Komerční banka group and stated that the bank will continue in its development strategy in all fields of the group's subsidiaries in 2008 and the bank's targets and challenges will not in any way differ to the targets and challenges of the past year.

He also stated that the bank wants to focus on the growth of its clientele of private individuals as the entire Komerční banka group has almost 2.5 million clients, so there is a lot of room for development in future. The bank would like to consolidate its position in first place in the corporate finance segment from large companies to small tradesmen with particular emphasis placed on the quality of services and cross sale in cooperation with specialised subsidiaries of the bank group. Another area that the bank's wants to focus on is the development of loans for private individuals and small businesses. Currently the bank aims to reach a 20 % share of mortgage loans bearing in mind the long-term profitability and expenses for risk. Thanks to the constant optimisation of the back office and use of new technologies and synergy in the Czech Republic and Slovakia, the bank wants to continue to improve its organisation so it can continue to be one of the most efficient banks in central Europe with a ratio of expenses and revenues of about 45 %.

He stated that these are truly demanding goals when it is considered how high the competitiveness is of the banking market in the Czech Republic. Since the beginning of 2008 the bank has noted certain signs in the slowdown of the Czech economy when growth will evidently be less than 5 % and there is a simultaneous increase in inflation.

The chairman of the company's Boards of Directors and Chief Executive Officer, Mr Laurent Goutard, stated that he believes that these goals fixed by the bank are realistic because the established bank model is evidently being enforced as of good quality and efficient in an environment that may be less favourable. In conclusion, he stated that he has great confidence in the future also due to the quality motivation of the co-workers in Komerční banka and in view of the bank's clients' trust and that of its shareholders, and he also thanked the shareholders for their trust and loyalty."

The chairman of the company's Board of Directors and Chief Executive Officer, Mr Laurent Goutard, then allowed the executive director for Strategy and Finance, Mr Pavel

Čejka, to take the floor to inform the shareholders of the financial results of the Komerční banka group for 2007.

The executive director for Strategy and Finance, Mr Pavel Čejka stated the following:

“I would like to inform you of the economic results of Komerční banka and the Komerční banka group for 2007 and provided information about the distribution of profit and on the proposal for the acquisition of the treasury stock of Komerční banka.

As has already been stated, 2007 was the most successful year in the history of Komerční banka and the entire Komerční banka group. We achieved an increase in profit for shareholders of 21 %, we achieved a growth of operating profit of almost 15 %, and we managed to control credit risk and the entire year was commercially and financially successful. As far as the indicators are concerned, capital adequacy is 10 % and after the distribution of profit as proposed by the Board of Directors of Komerční banka we will be close to our target of TIER 1 of capital adequacy of about 10 %. We managed to maintain a net interest margin at the same level as in 2006 particularly due to the fact that the credit portfolio of the public grew quickly. The ratio of expenses and revenues is about 46 %, which places us among the most efficient banks in the central European region.

There was a slight increase in the number of employees particularly in the regions which support trade and contribute to the growth of the bank's revenues and value.

When we have a more detailed look at what brought the good results, this was the growth of interest yields. Interest yields for 2007 increased by almost 15 %, they were driven particularly by interest yields from loans which rose by 17 %. This is due to the dynamic increase in all types of credit portfolios from mortgage loans by 32 %, loans provided by our subsidiary Modrá Pyramida, which rose year-on-year by more than 33 % to loans to large corporations which rose by 17 %. Another highly dynamic contribution to the interest yields are interest yields from deposits which increased year-on-year by almost 20 %. This situation is due to the fact that 2007 includes the full consolidation of Modrá Pyramida as well as due to the fact that the volume of deposits in Komerční banka rose year-on-year by 12%. We see highly dynamic growth in interest yields by almost 20 %. Interest yields were, are and will in future be the main source of growth of the Komerční banka group.

Another contribution to growth is the growth in net charges and commission which in 2007 rose year-on-year by almost 6 % and were driven by charges and commission from the non-rate of exchange area which increased by 7 % . The main reasons are several. The growth of the number of clients as has already been mentioned, also the greater activity of clients in the sphere of transactions whether payment or card ones. Cross sale of products did very well particularly the sale of shared funds, sale of pension and life insurance. Shares from these sales rose dynamically. Export and import financing also did well, revenues from this area grew by almost 20 %. Charges and commission from the exchange rate sphere, smooth payments and others stagnated which in view of the fact more and more Czech businesses and households are using EUR accounts in EUR is a very good result.

When we look at yields from trading and other yields, 2007 was also a highly successful year in the investment banking of Komerční banka. Trading yields increased by 23 %, when particularly in the first half of last year our investment banking division achieved excellent results. These yields are driven by two-thirds of trading for clients and about one-third of trading on one's own account. As I have stated, last year was highly

successful in this sphere. Other yields, though small in number, recorded more than a third of an increase.

It was not just yields that contributed to the results of Komerční banka, but the traditionally good control of expenses. The total expenses of the Komerční banky group for 2007 grew by about 9 %. The greatest growth was in personnel expenses. Nevertheless, it must be pointed out that the increase of 14 % is due to the fact that this was the first time we consolidated Modrá pyramida in 2007. This means that the comparison is not the same. The reason is also that we had several one-off items in the area of personnel expenses in 2007. If I were to state the number which corresponds to the same comparable basis, then personnel expenses rose by about 8 %. Other operating expenses developed very well even though we see an almost 11 % increase. But it is an increase in sales support, marketing expenses, cards, insurance of deposits above all due to the fact that deposits rose dynamically. Expenses also rose due to the acquisition of Modrá Pyramida and their incorporation into a consolidated unit.

Depreciation and the included capital profit from sale of redundant buildings declined. We managed to dispose of several buildings which we no longer require for our operations and this contributed to the good result in operating expenses.

As has already been mentioned, risk expenses fell year-on-year by 24 %. This is mostly due to the fact that last year we were able to dissolve reserves for some legal disputes which we managed to settle and end successfully. This obviously also contributed to the good result of risk expenses. Risk expenses, as far as credit risks are concerned, grew by 7.5 % which in comparison with the growth of the credit portfolio by 20 %, is a very good result. This reflects the very good situation of the Czech economy, the good situation of Czech businesses and the good management of credit risks by Komerční banka.

When I mentioned that 2006 and 2007 include several single items, in this respect the growth of net profit by more than 21 % does not precisely express what we call sustainable profit which may be created by the bank or group from the long-term point of view. You see before you a picture of what we consider in 2007 as sustainable profit after the disposal of single items of 14 % and we are convinced that sustainable profit between 10 and 15 % in the mid-term horizon is something we can achieve.

I want to inform you of the non-consolidated results of Komerční banka. The main difference between the consolidated and non-consolidated results is Modrá Pyramida, or the net profit for Komerční banka without its subsidiaries increased year-on-year by 16 % which approaches sustainable profit. It does not include the single consolidation of Modrá Pyramida. All the other parameters of growth are similar. Pre-tax profit rose by 15 %. The main indicators are also similar as in the group. They show the efficiency of management. The ratio of expenses to yields is slightly above 46 % and capital profitability is almost 21 %.

Now I would like to provide you with information about the proposed distribution of profit. The Board of Directors of Komerční banka proposes a dividend of CZK 180 per share which corresponds to the distribution of profit of CZK 6 842 million allocated to dividends. This corresponds to the dividend yield of 4.1 % and a ratio of dividend to profit per share of 61 % if we include the consolidated profit. The proposed distribution of profit is consideration of our aim for capital adequacy 10% TIER I in the mid-term horizon.

I would also like to inform you of the assessment of the assets of shareholders which Komerční banka brought to shareholders in the last five years. The earliest for 2007. The

change of value for shareholders is the price of shares increased by 41 %. If we are to also include the dividend from the profit for 2005 paid in 2006, the total assessment of the funds of shareholders for 2007 is almost 46 %. Another view may be a more long-term view for the last five years from the end of 2002. Even there the assessment from our point of view is very high. When including all the dividends this is 16.7 %. This from our point of view represents a contribution for shareholders.

The last piece of information I would like to provide you with is a commentary on the purchase of treasury stock. The Board of Directors of Komerční banka proposes that the General Meeting approves a limit for the purchase of shares of CZK 2,500 to 5,000. It is a programme again that is not an obligation to purchase a certain number of shares, but an instrument for managing the bank's capital adequacy and it is an instrument we can use during an opportunity when we are convinced that the price of shares does not correspond to their long-term value".

Simultaneously with the presented commentary, the shareholders had the associated data projected on the screen installed in the conference hall.

The chairman of the General Meeting thanked the Chairman of the Board of Directors and General Executive Officer, Mr Laurent Goutard, and the executive officer for Strategy and Finance, Mr Pavel Čejka, for the presented commentary and asked whether a written request was submitted or is being submitted for an explanation, proposal, counter-proposal or objection to this agenda item.

No written request for an explanation, proposal, counter-proposal or objection to this agenda item was submitted.

He also asked whether someone had an oral request for an explanation, proposal, counter-proposal or objection to this agenda item.

No oral request for an explanation, proposal, counter-proposal or objection was submitted to this agenda item.

The chairman of the General Meeting stated that according to the data from persons authorised to register the attendance of the shareholders the General Meeting is able to constitute a quorum and adopt a resolution because the shareholders attending the General Meeting hold shares that in total represent 63.65 % of the bank's registered capital.

The chairman of the General Meeting presented the draft resolution as follows:

### **Resolution Three**

**The General Meeting approves the Report on the bank's business activities and on the state of its assets and liabilities for 2007 submitted and presented by the Board of Directors.**

The chairman of the General Meeting stated that an absolute majority of votes of the attending shareholders is required to adopt this resolution. He subsequently called on the shareholders to separate the ballot paper with the order number of voting round 3 and subsequently place the green, red or yellow ballot paper in the ballot box. He also asked the scrutineers to take up their task and inform him that the ballot papers had been collected.

After the voting had ended, the chairman of the General Meeting read out the preliminary results of the voting on resolution three expressed in a percentage of votes as follows: so far 23,654,761 votes of the attending shareholders were for the resolution which represents 95.409711 % of votes of the attending shareholders.

The chairman of the General Meeting stated that resolution three was adopted by an absolute majority of votes and the attending shareholders would be informed of the result of voting in the further proceedings of the General Meeting and will be recorded in the minutes of the General Meeting.

**The percentage results of voting on resolution three** announced and read from the monitor by the chairman of the General Meeting during the proceedings of the General Meeting were as follows:

**shareholders with 23,787,404 votes voted for approval  
which represents: 98.455528 % of the present number of votes  
shareholders with 9 votes voted against,  
which represents: 0.000037 % of the present number of votes  
shareholders with 370,674 votes abstained from voting  
which represents: 1.534211 % of the present number of votes  
shareholders with 2,470 votes did not vote  
which represents: 0.010223 % of the present number of votes**

The chairman of the General Meeting proceeded with the discussion of item no. 4 of the agenda of the General Meeting which was the **Discussion of the Regular Financial Statements with the Proposal for the Distribution of Profit for the Year 2007 and of the Consolidated Financial Statements for the Year 2007.**

The chairman of the General Meeting informed the shareholders that they had received the material for this item when registering their attendance as material no. 3, 4, and 5 and had also received the Annual Report. The voting would take place as part of item 6, 7 and 8.

The chairman of the General Meeting also reiterated that the regular financial statements, consolidated financial statements and report on relations among related entities were available to the shareholders for examination from 28 March 2008 at the bank's registered office and today the shareholders have them at their disposal as part of the bank's Annual Report. The main data of the non-consolidated financial statements and consolidated financial statements were part of the Notice of today's General Meeting.

The chairman of the General Meeting stated that the commentary to this item had already been presented earlier by Director for Strategy and Finance, Mr Pavel Čejka, as part of the item of the General Meeting's agenda the Approval of the Board of Directors' Report on the Bank's business activities and on the state of its assets and liabilities for the year 2007.

The chairman of the General Meeting asked whether any written request for an explanation, proposal, counter-proposal or objection to this agenda item was submitted.

No other written request for an explanation, proposal, counter-proposal or objection to this agenda item was submitted.

The chairman of the General Meeting proceeded with the discussion of item no. 5 of the agenda of the General Meeting which was the **Position of the Supervisory Board on the regular financial statements for the year 2007, on the proposal for the distribution of profit for the year 2007 and on the consolidated financial statements of the year 2007, report by the Supervisory Board on the results of its supervisory activity and the position of the Supervisory Board on the Board of Directors' Report on relations among related entities in accordance with § 66a (9) of the Commercial Code No. 513/1991 Coll., as amended.**

The chairman of the General Meeting stated that no vote would be taken on this item and asked the chairman of the Supervisory Board, Mr Didier Alix, to present the position of the Supervisory Board.

The chairman of the Supervisory Board, Mr Didier Alix, presented the position of the Supervisory Board as follows:

“At the authorisation of the Supervisory Board of Komerční banka, a.s., I present to you the Position of the Supervisory Board on the regular financial statements for the year 2007, on the proposal for the distribution of profit for the year 2007 and on the consolidated financial statements of the year 2007, the Board of Directors' Report on relations among related entities in accordance with § 66a (9) of the Commercial Code No. 513/1991 Coll., as amended, and information on the supervisory activity of the Supervisory Board for the period from the General Meeting held on 25 April last year to today's General Meeting.

In accordance with § 12 (2), d) of the bank's Articles of Association, the Supervisory Board examined the regular financial statements of the company Komerční banka, a.s. at 31 December 2007 according to the International Financial Reporting Standards (IFRS) and the consolidated financial statements at 31 December 2007 also drawn up according to the International Financial Reporting Standards.

After examining the bank's consolidated financial statements for the period from 1 January to 31 December 2007 and based on the opinion of the external auditor, the Supervisory Board states that the accounting records and evidence were kept in a conclusive manner and in accordance with generally binding regulations regulating the bank's accounting system and in accordance with the bank's Articles of Association. The accounting records and evidence depicts the financial situation of Komerční banka, a.s. from all its important aspects. The financial statements drawn up on the basis of these accounting records provide a true and honest picture of the subject of the bank's accounting and financial situation.

The auditor – the company Deloitte Audit, s.r.o., audited the bank's consolidated and non-consolidated financial statements drawn up according to international accounting standards and expressed its opinion without reservations.

The Supervisory Board recommends that the General Meeting approves the regular financial statements and consolidated financial statements for 2007 as proposed by the bank's Board of Directors. In accordance with the provisions of § 12 (2) d) of the bank's Articles of Association the bank's Supervisory Board examined the Board of Directors' proposal for the distribution of net profit for the accounting period of 2007 and in view of the fact that the proposal for the distribution of profit meets legal regulations and the bank's Articles of Association, the Supervisory Board recommends that the General

Meeting approves the proposal for its distribution as proposed by the bank's Board of Directors.

The Supervisory Board examined the Report on relations among related entities in 2007 drawn up in accordance with § 66a (9) of the Commercial Code and according to the submitted data it states that Komerční banka, a.s. did not incur any loss in the accounting period from 1 January 2007 to 31 December 2007 in connection with the contracts and agreements concluded between the related entities.

I would like to inform you of the supervisory activity of the Supervisory Board of Komerční banka, a.s., since the General Meeting held in April last year to today's General Meeting. The Supervisory Board was continuously informed in the past period of the bank's activity. It was regularly presented with reports and analyses. The Supervisory Board particularly assessed the function and efficiency of the bank's internal managing and supervisory system. The Supervisory Board stated that the bank's managing and supervisory system is functional even though there is still room for its further improvement. The Supervisory Board continues to devote its attention to the introduction of first level audit in the bank and followed the bank's preparedness for the calculation and capital management system Basel II which the bank has used since 2008. Likewise it expressed its assenting position to the strategic plan of the internal audit for the period of 2008 - 2011 and the annual plan of the internal audit's activity and it was informed of the basic principles for compliance risk management and of the bank's new property interests. The Supervisory Board also expressed its position on the choice of the external auditor, the company Deloitte Audit, s.r.o. Four complaints and suggestions were also addressed to the Supervisory Board which it properly investigated and followed the adopted conclusions and measures taken by the bank's Board of Directors. Likewise it discussed the annual analysis of the settlement of all complaints sent to Komerční banka and its ombudsman.

The Supervisory Board's audit committee held an important role in its supervisory activity as it closely cooperated within the bank particularly with the internal audit department, the finance and strategy department, the compliance department and with the external auditor who continuously informed it of the ongoing audit at the bank. The audit committee analysed in detail the bank's risk management such as the risk arising from some of the bank's retail activities. The audit committee also devoted great attention to the introduction of first level audit in the bank and fraud prevention. Likewise it was engaged in the results of the inspections carried out by the Czech National Bank and the Société Générale, and became acquainted with the results of audits and audit checks which were carried out by the internal audit in the last period. In each of these areas it discussed the adopted remedial measures and monitored their subsequent fulfilment. The audit committee discussed the bank's preparedness for the introduction of the Directive on markets with financial instruments, which was adopted by the European Parliament. The bank's financial group's economic results and its budget for this year were continuously discussed at meetings of the audit committee.

The Supervisory Board at its meeting in December 2007 approved that as of 2008 the audit committee will also carry out activities for the audit committee of Komerční banka Bratislava, a.s. in accordance with the Accounting Act No. 198/2007 Coll.

The other committee of the Supervisory Board which it relied upon for its activities was the remuneration and personnel issues committee. The committee discussed a number of the bank's personnel policy issues, the remuneration of its employees and provided the Supervisory Board with the recommendations in its powers. Both committees regularly informed the Supervisory Board of its activities and recommended further procedures.

The materials submitted to the Supervisory Board were commented by individual members of the Board of Directors directly at its meetings. Based on the recommendations of the committees and commentaries the Supervisory Board adopted its decisions as part of its powers as laid down by the law and the bank's Articles of Association.

Since the last General Meeting there was a change in the ranks of the Board of Directors. The Supervisory Board discussed the resignation of Mr Philippe Rucheton as a member of the bank's Board of Directors at 31 January 2008 and also selected Mr Patrice Taillandier-Thomas member of the Board of Directors effective as of 1 February 2008.

The Supervisory Board effectively supervised the fulfilment of the Board of Directors' tasks, it supervised the way the Board of Directors exercises its powers, the accounting evidence and other financial evidence of Komerční banka, a.s., the efficiency of its internal managing and audit system which it regularly assessed. So I can state that the bank's business activity was carried out in accordance with legal regulations and the bank's Articles of Association“.

The chairman of the General Meeting thanked the chairman of the Supervisory Board, Mr Didier Alix, for his presented commentary and asked whether a written request was submitted or is being submitted for an explanation, proposal, counter-proposal or objection to this agenda item.

He also asked whether anyone has an oral request for an explanation, proposal, counter-proposal or objection to this agenda item.

No written or oral explanation, proposal, counter-proposal or objection to this agenda item was submitted.

The chairman of the General Meeting proceeded to item no. 6 of the agenda of the General Meeting which was the **Approval of the Regular Financial Statements for the Year 2007**.

The chairman of the General Meeting stated that the shareholders had listened to the commentary to this item as part of item no. 3 and had received it for approval as material no. 3 and the Annual Report.

The chairman of the General Meeting stated that according to the data on the monitor the General Meeting is able to constitute a quorum and adopt resolutions because the shareholders attending the General Meeting hold shares with a nominal value representing in total 63.65 % of the bank's registered capital.

The chairman of the General Meeting presented the draft resolution as follows:

#### **Resolution Four**

**The General Meeting approves the regular financial statements of Komerční banka, a.s. for 2007 in the version in the annual report of Komerční banka, a.s. for 2007.**

The chairman of the General Meeting stated that an absolute majority of votes of the attending shareholders is required to adopt this resolution. He subsequently called on the shareholders to separate the ballot paper with the order number of voting round 4 and subsequently place the green, red or yellow ballot paper in the ballot box. He also asked the scrutineers to take up their task and inform him that the ballot papers had been collected.

After the voting had ended, the chairman of the General Meeting read out the preliminary results of the voting on resolution four expressed in a percentage of votes as follows: so far 22,996,236 votes of the attending shareholders were for the resolution which represents 95.071696 % of votes of the attending shareholders.

The chairman of the General Meeting stated that resolution four was adopted by the required absolute majority of votes and the attending shareholders would be informed of the result of voting in the further proceedings of the General Meeting and will be recorded in the minutes of the General Meeting.

**The percentage results of voting on resolution four** announced and read from the monitor by the chairman of the General Meeting during the proceedings of the General Meeting were as follows:

**shareholders with 23,780,264 votes voted for approval  
which represents: 98.425976 % of the present number of votes  
shareholders with 74 votes voted against,  
which represents: 0.000036 % of the present number of votes  
shareholders with 377,735 votes abstained from voting  
which represents: 1.563437 % of the present number of votes  
shareholders with 2,484 votes did not vote  
which represents: 0.010281 % of the present number of votes**

The chairman of the General Meeting proceeded to item no. 7 of the agenda of the General Meeting which was the **Resolution on the distribution of profit for the year 2007**.

The chairman of the General Meeting stated that the shareholders had listened to the commentary to this item as part of item no. 3 and had received it as material no. 4 for approval as data for approval of the proposal on the distribution of profit.

The chairman of the General Meeting stated that according to the data on the monitor the General Meeting is able to constitute a quorum and adopt resolutions because the shareholders attending the General Meeting hold shares with a nominal value representing in total 63.65 % of the bank's registered capital.

The chairman of the General Meeting presented the Board of Directors' draft resolution as follows:

#### **Resolution Five**

**The General Meeting decided on the distribution of the profit of Komerční banka, a.s. for 2007 totalling CZK 10,170,468,450,07 as follows:**

<b>Allocation to the reserve fund</b>	<b>CZK 508,523,422,50</b>
<b>Dividends</b>	<b>CZK 6.841.773.360,00</b>

Balance for the retained profit of previous years

CZK 2.820,171,667,57

The level of dividend converted to one share is CZK 180 before tax. A shareholder is entitled to a dividend if he holds a share of Komerční banka, a.s. with ISIN CZ0008019106 at 29 May 2008. The dividend becomes payable at 30 June 2008.

The General Meeting decided that part of the profit for 2007 for a dividend pertaining to shares held by Komerční banka, a.s. and held by companies owned by it will be transferred to the retained profit of previous years account. The level of this part of the profit will be determined according to the number of treasury stock held by Komerční banka, a.s. and the companies controlled by it at the decisive day for the payment of dividends, i.e. 29.5.2008.

The chairman of the General Meeting stated that an absolute majority of votes of the attending shareholders is required to adopt this resolution. He subsequently called on the shareholders to separate the ballot paper with the order number of voting round 5 and subsequently place the green, red or yellow ballot paper in the ballot box. He also asked the scrutineers to take up their task and inform him that the ballot papers had been collected.

After the voting had ended, the chairman of the General Meeting read out the preliminary results of the voting on resolution five expressed in a percentage of votes as follows: so far 22.946.175 votes of the attending shareholders were for the resolution which represents 94,973 % of votes of the attending shareholders.

The chairman of the General Meeting stated that resolution five was adopted by the required absolute majority of votes and the attending shareholders would be informed of the result of voting in the further proceedings of the General Meeting and will be recorded in the minutes of the General Meeting.

**The percentage results of voting on resolution five** announced and read from the monitor by the chairman of the General Meeting during the proceedings of the General Meeting were as follows:

**shareholders with 24,158,002 votes voted for approval  
which represents: 99.989425 % of the present number of votes  
shareholders with 41 votes voted against,  
which represents: 0.000170 % of the present number of votes  
shareholders with 138 votes abstained from voting  
which represents: 0.000571 % of the present number of votes  
shareholders with 2,376 votes did not vote  
which represents: 0.009834 % of the present number of votes**

The chairman of the General Meeting proceeded to item no. 8 of the agenda of the General Meeting which was the **Approval of the Consolidated Financial Statements for the Year 2007.**

The chairman of the General Meeting stated that the shareholders had listened to the commentary to this item as part of item no. 3 and had received it for approval as material no. 5 and the Annual Report.

The chairman of the General Meeting stated that according to the data on the monitor the General Meeting is able to constitute a quorum and adopt resolutions before the voting on the proposal because the shareholders attending the General Meeting hold shares with a nominal value representing in total 63.65 % of the bank's registered capital.

The chairman of the General Meeting presented the draft resolution as follows:

### **Resolution Six**

**The General Meeting approves the consolidated financial statements of Komerční banka, a.s. for 2007 in the version in the annual report of Komerční banka, a.s. for 2007.**

The chairman of the General Meeting stated that an absolute majority of votes of the attending shareholders is required to adopt this resolution. He subsequently called on the shareholders to separate the ballot paper with the order number of voting round 6 and subsequently place the green, red or yellow ballot paper in the ballot box. He also asked the scrutineers to take up their task and inform him that the ballot papers had been collected.

After the voting had ended, the chairman of the General Meeting read out the preliminary results of the voting on resolution six expressed in a percentage of votes as follows: so far 23.667.541 votes of the attending shareholders were for the resolution which represents 95,408652 % of votes of the attending shareholders.

The chairman of the General Meeting stated that resolution six was adopted by the required absolute majority of votes and the attending shareholders would be informed of the result of voting in the further proceedings of the General Meeting and will be recorded in the minutes of the General Meeting.

**The percentage results of voting on resolution six** announced and read from the monitor by the chairman of the General Meeting during the proceedings of the General Meeting were as follows:

**shareholders with 23,782,460 votes voted for approval  
which represents: 98.455440 % of the present number of votes  
shareholders with 3 votes voted against,  
which represents: 0.000012 % of the present number of votes  
shareholders with 370,566 votes abstained from voting  
which represents: 1.534082 % of the present number of votes  
shareholders with 2,528 votes did not vote  
which represents: 0.010466 % of the present number of votes**

The chairman of the General Meeting proceeded to item no. 9 of the agenda of the General Meeting which was the **Changes in the ranks of the Supervisory Board.**

The chairman of the General Meeting stated that the shareholders had received material no. 6 for discussion, the candidate for the office of member of the Supervisory Board, Mr Bořivoj Kačena, meets all the conditions required by legal regulations and has expressed his consent with his candidacy. He also stated that Mr Bořivoj Kačena is present at the General Meeting.

The chairman of the General Meeting asked whether a written request was submitted or is being submitted for an explanation, proposal, counter-proposal or objection to this agenda item.

No written request for an explanation, proposal, counter-proposal or objection to this agenda item was submitted.

The chairman of the General Meeting stated that according to the data on the monitor the General Meeting is able to constitute a quorum and adopt resolutions before the voting on the proposal because the shareholders attending the General Meeting hold shares with a nominal value representing in total 63.64 % of the bank's registered capital and no objection to the exercise of voting rights was raised.

The chairman of the General Meeting presented the draft resolution as follows:

**Resolution Seven**

**The General Meeting elects as member of the Supervisory Board Mr Bořivoj Kačena, birth no. 430224/105, address: Vavákova 1486/4A, Prague 4 - Kunratice, postcode 148 00.**

The chairman of the General Meeting stated that an absolute majority of votes of the attending shareholders is required to adopt this resolution, and because a notarial record is being executed on this resolution of the General Meeting, the preliminary results will not be announced, but the General Meeting will wait for the full results of the voting. He subsequently called on the shareholders to separate the ballot paper with the order number of voting round 7 and subsequently place the green, red or yellow ballot paper in the ballot box. He also asked the scrutineers to take up their task and inform him that the ballot papers had been collected.

While waiting for the precise results of the voting on resolution seven the chairman of the General Meeting read out the precise results of the voting on resolutions one to six.

After the end of the voting the chairman of the General Meeting read out the final results of the voting on resolution seven as follows:

**shareholders with 24,140,399 votes voted for approval  
which represents: 99.937248 % of the present number of votes  
shareholders with 103 votes voted against,  
which represents: 0.00426 % of the present number of votes  
shareholders with 12,297 votes abstained from voting  
which represents: 0.050907 % of the present number of votes  
shareholders with 2,758 votes did not vote  
which represents: 0.011418 % of the present number of votes**

The chairman of the General Meeting proceeded to item no. 10 of the agenda of the General Meeting which was the Resolution on the **Remuneration of the Members of the Bank's Board of Directors.**

The chairman of the General Meeting stated that according to the data on the monitor the General Meeting is able to constitute a quorum and adopt resolutions before the voting on the proposal because the shareholders attending the General Meeting at this time hold shares with a nominal value representing in total 63.64 % of the bank's registered capital.

The chairman of the General Meeting presented the draft resolution as follows:

### **Resolution Seven**

**At the proposal of the Supervisory Board the General Meeting approves the unclaimed part of part of the remuneration (bonus) of members of the Board of Directors for 2007:**

<b>Name</b>	<b>Bonus (gross amount according to the relevant tax legislation)</b>
<b>Laurent Goutard</b>	<b>CZK 3,058,522</b>
<b>Philippe Rucheton</b>	<b>CZK 1,648,825</b>
<b>Didier Colin</b>	<b>CZK 1,711,877</b>
<b>Peter Palečka</b>	<b>CZK 2,500,000</b>
<b>Jan Juchelka</b>	<b>CZK 2,000,000</b>

The chairman of the General Meeting asked whether a written request was submitted or is being submitted for an explanation, proposal, counter-proposal or objection to this agenda item.

He also asked whether anyone has an oral request was submitted or is being submitted for an explanation, proposal, counter-proposal or objection to this agenda item.

No written or oral request for an explanation, proposal, counter-proposal or objection to this agenda item was submitted.

The chairman of the General Meeting stated that an absolute majority of votes of the attending shareholders is required to adopt this resolution He subsequently called on the shareholders to separate the ballot paper with the order number of voting round 8 and subsequently place the green, red or yellow ballot paper in the ballot box. He also asked the scrutineers to take up their task and inform him that the ballot papers had been collected.

After the voting had ended, the chairman of the General Meeting read out the preliminary results of the voting on resolution eight expressed in a percentage of votes as follows: so far 22.985.092 votes of the attending shareholders were for the resolution which represents 95.00237 % of votes of the attending shareholders.

The chairman of the General Meeting stated that resolution eight was adopted by the required absolute majority of votes and the attending shareholders would be informed of the result of voting in the further proceedings of the General Meeting and will be recorded in the minutes of the General Meeting.

**The percentage results of voting on resolution eight** announced and read from the monitor by the chairman of the General Meeting during the proceedings of the General Meeting were as follows:

**shareholders with 22,985,293 votes voted for approval  
which represents: 97.499249 % of the present number of votes  
shareholders with 353,598 votes voted against,  
which represents: 1.499896 % of the present number of votes  
shareholders with 228,720 votes abstained from voting  
which represents: 0.970186 % of the present number of votes**

**shareholders with 7,230 votes did not vote  
which represents: 0.030668 % of the present number of votes**

The chairman of the General Meeting proceeded to item no. 11 of the agenda of the General Meeting which was the **Resolution on the Acquisition of the Bank's treasury stock** and informed the shareholders that they had received the material to this item as material no. 7 and information to this item of the agenda was already presented by Mr Čejka as part of item 3.

The chairman of the General Meeting asked whether a written request was submitted or is being submitted for an explanation, proposal, counter-proposal or objection to this agenda item.

The chairman of the General Meeting read out a written request for an explanation:

“What is the opinion of Komerční banka of the current value of shares on the Burze cenných papírů Praha (Prague Stock Exchange) in connection with the approved acquisition of KB shares and the bank's achieved economic results”.

The chairman of the General Meeting asked Mr Pavel Čejka, as director for Strategy and Finance, to reply to this question as follows:

“It is very difficult to comment on the current value of shares traded on the public market. The price is fixed by supply and demand and by valuation which individual shareholders carry out based on forecasts of future results and based on forecasts of macro-economic indicators. In my opinion the current price of shares is the result of market valuation and I do not see any connection with the approved acquisition of stock. The approved scope is relatively broad and enables Komerční banka to acquire treasury stock in this limit which was approved, i.e. CZK 2,500 to CZK 5,000 per share”.

The chairman of the General Meeting asked whether anyone had a further written or oral request for an explanation, proposal, counter-proposal or objection to this agenda item.

No written or oral request for an explanation, proposal, counter-proposal or objection to this agenda item was submitted.

The chairman of the General Meeting stated that according to the data on the monitor the General Meeting is able to constitute a quorum and adopt resolutions before the voting on the proposal because the shareholders attending the General Meeting at this time hold shares with a nominal value representing in total 63.64 % of the bank's registered capital.

The chairman of the General Meeting presented the draft resolution as follows:

#### **Resolution Nine**

**The General Meeting approves the acquisition of the ordinary shares under these conditions:**

- **the highest amount of shares which the bank may hold at any certain time is CZK 3 800 985 ordinary shares,**
- **the acquisition price of shares must be at least CZK 2 500 per share and at most CZK 5 000 per share,**
- **this resolution is valid for a period of 18 months,**
- **the bank may not acquire shares if it were to breach the conditions laid down in § 161a (1) b) and c) of the Commercial Code,**

- **the bank may repeatedly purchase and sell shares without further restrictions for the period of validity of approval.**

The chairman of the General Meeting stated that an absolute majority of votes of the attending shareholders is required to adopt this resolution. He subsequently called on the shareholders to separate the ballot paper with the order number of voting round 9 and subsequently place the green, red or yellow ballot paper in the ballot box. He also asked the scrutineers to take up their task and inform him that the ballot papers had been collected.

After the voting had ended, the chairman of the General Meeting read out the preliminary results of the voting on resolution nine expressed in a percentage of votes as follows: so far 23,361,728 votes of the attending shareholders were for the resolution which represents 95,147941 % of votes of the attending shareholders.

The chairman of the General Meeting stated that resolution nine was adopted by the required absolute majority of votes and the attending shareholders would be informed of the result of voting in the further proceedings of the General Meeting and will be recorded in the minutes of the General Meeting.

**The percentage results of voting on resolution nine** announced and read from the monitor by the chairman of the General Meeting during the proceedings of the General Meeting were as follows:

**shareholders with 24,139,536 votes voted for approval  
which represents: 99.933878 % of the present number of votes  
no shareholders voted against,  
which represents: 0.00 % of the present number of votes  
shareholders with 13,045 votes abstained from voting  
which represents: 0.054004 % of the present number of votes  
shareholders with 2,927 votes did not vote  
which represents: 0.012117 % of the present number of votes**

The chairman of the General Meeting proceeded to item no. 12 of the agenda of the General Meeting which was the **Amendments to the Articles of Association**.

The chairman of the General Meeting stated that

- the bank's Board of Directors submits the proposed amendments to the Articles of Board of Directors the basic contents of which were characterised in the notice of the ordinary General Meeting and was submitted to the shareholders as material no. 8,
- according to the Commercial Code, the shareholders who intend to enforce counter-proposals to the proposed amendments to the Articles of Association at the General Meeting were obliged to deliver a written version of their proposal or counter-proposal to the registered office of Komerční banka at least five working days prior to the General Meeting, i.e. by 22 April 2008,
- Komerční banka did not receive any counter-proposal or proposal to the amendments to the Articles of Association so the only proposal to this item of the agenda is the proposal submitted by the bank's Board of Directors.

The chairman of the General Meeting stated that according to the data on the monitor the General Meeting is able to constitute a quorum and adopt resolutions because the

shareholders attending the General Meeting hold shares with a nominal value representing in total 63.64 % of the bank's registered capital and no objection was raised against the exercise of voting rights and asked the member of the Board of Directors, Mr Peter Palečka to present a brief commentary on the proposal of the Board of Directors for an amendment to the Articles of Association and also to read out the resolution proposed by the Board of Directors.

The member of the Board of Directors, Mr Peter Palečka, stated the following:

"The proposed amendment to the Articles of Association presented by the Board of Directors was prepared in connection with the Basel II rules, i.e. modification of the Banking Act (§ 8b) and issue of the CNB Decree No. 123/2007 Coll. on the rules of cautious bank business. These amendments are incorporated into the provisions applying to the powers of the Supervisory Board, the powers of the audit committee, the powers of the Board of Directors and external and internal audit.

Furthermore, § 6 (5) was regulated in the Articles of Association applying to the submission of documents when paying out dividends to shareholders who are represented by the securities manager entered in the central records of uncertificated ("book-entry") securities. In this case the Official Notice of the Czech National Bank part 5/2007 is applied that if the securities manager is entered in the central records of securities, he is not obliged to prove his identity by power of attorney with the payment of dividends.

The number of members of the Board of Directors were also extended in the Articles of Association to 6 (§ 18) and the office of vice-chairman of the Board of Directors was excluded".

The member of the Board of Directors, Mr Petr Palečka, presented the following draft resolution:

### **Resolution Ten**

**The General Meeting decided on the amendment to the bank's valid Articles of Association as follows:**

**In the current version of § 6 Payment of Dividends para. 5 is amended as follows:**

#### **§ 6 Payment of Dividends**

**(5) When paying dividends by direct debit to legal entities, the bank shall transfer the dividend no later than 5 working days after receipt of the required documents, however no earlier than on the due date of the dividend. The required documents mean: the requirements for payment of the dividend containing the relevant banking details, officially certified current extract from the Commercial Register (or similar document on the registration of the relevant state body). The signature of the shareholder's statutory body (or his representative) for the payment requirement of the dividends must be officially certified. In case a shareholder is represented by another legal entity or natural person, this representative is obliged also to deliver an officially certified power of attorney from all represented entities, with the exception of the securities manager entered in the central uncertificated securities record, and his officially certified updated extract from the Commercial Register. In case that only data is provided in the extract from the issue record**

about the shares administrator, the shareholder is obliged to submit the current extract from the asset account. The bank is not liable for the accuracy and current version of the data stated by the shareholder.

The existing wording of § 12 Powers of the Supervisory Board para. 1 and para. 2 are being amended, appended respectively by letters k), n) to p), r) and s) as follows:

## **§ 12 Powers of the Supervisory Board**

(1) The bank's Supervisory Board supervises the exercise of the powers of the Board of Directors and implementation of the bank's business activity. The Supervisory Board supervises the effect and efficiency of the bank's management and audit system as a whole.

(2) The Supervisory Board in particular:

- k) discusses the statute, strategic and periodical plan of the activity of the internal audit,
- n) supervises the functionality and effectiveness of the management and audit system and assesses it at least once a year,
- o) regularly discusses matters which apply to the bank's strategic direction,
- p) expresses an opinion of the Board of Directors proposal to the authorisation or dismissal of the internal audit director,
- r) discusses the direction and planning of the internal audit's activity, assesses the internal audit's activity and compliance,
- s) discusses the internal audit's activity report.

The existing wording of § 16 (5) Supervisory Board Committees letters a), b), g), h) and i) the powers of the Audit Committee are being regulated and appended as follows:

## **§ 16 Supervisory Board Committees**

(5) The Audit Committee:

- a) issues recommendations for the Supervisory Board for its opinion of the proposal for the authorisation and dismissal of the internal audit director,
- b) discusses the internal audit's statute, strategic and periodical activity plan,
- g) re-examines the bank's management and audit system, including discussion of the overall assessment of the functionality and effectiveness of the management and audit system,
- h) discusses the internal audit activity report,
- i) discusses the notice of the ascertained major inconsistencies of the management and audit system.

The existing wording of § 17 Board of Directors para. 1 is amended as follows:

**§ 17**  
**Board of Directors**

**(1) The Board of Directors is the statutory body that manages the bank's activity and acts on its behalf. The Board of Directors ensures the business management including the proper maintenance of the bank's accounting system. The Board of Directors shall also ensure the creation and assessment of the management and audit system, is responsible for the constant maintenance of its functionality and effectiveness, and creates the preconditions for the independent and objective exercise of compliance and internal audit.**

The existing wording of § 18 para. 1, 5, 6, 7 and 12 is amended as follows:

**§ 18**

**(1) The Board of Directors consists of six members, natural persons who fulfil the conditions stated by legal regulations and elect the Supervisory Board at the proposal of its remuneration and personnel committee by an absolute majority of all the members of the Supervisory Board. The term of office of a member of the Board of Directors is four years.**

**(5) The members of the Board of Directors elect a chairman of the Board of Directors from its ranks. In case a chairman of the Board of Directors is not elected, the Board of Directors authorises one of the members of the Board of Directors to exercise the office of chairman. The chairman of the Board of Directors must be elected by an absolute majority of all members of the Board of Directors.**

**(6) The chairman may surrender his office of chairman by a written declaration delivered to the Board of Directors. The exercise of the office of chairman ends on the day of the discussion of the surrender of the office to the very next meeting of the Board of Directors, unless a later date is stated in the written declaration on the surrender of the office. The Board of Directors is authorised to recall the chairman of the Board of Directors from this office by an absolute majority of all the members of the Board of Directors. The office of chairman of the Board of Directors ends with the termination of membership in the Board of Directors.**

**(7) The chairman regularly convenes a meeting of the Board of Directors and presides over it (at least 20 times a year). In case of the absence of the chairman of the Board of Directors, the meeting is convened and presided over by a member of the Board of Directors authorised by the Board of Directors. Any member of the Board of Directors may request that a meeting of the Board of Directors is convened stating the reason for this. Should in such a case the Board of Directors meeting not be convened within 5 days at the latest, as of delivery of the request to the chairman of the Board of Directors, the member of the Board of Directors in question is authorised to convene and preside over the Board of Directors meeting himself.**

**(12) The chairman or, in his absence, an authorised member of the Board of Directors, may call a vote outside the meeting of the Board of Directors provided that all the members of the Board of Directors agree in writing or communication technology. The possibility of voting outside the meeting of the Board of Directors applies to absent members of the Board of Directors should the Board of Directors be holding a meeting or to all members of the Board of Directors if the Board of Directors meeting is not held. The voting members of the Board of Directors are**

considered present. Minutes of the voting are drawn up if the Board of Directors does not meet and communication technology is used for voting.

The wording of § 19 Powers of the Board of Directors para. 1, letters e), f) and j) is amended as follows:

**§ 19  
Powers of the Board of Directors**

- (1) The following activities belong to the exclusive powers of the Board of Directors:**
- e) decide on granting and recall of proxy,**
  - f) decide on the authorisation, recall and remuneration of selected managers of the bank,**
  - j) determine and periodically assess the bank's entire strategy, including determining the principles and objectives of its fulfilment and ensuring the constant and effective function of the internal audit system,**
  - k) approve the bank's annual plan and budgets, strategic plans and annual plans of legal entities which the bank controls in accordance with the Banking Act,**
  - l) approve the selection of the external auditor,**
  - m) inform the Supervisory Board of the general meeting no later than within the deadline stated by the Commercial Code for convening the general meeting,**
  - n) decide on the issue of the bank's bonds, with the exception of a decision to issue bonds for which the law requires a decision of the general meeting**
  - o) decide on an increase in registered capital based on the authorisation of the general meeting,**
  - p) conclude the collective agreement,**
  - q) decide on the provision of credit or securing the obligations to persons with a special relationship with the bank in accordance with the Banking Act,**
  - r) approve the internal audit's statute, strategic and periodical activity plan,**
  - s) approve the bank's annual report,**
  - t) approve and regularly assess the bank's safety principles, including the safety principles for the information system,**
  - u) decide on establishing further funds and rules on how to create and draw from them,**
  - v) approve the report on the relations between the related entities in accordance with the Commercial Code,**
  - w) approve and regularly assess the bank's organisational structure,**
  - x) approve the principles of personnel and wage policy,**
  - y) assess the overall functionality and effectiveness of the management and audit system at least once a year,**
  - z) approve and regularly assess the risk management strategy, strategy related to capital and capital adequacy and the development strategy of information systems,**
  - za) approve and regularly assess the internal audit system principles including principles for preventing any possible conflict of interest and compliance principles.**

Likewise in § 19 (2) append letter b) as follows:

- (2) The Board of Directors are also authorised to:
- b) ensure the proper maintenance of the bank's accounting system, including the proper administrative and accounting procedures

In the provisions of § 21 External Audit a new letter d) is appended in para. 1:

**External Audit  
§ 21**

- (1) The Bank is obliged through auditors under the generally binding legal regulation and international accounting standards to ensure:
- d) the verification of data in accordance with § 11a of the Banking Act to the extent stated by the Czech National Bank Decree.

The existing wording of § 39 Publication and Release of Prescribed Facts is amended as follows:

**§ 39  
Publication and Release of Prescribed Facts**

Should the Commercial Code, Part Two or these Articles of Association require the publication of certain facts, these facts must be published in the economic daily *Hospodářské noviny* as well as on the bank's official notice board (called "Information for Shareholders") at the bank's registered office. Moreover, the notice of the general meeting must be released in the Commercial Bulletin. The facts specified by general binding legal regulations for release in the Commercial Bulletin are released by the bank in this periodical.

The existing wording § 43 Organisation of the Management and Audit System is amended as follows:

**§ 43  
Organisation of the Management and Audit System**

- (1) The management and audit system (hereinafter the "MAS") involves the preconditions for the proper administration and management of the bank, risk management and internal audit system. The MAS covers all and any bank activities. The MAS includes all the bank's organisational units.
- (2) The Board of Directors ensures the creation and assessment of the MAS and is responsible for the constant maintenance of its functionality and effectiveness. The monitoring and assessment of the MAS is carried out at all management levels and internal audit, and is part of the bank's daily activity. The bank shall regulate the MAS requirements for its internal regulations.

In § 44 Internal Audit paras. 1, 2, 3 letter c), d) and h) and para. 4 are amended as follows:

**§ 44**

## Internal Audit

**(1) Internal audit has a special position in the bank's organisational structure. The internal audit is managed by the Board of Directors. The director of the internal audit is authorised with the exercise of the internal audit and recalled by the bank's Board of Directors after the prior opinion of the bank's Supervisory Board and is organisationally subordinate to the bank's chief executive officer. The Internal audit exercises its activity irrespective of the bank's executive activities and this activity may be initiated and the internal audit be assigned to a task only by these bodies of the bank:**

- **Chief Executive Officer and the chairman of the Board of Directors**
- **Board of Directors**
- **Supervisory Board and audit committee**
- **Director of the internal audit**

The director of the internal audit regularly informs the Board of Directors, audit committee and Supervisory Board and of the findings of internal audit, of the proposed measures for remedy and removal of the ascertained shortcomings. The director of the internal audit submits an overall assessment of the functionality and effectiveness of the MAS and internal audit's activity report to the Board of Directors, audit committee and Supervisory Board at least once a year.

**(2) The internal audit carried out an independent, objective, assurance and consultancy activity directed at adding to the value and perfecting the process in the organisation. The internal audit assists the organisation in its objectives by bringing a systematic methodical approach to the assessment and improvement of the effectiveness of risk management, management and audit processes and administration and organisation management. The internal audit implements these basic contents by the following activities: audits, analysis and independent risk assessment, special projects, consultancy activities and re-examination, monitoring of the remedial measures.**

**(3) A detailed scope of the powers and subject matters of activities of internal audit is regulated by the statute of the bank's internal audit which must be approved by the bank's Board of Directors upon prior discussion in the Supervisory Board. The internal audit when ascertaining its activities has the following powers:**

- c. Internal audit, when performing its activities, must have access to all the bank's relevant documents.**
- d. The auditors may, when performing their activities, make copies of all documents containing relevant information and may record the course of the meeting.**
- h. The director of internal audit must, in case of the findings, which may have a significant effect on the bank's financial situation, provide a motive for holding an extraordinary meeting of the Supervisory Board.**

**(4) The bank's Board of Directors, audit committee and Supervisory Board must be informed of significant shortcomings of the MAS.**

The chairman of the General Meeting asked whether a request was or is submitted for an explanation, proposal, counter-proposal or objection to this agenda item.

He then asked whether anyone has an oral request for an explanation or objection to this agenda item.

No written or oral request for an explanation or objection to this agenda item was submitted.

The chairman of the General Meeting reiterated that according to the data on the monitor the General Meeting is able to constitute a quorum and adopt resolutions because shareholders are present who hold shares with the nominal value representing a total of 63.64 % of the bank's registered capital and no objection has been raised against the exercise of voting rights.

The chairman of the General Meeting stated that a two-third majority of the votes of the attending shareholders is required for the adoption of this resolution, and because a notarial record is being drawn up on this resolution of the General Meeting, the preliminary results will not be announced, but the General Meeting will wait for the complete results of voting. The chairman of the General Meeting then called upon the shareholders to separate their ballot paper with the order number of voting round 10 and subsequently place the green, red or yellow ballot paper in the ballot box. Simultaneously he asked the scrutineers to perform their task and inform him that all the ballot papers had been collected.

When waiting for the precise results of the voting on resolution ten, the chairman of the General Meeting read out the precise results of voting on resolutions eight and nine.

After the voting had ended the chairman of the General Meeting read out the final results of the voting on resolution ten as follows:

**shareholders with 24,151,632 votes voted for approval  
which represents: 99.986297 % of the present number of votes  
shareholders with 74 votes voted against,  
which represents: 0.000306 % of the present number of votes  
shareholders with 574 votes abstained from voting  
which represents: 0.002376 % of the present number of votes  
shareholders with 2,662 votes did not vote  
which represents: 0.011021 % of the present number of votes**

In view of the fact that all the items of the agenda had been discussed, the chairman of the General Meeting thanked the shareholders at the closing of the General Meeting for their active participation and stated that the minutes of the proceedings of the General Meeting will be executed within thirty days.

The chairman of the ordinary General Meeting closed the General Meeting at 3.15 p.m.

During the proceedings of the General Meeting shareholder Pavel Dobranský asked for the Minutes of the General Meeting of Komerční banka, a.s. of 29.4.2008 (see Annex No. 7) to be sent and shareholder Pěvuška Dobranská for the Notarial record of the General Meeting of Komerční banka, a.s. of 29.4.2008 (see Annex No. 8) to be sent. Both shareholders also asked that their requests be entered in the Minutes of the General Meeting of Komerční banka, a.s. of 29.4.2008.

Prague, 19 May 2008



Pavel Henzl  
Chairman of the General Meeting

Karel Kohout  
Minutes Clerk

Jiří Matyášek  
Verifier

Jaroslav Hoch  
Verifier

- Annex No. 1: Protocol on the situation of the constitution of a quorum by the General Meeting
- Annex No. 2: List of attending shareholders at the General Meeting
- Annex No. 3: Notice of the General Meeting
- Annex No. 4: Materials for the shareholders to the selected items of the agenda of the General Meeting (Materials no. 1, 2, 3, 4, 5, 6, 7, 8)
- Annex No. 5: Draft resolutions
- Annex No. 6: Request for an explanation
- Annex No. 7: Request of the shareholder Pavel Dobranský
- Annex No. 8: Request of the shareholder Pěvuška Dobranská
- Annex No. 9: Protocols on the results of voting