



KB Group

FY 2007 Financial Results

(International Financial Reporting Standards)

Prague – 22 February 2008

SOCIETE
GENERALE
GROUP





Disclaimer

This document contains a number of forward-looking statements relating to the targets and strategies of the Komerční banka Group.

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

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



Contents

- Business Highlights
- Consolidated Financial Results
- Loan Portfolio Quality and Development
- Appendix



Successful growth of the business performance and Group profitability

- Consolidated **net banking income** of KB Group reached CZK 29,665 million, up 12.3% year on year
- **Cost income ratio** further improved to 45.7%
- **Net operating income** increased by 14.9% year on year
- Consolidated **cost of risk** at 37bp
- Consolidated **net profit** of KB Group at 11,225 million CZK, up 21.9% year on year
- Recurring **net profit** increased by 14%*

* recurring profit as defined on slide 36



2007 – The year of innovations at Komerční banka Group

More than 50 new or innovated products and services was introduced in 2007, among which:

- **„Blue“ accounts** – full-value banking packages for clients of Modrá pyramida
- **Flexible Mortgage** – allowing clients to increase their instalment by 100%, decrease by 50% or postpone up to 3 monthly instalments.
- **Mojekarta** – clients may change PIN of their card and design the front of the card
- **Efekt Start** – advantageous package for starting-up entrepreneurs
- **KB EU Point** – comprehensive advisory on subsidies, free of charge for KB clients
- **eStatement** – environmentally friendly solution for archiving account statements
- Wide range of **mutual funds** available to KB clients including guaranteed funds and funds focused on diverse regions, sectors and investment styles



Main business achievements in 2007

As of 31 December 2007, year-on-year comparison

KB Retail segment

- Sustained increase in number of individual clients, by 5% to 1,293,000
- Successful acquisition of young clients
 - ▶ 164,000 Child accounts (+12%); 158,000 Gaudeamus packages (+19%)
- Continuing development of card business: number of active credit cards rose by 21% to 206,400
 - ▶ of which 154,500 cards to Individuals; 51,900 cards to Small businesses
- Strong growth of mortgages to individuals by 32% to CZK 75.05 billion. Total number of mortgages up 25% to 67,500. New sales through KB network increased by 37%.
- Further improvement in the cross-selling ratio for individuals to 5.44 from 5.23 in 4Q 2006
- Loans to small businesses improved by 27%



Main business achievements in 2007

As of 31 December 2007, year-on-year comparison

KB Group Corporate segment

- Total volume of loans to corporations grew by 17%
- Revenues from investment banking rose by 35%
- Newly established synergies with SGEF in real estate leasing and with ALD in car fleet management
- 2 sizable bond issues in the local currency: CZK 7 billion eurobond for Telefónica 02 - joint lead managed by SGCIB/KB and CZK 7 billion domestic bond for CEZ, joint lead managed by KB



Main business achievements in 2007

As of 31 December 2007, year-on-year comparison

KB Group Subsidiaries

- With more than 53,000 net additions total number of **Penzijní fond KB** clients exceeded 470,000.
- Excellent growth of consumer financing by **ESSOX**: volume of outstanding loans up 42% to CZK 5.8 billion.
- Portfolio of loans of **KB Bratislava** rose by 40% to SKK 5.3 billion, total deposits up by 39% to SKK 4.4 billion.
- Factoring turnover of **Factoring KB** rose 6% to CZK 18.1 billion
- Number of newly concluded life insurance policies with **Komerční pojišťovna** up 4% to almost 158,000
- Assets in **IKS/SGAM** mutual funds rose by 14% to CZK 48.9 billion



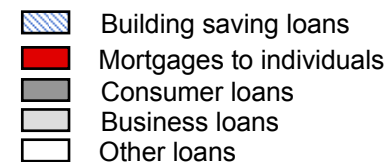
2007 – first year with full control over Modrá pyramida

- Solid performance of **Modrá pyramida**‘ standalone business
 - ▶ Volume of loans rose 34% to CZK 33.0 billion
 - ▶ Client deposits up 7% to CZK 64.1 billion
 - ▶ Number of newly concluded savings contracts increased by 16% to 124,000
 - ▶ Net profit up 15% to CZK 432 million
- Integration of Modrá pyramida as a core member of KB Group under way
 - ▶ New products introduced to clients of Modrá pyramida (co-branded credit cards with KB and ESSOX, bank account packages, consumer loans, mutual funds, life insurance)
 - ▶ Leveraging on sales network of almost 1,500 agents (sales of pension insurance up 78% to 9,500 contracts, KB mortgages offered since 4Q, Allianz non-life insurance)
- Continuing innovations in the own product portfolio (new savings contracts for children and youngsters available from January 2008)



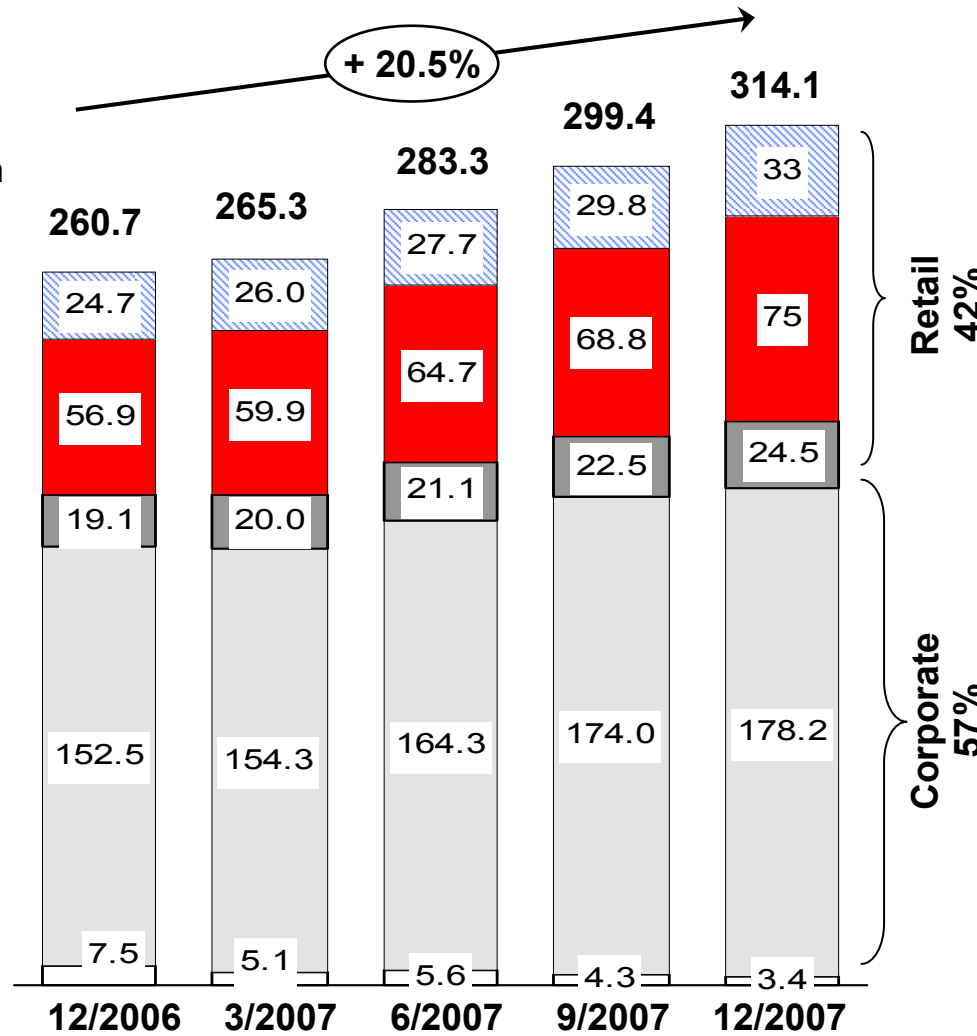
Group lending activities

As of 31 December 2007, CZK billion



+ 20.5%

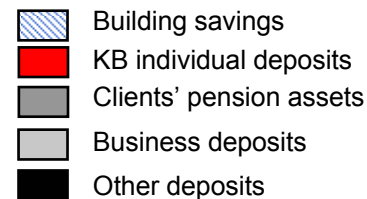
- **Corporate loans** grew by 16.9% YoY:
 - ▶ Small businesses (KB) +26.6% to CZK 15.5 billion
 - ▶ Corporations (KB+KBB) +16% to CZK 159.5 billion
 - ▶ Factoring KB +18.1% to CZK 3.2 billion
- **Consumer loans** provided by KB and ESSOX rose by 27.8% YoY to CZK 24.5 billion
- **Mortgages to individuals** up by 31.9% to CZK 75 billion
- **Building saving and bridging loans** provided by MPSS stood at CZK 33 billion increasing by 33.6%



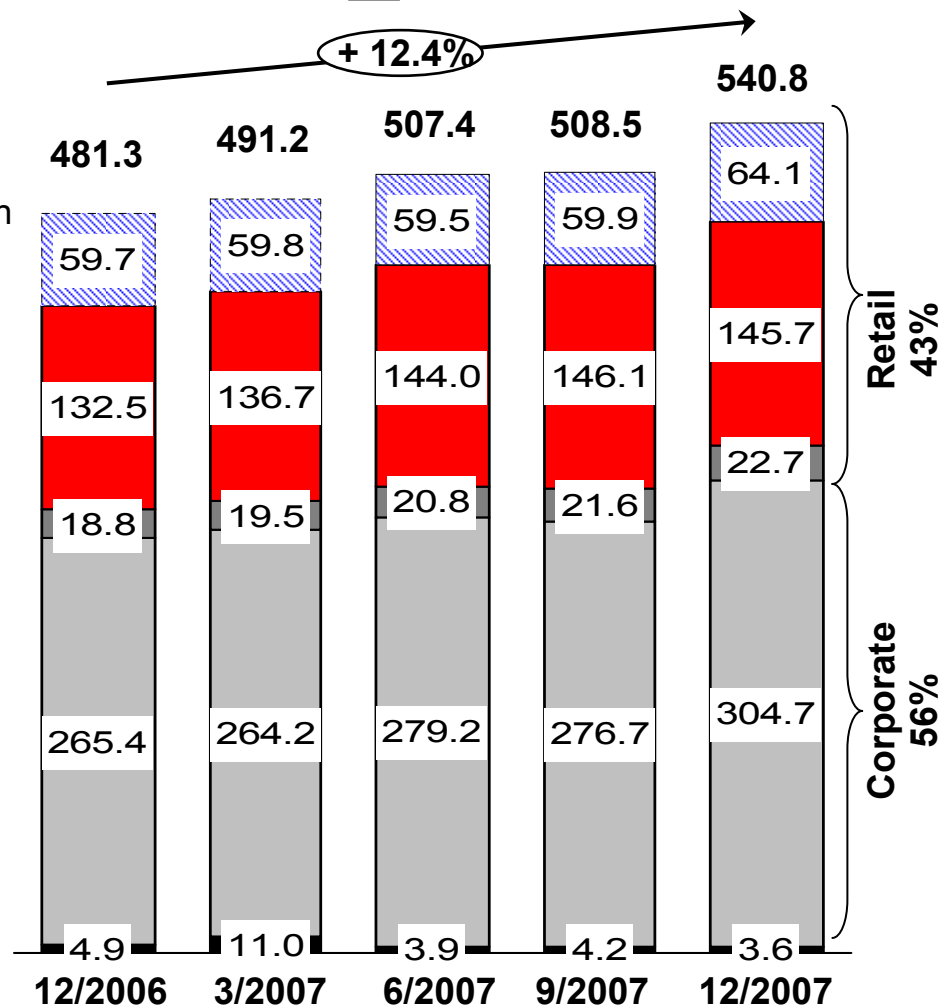


Group deposits

As of 31 December 2007, CZK billion



- KB represents 83% of CZK 541 billion of total depositary base, of which:
 - ▶ KB individuals deposits up 10% to CZK 145.7 billion
 - ▶ KB corporate deposits up 15% CZK 300.6 billion
- Clients' **pension assets in PF KB** grew by 21% year on year to CZK 22.7 billion.
- **MPSS deposits** up 7.3% to CZK 64.1 billion
- Sales of alternative saving products during 2007
 - ▶ IKS sales (CZK 17.1 billion)
 - ▶ KP Vital insurance product premium written (CZK 1.5 billion)





Strategic objectives for 2008

Retail segments

- Growth of client base through organic growth, expansion of distribution network and group synergies
- Leveraging potential of credit products in the under penetrated retail and small business segments
- Targeted cross-selling
- Development of alternative distribution channels - agent network, call centre, internet

Corporate segment

- Further improvement of relationship with our corporate clients thanks to 35 business centres and 4 divisions dedicated to top corporate clients
- Cross-selling of credit products based on large penetration of day-to-day banking within Czech corporates
- Further development of investment banking activities + sales to corporate clients

Operational efficiencies

- Further optimisation potential in back office, IT and support services
- Focus on synergies within KB/SG group



Bank of the Year 2007



Corporate Bank of the
Year 2007



Building Society of the
Year 2007

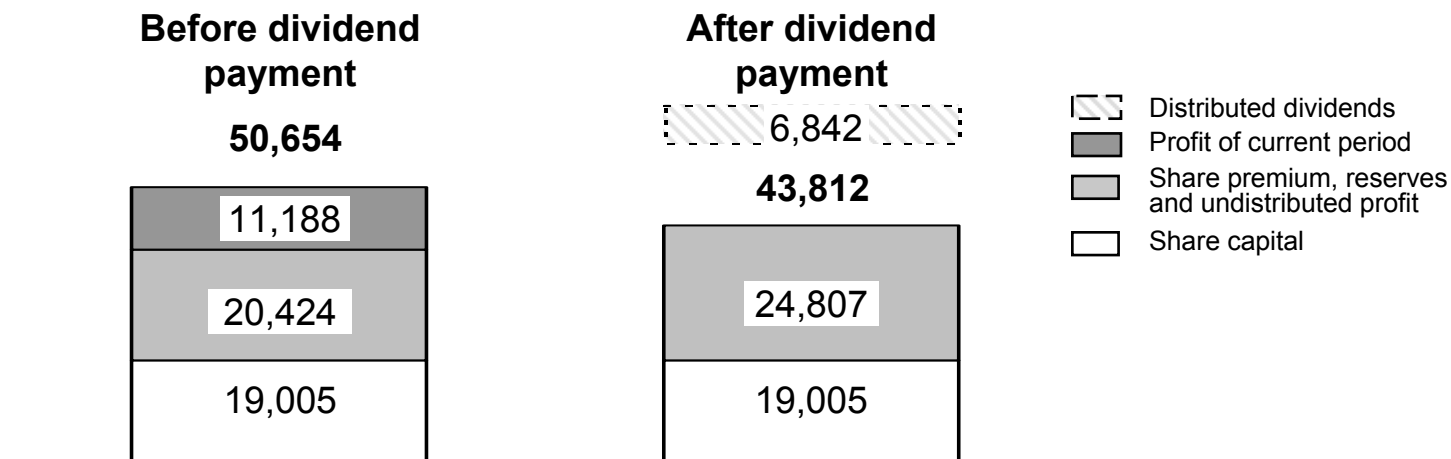


Proposed distribution of 2007 Profit

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|--------------------------|------|------|------|-------|------|------|
| Dividend per share (CZK) | 40 | 200 | 100 | 250 | 150 | 180 |
| EPS (CZK, consolidated) | 237 | 228 | 235 | 234 | 242 | 295 |
| Payout ratio (%) | 16.8 | 87.7 | 42.5 | 106.6 | 62.5 | 61.0 |
| Dividend yield* (%) | 1.9 | 8.3 | 3.1 | 7.3 | 4.8 | 4.1 |

* Calculated on the close price at the end of the respective year

Total KB Group shareholder's equity and key indicators as of 31 December 2007



CAD incl. 2007 profit

12.5%⁺

11.3%⁺

⁺ Pro-forma including profit of 2007

Tier 1 incl. 2007 profit

11.8%⁺

10.0%⁺



Contents

- Business Highlights
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- Loan Portfolio Quality and Development
- Appendix



Consolidated Financial Results

| Profit and Loss Statement CZK million, unaudited | FY 2006 | FY 2007 restated* | Change YoY | FY 2007 reported | Change YoY |
|--|----------------|----------------------|---------------|---------------------|---------------|
| Net interest income | 16,274 | 17,719 | 8.9% | 18,674 | 14.7% |
| Net fees & commissions | 8,769 | 9,107 | 3.9% | 9,283 | 5.9% |
| Income from financial operations | 1,273 | 1,568 | 23.2% | 1,566 | 23.0% |
| Other income | 105 | 137 | 30.5% | 142 | 35.2% |
| Net banking income | 26,421 | 28,531 | 8.0% | 29,665 | 12.3% |
| Personnel expenses | -5,170 | -5,732 | 10.9% | -5,910 | 14.3% |
| General administrative expenses | -5,570 | -5,925 | 6.4% | -6,174 | 10.8% |
| Depreciation, impairment and disposal of fixed assets | -1,660 | -1,433 | -13.7% | -1,474 | -11.2% |
| Operating costs | -12,400 | -13,090 | 5.6% | -13,558 | 9.3% |
| Net operating income | 14,021 | 15,441 | 10.1% | 16,107 | 14.9% |
| Cost of risk | -1,807 | -1,328 | -26.5% | -1,364 | -24.5% |
| Profit on subsidiaries and associates | 183 | 249 | 36.1% | 109 | -40.4% |
| Share of profit of pension scheme beneficiaries | -462 | -524 | 13.4% | -524 | 13.4% |
| Profit before income taxes | 11,935 | 13,838 | 15.9% | 14,328 | 20.1% |
| Income taxes | -2,724 | -3,051 | 12.0% | -3,103 | 13.9% |
| Net profit | 9,211 | 10,787 | 17.1% | 11,225 | 21.9% |

* Restated 2007 figures are for comparative reasons based on the same consolidation scope as in 2006 i.e. consolidation of MPSS by equity method (40%) in 1-3Q and full consolidation of MPSS in 4Q.



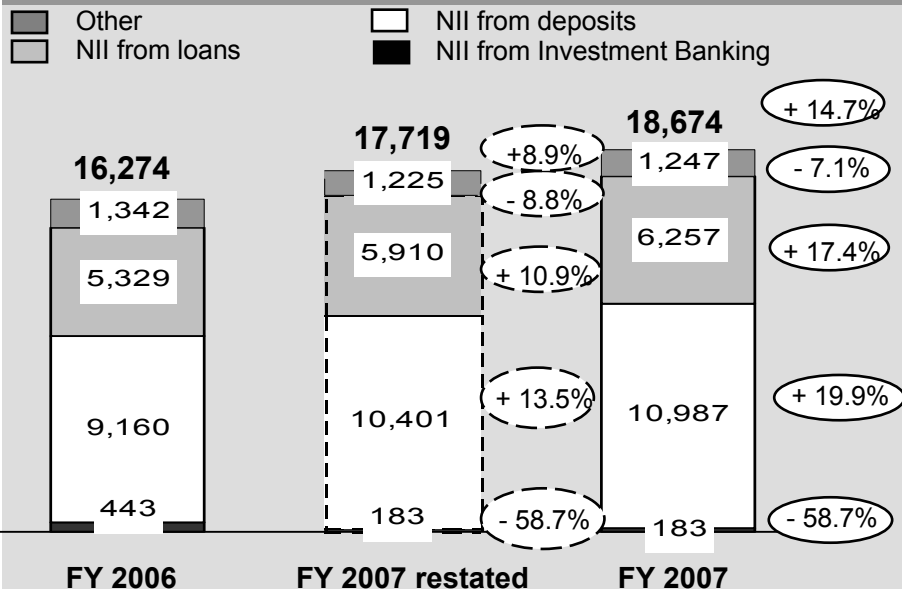
Consolidated Financial Ratios

| Key ratios and indicators | 31 December 2006 | 31 December 2007 | Change YoY |
|---|---------------------|---------------------|---------------|
| Capital Adequacy (Basel I) | 11.9% | 10.1% | ▼ |
| Tier 1 Ratio (Basel I) | 10.3% | 8.9% | ▼ |
| Risk weighted assets (CZK billion) | 310 | 383 | 23.4% |
| Net Interest Margin (NII/Av. Interest Bearing Assets) | 3.2% | 3.2% | ► |
| Cost / Income ratio | 46.9% | 45.7% | ▼ |
| Return on Average Equity (ROAE) | 18.1% | 22.2% | ▲ |
| Return on Average Assets (ROAA) | 1.7% | 1.8% | ▲ |
| Earnings per Share (CZK), annualized | 242.3 | 295.3 | ▲ |
| Average number of employees during the period | 8,267 | 8,534 | 3.2% |

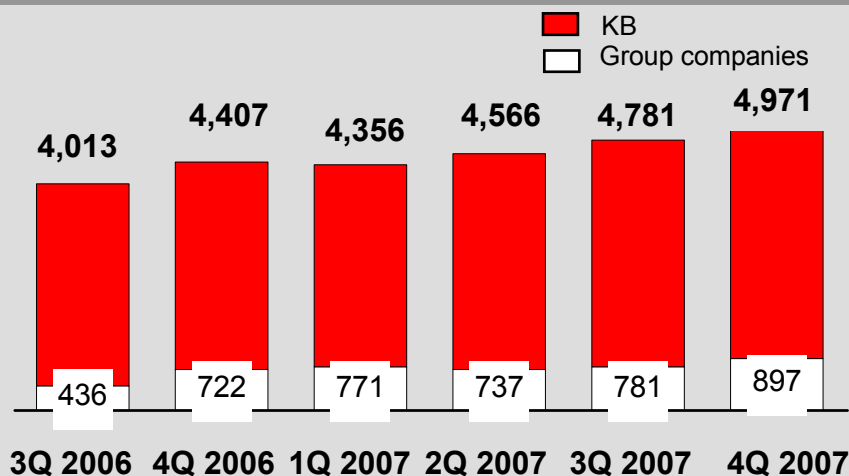
NII increase resulting from strong volume growth

CZK million, consolidated. Restatement based on same consolidation scope as in 2006

Group Net Interest Income Composition

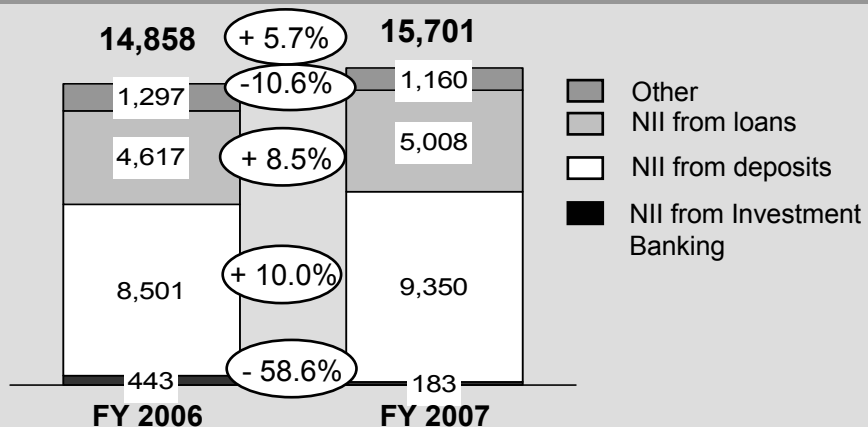


Contributions to Consolidated NII



• Since 4Q 2006 NII impacted by MPSS revaluation, past figures restated

KB standalone NII Composition



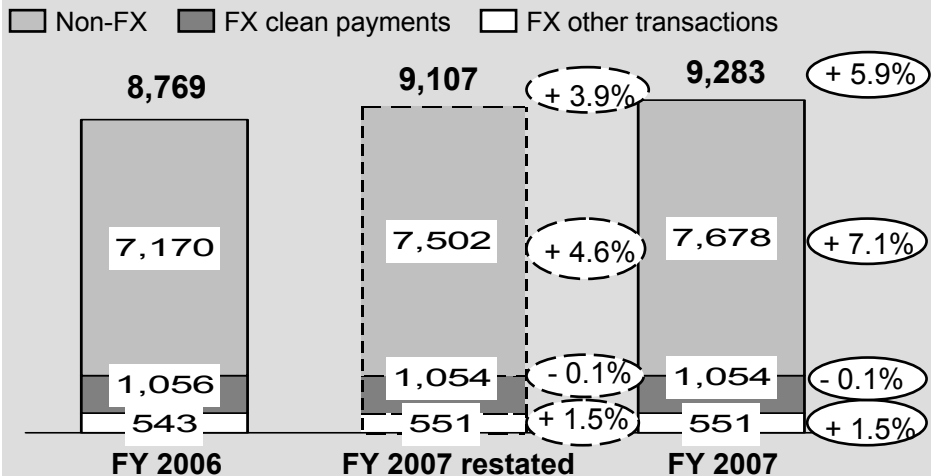
- Consolidated NII in 2007 impacted by CZK 387 mil. relating mainly to deposits from acquisition revaluation of MPSS
- NII from loans: continuing pressure on spreads, growth driven by increasing volumes. Strong growth of Essox NII (43%)
- NII from deposits: Spreads declining in 1H turned to growth after repo rate increases, leading to stable yoy figure. NII growth generated by higher current account volumes
- NII from Investment Banking down, more than compensated by higher gains reported in Net Profit from Financial Operations
- NII from Other: affected by early redemptions of CDOs in 1H 2006 (CZK 262 mil.)



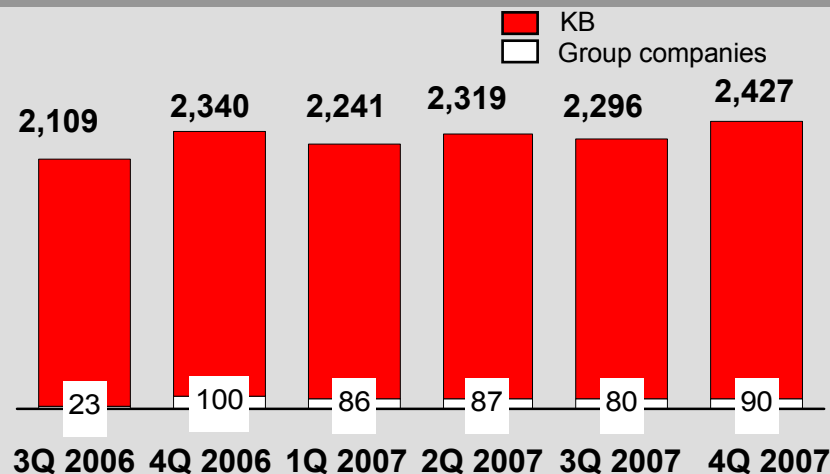
Total fees growing with enlarged client base

CZK million, consolidated. Restatement based on same consolidation scope as in 2006

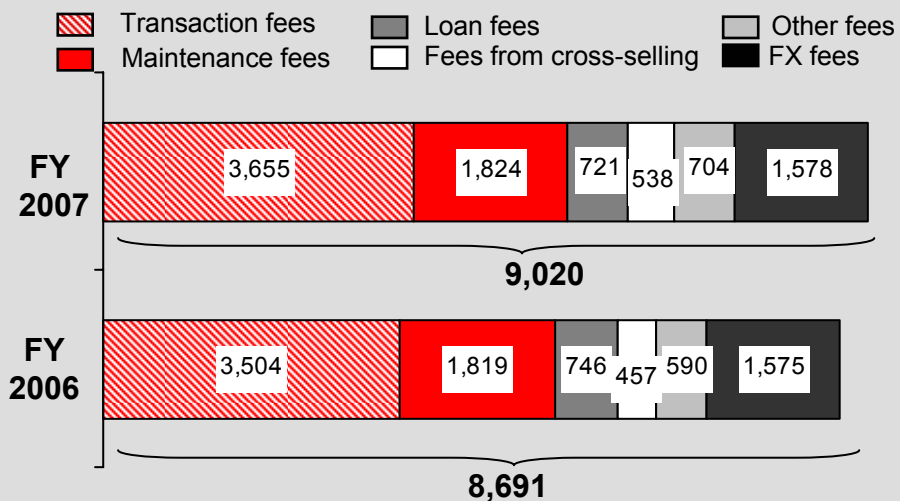
Group Net Fees and Commissions



Contributions to Consolidated F&C



KB standalone Fees and Commissions

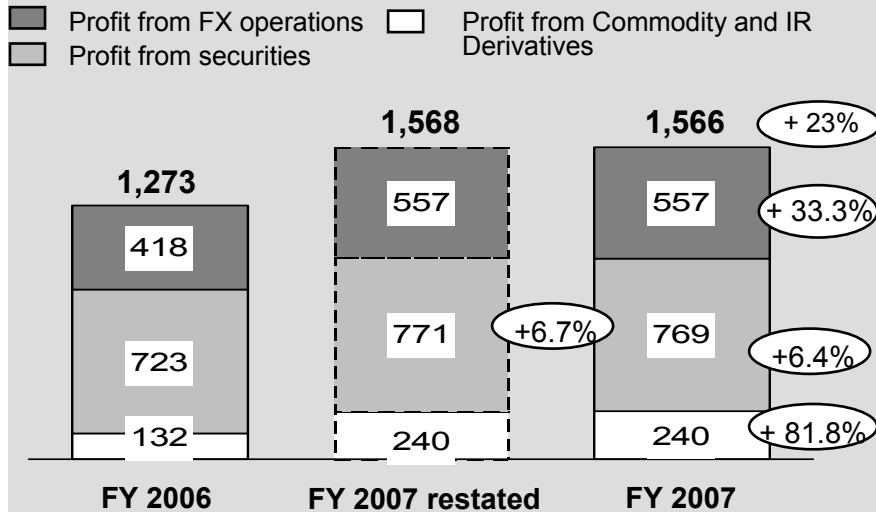


- Fee income growth boosted by enlargement of customer base, product innovations and cross-selling.
- Transaction fees - increases mainly in payment cards' transactions.
- Fees from mutual funds sales remaining the most important item in cross-selling. Pension fund fees also dynamic.
- Maintenance and issuing fees almost flat following continued switch from non-package products to packages
- Loan fees' decline due to discount campaign on mortgages and rising fees paid to intermediaries (+43%)
- Other fees – dynamic trade finance, loan syndication, corporate finance
- FX fees flat – fast growing payment cards transactions while cash conversions and clean payments down yoy.

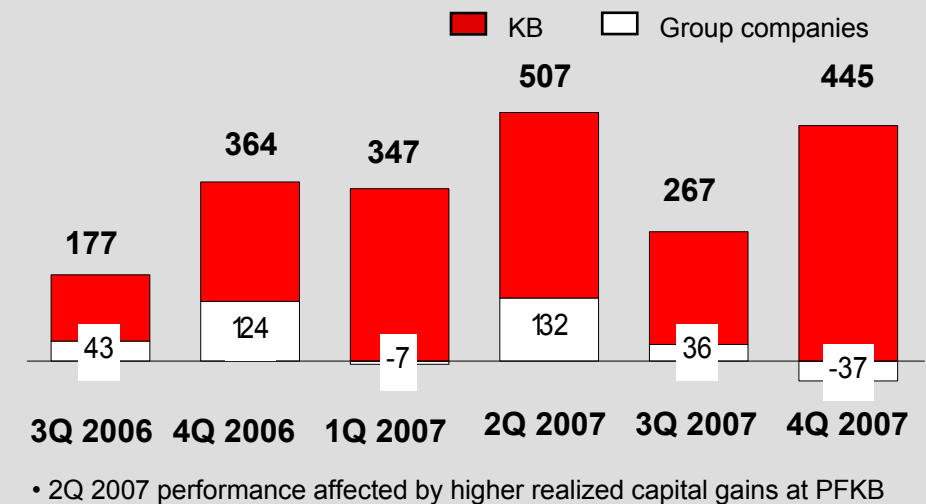
Profit from financial operations supported by clients' transactions

CZK million, consolidated. Restatement based on same consolidation scope as in 2006

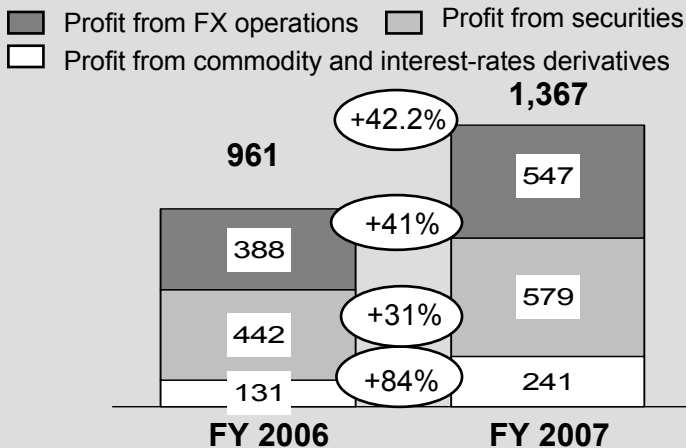
Net Profit from Financial Operations



Contributions to Consolidated NPFO



KB standalone Net Profit from Fin. Operations



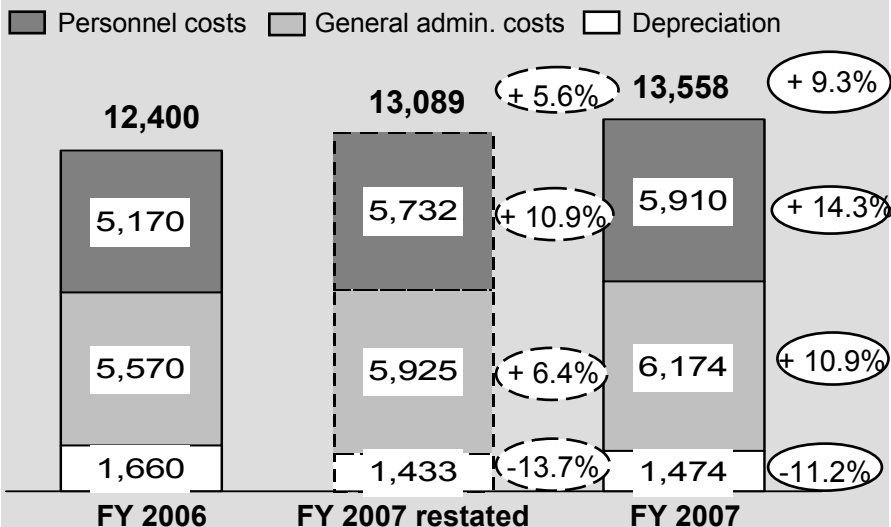
- Strong result from trading for clients. PF result from securities in 4Q affected by negative development of capital markets
- Profit from FX operations generated mainly by client spot operations and FX derivatives
- Profit from commodity and IR derivatives driven mainly by FV gains on IRS transactions
- One-off positive effect on Profit from securities in 2007 of partial redemption of MasterCard shares of CZK 62.5 mil.



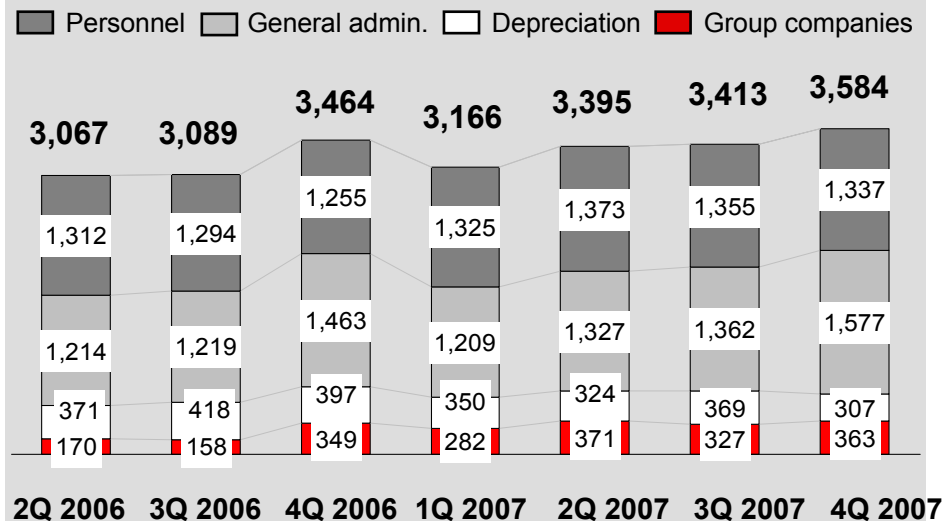
Total expenses increase driven by personnel costs

CZK million, consolidated. Restatement based on same consolidation scope as in 2006

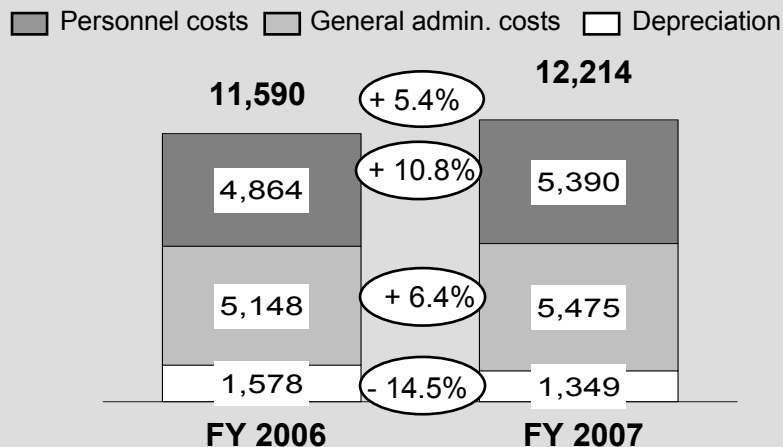
Total Group Expenses Composition



Contributions to Consolidated Expenses



KB standalone total expenses

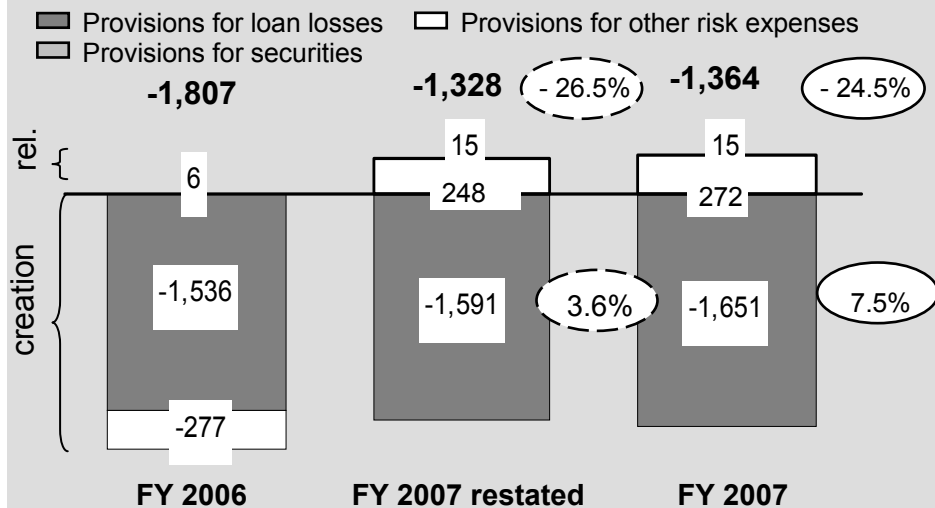


- Comparison of personal costs between periods affected by one-off CZK 147 mil. release of reserve for loyalty bonuses in 1Q 2006, underlying growth at 7.8%
- General administrative expenses increase remain contained: business related costs are rising, mainly in marketing, deposit insurance, and banking products such as payment cards
- Lower depreciation mainly due to a change in the depreciation period for intangible assets and one-offs related to real estate (CZK 174 mil. in 2007 v. CZK 59 mil. in 2006)

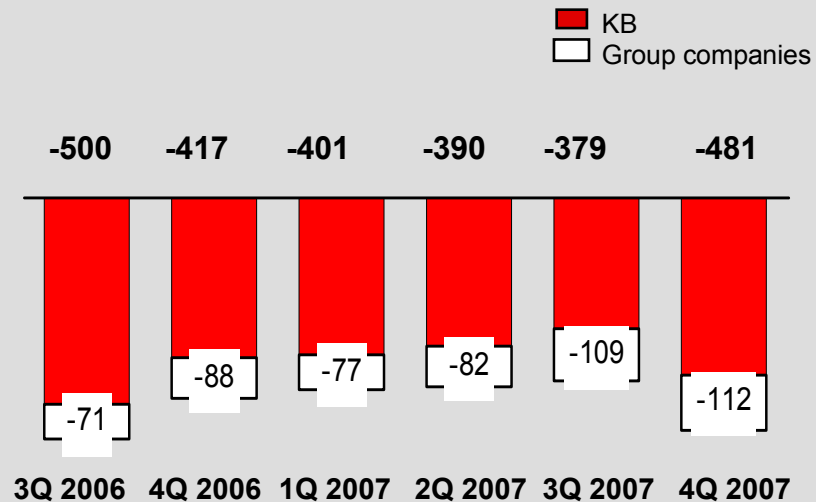
Group cost of risk at 37 bp and for KB standalone at 31 bp

CZK million. Restatement based on same consolidation scope as in 2006

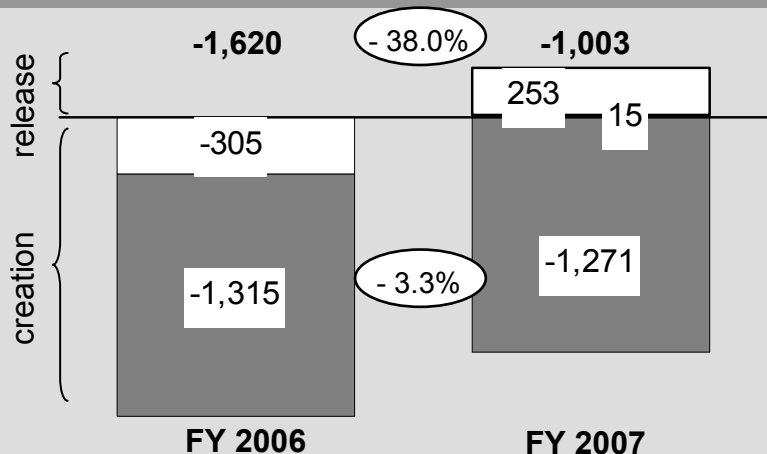
Total Group Cost of Risk Composition



Contributions to loan loss provisions



KB standalone Cost of Risk



- KB consolidated cost of risk at 37bp (compared to 43bp at 12/2006) and KB unconsolidated cost of risk at 31bp.
- YoY decline of provisions for loans losses reflecting recoveries from legacy portfolio (Net creation of CZK -6 million in 2006 versus net release of CZK +145 mil. in 2007).
- Net reversal of provisions for other risks reflecting successful closure of a legal dispute with former KB client in 4Q 2007 (CZK +215 mil.).



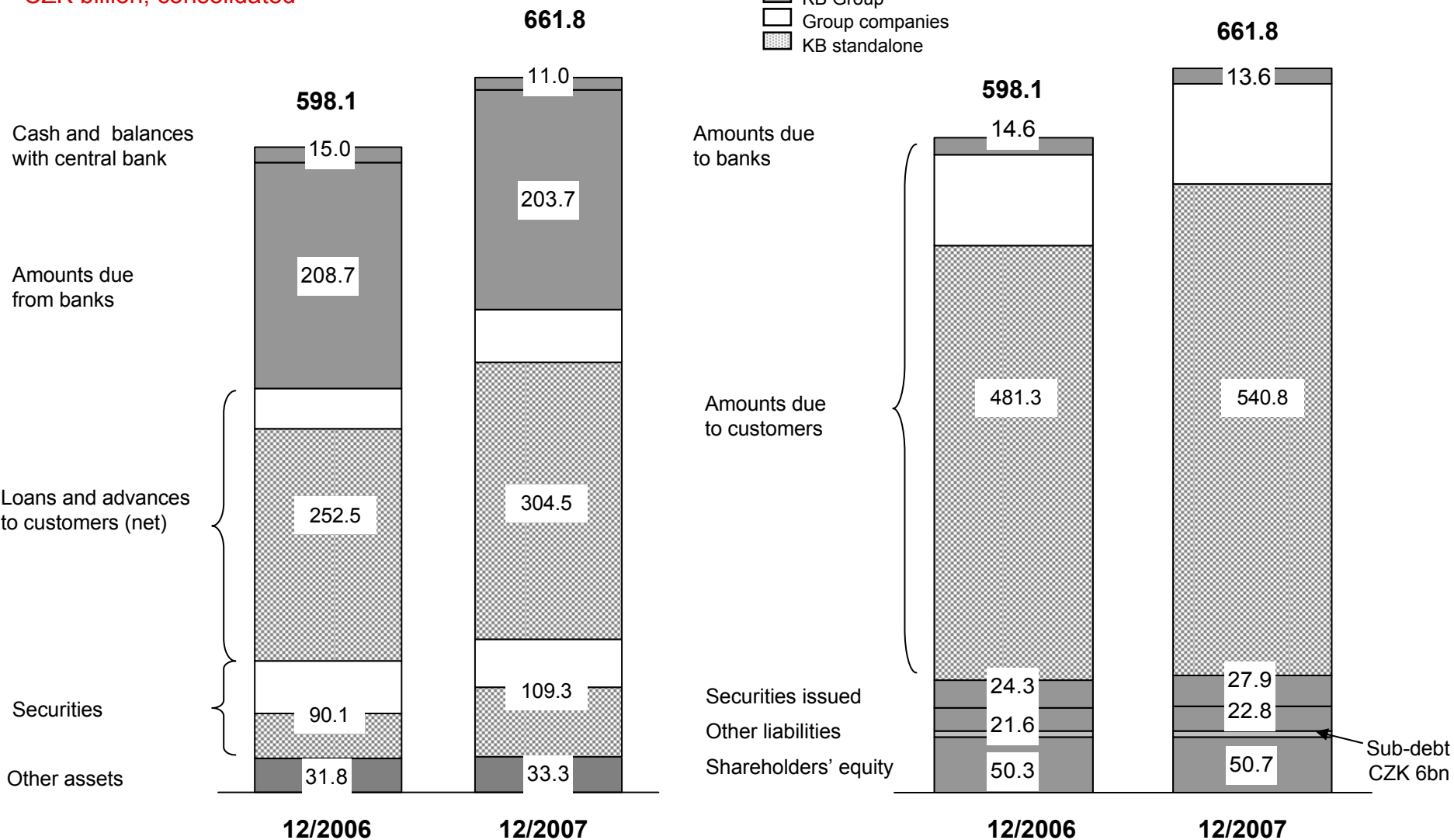
KB Group Balance Sheet

Assets

Liabilities

CZK billion, consolidated

KB Group
 Group companies
 KB standalone



Sub-debt CZK 6bn



Development since the end of 2006

CZK million, consolidated

Total shareholder's equity
as at 31 December 2006

50,257

+397

Total shareholder's equity
as at 31 December 2007

50,654

| Shareholders' equity | 12/ 2006 | 1/1/2007 | Increase | Decrease | 12/2007 |
|--|---------------|---------------|----------------|----------------|---------------|
| Share capital | 19,005 | 19,005 | - | - | 19,005 |
| Capital and reserve funds | 17,448 | 26,662 | - | -5,860 | 20,802 |
| - Retained earnings, reserve funds and dividends | 17,598 | 26,812 | - | -5,860 | 20,952 |
| - Treasury shares | -150 | -150 | - | - | -150 |
| Attributable net profit | 9,214 | 0 | +11,188 | - | 11,188 |
| Hedging revaluation reserve | 2,847 | 2,847 | - | -3,637 | -790 |
| AFS securities' fair value changes | 1,190 | 1,190 | - | -1,917 | -727 |
| Others | -27 | -27 | +143 | - | 116 |
| Minorities | 580 | 580 | +480 | - | 1,060 |
| Total Shareholders' equity | 50,257 | 50,257 | +11,811 | -11,414 | 50,654 |



Contents

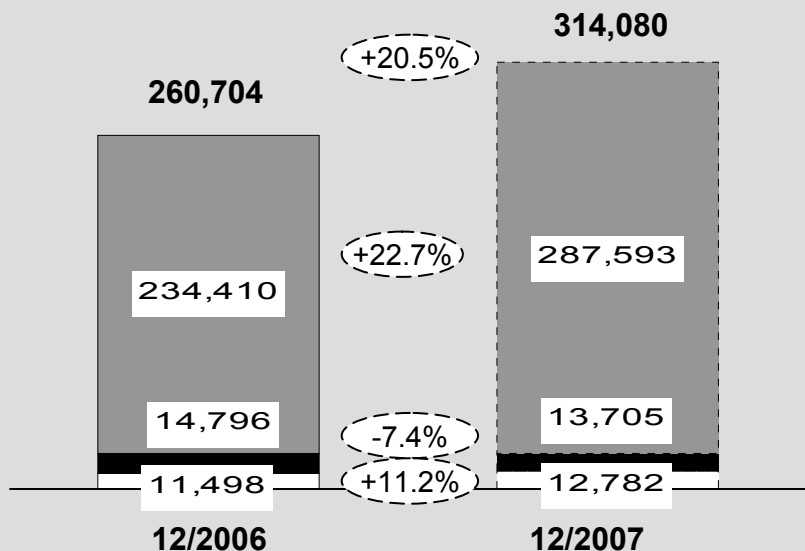
- Business Highlights
- Consolidated Financial Results
- Loan Portfolio Quality and Development
- Appendix



Overall quality of loan portfolio well under control

CZK million, consolidated

Gross client loans



Standard loans
 Watch loans
 Loans under special review

- Share of standard loans in total portfolio increasing at 92% (90% as of December 2006)
- LUSR* increasing trend slower than for total loan portfolio, representing 4.1% out of total loan exposure (4.4% as of December 2006)
- Contribution of KB subsidiaries to total loan portfolio at 16% (main contributors: Modrá pyramida at 11 % with 34% y/y growth; ESSOX at 2 % with 42% y/y growth)

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

Quality across the Group as of 12/2007

KB
 Group companies

- Satisfactory portfolio quality across KB group remains high, in context of strong loan growth.
- Contribution of subsidiaries to Standard loans at 16%, to Watch loans at 9% and to LUSR at 15%.

Standard loans



Watch loans



Loans under special review

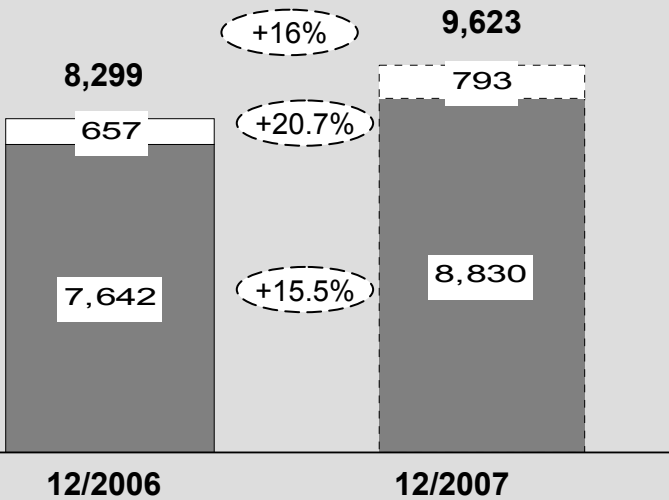




Improved provision coverage

CZK million, consolidated

Specific provisions and reserves



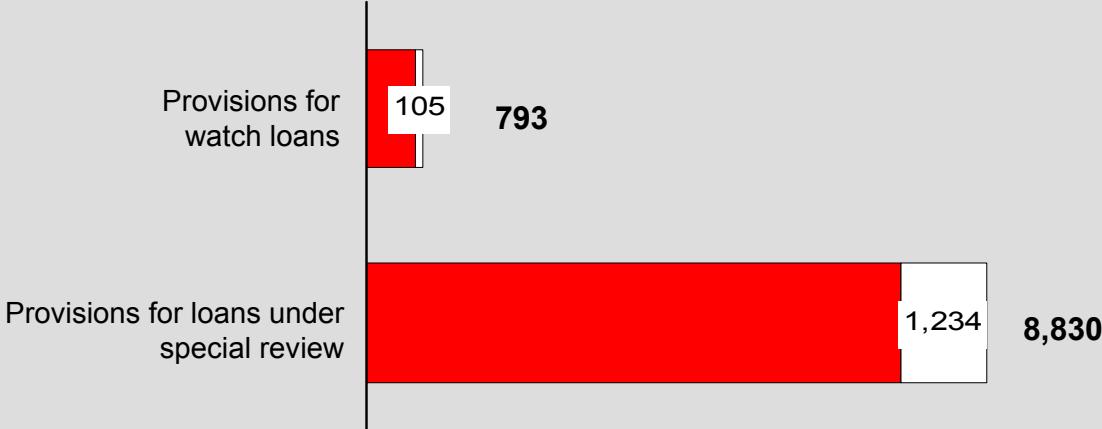
Watch loans
 Loans under special review

- Increase in overall specific provisions in line with portfolio expansion
- LUSR provisioned on average at 69% (66% as of 12/06) with the increase in provisioning rates driven by growing share of mass retail activities.
- KB subsidiaries at 14% of specific provisions and reserves at Group level.

Contributions to specific provisions and reserves as of 12/2007

KB
 Group companies

Provisioning coverage of LUSR at 69% (KB standalone 70 %, KB subsidiaries 64 %)





Contents

- Business Highlights
- Consolidated Financial Results
- Loan Portfolio Quality and Development
- Appendix



Business performance of subsidiaries

| | | FY 2006 | FY 2007 | YoY change |
|-------------------------------------|---|---------------------------|---------|------------|
| MPSS | ▪ Volume of new loans (CZK mil) | 10,506 | 14,055 | +34% |
| | ▪ Volume of total loans (gross, CZK mil) | 24,657 | 32,950 | +34% |
| | ▪ Volume of new saving contracts (target amount, CZK mil) | 26,586 | 34,967 | +32% |
| | ▪ Volume of savings (CZK mil) | 59,678 | 64,051 | +7% |
| | ▪ Number of FTEs | 366 | 359 | -2% |
| | ▪ Number of points of sale | 257 | 256 | -0% |
| | PF KB | ▪ Number of new contracts | 91,478 | 88,947 |
| ▪ Number of contracts (stock) | | 416,757 | 470,315 | +13% |
| ▪ Assets under management (CZK mil) | | 18,772 | 22,668 | +21% |
| ▪ Number of FTEs | | 56 | 60 | 7% |
| ESSOX | ▪ Volume of new contracts (CZK mil) | 3,251 | 4,154 | +28% |
| | ▪ Volume of total loans (gross, CZK mil) | 4,066 | 5,768 | +42% |
| | ▪ Number of FTEs | 196 | 237 | +21% |



Business performance of subsidiaries

| | | FY 2006 | FY 2007 | YoY change |
|-----------------|---------------------------------------|---------|---------|------------|
| Factoring KB | ▪ Factoring turnover (CZK mil) | 17,075 | 18,144 | +6% |
| | ▪ New contracts (number) | 315 | 220 | -30% |
| | ▪ Number of FTEs | 39 | 41 | +5% |
| KBB | ▪ Total client loans (gross, CZK mil) | 3,038 | 4,203 | +38% |
| | ▪ Total client deposits (CZK mil) | 2,424 | 3,427 | +41% |
| | ▪ Number of clients | 1,419 | 1,365 | -4% |
| | ▪ Number of FTEs | 73 | 73 | 0% |
| KP | ▪ Newly concluded policies (number) | 523,620 | 582,210 | +11% |
| | ▪ of which in life insurance | 152,216 | 157,596 | +4% |
| | ▪ of which in non-life insurance | 371,404 | 424,614 | +14% |
| | ▪ Premium written (CZK mil) | 2,588 | 2,141 | -17% |
| | ▪ of which in life insurance | 2,082 | 1,695 | -19% |
| | ▪ of which in non-life insurance | 506 | 446 | -12% |
| | ▪ Number of FTEs | 146 | 147 | +1% |



Subsidiary and associated undertakings results

As of 31 December 2007, CZK mil.

| | Share of KB | Net profit | YoY | Equity | YoY | Assets | YoY |
|--|-------------|------------|-------|--------|-------|--------|------|
| ESSOX, s.r.o. (IFRS) | 51% | 74 | +/- | 2,161 | +83% | 7,453 | +46% |
| Factoring KB, a.s. * | 100% | 28 | 4% | 1,365 | +626% | 4,490 | +65% |
| Komerční banka Bratislava, a.s. (IFRS) | 100% | 60 | +13% | 695 | +6% | 7,256 | +60% |
| Penzijní fond Komerční banky, a. s. * | 100% | 30 ** | -47% | -143 | -124% | 23,128 | +16% |
| Bastion European Investments S.A. (IFRS) | 99.98% | 142 | +158% | 3,706 | -1% | 7,335 | -3% |
| Komerční pojišťovna, a.s.* | 49% | 221 | +71% | 997 | +14% | 12,077 | +4% |
| Modrá pyramida SS, a.s. * | 100% | 432 | +15% | 2,233 | -12% | 67,825 | +6% |
| Protos (IFRS) | 90% | 130 | n.a. | 13,005 | n.a. | 13,014 | n.a. |
| Czech Banking Credit Bureau (CAS) | 20% | 4 | +33% | 5 | +0% | 20 | +43% |

* Pro forma IFRS figures; ** KB share; PFKB net reported result CZK 560 mil. (CAS)

Note: Fully consolidated companies are: Essox, Factoring, KBB, PFKB, Bastion, Modra pyramida and Protos



Unconsolidated Financial Results

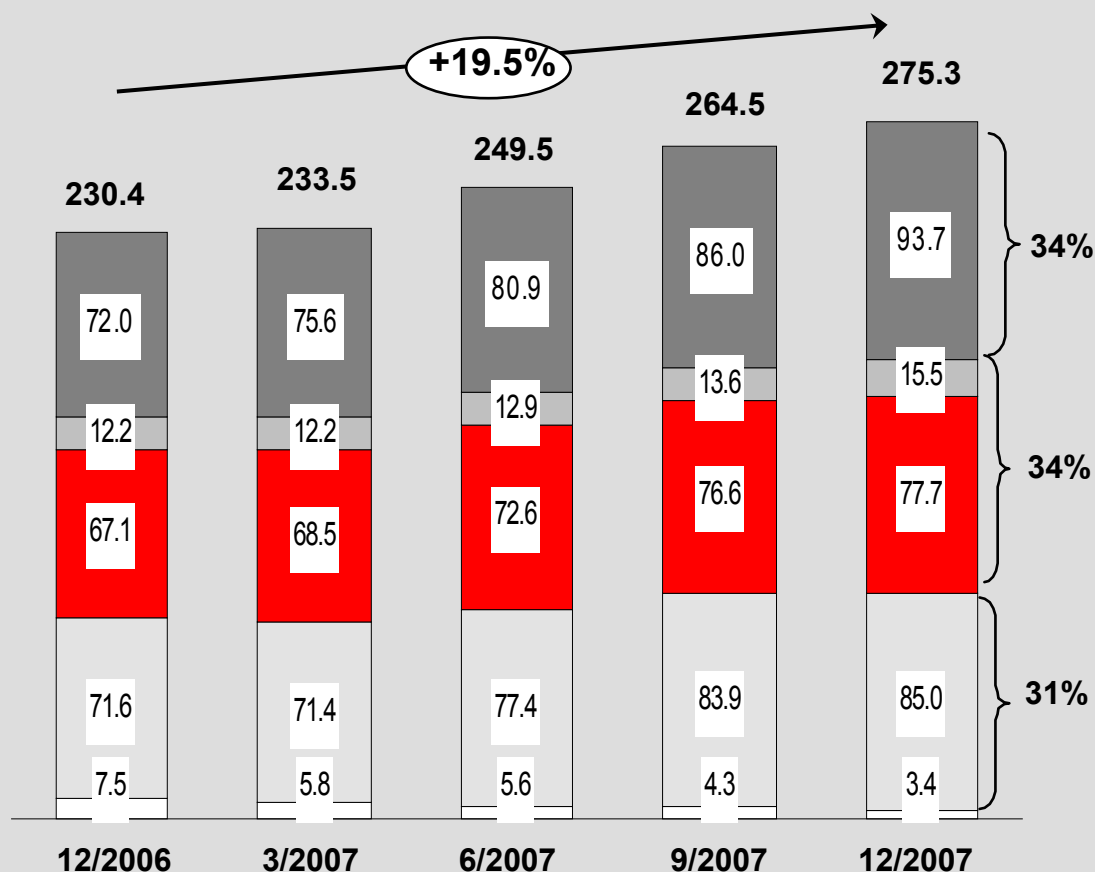
| Profit and Loss Statement CZK million, unaudited | FY 2006 | FY 2007 | Change YoY |
|--|-------------|-------------|---------------|
| Net banking income | 24,631 | 26,226 | 6.5% |
| Operating costs | -11,590 | -12,214 | 5.4% |
| Net operating income | 13,041 | 14,012 | 7.4% |
| Cost of risk | -1,619 | -1,003 | -38.0% |
| Profit on subsidiaries and associates | 6 | 106 | n/a |
| Profit before income taxes | 11,428 | 13,115 | 14.8% |
| Income taxes | -2,680 | -2,945 | 9.9% |
| Net profit | 8,747 | 10,170 | 16.3% |
| Key ratios and indicators | 31 Dec 2006 | 31 Dec 2007 | Change YoY |
| Capital Adequacy (CNB, Basel I) | 13.1% | 11.0% | ▼ |
| Tier 1 Ratio (Basel I) | 11.5% | 9.8% | ▼ |
| Risk weighted assets (CZK billion) | 295 | 374 | 26.8% |
| Net Interest Margin (NII/Av. Interest Bearing Assets) | 3.2% | 3.2% | ► |
| Cost / Income ratio | 47.1% | 46.6% | ▼ |
| Return on Average Equity (ROAE) | 17.7% | 20.8% | ▲ |
| Return on Average Assets (ROAA) | 1.7% | 1.8% | ▲ |
| Earnings per Share (CZK) | 230 | 268 | ▲ |
| Average number of employees during the period | 7,553 | 7,764 | 2.8% |



Loan portfolio growing in all client segments

Volume of loans (unconsolidated, CZK billion, gross amount)

- Individuals
- Small businesses
- Corporates and Municipalities
- Top Corporations
- Other



■ **Year-on-year growth** of the loan portfolio **by 19.5%**

■ **Total mortgage loans** amounted to CZK 78.5 billion, up 29.8% YoY

■ **Total off-balance sheet commitments** to clients stood at **CZK 202.5 bil.** (+30% YoY), of which:

- Undrawn limits CZK 117 bil.
- Guarantees and irrevocable promises of loans of CZK 49 bil.

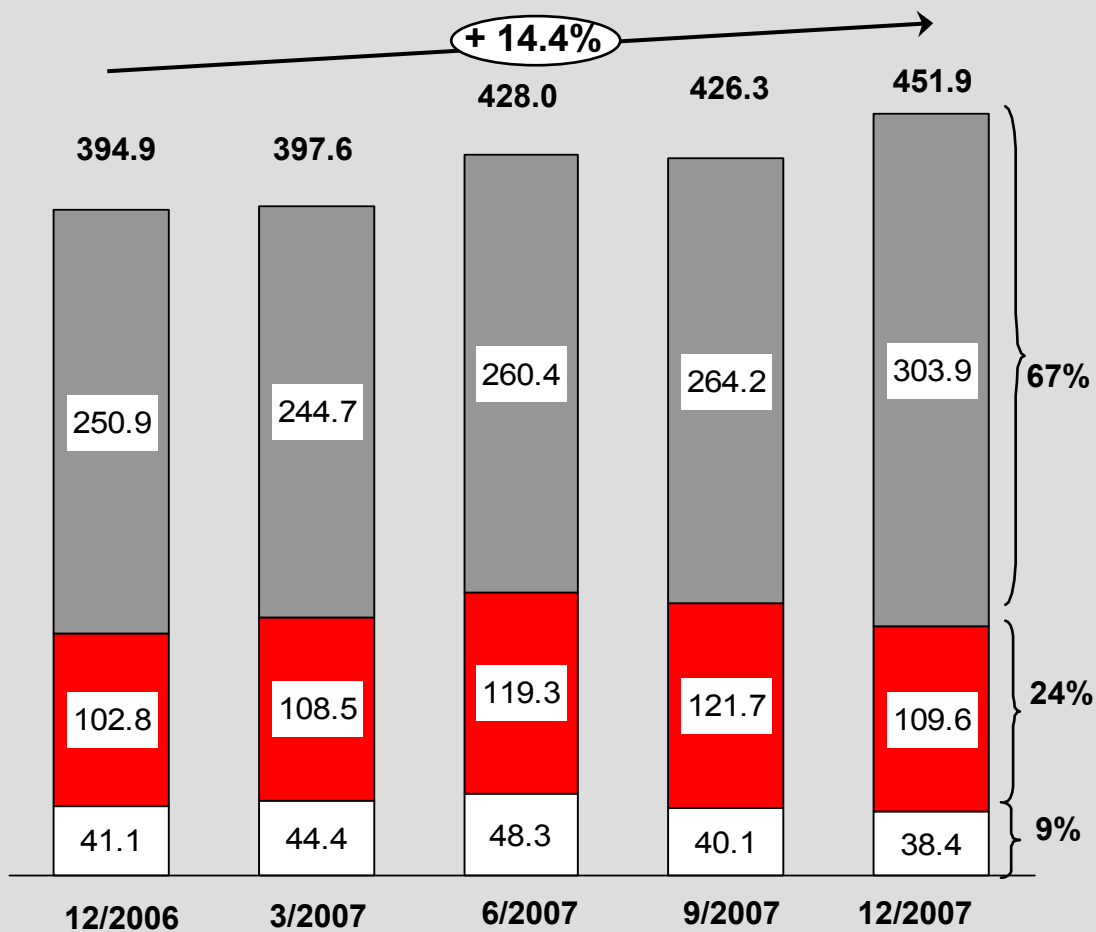


Growth in deposits driven by current accounts

Volume of primary client deposits (unconsolidated, CZK billion)

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

- **Depository base increased by 14% year-on-year**
- **Volumes on current accounts rose by 21% YoY and term accounts by 7%**
- **Deposits from individuals** represent 32% share of total primary deposits reaching CZK 145.7 bil.





Development since the end of 2006

CZK million, unconsolidated

Total shareholder's equity
as at 31 December 2006

48,654

+582

Total shareholder's equity
as at 31 December 2007

49,236

| Shareholders' equity | 12/2006 | 1/1/2007 | Increase | Decrease | 12/2007 |
|--|---------------|---------------|----------------|---------------|---------------|
| Share capital | 19,005 | 19,005 | - | - | 19,005 |
| Capital and reserve funds | 17,093 | 25,840 | - | -5,693 | 20,147 |
| - Retained earnings, reserve funds and dividends | 17,243 | 25,990 | - | -5,693 | 20,297 |
| - Own shares | -150 | -150 | - | - | -150 |
| Net profit | 8,747 | 0 | +10,170 | - | 10,170 |
| Hedging revaluation reserve | 2,838 | 2,838 | - | -3,628 | -790 |
| AFS securities' fair value changes | 746 | 746 | - | -423 | 323 |
| Others | 225 | 225 | 156 | - | 381 |
| Total Shareholders' equity | 48,654 | 48,654 | +10,326 | -9,744 | 49,236 |



Number of clients and distribution network

As of 31 December 2007, year-on-year comparison

■ Clients

- ▶ KB bank 1,577,000 clients - increase by 62,000 (+4%)
 - of which 1,293,000 are individual clients (+5%)
- ▶ MPSS 771,000 clients
- ▶ PFKB 470,000 clients
- ▶ Essox 172,000 active clients

■ Network

- ▶ 386 branches for retail clients
- ▶ 35 business centres for medium enterprises and municipalities
- ▶ 4 corporate divisions for large corporate clients
- ▶ 661 ATMs
- ▶ MPSS: 256 points of sale*; 1,474 sale agents (of which 467 full-time professionals)

■ Direct Channels

- ▶ call center, internet-banking and mobile banking
- ▶ 1,262,000 active products of direct banking (+10%)
- ▶ 903,000 clients (i.e. 57% of KB client base) using direct banking products

* Including all points of sales where it is possible to conclude a contract

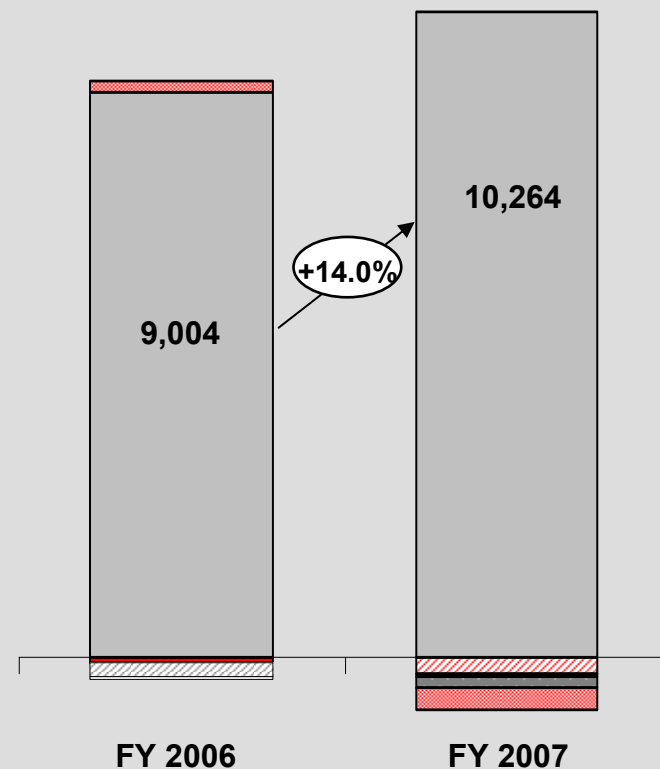


Development of consolidated recurring profit

CZK million

Profit and Loss without one-offs (*pro-forma*)

| | FY 2006 | FY 2007 | Change |
|-----------------------------------|-----------------|-----------------|--------------|
| Net banking income | 26,158 | 28,469 | 8.8% |
| Net interest income | 16,011 | 17,719 | 10.7% |
| Non-interest income | 10,147 | 10,750 | 5.9% |
| Operating costs | - 12,606 | - 13,264 | 5.2% |
| Personnel expenses | - 5,318 | - 5,731 | 7.8% |
| Other costs | - 7,288 | - 7,533 | 3.4% |
| Net operating income | 13,552 | 15,205 | 12.2% |
| Cost of risk | - 1,657 | - 1,682 | 1.5% |
| Profit on subsidiaries | - 279 | - 275 | -1.4% |
| Profit before income taxes | 11,616 | 13,248 | 14.0% |
| Income tax | - 2,612 | - 2,984 | 14.2% |
| Net recurring profit | 9,004 | 10,264 | 14.0% |
| Reported net profit | 9,211 | 11,225 | 21.9% |



- Recurring profit
- Loyalty reserve release
- CDO early redemptions
- CoR one-offs
- Sale of MasterCard shares
- MPSS 60% share
- MPSS revaluation impact
- Real estate one-off



Valuation of MPSS balance sheet

Background

- Preliminary goodwill on acquisition of Modrá pyramida at CZK 2,741 mil.
- In accordance with IFRS 3 A&L valuation to be completed within 12 months after acquisition
- Valuation based on detailed data on the contracts of Modrá Pyramida

Adjustments to provisional goodwill

- The fair value adjustments of MPSS balance sheet relating to acquired 60% stake amount to CZK 647 mil.
- Recognized goodwill on acquisition stands at CZK 3,389 mil.

Main sources of adjustments

- Valuation of client's deposits, buildings and securities

P/L impact

- Impact from revaluation on consolidated P/L:

| <i>(CZK millions)</i> | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|-----------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| NII | 95 | 387 | 264 | 149 | 102 | 45 | 21 |
| Depreciation | 1 | 5 | 5 | 5 | 5 | 5 | 5 |
| Tax | -23 | -122 | -56 | -30 | -20 | -9 | -4 |
| Net profit | 73 | 270 | 213 | 123 | 87 | 41 | 21 |

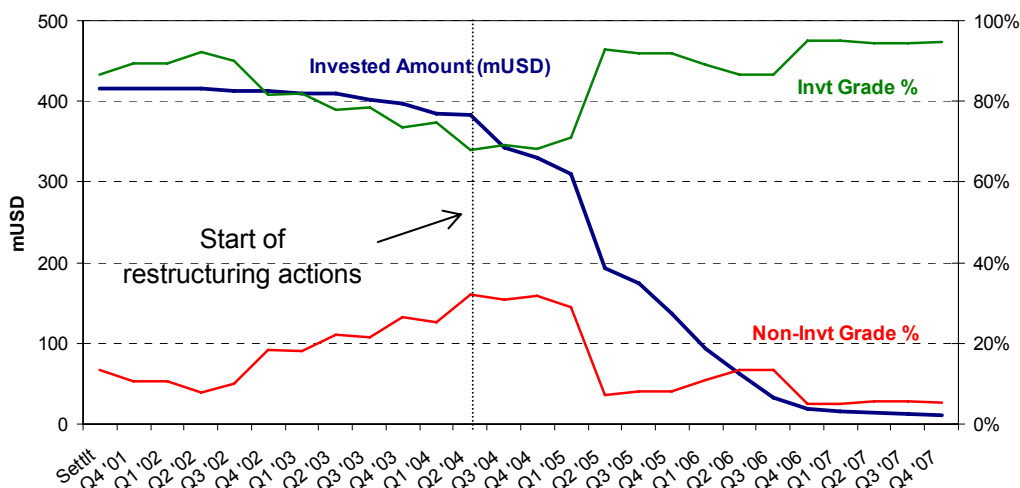
- Presented figures differ from those in 3Q 2007 results presentation due to change in income tax rate as from 2008 approved in 3Q 2007 and the corresponding revaluation of deferred tax and a sale of part of the revalued AFS portfolio of MPSS in 2H 2007.

CDO portfolio

As of 31 December 2007

- KB's divestment strategy of CDO portfolio, realized in 2004-2005, reduced significantly the invested amount. Since then, the continuing early CDO redemptions decreased the net book value amount to USD 11 mil., out of which more than 99% are the most senior tranches with investment grade ratings.
- The underlying assets of the remaining CDOs are ABSs, from which 50% are real estate related (mostly US). During 2007, there was not a significant deterioration of the underlying assets. Importantly, CDOs in KB portfolio were issued in 2000 when the market with sub-prime ABS was not so developed.
- The over-collateralization ratios of CDOs remained quite high, the lowest is 128% (amount of underlying assets is by 28% higher than CDO tranche in KB portfolio)
- The impact of the sub-prime crises shall be limited due to seniority of our tranches and significant over-collateralization.

Size & Rating evolution since inception



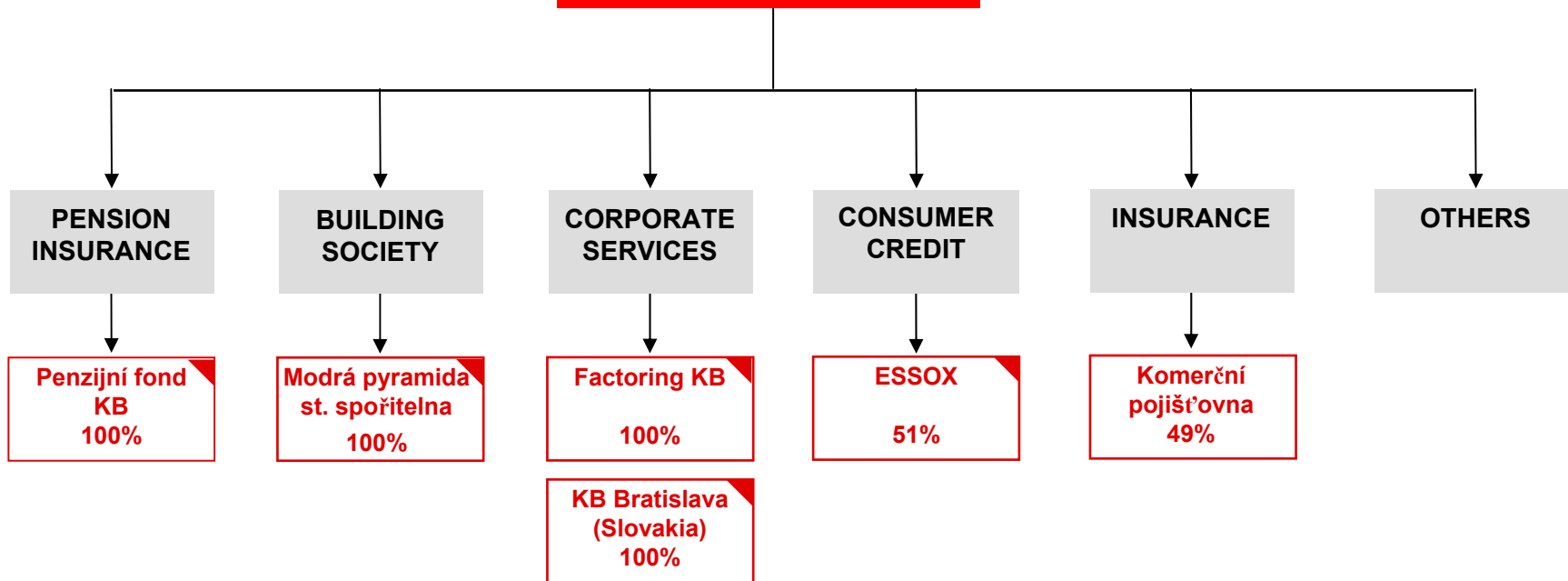
Portfolio size, in USD million

| Nominal at Inception | | | |
|----------------------|----------------------------------|---|-----------------------------|
| Rated | | | 369 |
| Equity | | | 58 |
| Total | | | 426 |
| 31 December 2007 | | | |
| | <u>Invested</u> <u>Amount</u> | <u>Net</u> <u>Book</u> <u>Value</u> | <u>Fair</u> <u>Value</u> |
| Rated | 11 (-8) | 11 (-8) | 10 (-9) |
| Equity | 0 (0) | 0 (0) | 1 (0) |
| Total | 11 (-8) | 11 (-8) | 11 (-9) |



KB consolidated group

KOMERČNÍ BANKA



MPSS:

- Until 3Q 2006 equity method
- Since 4Q 2007 full consolidation

PFKB:

- Full consolidation method
- 85% of net profit redistributed to pensioners
(Share of profit of pension scheme beneficiaries)

Note: Red marked companies are fully consolidated



Czech Republic

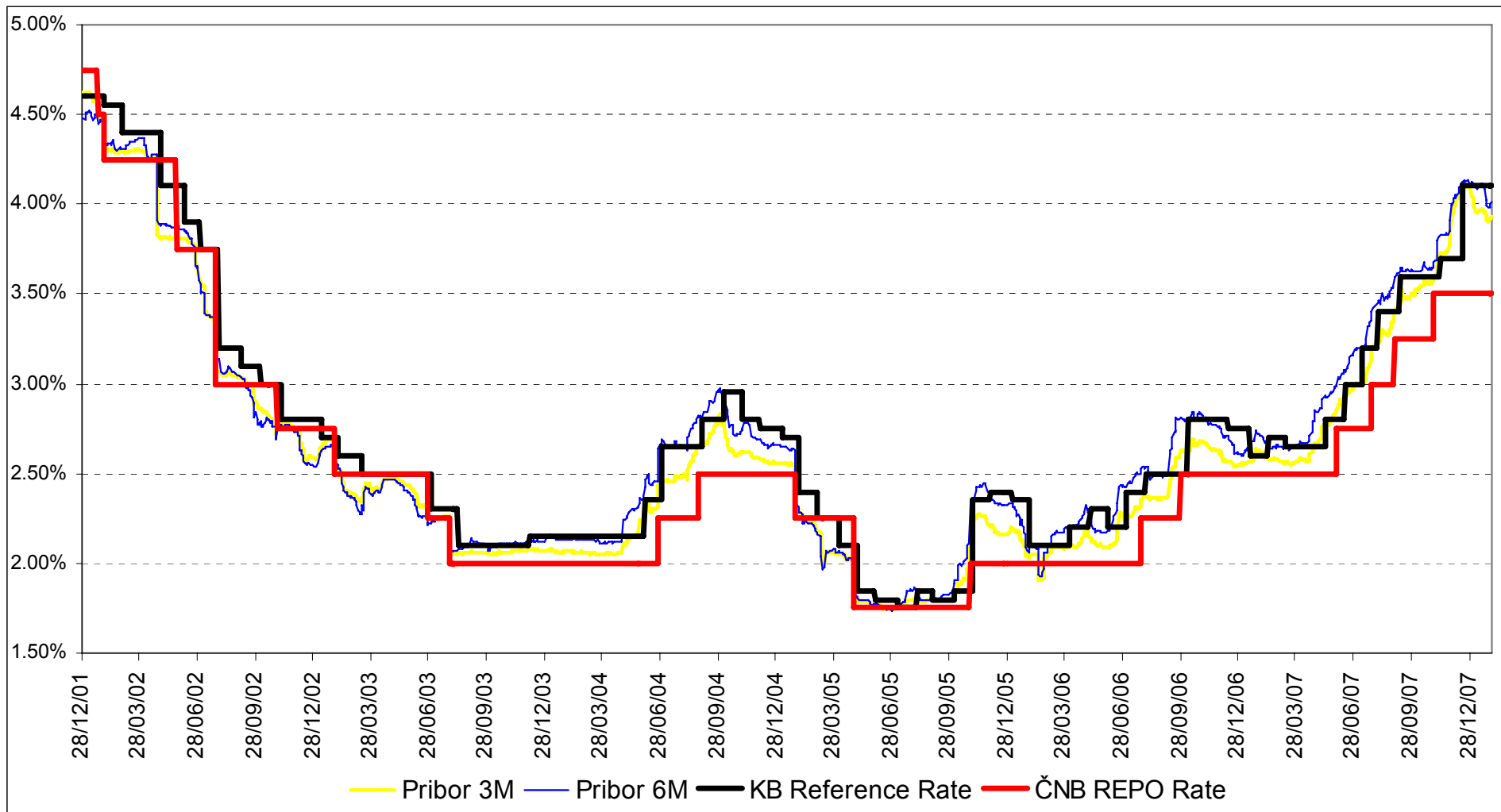
| Macroeconomic indicators | 2004 | 2005 | 2006 | 2007* | 2008* |
|--------------------------|-------|-------|-------|--------|-------|
| Real GDP (%) | + 4.6 | + 6.4 | + 6.4 | + 6.6 | +4.8 |
| Inflation (%) | + 2.8 | + 1.9 | + 2.5 | + 2.8 | +6.0 |
| Households income (%) | + 4.9 | + 4.8 | + 6.4 | + 7.5 | +5.9 |
| M2 (%) | + 4.4 | + 8.0 | + 9.9 | + 13.2 | +11.0 |
| 3M PRIBOR (% , average) | 2.4 | 2.0 | 2.3 | 3.1 | 4.2 |

| Potential of the market | 2003 | 2004 | 2005 | 2006 | 2007* |
|--------------------------|------|------|------|------|-------|
| Loans/GDP (year-end) | 36.9 | 35.9 | 39.4 | 43.9 | 51.5 |
| Mortgages/GDP (year-end) | 4.2 | 5.8 | 7.7 | 10.0 | 12.5 |
| Deposits/GDP (year-end) | 62.0 | 59.2 | 61.8 | 62.9 | 68.0 |

* KB estimates

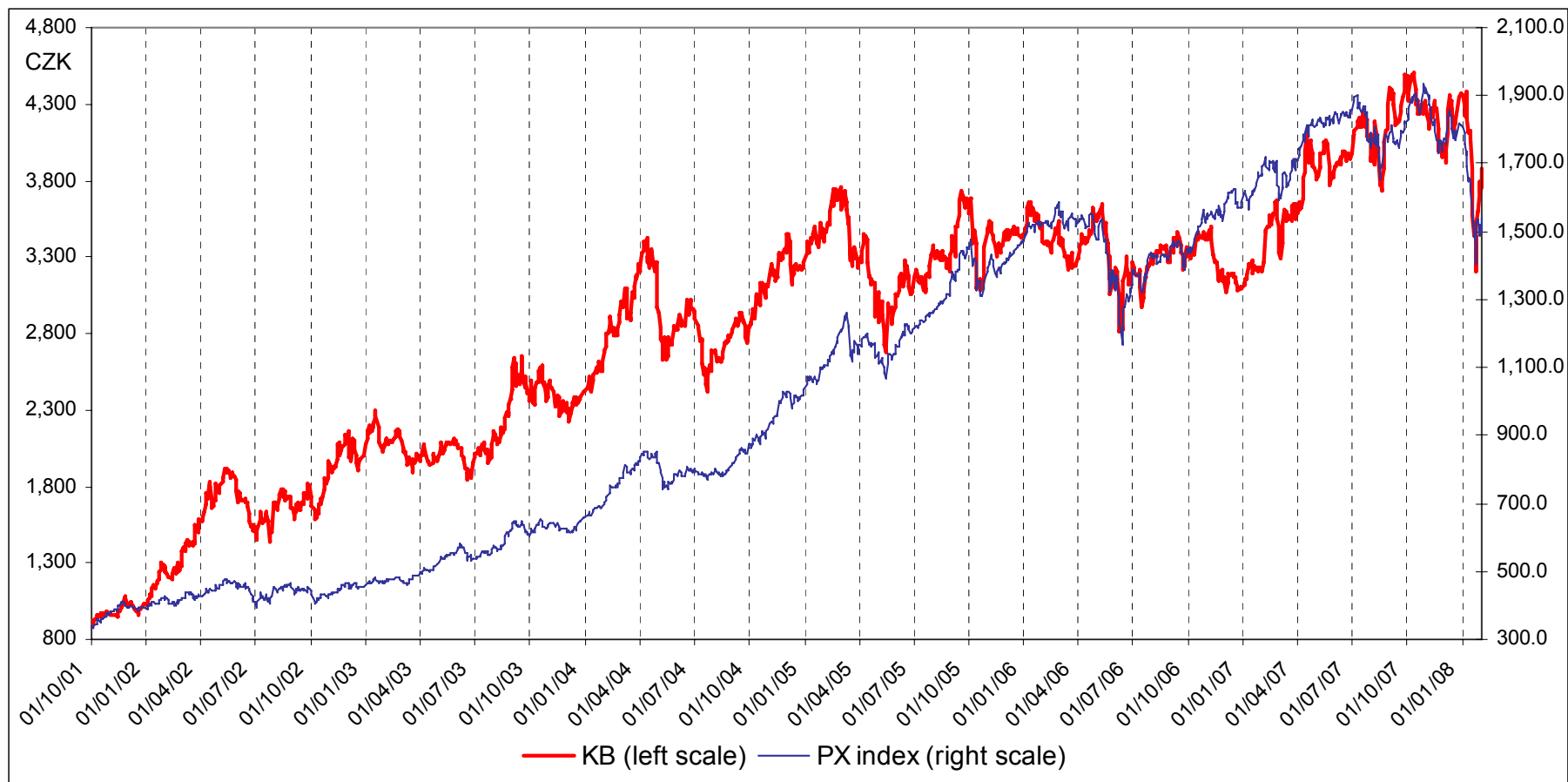


Interest Rates Evolution





Development of KB's share price and PX Index



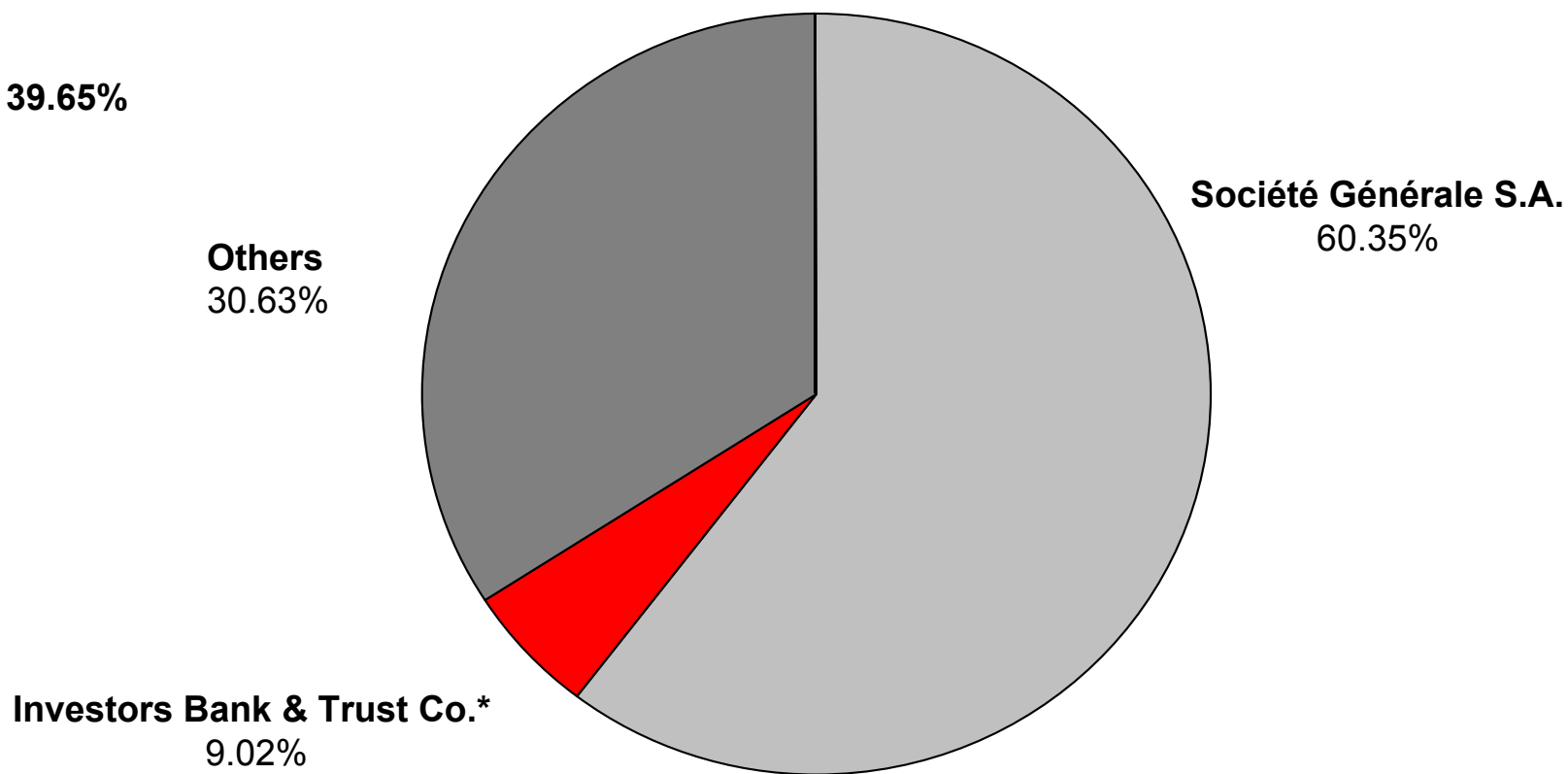


Structure of Shareholders

Major shareholders of Komerční banka, a. s.
as of 31 December 2007

Number of outstanding shares – 38,009,852

Free Float: 39.65%



* Shares held on behalf of third parties



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