



Report on Komerční banka's Financial Results
as at 30 June 2001

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CZECH ECONOMY IN THE FIRST HALF OF 2001

Growth acceleration in the Czech economy, observed in the second half of 2000, continued in the first quarter of 2001. Gross Domestic Product grew, in the first quarter of 2001, by 3.8 %. All demand factors with the exception of net exports have pulled the growth of GDP. Fixed capital formation represented the main growth factor, increasing by 7.3 % (CZK 7.4 bil.), followed by household consumption that grew by 3.9 % (CZK 7 bil.). Government consumption, continuously, more or less stagnated (a decrease by 0.7 %). Exports of goods and services went up by 19.8 %, and imports by 21.8 %; the decrease of net exports by CZK 9.7 bil. represented a negative contribution to GDP growth.

Industry was the most important economic sector with the share of 37 % on GDP (manufacturing 29 %). Growth in industry was more robust than expected in the beginning of the year, industrial output increasing by 9.6 %, January to May 2001. At the same time, productivity of labour increased by 7.5 % and real wage by 2.9 %, declining unit labour costs thus enabled Czech exporters to compete on EU markets even under the strong exchange rate of the CZK against the EUR.

After hesitating recovery in the first half of 2000, construction was the most rapidly growing industry in the first five months of 2001: growth of construction output amounted to 15.4 %. Contrary to industry, where small and medium sized companies have been profiting out of overall conjuncture, there is a strong dividing line between performance of big and small construction companies.

Generally, strong domestic demand has not been provoking significant inflationary pressures yet. As expected, in the first half of 2001, the gap between consumer prices and producer prices diminished: headline yearly inflation amounted to 5.5 % at the end of June 2001, while PPI grew only by 3.4 %. Net inflation went along with headline inflation and grew by 4.4 %.

In the first quarter of 2001 the current account deficit amounted to CZK 26.7 bil. which represents 5.6 % of GDP. The main reason was deterioration in trade balance, the deficit of which reached CZK 48.1 bil. January to May 2001. The financial account showed a surplus of CZK 29.6 bil., FDI inflow making the major part of incomes (CZK 34.5 bil.).

Both revived growth, and significant progress in restructuring the portfolios of privatised banks led to a moderate increase in the volume of new credits in the first months of 2001. However all the net increase in credits is in the field of credits to households and small businesses, mainly due to a rapid growth of mortgages and consumer credits. At the same time, financial statistics suggest that improved cash-flow have somewhat eased the dependance of the corporate sector on the external financing. Ongoing inflow of FDI and favourable macroeconomic indicators supported a stronger exchange rate of CZK in spite of the deteriorating indicators of external equilibrium and of the deepening deficit of public budgets.

MAIN DEVELOPMENTS

The main development of the first half of this year was, without doubt, the privatisation of the bank. The government decided on the sale of 60% equity stakeholding of the State to Société Générale of France on June 28, 2001. Later on July 12, a Framework Agreement between the State and Société Générale on the sale of the shares was concluded. The price of CZK 40 billion which was bid by Société Générale for 60% stake in Komerční banka reflects its particular interest in the region of Central and Eastern Europe, as well as the great potential of Komerční banka.

The selection of Société Générale as the tender winner concluded the Due Diligence process of potential investors which was launched in January this year. The Due Diligence comprised of presentations of the Board of Directors for the potential investors, opening of a Data Room where the investors could peruse over six thousand documents on various activities of Komerční banka and its subsidiary and affiliate companies. It also involved one-to-one interviews aimed at acquainting the investors with the bank's management. The last part of the due diligence was the analysis of credit documentation for the investors to examine credit documents and processes directly at the bank's branches.

The Regular General Meeting of Komerční banka was held on March 28, 2001. The shareholders approved the new Articles of Association of the bank, to make them compliant with the amended Commercial Code which came into legal effect on January 1, 2001. All major changes were in the area of a more precise definition of authorities of the statutory bodies of the

bank. The General Meeting also approved amendments to the Share Incentive Scheme approved by the Regular General Meeting of May 31, 2000.

The second Regular General Meeting of Komerční banka took place on June 20, 2001 and approved the Board of Directors' Report on Business Activity and a Statement of Assets. The shareholders also approved the Regular and Consolidated Final Accounts for year 2000 and decided on the coverage of loss for year 2000. Furthermore, the shareholders approved a buy-back of own shares, amendment of the Articles of Association and remuneration of members of statutory bodies of the bank.

On March 31, 2001, the bank closed all of its foreign representative offices in London, Frankfurt am Main, Warsaw and Budapest as an operational cost-cutting measure.

In the first half of 2001, Komerční banka implemented several changes in its financial group. For instance, it curbed operations of its two subsidiary companies – ALL IN, a. s. and A-TRADE, s. r. o. ALL IN was put in liquidation on April 1, 2001 and A-TRADE will be put on the market for sale. In June Komerční banka also sold its ownership interest in Bankovní institut, a. s.

BUSINESS ACTIVITIES

The ongoing privatisation and its successful conclusion did not affect the quality of services provided to customers. In the first half of the year Komerční banka launched a number of new products, the quality of existing services was further improved.

The internet banking is the prime new product of Komerční banka. "Mojebanka" was launched on April 1, 2001 and as at the end of June it had over 12 thousand customers. The product is at present designed for small and medium enterprises and legal persons – businesses. A retail version is currently being developed.

In connection with the new regional structure, starting from January this year, Komerční banka is offering to the regions an overdraft facility on their current accounts. The overdraft is for 12 months and the regions may choose amongst four overdraft facilities up to the maximum amount of CZK 25 million.

In co-operation with Český Mobil and Eurotel Praha Komerční banka developed a new service for its customers in the first half of the year. Holders of EC/MC, Maestro, Visa, Visa Electron and American Express payment cards

may use selected Komerční banka ATMs for payment for services of the mobile operator or for buying credit for or purchasing Oskarta and GO cards.

In May Komerční banka introduced IDEAL, a new package of modern banking services. It is a retail product including a current account, a savings account, an electronic payment card VISA Electron and an overdraft facility.

Starting from June Komerční banka branches began to offer to customers an innovative mortgage product. Together with the discounted interest rate which may be as low as 6.25 % p.a., a client may choose from a comprehensive package of services of Komerční banka subsidiaries and the mortgage loan application may, on the fast track, take only 7 working days to be processed. The bank will also open an Ideal or Expreskonto account for the client.

In order to boost commercial activities of Komerční banka and its subsidiary and affiliate companies, during the first half of the year the bank introduced a number of new or innovated products, or product packages respectively.

Together with Komerční pojišťovna, its subsidiary, the bank is marketing a joint product – a collective credit insurance. By taking out a consumer loan, the client is automatically covered by the collective insurance policy without having to pay the premiums.

In January Komerční banka's Pension Fund and Komerční pojišťovna, its insurance company, launched a new insurance plan HARMONIE. The new product combines the benefits of supplementary pension insurance with state contribution, capital life insurance, accident insurance and insurance for the event of hospital stay.

Komerční banka ranked first amongst eight banks in the Czech Republic in terms of quality of its branch network. The survey was carried out by Accenture in April of this year and included, amongst other things, sales knowledge criteria, activity in selling, standard of service or ambience in the branches. The survey covered branches in all of the Czech Republic.

Komerční banka was awarded the OMNI Prize for 2001 by Kirchman Corporation. It competed against 500 financial and banking houses from all over the world. The prize is for outstanding technology achievements in implementation of alternative distribution channels, in particular phone and internet banking.

FINANCIAL RESULTS ACCORDING TO INTERNATIONAL ACCOUNTING STANDARDS

PROFIT AND LOSS STATEMENT

In the first half of 2001, Komerční banka generated *net profit after tax* of CZK 2.7 billion which, on year-on-year basis, represents a significant increase (loss after tax CZK 1.1 billion).

Net interest income in the first half of 2001 reached CZK 6.1 billion. In comparison with the same period last year, the net interest income grew by 1.3 %, i.e. by CZK 81 million due to a lesser volume of interest paid (decline by 11 %) in comparison with interest received (decline by 5.8 %). The year-on-year development of the net interest income was affected chiefly by the increase in value and the change of structure of the interest-bearing assets (higher investment in the area of securities). Interest rates were cut on year on year basis: the Komerční banka reference rate from 7.30 % p.a. to 5.10 % p.a., 3M PRIBOR from 5.33 % to 5.10 % and 6M PRIBOR from 5.43 % to 5.21 %.

Net interest margin as at June 30, 2001 fell from 3.53 % to 3.51 % due to the change in the structure of interest-bearing assets.

Net fees and commissions on year-on-year basis rose by 30.8 % to the value of CZK 4 billion due to the increase in fees and commissions (by 74.7 %), while exchange rate commissions declined (by 20.6 %).

Non-exchange rate fees and commissions as at the end of June 2001 were at CZK 2.9 billion. The main growth factor for fee income were fees from customers which have been recording a steady and solid growth since mid-2000 due to the change of pricing strategy of selected products and services and the new "product packages". The fees paid fell year on year by 70.8 % to CZK 211 million, however in the first half of last year this item was charged with costs relating to the securitisation transaction (a specific guarantee for a loan portfolio) made by the bank in 1998 and with its termination. Without these charges, the year-on-year incremental value of the charges and commissions as at June 30, 2001 is 32.9 %.

Exchange rate income from clean and documentary payments and cash conversions are as from January 1, 2001

shown as net fees and commissions in order to show all non-interest income from banking operations with customers under one item. The results as at June 30, 2000 have been recalculated to a comparable level. Exchange rate income from clean and documentary payments as at June 30, 2001 was CZK 700 million, exchange rate income from cash conversions as at the same date were CZK 425 million.

The number and volume of clean payments are still showing a growing year-on-year trend (the number by 6 %, volume by 16 %).

Dealing profits compared to the same period of last year fell by 67.7 % to CZK 356 million. The result was largely affected by profit from securities trading falling by CZK 962 million to finally reach CZK 109 million. The profit from securities trading last year included, together with the regular bond and shares trading profits (CZK 648 million), also the sale of securities to Konpo as a part of the assets restructuring operation (net positive affect of CZK 273 million). The profit made this year was driven chiefly by securities available for sale. Profit from foreign exchange operations on spot and fixed-term markets, including currency derivatives, exceeded CZK 102 million in the first half of this year.

The interest and commodity derivatives which last year made a loss broke into black figures (profit of CZK 145 million), including a lump-sum net profit from the real value of interest derivatives amounting to CZK 120 million due to the application of IAS 39 from January 1,*) 2001. Commodity derivatives made only a negligible contribution to the overall result (CZK 2 million).

Other income as at June 30, 2001 was CZK 856 million. Starting from June 2001, the other income includes also income from the sale of written-off receivables, (exclusive of the income from the Konpo and Konsolidační banka transactions with receivables which were taken off in the process of restructuring of non-performing assets), which previously was a part of the provisions for loan losses. Other income still includes income from subsidiaries and associates and other income, e.g. rent or proceeds from non-banking business.

The share of non-interest income in the overall income as at June 30, 2001 grew year on year by 0.8 p.p. to 46.1 % – largely as a result of the growth of non-interest income.

Administrative expenses as at June 30, 2001 reached CZK 5.3 billion, which represents an increase by 13.7 % compared with the first half of last year.

*) This amount will be accrued in the equity account as a part of the completion of IAS 39 implementation.

After discounting the year on year hike in consumer prices of 5.5 %, it represents an increase of 8.2 %.

The year-on-year increase of personnel costs by 17.7 % to CZK 2.9 billion was chiefly due to the transition to the accrual principle for personnel costs in respect of the relevant accounting period (in 2000 the costs were accounted for at the time of their expenditure). After recalculation to a level comparable with the year 2000, the nominal value of the increase in personnel costs would be approximately 2 %.

Other administrative expenses in the first half of 2001 grew by 9.4 % to the final CZK 2.4 billion. The result is not fully comparable with the previous period as in the mid-year 2001 final accounts accounting procedures were applied which captured all major costs incurred in the given accounting period. The other reason for the increased other administrative expenses was a higher estimate of costs for deposit insurance due to the growing volume of insured client deposits and the increased legal and consultancy fees, in particular in connection with the privatisation and restructuring.

In the first six months of 2001, Komerční banka continued to reduce the number of its employees. Compared to the end of the year the count was further reduced by 446 to 10,257 persons. The headcount reduction follows on the centralisation of selected processes in the areas of accounting, support services and information services, which will continue in the second half of 2001.

Restructuring costs were CZK 206 million as at June 30, 2001. They comprise largely of the reserve for depreciation of capitalised consulting projects and property which was identified as obsolete or not used by Komerční banka. The costs of restructuring include also personnel costs incurred as a result of centralisation of selected processes.

Depreciation of tangible and intangible assets and the creation of other reserves amounted to CZK 975 million and fell by almost 32 % compared with the same period of 2000. Last year's depreciation figures were charged with a correction of assets depreciation sum in leasing aggregately for the previous periods (CZK 324 million).

The *cost/income ratio* as at June 30, 2001 was 57.0 % (excluding restructuring costs 55.2 %).

The *creation of reserves and provisions for loan losses* as at June 30, 2001 was CZK 1.7 billion of which due to the state guarantee it was CZK 1.3 billion (KB participation in the losses from the guaranteed portfolio). Without the guarantee, the creation of reserves would be CZK 8.1 billion. As at December 31, 2000, the bank created a general reserve to cover its participation in any potential losses

stemming from the guaranteed portfolio, using a conservative estimate of any such losses in the range of CZK 16-24,5 billion. Komerční banka has a sufficient volume of general reserves to cover any such losses in a three year horizon. The general reserves reached as at June 30, 2001 the volume of nearly CZK 8 billion.

Income tax as at June 30, 2001 was quantified using the current tax position of CZK 517 million. The effective tax rate from profit prior taxation is 16 % as at June 30, 2001, taking into account in particular the tax losses incurred in the past period. Tax liability in 2000 (as at June 30, 2000 it was calculated at CZK 1.4 billion) was fully neutralised in the following period.

The Bank expects continuing positive and stable development of financial results from the first half of 2001.

BALANCE SHEET

Total assets showed no significant change, as at June 30, 2001 they came to CZK 401.5 billion. The structure of assets and liabilities compared with the end of the year has not incurred any major changes.

ASSETS

Cash and balances with the central bank fell in the first half of 2001 by 16.8 % to CZK 17.1 billion. The development of the figures is attributable to the development in the volume of the mandatory minimum reserves which is managed in correlation with the average mandatory minimum reserves as required by the Czech National Bank.

The continuing upwards trend of investment on the inter-bank market was reflected in the *amounts due from financial institutions* which as at the end of June 2001 recorded the volume of CZK 182.9 billion. The increase of 4.3 % is also partly due to the increase in the balance of high-liquid REPO loans which constitute almost 42 % of the total volume of due from financial institutions.

The volume of *treasury and other bills* reduced from the beginning of the year by almost 100 % - as at June 30, 2001 it was CZK 56 million. The volume at year-end of 2000 was high above the actual level maintained throughout the year. The balance of this item can be attributed to the current situation in the area of short-term liquidity management, and also

to the short-term commercial transactions with the customers.

Comparing to the end of 2000, the total *net loans and advances to customers* grew by 2.6 % to reach the final CZK 130.2 billion as at June 30, 2001. The total gross loans as at the same date were CZK 153.5 billion. The highest growth since the beginning of the year was recorded in the area of mortgage and consumer loans (both by 21.7 %). These loans however constitute only 11 % of the loan portfolio. Business loans which have the major share in the total customer loans grew in the first half of 2001 by 2 %.

In terms of the quality of the loan portfolio, on June 30, 2001 the bank recorded, compared to the situation of December 31, 2000, a growth in the share of standard loans in the overall loans to customers by 7.2 p.p., finally reaching 53.3 %. The improvement of quality of the loan portfolio can be seen also on the fall of loans under special review (sub-standard, doubtful and loss) in the total loans to customers by 5.7 p.p. to 28 %. Loss loans now represent 11 % of the portfolio, i.e. a fall of 1.7 p.p. from the year-start.

Loans under special review are by 53.2 % covered by provisions and a general reserve. The volume of provisions and reserves created for balance-sheet receivables reached CZK 23.3 billion as at June 30, 2001. Loans under special review are from a large part covered by the state guarantee. The total volume of assets under the state guarantee fell by CZK 16 billion to the final 44.7 billion of which balance-sheet assets were CZK 36.6 billion. In the area of collateral, in comparison with the end of 2000, the share of collateral in the form of real estate collateral fell by 15.5 percentage points to 39.5 %. The total volume of disposable value of collateral as at June 30, 2001 was CZK 69.5 billion. The reduction in the volume of collateral was made based on an estimate of the yield from the security held.

Structure of the loan portfolio by classification (in CZK mil.)

	as at 30 June 2001		as at 31 December 2000	
	volume	reserves and provisions	volume	reserves and provisions
Standard	81,831	0	68,127	0
Watch	28,733	464	29,782	396
Total standard and watch loans	110,564	464	97,909	396
Sub-standard	15,803	776	24,625	1,250
Doubtful	10,180	1,144	6,323	1,106
Loss	16,945	12,945	18,818	10,954
Loans under special review	42,928	14,865	49,766	13,310
General reserves for loans		7,969		7,026
Total loans to customers	153,492	23,298	147,675	20,732

The total volume of securities held in portfolios of the bank has grown since the beginning of 2001 by CZK 4.6 billion to CZK 49.2 billion. As a result of IAS 39 implementation, starting from January 2001, the bank divided its securities portfolio into 3 segments (volumes as at 30.6.2001): held for trading (CZK 3.2 billion), available for sale (CZK 29.9 billion) and held to maturity (CZK 16 billion).

The share of bonds in the portfolio of securities held for trading is 94 % and in the portfolio of securities available for sale 83 %, and in the portfolio held to maturity 100 %.

LIABILITIES

Amounts owed to financial institutions in the first half of 2001 fell by 20.7 % and at the end of the monitored period they stood at CZK 31.2 billion.

Amounts owed to customers on the other hand slightly grew (by 0.4 %) to CZK 288.7 billion as at June 30, 2001. The deposit structure changed from the start of the year in favour of term accounts while demand deposits recorded a slight fall.

The book value of *subordinated debt* grew in comparison with the end of 2000 by 4.1 % to CZK 7.9 billion due to the stronger exchange rate of USD to the Czech Crown.

The volume of *certificated debts* issued by the bank as at June 30, 2001 was CZK 27.9 billion.

The value of the *shareholders equity* grew from the year-start by 13 % to CZK 22.8 billion due to the creation of profit in 2001.

As at the end of June 2001, the *share of own resources in the total assets* was 5.7 %.

Capital adequacy according to BIS methodology was 15.7 % as at June 30, 2001. The capital adequacy figure reflects the profit reached in the first half. Using the methodology

of the Czech National Bank, the capital adequacy was 13.9 %.

SHAREHOLDER STRUCTURE

Major shareholders of Komerční banka with over 1 % of the share capital (as of 13 June 2001)

Shareholder	Number of shares	Percentage of the share capital
FOND NÁRODNÍHO MAJETKU ČESKÉ REPUBLIKY	22,806,227	60.00 %
BANK OF NEW YORK ADR DEPARTMENT ¹⁾	4,084,150	10.75 %
CHASE IRELAND [NOMINEES] LIMITED	608,794	1.60 %
BROWN BROTHERS HARRIMAN & Co., as Custodian	607,389	1.60 %
STATE STREET BANK AND TRUST COMPANY	509,766	1.34 %
CHASE NOMINEES LIMITED	499,163	1.31 %
OTHER SHAREHOLDERS	8,894,363	23.40 %

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. As at July 9, 2001 The Bank of New York ADR Department decreased its share on voting rights under 10 %.

KOMERČNÍ BANKA'S PROFIT AND LOSS STATEMENT ACCORDING TO INTERNATIONAL ACCOUNTING STANDARDS

(in CZK thousand)

	30 June 2001 (Unaudited)	30 June 2000 (Unaudited, Restated)
Interest income	13,591,092	14,435,523
Interest expense	(7,469,021)	(8,394,470)
Net interest income	6,122,071	6,041,053
Net fees and commissions	4,027,234	3,077,269
Dealing profits/losses	356,030	1,101,001
Net income from subsidiaries and associates	278,794	136,939
Income from fully written-off loans	498,700	587,919
Miscellaneous	78,478	94,467
Other income	855,972	819,325
Net operating profit	11,361,307	11,038,648
Administrative expenses	(5,292,596)	(4,654,741)
Depreciation and other provisions	(974,791)	(1,428,550)
Restructuring costs and reserves	(205,871)	(183,000)
Profit/loss before provisions for loan losses	4,888,049	4,772,357
Provision for loan losses	(1,655,154)	(4,483,401)
Profit/loss from ordinary activities	3,232,895	288,956
Taxation	(517,453)	(1,350,000)
Profit/loss for the period	2,715,442	(1,061,044)

KOMERČNÍ BANKA'S BALANCE SHEET ACCORDING TO INTERNATIONAL ACCOUNTING STANDARDS

(in CZK thousand)

	30 June 2001 (Unaudited)	31 December 2000 (Audited)
Assets		
Cash in hand, balances with central banks	17,137,299	20,606,554
Due from financial institution	182,863,087	175,299,405
Treasury bills and other bills eligible for refinancing	55,500	11,669,789
Loans and advances to customers	130,194,294	126,942,545
Securities held for trading	3,249,237	3,139,318
Securities available for sale	29,932,855	0
Accrued income and other assets	7,570,397	8,102,273
Investments held to maturity	16,022,333	41,465,266
Fixed asset investments	1,675,662	1,624,919
Tangible fixed assets	12,824,112	13,354,788
Total assets	401,524,776	402,204,857
Liabilities		
Amounts owed to financial institutions	31,232,565	39,378,226
Amounts owed to customers	288,680,879	287,623,691
Certificated debts	27,929,773	27,441,648
Accruals, provisions and other liabilities	22,963,200	19,988,205
Subordinated debt	7,875,600	7,562,600
Total liabilities	378,682,017	381,994,370
Shareholders' equity		
Share capital	19,004,926	19,004,926
Reserves	3,837,833	1,205,561
Total shareholders' equity	22,842,759	20,210,487
Total liabilities and shareholders' equity	401,524,776	402,204,857

KOMERČNÍ BANKA'S PROFIT AND LOSS STATEMENT ACCORDING TO THE METHODOLOGY OF CZECH BANKS

(in CZK thousand)

	30 June 2001	30 June 2000
1. Interest income and similar income	13,937,749	16,323,359
of which: interest income from fixed income securities	1,255,361	888,129
2. Interest expense and similar expenses	(7,451,250)	(10,530,493)
of which: interest expense on fixed income securities	(1,118,008)	(1,171,817)
3. Income from variable yield securities	222,029	137,021
a) income from shares and other variable yield securities	318	82
b) income from investments in associated undertakings	138,913	136,939
c) income from investments in subsidiary undertakings	82,798	0
d) income from other investments	0	0
4. Fees and commissions income	3,112,958	2,383,696
5. Fees and commissions expense	(235,904)	(723,066)
6. Profit/(loss) from financial operations	1,344,632	1,704,636
7. Other income	2,135,356	36,693,099
8. General operating costs	(5,369,412)	(5,291,186)
a) staff costs	(2,501,806)	(2,585,988)
aa) salaries and wages	(1,848,253)	(1,919,052)
ab) social insurance	(517,436)	(530,966)
ac) health insurance	(136,117)	(135,970)
b) other operating costs	(2,867,606)	(2,705,198)
9. Creation of reserves and provisions for tangible and intangible assets	(206,218)	0
a) creation of reserves for tangible assets	0	0
b) creation of provisions for tangible assets	(6,091)	0
c) creation of provisions for intangible assets	(200,127)	0
10. Use of reserves and provisions for tangible and intangible assets	162,292	620
a) use of reserves for tangible assets	0	620
b) use of provisions for tangible assets	0	0
c) use of provisions for intangible assets	162,292	0
11. Other costs	(1,708,287)	(57,029,298)
12. Creation of provisions and reserves for loans and guarantees	(5,550,133)	(16,777,336)
13. Use of provisions and reserves for loans and guarantees	2,759,840	32,687,119
14. Creation of provisions and reserves for fixed asset investments and other financial investments	(101,622)	(911,213)
15. Use of provisions and reserves for fixed asset investments and other financial investments	98,706	1,222,827
16. Creation of other provisions and reserves	(1,109,170)	(62,170)
17. Use of other provisions and reserves	738,261	768,269
18. Income tax from current activities	(517,453)	(1,350,000)
19. Profit/(loss) from ordinary activities after taxation	2,262,374	(754,116)
20. Extraordinary income	564,694	159,401
21. Extraordinary costs	(237,677)	(48,083)
22. Income tax from extraordinary activities	0	0
23. Profit/(loss) from extraordinary activities after tax	327,017	111,318
24. Profit/(loss) for accounting period	2,589,391	(642,798)

KOMERČNÍ BANKA'S BALANCE SHEET ACCORDING TO THE METHODOLOGY OF CZECH BANKS

ASSETS

(in CZK thousand)

	Gross amount	30 June 2001 Provision	Net amount	31 December 2000
1. Cash in hand, deposits with central banks, post checking accounts	16,424,946	0	16,424,946	19,787,027
2. Treasury bills and other bills	77,375,500	0	77,375,500	76,225,789
a) treasury bills and similar bonds issued by the state	55,500	0	55,500	11,368,789
b) other bills	77,320,000	0	77,320,000	64,857,000
3. Amounts due from banks	183,584,786	9,443	183,575,343	176,419,932
a) payable on demand	230,161	0	230,161	777,073
b) other receivables	183,354,624	9,443	183,345,181	175,642,859
of which: subordinated assets	0	0	0	0
4. Amounts due from clients	154,572,333	15,665,306	138,907,028	133,968,417
a) payable on demand	1,732,895	0	1,732,895	1,040,497
b) other receivables	152,839,439	15,665,306	137,174,133	132,927,920
of which: subordinated assets	0	0	0	0
5. Bonds and other fixed income securities for trading	29,146,169	661,601	28,484,568	3,049,693
a) issued by banks	5,504,202	2,112	5,502,090	895,245
of which: own bonds	1,186,650	1,874	1,184,776	680,309
b) issued by other entities	23,641,967	659,489	22,982,478	2,154,448
6. Shares and other variable yield securities for trading	5,546,450	356,979	5,189,471	172,973
7. Fixed asset investments in associated undertakings	391,898	0	391,898	489,730
a) in banks	220,000	0	220,000	280,000
b) in other entities	171,898	0	171,898	209,730
8. Fixed asset investments in subsidiary undertakings	1,666,052	536,752	1,129,300	1,135,189
a) in banks	439,439	0	439,439	438,366
b) in other entities	1,226,613	536,752	689,861	696,823
9. Other financial investments	16,148,298	0	16,148,298	42,603,985
10. Intangible assets	2,249,985	1,383,411	866,574	872,579
establishment costs	0	0	0	0
goodwill	0	0	0	0
11. Tangible assets	20,784,291	9,046,170	11,738,121	12,207,521
a) land and buildings for banking activities	11,614,210	2,574,705	9,039,505	9,279,966
b) other	9,170,081	6,471,465	2,698,616	2,927,555
12. Treasury shares	170,789	0	170,789	5,265
13. Other assets	4,812,180	146,313	4,665,868	6,131,408
14. Subscribed capital called-up and not paid	0	0	0	0
15. Prepayments and accrued income	1,235,638	0	1,235,638	3,772,856
Total assets	514,109,316	27,805,975	486,303,341	476,842,364

LIABILITIES

(in CZK thousand)

	30 June 2001	31 December 2000
1. Amounts due to banks	108,552,566	104,255,177
a) payable on demand	4,998,368	6,154,880
b) other liabilities	103,554,198	98,100,297
2. Amounts due to clients	286,521,824	287,623,691
a) savings deposits	22,715,001	24,833,587
of which: payable on demand	1,522,744	1,691,682
b) other amounts due to clients	263,806,823	262,790,104
of which: payable on demand	118,440,024	122,983,543
3. Certificates of deposit and similar debentures	30,663,841	29,600,720
a) certificates of deposit	619	720
b) other	30,663,222	29,600,000
4. Accruals and deferred income	933,743	2,530,932
5. Reserves	10,293,834	9,201,697
a) reserves for standard loans and guarantees	9,321,973	8,174,946
b) reserves for foreign exchange rate losses	0	0
c) reserves for other banking risks	0	0
d) other reserves	971,861	1,026,751
6. Subordinated liabilities	7,875,600	7,562,600
7. Other liabilities	18,845,988	16,027,947
8. Share capital	19,004,926	19,004,926
of which: share capital paid-up	19,004,926	19,004,926
9. Share premium fund	0	0
10. Reserve funds	737,050	564,050
a) statutory reserve funds	558,050	558,050
b) reserve funds for treasury shares	179,000	6,000
c) other reserve funds	0	0
11. Capital funds and other funds created from profit	433,914	619,960
a) capital funds	0	0
b) other funds created from profit	433,914	619,960
12. Retained earnings and accumulated losses of prior years	(149,336)	0
13. Profit or loss for accounting period	2,589,391	(149,336)
Total liabilities	486,303,341	476,842,364

OFF-BALANCE SHEET

(in CZK thousand)

	30 June 2001	31 December 2000
1. Total contingent liabilities	20,187,008	28,007,413
a) received bills of exchange /acceptances and endorsements of bills of exchange	4,800	4,800
b) commitments from guarantees	20,182,208	28,002,613
c) commitments from collateral	0	0
2. Other irrevocable commitments	35,659,171	34,794,505
3. Receivables from spot, forward and option transactions	361,223,848	273,516,162
4. Commitments under spot, forward and option transactions	361,986,920	273,112,211



Komerční banka, a. s.
Infoline: 0800 11 10 55
www.kb.cz

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