

Report on Financial Results
as at 30 June 2003

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Komerční banka, a. s.





1.28

Komerční banka served 1.28 million clients, of which 0.98 million were individuals and 0.30 million legal entities.

30%

As at 30 June 2003, the total of 507 thousand clients used telephone, Internet or PC banking services, representing an increase of 30% compared to the end of 2002.

4,491

In the first half of 2003, Komerční banka posted a net profit of CZK 4,491 million.

Macroeconomic Trend in the First Half of 2003

In the first quarter of 2003, Gross Domestic Product continued to grow at much the same pace as in 2002, the GDP growth rate standing at 2.2%. The main GDP growth factor was domestic demand: government demand grew by 5.2% and consumer demand by 4.6%. The growing public finance deficit pushed GDP growth up. Fixed capital investment decreased by 2.5% as a consequence of the weak investment climate.

Industry continued its solid growth in the first half of 2003. Industrial output increased by 5.5% between January and May 2003; growth in industry has been primarily driven by foreign demand and realised by companies under foreign control. Construction was hit by weak demand more than industry, and construction output stagnated between January and May 2003. Restructuring within Czech industry is keeping Czech exports on foreign markets competitive. At the same time, the ongoing industrial restructuring was the main cause of labour market pressures. Unemployment continues to run high.

Private consumption remained strong in the first half of 2003. The growth of retail sales came to 3.6% between January and May 2003. The slight deflation observable in the first quarter of 2003 saw the growth of real wages outperform nominal wage growth for the first time in the history of the Czech Republic. The average real wage increased by 7.8%. The rise in wages was much higher than long-term sustainable growth: labour productivity in the whole economy increased by just 2.1%.

In the first half of 2003, the disinflation trend continued until April, the consumer price index standing at 0.3% at the end of the first half of 2003. Due to favourable developments in world oil prices, producer prices remained in the deflation range during the first half of 2003. Concerns of booming oil prices due to the short-lived war in Iraq did not materialise: the relatively low oil prices helped to push both the Consumer Price Index (CPI) and Producer Price Index (PPI) down.

In the second quarter of 2003, the exchange rate of the Czech currency oscillated around 31.50 CZK/EUR which is the value accepted implicitly by the Czech National Bank (CNB) as an equilibrium value. The appreciation of the CZK against the USD continued during the second quarter of 2003 and did not stop until the last ten days in June, standing at 27.4 CZK/USD at the end of June.

In the first half of 2003, the trade deficit amounted to CZK 18.1 billion, down from CZK 22.4 billion in the same period of 2002. The decline in the trade deficit was caused by the higher growth of exports compared with imports. In the first quarter 2003, the current account deficit amounted to 3% of GDP, which was comfortably covered by the ongoing inflow of Foreign Direct Investment (FDI).

Business Activities

As at the end of the first half of 2003, Komerční banka (the Bank) served 1.28 million clients, of which 0.98 million were individuals and 0.30 million legal entities. The number of clients has thus increased year on year by forty thousand. Likewise, the number of clients using financial services via direct banking channels has also risen. As at 30 June 2003, the total of 507 thousand clients used telephone, Internet or PC banking services, representing an increase of 30% compared to the end of 2002. The Bank therefore services 40% of its clients through direct banking channels.

The Bank also provides services through a countrywide sales network consisting of 321 points of sale and 473 ATMs. In the course of the first half of the year, the Bank opened two new branches and installed 33 ATMs.

The most important innovations among the products of Komerční banka are products designed for small businesses and entrepreneurs:

- *The Efekt, Komfort* and *Excelent* packages provide entrepreneurs and small business clients with a comprehensive range of banking services. The principal features of all these packages are a current account, a payment card, direct banking services and an overdraft facility.
- *Profi loan* has been designed for entrepreneurs and small and medium businesses. *Profi loan* offers the operative financing of selected business needs, with the benefit of a short approval process and reduced paperwork. The approval process for a *Profi loan* of up to CZK 1 million takes a maximum of three days, and for loans from CZK 1 to 4 million, five working days.

Microchip cards are yet another innovation. Komerční banka is the first bank in Central Europe to start issuing the chip cards of the international associations VISA and MasterCard. The upgrade to microchip technology increases the level of safety and means that the scope of services provided to clients can be extended by various loyalty programmes in the network of retailers that accept payment cards.

In April the Bank added a new service to those offered via ATMs – charging up credit for Eurotel pre-paid mobile telephones, thus becoming the first bank on the Czech market to support the charging-up of credit for all three mobile operators.

Major Events

On 19 June 2003, the Annual General Meeting of Komerční banka was held, where shareholders approved the Report of the Board of Directors on the Business Activity of the Bank and the Status of its Assets. Shareholders approved the regular and consolidated financial statements for 2002 and made a decision on the distribution of profit. The General Meeting approved the payment of dividends totalling CZK 1,520 million, which translates into CZK 40 per share (before tax). Shareholders also approved the amended Articles of Association and emoluments for the members of the Bank's statutory bodies.

In the first half of 2003, several changes in Komerční banka Group were made:

- As a result of the re-integration of selected supporting services (including staff) from ASIS, a. s. and Reflexim, a. s. into Komerční banka, the Bank, being the only shareholder, decided to wind-up ASIS and to sell Reflexim. ASIS was put into liquidation on 1 June 2003, and Reflexim was sold to Sodexho společné stravování a služby, s. r. o. on 9 June 2003. These transactions are a part of the Bank's strategy to spin off non-core and supporting activities of a non-banking character from the group and to procure these services by means of outsourcing.
- On 30 June 2003, the Bank sold its 50% stake in the share capital of CAC LEASING, a. s. and its 10% share in the share capital of CAC LEASING Slovakia, a. s. to Bank Austria Creditanstalt Leasing GmbH, a subsidiary of Bank Austria Creditanstalt.

Unconsolidated Financial Results (IFRS)

Profit and Loss Account

In the first half of 2003, Komerční banka posted a net profit of CZK 4,491 million. The year-on-year growth by 6% was aided, in particular, by a reduction in operating costs, the low cost of risk of the loan portfolio and one-off income from the sale of ownership interests.

Net banking income

Net banking income, in comparison with the first half of 2002, fell by 1.9% to a final level of CZK 11,384 million. Net interest income continues to represent the biggest portion in this category (52.4%). The share of non-interest income has, however, risen by 3 percentage points to the present value of 47.6%.

Net interest income

Net interest income of CZK 5,961 million was posted, representing a year-on-year decline by 7.2%. This result was negatively affected by the falling net interest income from clients, principally from business loans, and the falling net interest income from the Czech Consolidation Agency (Česká konsolidační agentura – ČKA). On the other hand, net interest income from banks has grown, owing to interest income from bonds purchased by the Bank in the fourth quarter of 2002 in a primary issue. Evaluating net interest income generated in the second quarter of 2003, compared to previous quarters a stable result was achieved in an environment of falling interest rates.

Net fees and commissions

Net fees and commissions were CZK 4,205 million, representing an increase by 2.9% on the first half of 2002. Non-foreign exchange fees and commissions, making up 77% of the total volume, grew year on year by 6.0% to CZK 3,249 million. The main drivers of this growth were fees and commissions for account maintenance, loan administration and payment cards.

Fees and commissions from FX foreign payments showed a year-on-year decline by 4.0% to CZK 596 million, fees and commissions from foreign exchange cash conversions fell by 9.5% to CZK 360 million. This development resulted from both the falling number and the declining volume of these transactions.

Net profit from financial operations

Net profit from financial operations of CZK 861 million increased, compared to the first half of 2002, by 9.1%. This good result is attributable, in particular, to the increasing profit from securities after the re-valuation of one issue of bonds. Net profit from foreign exchange operations fell by 17.9% to CZK 345 million. The decrease in profit from interest rate and commodity derivatives from CZK 154 million to CZK 0.5 million resulted mainly from the interest rate coupons of Cross Currency Swaps, which are included in profit from foreign exchange operations in 2003.

Other income

Other income came to CZK 357 million, representing an increase of 16.7% compared to the first half of 2002. Other income includes dividends from subsidiary and associated companies (CZK 253 million) which grew year on year by 39.0%, mainly as a result of dividends received from CAC LEASING, a former associated company.

Total operating costs

Total operating costs fell in the year-on-year comparison by 14.4% to a final volume of CZK 5,827 million, and the decline covered all cost categories, i.e. administrative expenses, restructuring costs, as well as depreciation and other provisions.

Administrative expenses comprise personnel expenses and other administrative expenses. The reduction in personnel expenses by 12.7% to CZK 2,359 million was mainly due to the extraordinary release of a reserve for unpaid bonuses related to the year 2002 during the first quarter of 2003. Other administrative expenses amounted to CZK 2,259 million, representing a year-on-year decline by 0.3%, including in particular the costs of facility management and rent, marketing costs and the costs of telecommunication and postal services.

For the first six months of 2003, restructuring costs amounted to CZK 499 million, registering a decline of 45.0% compared to the same period of 2002. The costs of new corporate identity, consultancy costs and costs related to rent termination were the major contributors in this cost category. Restructuring costs also comprise the creation of a reserve for future restructuring costs.

Depreciation and other provisions fell by 24.4% to CZK 710 million as at 30 June 2003. The depreciation of assets under financial leasing and own assets, primarily IT and equipment, recorded a decline.

Provisions for loan and investment losses and net profit from sales of subsidiary and associated companies

In the first half of 2003, the result of the creation and release of provisions for loan and investment losses and the net profit from the sale of subsidiaries and associates came to CZK 843 million, having stood at CZK 373 million in the same period of 2002. This result comprised the net creation of provisions for loan losses (- CZK 10 million), the net creation of provisions for investment losses (- CZK 20 million), income from fully written-off loans (+ CZK 89 million) and profit from the sale of subsidiary and associated companies (+ CZK 784 million).

The creation of provisions for loan losses was influenced by the low cost of risk of the loan portfolio and by the sale of non-performing loans to GE Capital Corporation. In the first half of 2003, the volume of general provisions was not decreased. The duty to release a part of the general provisions in 2003, at a minimum volume of 25% of its amount as at 31 December 2001, has been imposed on the Bank by legislation adopted in 2002.

The net creation of provisions for investment losses decreased from CZK 284 million for the first six months of 2002 to CZK 20 million in 2003 as a result of a reduction in the risks related to the asset-backed securities portfolio (CDO and CLN).

Income from fully written-off loans fell year on year by 75.9% to a final CZK 89 million.

Income from the sale of subsidiaries and associated companies includes income from the sale of CAC LEASING and Reflexim. No provisions for ownership interests were created in the first half of 2003.

Income tax

In the first half of the year, income tax came to CZK 1,909 million, of which tax payable amounted to CZK 1,647 million and the movement in deferred tax to CZK 262 million. The effective tax rate was 30%.

Net profit after tax

A net profit after tax of CZK 4,491 million was posted for the first six months of 2003. This was a 6.0% rise on the same period in 2002, when it was CZK 4,236 million.

Key financial ratios

	as at 30 June 2003	as at 30 June 2002
Capital adequacy – CNB (%)	15.4	14.2
Cost/Income Ratio – including restructuring costs (%)	51.2	58.7
Return on Average Equity – ROAE (%)	25.3	32.8
Return on Average Assets – ROAA (%)	2.1	1.9
Net Interest Margin (%)	3.1	3.3
Earnings per Share – annualised (CZK)	236	223

Balance Sheet

Total assets as at the end of the first half of 2003 decreased compared to year-end 2002 by 1.7% and amounted to CZK 432.1 billion.

ASSETS

Cash and balances with the central bank

Cash and balances with the central bank fell by 2.9% to CZK 14.0 billion and are commensurate to the operating needs of the Bank. Average obligatory minimal reserves with the central bank reached CZK 6.8 billion as at the end of June 2003 and bear interest at the 2W repurchase interest rate of the CNB, which was cut on 26 June 2003 from 2.50% to 2.25%.

Amounts due from banks

Amounts due from banks fell from CZK 199.7 billion as at the end of 2002 to CZK 186.8 billion, i.e. by 6.5%. Loans to the Czech National Bank as a part of repo operations remained stable and totalled CZK 145.6 billion. Term deposits with banks continued to decline and registered a 37.3% reduction in volume compared to the end of 2002, down to CZK 24.6 billion. Amounts due from banks continue to include bonds issued by Société Générale S. A., the parent bank, of a total value of CZK 14.0 billion, which the Bank purchased under market conditions in an initial offering in the fourth quarter of 2002.

Amounts due from the Česká konsolidační agentura

Amounts due from the Česká konsolidační agentura as at 30 June 2003 were CZK 34.7 billion and recorded a decrease of 2% compared to the end of 2002. Most of these loans relate to the refinancing of transfers of classified assets to Konsolidační banka (now Česká konsolidační agentura) in 1999 and 2000.

Net loans to clients

Net loans to clients (after the deduction of provisions) fell from the end of 2002 by 2.9% down to CZK 117.7 billion. The balance of provisions and reserves for losses from loans was CZK 12.2 billion as at the end of June.

The volume of net loans to clients and the quality of the loan portfolio was substantially influenced by the sale of a portfolio of non-performing loans to GE Capital Corporation. These loans were gradually transferred from the loan portfolio of the Bank during the first half of 2003.

In the first half of 2003, the volume of business loans fell, largely due to the successful work-out of the portfolio of non-performing loans, the transfer of assets to GE Capital Corporation and the lower volume of new business loans provided. The trend of significant growth in new loans to individuals continued. Mortgage loans grew by 16.9% compared to the situation at the end of 2002 to CZK 21.4 billion, consumer loans grew in the same period by 6.6% to CZK 8.2 billion. As a result of this trend, the share of loans to individuals in total loans grew from 18.8% to 22.8%.

Standard loans increased their share in total loans by 9.9 percentage points to 74.3%, whereas the volume of loans under special review (sub-standard, doubtful, loss) fell by 10.2 percentage points to 8.9%.

The balance of provisions and reserves for loan losses fell, as a result of the improving quality of the loan portfolio, by 28.8% to CZK 12.2 billion, inclusive of general provisions of CZK 6.5 billion. New Czech legislation obliges the Bank to dissolve at least 25% of tax-deductible general provisions every year over the period from 2002 to 2005. The Bank has so far (i.e. in the first half of 2003) dissolved none of its general reserves.

The used value of collateral for client loans grew slightly to CZK 58.3 billion, of which CZK 30.9 billion was in the form of real estate.

At the end of 2000, Komerční banka was given a State Guarantee which covers a large part of the non-performing assets of the Bank. The guarantee, through the Czech Consolidation Agency, covers losses incurred by Komerční banka in the period 2001 – 2003 from a defined portfolio of balance sheet and off-balance assets classified as at 31 December 2000 as sub-standard, doubtful and loss. The guarantee is limited and covers losses up to CZK 20 billion. The successful work-out of guaranteed loans resulted in a decrease of the total nominal volume of guaranteed assets compared to the initial situation as at 31 December 2000 down to CZK 15.2 billion, i.e. by 75.0%. As at 30 June 2003, the accumulated realised losses on the portfolio amounted to CZK 4.2 billion.

Securities

The Bank classifies securities held, in accordance with IAS 39 and in line with the intent of their acquisition, into trading securities, available-for-sale securities, and held-to-maturity securities. The Bank also reports securities issued by banks and acquired under initial offerings, which are not intended for trading, in the category Amounts due from banks.

Trading securities

Trading securities amounted to CZK 19.8 billion, representing an increase by 113% compared to the end of 2002. This growth was caused by the rising volume of treasury bills and bonds. At the end of June, treasury bills constituted 83.2% of the portfolio held for trading.

Securities available for sale

The volume of the portfolio of securities available for sale grew by 8.6% to CZK 26.5 billion. This growth was driven largely by the growing volume of treasury bonds held by the Bank. The portfolio also includes asset-backed securities (CBO), posted at their fair value, which is influenced inter alia by the CZK/USD exchange rate. The reduction in the value of the securities as a result of the change in the credit risk of underlying assets is included under Provisions for investment losses.

Investments held to maturity

The volume of the portfolio of securities held to maturity fell from CZK 2.5 billion as at the end of 2002 to CZK 93 million as at 30 June 2003. The reason for this decline was the full redemption of the subordinated debt made on 15 May 2003 (see Subordinated debt). A part of subordinated bonds, amounting to CZK 2.4 billion, was purchased by the Bank in the second half of 2002 and held in this portfolio until the subordinated debt was paid off.

Investments in subsidiaries and associates

The value of Investments in subsidiaries and associates fell, in the first half of 2003, by 7%, down to CZK 1.5 billion. This decline comes largely as a result of the sale of the Bank's 50% share in CAC LEASING, a. s., and its 10% share in CAC LEASING Slovakia, a. s. to Bank Austria Creditanstalt Leasing GmbH. The net book value of these two associates as at the end of 2002 was CZK 115 million. In June 2003, the Bank also sold its 100% interest in Reflexim, a. s. and put ASIS, a. s. into liquidation.

LIABILITIES

Amounts due to banks

Amounts due to banks stood at CZK 18.4 billion, representing a reduction of 18.5% compared to the end of 2002.

Amounts due to clients

Amounts due to clients in the first half of 2003 grew slightly to CZK 342.7 billion. While the volume of deposits on current accounts increased from CZK 171.0 billion to CZK 175.5 billion, the deposits on savings accounts and term accounts decreased by 6.8% to CZK 120.3 billion.

Certificated debt

The volume of certificated debt remained stable at CZK 18.5 billion, of which 63.1% is made up of bonds and 36.9% are mortgage bonds.

Subordinated debt

On 15 May 2003, the Bank, in accordance with the term and conditions of the notes, exercised an option for the early redemption of subordinated debt issued in 1998 in a principal amount of USD 200 million, due 2008. This subordinated debt was financed by a wholly owned subsidiary of the Bank, Komerční Finance, B.V., which issued subordinated bonds guaranteed by the Bank. The registration of the securities was cancelled following their redemption. The Bank had already purchased 39.0% of the total principal amount of the issue beforehand, reported in the Bank's assets (see Investments held to maturity).

Shareholders' equity

The shareholders' equity of the Bank grew by 10.6% to a total of CZK 37.3 billion. The growth was substantially influenced by the net result of the current period. The Annual General Meeting of the Bank decided on the distribution of the Bank's profit for 2002 (see Major events). Respecting the decision of the General Meeting, the Bank allocated retained earnings from 2002 of CZK 6.8 billion to its funds and reserves. In the category of Shareholders' equity, the profit of the current period, i.e. CZK 4.5 billion, is also recorded.

The Bank's share capital remained stable at CZK 19.0 billion. The shareholders' equity of the Bank grew by one percentage point to 8.6% of total assets.

Expected Developments in the Financial Situation

Komerční banka, with support from Société Générale, will continue to develop the business model successfully implemented through the Transformation Programme in 2002. This strategy, together with anticipated market developments, will positively influence business results and the financial performance of the Bank.

Shareholder Structure

Main shareholders of Komerční banka, a. s. with a share in the share capital exceeding 5%
(as at 12 June 2002)



Shareholder	Number of shares	Percentage of the share capital (%)
Société Générale S. A.	22,940,227	60.35
The Bank of New York ADR Department ¹⁾	2,032,989	5.35
Other shareholders	13,036,636	34.30

¹⁾ With the permission of the Czech National Bank, the Bank of New York ADR Department is the holder of those shares for which Global Depository Receipts (GDRs) were issued and which are in the possession of a significant number of foreign investors.

Prague, 30 July 2003

Signed on behalf of the Board of Directors:

Alexis Juan
Chairman of the Board of Directors
and Chief Executive Officer

Philippe Rucheton
Member of the Board of Directors
and Chief Financial Officer

Financial Section

Unconsolidated Financial Statements According to International Financial Reporting Standards (IFRS)

PROFIT AND LOSS STATEMENT

CZK million	30 June 2003 (Unaudited)	30 June 2002 (Unaudited)
Interest income	10,602	13,033
Interest expense	(4,641)	(6,608)
Net interest income	5,961	6,425
Net fees and commissions	4,205	4,085
Net profit/(loss) on financial operations	861	789
Other income	357	306
Total operating income	11,384	11,605
Administrative expenses	(4,618)	(4,966)
Depreciation and other provisions	(710)	(939)
Restructuring costs	(499)	(905)
Total operating costs	(5,827)	(6,810)
Profit/(loss) before provisions for loan and investment losses and income taxes	5,557	4,795
Provisions for loan losses	79	832
Provisions for losses on securities	(20)	(284)
Provisions for investments in subsidiaries and associates	784	(175)
Provisions for loan and investment losses	843	373
Profit/(loss) before income taxes	6,400	5,168
Income taxes	(1,909)	(932)
Net profit/(loss)	4,491	4,236

BALANCE SHEET

CZK million	30 June 2003 (Unaudited)	31 December 2002 (Audited)	30 June 2002 (Unaudited)
Assets			
Cash and balances with central banks	13,960	14,377	17,462
Amounts due from banks	186,828	199,729	218,506
Trading securities	19,752	9,277	3,513
Positive fair value of financial derivative transactions	11,435	13,790	15,407
Due from Česká konsolidační agentura	34,716	35,440	44,703
Loans to customers, net	117,680	121,154	118,735
Securities available for sale	26,482	24,390	27,608
Investments held to maturity	93	2,476	200
Prepayments, accrued income and other assets	8,160	5,704	5,306
Deferred tax asset	649	902	0
Investments in subsidiaries and associates	1,477	1,588	1,716
Tangible and intangible fixed assets, net	10,888	10,926	11,006
Total assets	432,120	439,753	464,162
Liabilities			
Amounts due to banks	18,383	22,549	28,710
Amounts due to customers	342,717	341,114	360,251
Negative fair value of financial derivative transactions	4,370	6,078	8,783
Certificated debt	18,484	18,267	22,055
Accruals, provisions and other liabilities	8,194	7,947	8,720
Income taxes payable	1,180	2,796	856
Deferred tax liability	1,451	1,144	776
Subordinated debt	0	6,100	5,938
Total liabilities	394,779	405,995	436,089
Shareholders' equity			
Share capital	19,005	19,005	19,005
Share premium and reserves	18,336	14,753	9,068
Total shareholders' equity	37,341	33,758	28,073
Total liabilities and shareholders' equity	432,120	439,753	464,162

Unconsolidated Financial Statements According to Czech Accounting Standards (CAS)

PROFIT AND LOSS STATEMENT

CZK million

Item no. Item	30 June 2003	30 June 2002
1. Interest income and similar income	10,602	13,107
of which: interest income from debt securities	930	989
2. Interest expense and similar expense	(4,626)	(6,591)
of which: interest expense from debt securities	(872)	(1,184)
3. Income from shares and equity investments	288	220
a) Income from equity investments in associates	212	92
b) Income from equity investments from subsidiaries	41	90
c) Income from other shares and equity investments	35	38
4. Commissions and fee income	3,485	3,326
5. Commissions and fee expense	(442)	(259)
6. Net profit or loss on financial operations	1,761	1,473
7. Other operating income	3,085	1,274
8. Other operating expenses	(416)	(394)
9. Administrative expenses	(4,490)	(5,235)
a) Staff costs	(2,228)	(2,586)
aa) Wages and salaries	(1,619)	(1,906)
ab) Social security and health insurance	(566)	(659)
ac) Other staff costs	(43)	(21)
b) Other administrative costs	(2,262)	(2,649)
10. Release of reserves and provisions for tangible and intangible fixed assets	152	124
11. Depreciation/amortisation, charge and use of reserves and provisions for tangible and intangible fixed assets	(791)	(906)
12. Release of provisions and reserves for receivables and guarantees, recoveries of receivables previously written off	2,813	2,838
13. Write-offs, charge and use of provisions and reserves for receivables and guarantees	(5,348)	(3,097)
14. Losses related to transfers of equity investments in subsidiaries and associates, charge and use of provisions for equity investments in subsidiaries and associates	0	(455)
15. Release of other reserves	973	254
16. Charge and use of other reserves	(582)	(540)
17. Profit/loss for the period from ordinary activities before taxes	6,464	5,139
18. Extraordinary income	0	2,467
19. Extraordinary expenses	0	(1,982)
20. Profit/loss for the period from extraordinary activities before taxes	0	485
21. Income tax	(1,908)	(1,081)
22. Net profit/loss for the period	4,556	4,543

BALANCE SHEET

ASSETS

CZK million		30 June 2003		30 June 2002	
Item no.	Item	Gross	Adjustment	Net	Net
1.	Cash in hand, balances with central banks	13,174	0	13,174	16,429
2.	State zero-coupon bonds and other securities eligible for refinancing with the CNB	28,171	0	28,171	8,480
	a) Issued by state institutions	28,171	0	28,171	8,480
	b) Other	0	0	0	0
3.	Amounts due from banks and savings associations	187,221	13	187,208	219,265
	a) Repayable on demand	6,170	0	6,170	759
	b) Other receivables	181,051	13	181,038	218,506
4.	Amounts due from customers and members of savings associations	166,371	5,784	160,587	172,770
	a) Repayable on demand	2,682	0	2,682	2,515
	b) Other receivables	163,689	5,784	157,905	170,255
5.	Debt securities	17,905	0	17,905	18,573
	a) Issued by state institutions	1,529	0	1,529	1,210
	b) Issued by other entities	16,376	0	16,376	17,363
6.	Shares, participation certificates and other holdings	252	0	252	4,262
7.	Equity holdings in associates	220	0	220	334
	of which: in banks	220	0	220	220
8.	Equity holdings in subsidiaries	2,429	1,172	1,257	1,382
	of which: in banks	418	0	418	367
9.	Intangible fixed assets	3,387	2,322	1,065	1,006
	of which: incorporation costs	0	0	0	0
	goodwill	0	0	0	0
10.	Tangible fixed assets	20,586	10,971	9,615	9,660
	of which: land and buildings for operating activities	11,670	4,130	7,540	7,525
11.	Other assets	18,426	255	18,171	19,572
12.	Prepayments and accrued income	788	0	788	915
13.	TOTAL ASSETS	458,930	20,517	438,413	472,648

LIABILITIES

CZK million

Item no.	Item	30 June 2003	30 June 2002
1.	Amounts owed to banks and savings associations	17,301	28,764
	a) Repayable on demand	2,468	3,068
	b) Other payables	14,833	25,696
2.	Amounts owed to customers – members of savings associations	309,400	325,231
	a) Repayable on demand	177,061	146,857
	b) Other payables	132,339	178,374
3.	Payables from debt securities	52,937	57,184
	a) Issued debt securities	51,801	57,077
	b) Other payables from debt securities	1,136	107
4.	Other liabilities	9,684	15,191
5.	Deferred income and accrued expenses	24	163
6.	Reserves	11,618	11,468
	a) For pensions and similar liabilities	0	0
	b) For taxes	1,651	0
	c) Other	9,967	11,468
7.	Subordinated liabilities	0	5,938
8.	Share capital	18,960	18,856
	of which: share capital paid-up	19,005	19,005
	treasury shares	(45)	(149)
9.	Share premium	121	35
10.	Reserve funds and other funds from profit	1,708	1,232
	a) Mandatory reserve funds and funds for risk	1,151	689
	b) Other reserve funds	387	365
	c) Other funds from profit	170	178

OFF-BALANCE SHEET

CZK million

Item no.	Item	30 June 2003	30 June 2002
1.	Issued commitments and guarantees	90,588	108,187
2.	Amounts due from spot transactions	5,471	6,851
3.	Amounts due from term transactions	395,406	389,700
4.	Amounts due from option transactions	24,611	23,550
5.	Receivables written off	10,191	17,184
6.	Assets provided into custody, administration and safe-keeping	60	4,148
7.	Accepted commitments and guarantees	92,306	113,713
8.	Received collateral	296,152	347,392
9.	Amounts owed from spot transactions	5,470	6,863
10.	Amounts owed from term transactions	393,230	385,466
11.	Amounts owed from option transactions	24,612	23,550
12.	Assets received into custody, administration and safe-keeping	43,180	6,632
13.	Assets received for management	2,325	0

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