



# 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 Czech National Bank, as the supervisor of the Czech banking system, has informed KB on certain elements of its approach to implementation of measures stipulated by the Capital Requirements Directive IV (EU Directive No. 2013/36/EU; CRD IV) and Capital Requirements Regulation (EU Regulation 575/2013, CRR) with respect to the Czech banking system and to KB specifically.

With regard to the capital buffers introduced by the CRD IV:

- the conservation buffer at the level of 2.5% of Common Equity Tier 1 capital will be applied on all banks under CNB's supervision, effective from 1 January 2014;
- the countercyclical buffer will be applied at the level of 0% (nil) in nearest years for the exposures in the Czech economy;
- the systemic risk buffer is being assessed by CNB based on the set of key factors, including relative size of the bank, its interconnections with other components of the country's financial system, levels of irreplaceability of the bank and of complexity of its structures. CNB informed KB that according to the assessment of system relevance of KB for the Czech banking system, the systemic risk buffer should be applied at the level of 2.5%, while final rate will be announced following enactment of the implementation law relating to CRD IV and CRR by the Czech Parliament. According to CNB, the systemic risk buffer is not replacing, but it is rather additive, to requirements stipulated according to Pillar 2 of the existing capital regulatory framework.

CNB also informed KB that further information on implementation of measures and discretions following CRD IV and CRR will be released gradually in accordance with advances of the legislative process.

KB has maintained a robust capital position. Given KB's current understanding of the newly introduced methodologies for determination of capital requirements, as well as future required levels of equipment with capital, KB expects it will be able to accommodate the above described requirements and, at the same time, continue to develop financing of the Czech businesses and consumers, and pursue its current policy to pay out fair and prudent share of its net income to the shareholders.

Prague, 21 October 2013