



Regulatory information

Komerční banka, a.s., with its registered office at Prague 1, Na Příkopě 33/969, postal code 114 07, registration No. 45317054, entered in the register of companies maintained with the Metropolitan Court of Prague, section B, file No.1360 (herebelow "KB"), announces,

that the Czech National Bank (ČNB), as a supervising authority over the Czech banking system, informed KB on the **results of evaluation of the KB Internal Capital Adequacy Assessment Process (ICAAP) and** the subsequent supervisory review and evaluation process that lead to **a new level of capital requirements set for KB.**

Based on the assessment by ČNB of KB's risk profile, the College of Supervisors of Société Générale Group, co-ordinated by the European Central Bank, validated, upon a proposal from ČNB, a Pillar II capital requirement for KB of 11.9% that is to be fully supported by Tier 1 capital. This decision will be valid until a new requirement is established. It is expected that the joint decision will be reviewed on an annual basis. The College stated that the current levels of capital and liquidity of KB are adequate and cover sufficiently the minimum requirements.

Moreover, ČNB affirmed the previously announced rate of systemic risk capital buffer at 2.5% of total risk exposure. The requirement to maintain the systemic risk buffer at 2.5% is perceived by ČNB as additive to the aforementioned requirement set within the joint decision (11.9%), thereby leading to the total Pillar II capital requirement at 14.4%.

As of 31 December 2014, KB Group reported total capital adequacy of 16.4%. Because KB's capital consists solely of the highest-quality Core Tier 1 capital, the Core Tier 1 capital adequacy ratio stood at the same level. The capital position of KB remain strong even in the light of the newly increased regulators' capital requirement and the new requirement is not a reason for changing the previously announced intended capital levels and dividend distributions.

Prague, 14 April 2015