1H 2012 Results
ČSOB Group

Czech Republic

EU IFRS Unaudited Consolidated

Presentation for press
7 August 2012

Contents

1. Highlights

Measures of sustainable performance

Continued strong profitability and resilience

Key indicators		2009	2010	2011	1H 2011	1H 2012
Profitability	underlying* net profit (CZK bn) *reported net profit (CZK bn)*	10.5 *17.4*	13.0 *13.5*	11.2 *11.2*	6.1 *6.2*	7.9 *7.9*
	underlying* RoE	17.1%	19.6%	18.0%	19.4%	24.9%
Liquidity	loan/deposit ratio *net stable funding ratio*	71.1% *n/a*	68.5% *137.7%*	72.7% *135.1%*	71.0% *137.3%*	75.1% *129.6%*
Capital	Tier 1 ratio	11.9%	14.2%	11.7%	12.6%	11.8%
Credit costs	credit cost ratio	1.12%	0.75%	0.36%	0.31%	0.24%
Cost efficiency	underlying* cost/income ratio	43.4%	44.7%	45.6%	45.7%	44.6%

** Excluding extraordinary items. Loss on AFS portfolio (which includes Greek bonds) is part of the underlying P&L.*

1H 2012 at a glance

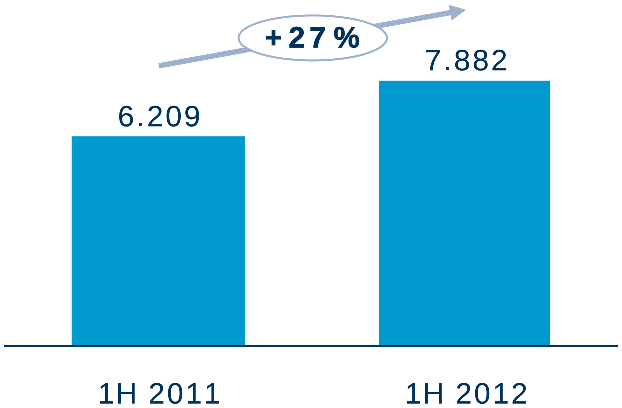
Strong underlying profit during first six months of 2012

Net Profit	In 1H 2012, the ČSOB group's **reported and underlying net profit** came in at **CZK 7.9bn** (+27% and +28% Y/Y, respectively; a lower base of 2011 affected by one-offs).
Business volumes	**Loan portfolio** has been continuously rising to reach **CZK 464.6bn** (+13% Y/Y). **Deposits** increased to **CZK 621.7bn** (+5% Y/Y).
Operating income	The underlying operating income **increased to CZK 17.0bn** (+2% Y/Y), especially due to a higher net interest income (+3% Y/Y) and good results of the dealing room. There were mutually offsetting one-offs, including a loss related to Greek bond disposal.
Operating expenses	Operating expenses **remained flat at CZK 7.6bn** as a combination of higher staff expenses, lower general administrative expenses and deconsolidation of ČSOB AM.
Credit costs	Credit costs **decreased to CZK 0.6bn** (-18% Y/Y) thanks to better than expected performance in the corporate/SME segment and recovery of non-performing files.
EU bond exposure	Greek and Spanish bonds fully sold off by the end of April 2012. The remaining exposure to peripheral Europe is **below CZK 1bn** (Italy).
Dividends	ČSOB **paid out 62%** of its unconsolidated 2011 profit in dividends, while the rest was retained to further support business growth.

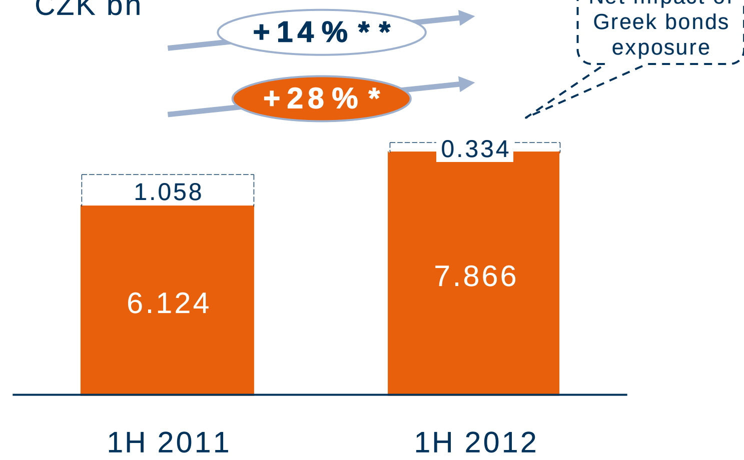
Net profit of the ČSOB group

Strong performance, both reported and underlying

Reported net profit
CZK bn



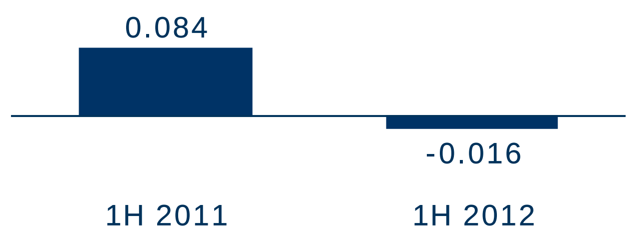
Underlying net profit*
CZK bn



The high Y/Y growth of the 1H 2012 net profit is a result of the low reference base from the 1H 2011, which was impacted by Greek bond exposure impairment. Excluding Greece, the Y/Y increase of the underlying profit is 14%. However it includes several positive one-offs.

Extraordinary items, similarly to 2011, were small and linked mainly to revaluation of bonds in the FVPL portfolio and non-hedging derivatives.

Extraordinary items
CZK bn



**According to the KBC group-wide methodology, losses from the AFS portfolio (which includes the Greek bonds) are not treated as an extraordinary item but are included in the underlying P&L.*
***Excluding Greek bond exposure impact.*

Financial ratios
Consistent business profitability and resilience

Profitability	1H 2011	1H 2012	Y/Y
Net interest margin	3.40%	3.26%	-0.14 pp
Cost/income (underlying)	45.7%	44.6%	-1.1 pp
Cost/income (reported)	45.5%	44.6%	-0.9 pp
RoE (underlying)	19.4%	24.9%	+5.5 pp
RoE (reported)	19.7%	24.9%	+5.2 pp
RoA (underlying)	1.38%	1.68%	+0.30 pp
RoA (reported)	1.40%	1.68%	+0.28 pp
Risk management	**30.6.2011**	**30.6.2012**	**Y/Y**
Asset quality			
Credit cost ratio	0.31%	0.24%	-0.07 pp
NPL ratio	4.04%	3.71%	-0.33 pp
NPL coverage ratio	74.4%	72.5%	-1.9 pp
Capital adequacy			
Core tier 1 ratio = Tier 1 ratio (Basel II definition)	12.55%	11.76%	-0.79 pp
Total capital ratio (Basel II definition)	16.26%	15.08%	-1.18 pp
Solvency ratio – insurance (Solvency I definition)	237.0%	265.0%	+28 pp
Leverage ratio (Basel III definition)	4.16%	4.55%	+0.39 pp
Liquidity			
Net stable funding ratio (Basel III definition)	137.3%	129.6%	- 7.7 pp
Liquidity coverage ratio (Basel III definition)	247.8%	225.1%	-22.7 pp
Loan to deposit ratio	71.0%	75.1%	+4.1 pp

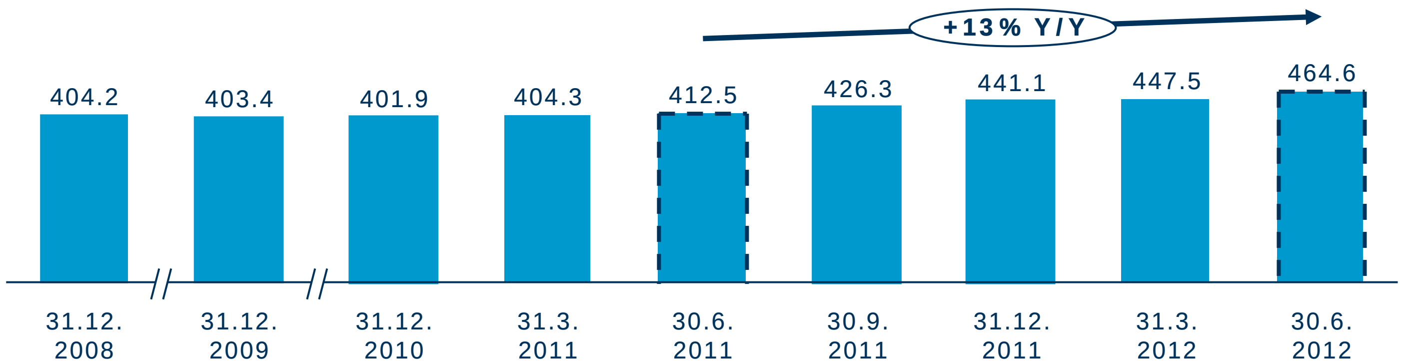
Note: For definitions of the ratios see Appendix.

Lending and deposits

Both lending and deposits continued to grow

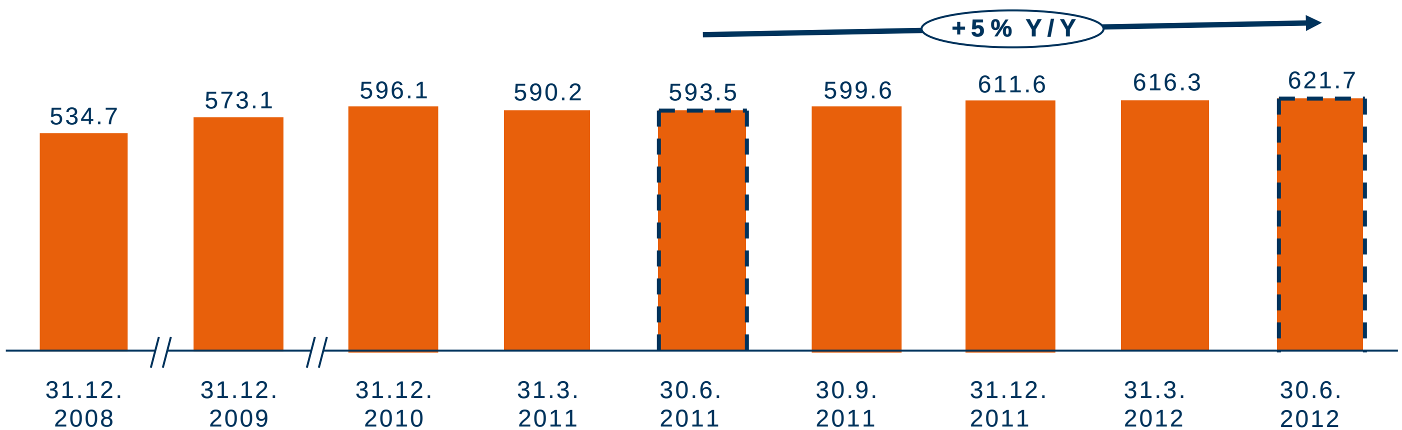
Loan portfolio*

CZK bn



Group deposits**

CZK bn



* *Item Loans and receivables minus exposure to banks from inter-bank transactions plus credit replacing bonds.*

** *Item Deposits received from other than credit institutions from the consolidated balance sheet.*

2. Analysis of underlying results

Methodological note

Reclassification of the profit and loss statement:

Beginning 1Q 2012, result presentations of the ČSOB group show selected items of the 2011 quarters' profit and loss statement reclassified in accordance with the current accounting methodology in order to ensure comparability of IFRS financial statements in time. The reclassifications were as follows:

- The deposit insurance premium and the contribution to Securities Traders Guarantee Fund were transferred from the net fee and commission income (in operating income) to general administrative expenses (in operating expenses).
- Commissions from KBC for trading FX options were transferred from other income to the net fee and commission income within the item operating income.

After the merger of ČSOB Investiční společnost with ČSOB Asset Management, the method of consolidation changed as the share of the ČSOB group in the new entity decreased below 50%. In 2011, asset management was fully consolidated, while it changed to equity consolidation in 2012. The 2011 profit and loss statement is not restated.

Reconciliation of business figures:

RET/SME: Self-employed persons were migrated from SME to retail. The 2011 lending volumes are not restated retrospectively.

Asset management: Due to changes in the consolidation method, ČSOB AM/IS is not included in the ČSOB group FTEs any more.

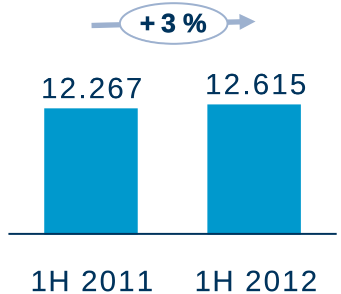
To align with the KBC group methodology, beginning 2Q 2012, balance sheet doesn't show the item accrued interest income and expense; the volumes are included directly in loans and receivables and financial liabilities at amortized cost. Previous quarters are reclassified to ensure comparability. In the business part of the presentation, volumes of loans and deposits are not adjusted retrospectively.

Operating income – underlying

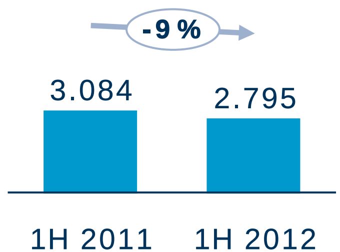
Revenue growth driven by net interest income and trading

Operating income
CZK bn

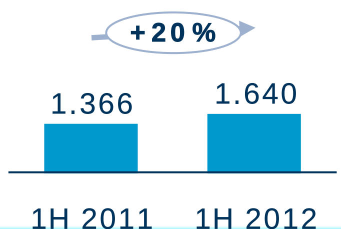
net interest income



net fee and commission income



other*



** Other = Net gains from financial instruments at FVPL + net realized gains on available-for-sale financial assets + dividend income + other net income.*

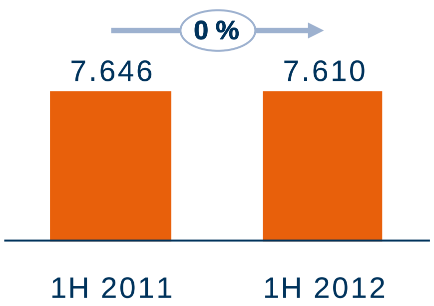
The NII increased by 3% Y/Y. The growth was driven by a higher volume of customer loans (mortgages and corporate/SME loans), partly offset by the lower interest rate environment.

The 9% decrease Y/Y in the NFCI is due to deconsolidation of asset management (AM). Excluding this effect, the NFCI decreased by 4% Y/Y due to growing fees paid to distribution reflecting higher volume growth.

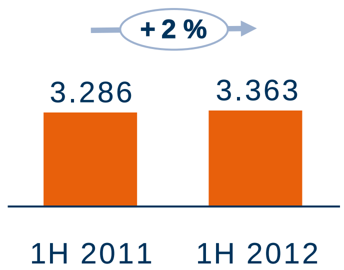
Despite the negative impact of Greek sovereign exposure (CZK -404m in 1Q 2012), the item „other“ grew by 20% Y/Y, primarily thanks to the result of the dealing room (ca CZK +430m) due to improved interest rate market conditions, mainly in Czech government bonds, sale of share in AM (ca CZK +150m), sale of a stake in CMZRB (ca CZK +100m).

Operating expenses
Costs under control

Operating expenses
CZK bn



staff expenses

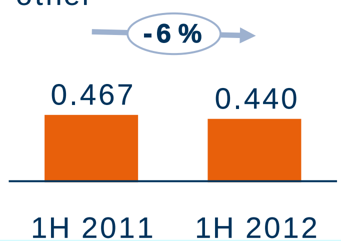


The 2% increase Y/Y of staff expenses was affected by asset management deconsolidation. Excluding this effect, the growth would be 4%, driven by an annual wage adjustment and a planned increase of employees.

general administrative expenses

The 2% decrease Y/Y is a combination of lower expenditures on marketing and consultancy, partly offset by higher IT expenses and deposit insurance premium linked to higher volumes of deposits.

other*



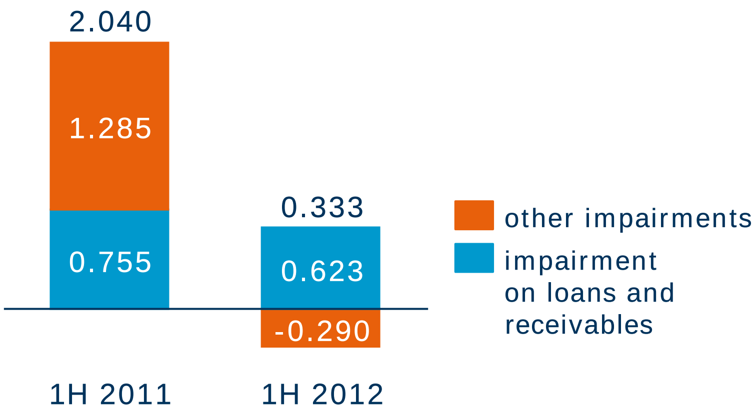
Depreciation and amortization decreased Y/Y mainly due to lower amortization of software.

** Depreciation and amortization.*

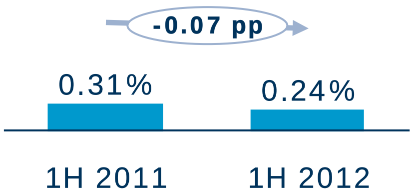
Further decrease of credit costs

Total impairments

CZK bn



Credit cost ratio



The cost of credit risk fell by one-fifth Y/Y as the impairments on loans and receivables fell to CZK 623m. As a result, credit cost ratio further contracted to 24 bps. This was achieved mainly due to releases of impairments in the corporate/SME segment.

The Y/Y decrease in impairments was recorded in building savings loans and in leasing. Impairments on mortgages remained flat Y/Y.

In 1H 2012, a negative impairment (in other impairments) of CZK 217m was realized due to the recovery of already impaired debt from the past. This contributed significantly to the decrease of the total impairments.

Strong capital position

Consolidated, CZK m	31.12.2011	30.6.2012
Total regulatory capital	**54 404**	**56 954**
- Tier 1 Capital	41 264	44 900
- Tier 2 Capital	14 080	13 000
- Deductions from Tier 1 and Tier 2	-940	-945
Total capital requirement	**28 008**	**30 213**
- Credit risk	22 966	23 985
- Market risk	1 382	1 712
- Operational risk	3 660	4 516
Total RWA	**350 101**	**377 665**
Core Tier 1 ratio = Tier 1 ratio	**11.65%**	**11.76%**
Total capital ratio	**15.54%**	**15.08%**

Increase due to retained earnings (partly offset by the change in consolidation of the asset management).

Higher credit risk is driven by a higher loan exposure.

The operational risk increased in line with the operating income.

Notes:
RWA (risk weighted assets) = total capital requirement / 0.08
Tier 1 capital = share capital + share premium + legal reserve funds + retained earnings – goodwill – intangible assets
Tier 2 capital = subordinated debt + surplus in expected credit losses
Total regulatory capital = Tier 1 + Tier 2 – deductions
*Tier 1 ratio = (Tier 1 capital – 0.5*deductions) / (total capital requirement / 0.08)*

Peripheral EU countries exposure
Limited exposure to Italy

Exposure to bonds of selected Southern European countries and Ireland
book value, CZK bn

	Sovereign	Banks	Corporates	Total 30/06/2012	Total 31/12/2010
Portugal	-	-	-	-	-
Ireland	-	-	-	-	-
Italy	0.93	-	-	0.93	2.88
Greece	-	-	-	-	3.62
Spain	-	-	-	-	0.59
Total	0.93	0.00	0.00	0.93	7.09

The ČSOB group continued to actively manage the exposure to selected Southern European countries. The ČSOB group sold the whole **Spanish** sovereign exposure with a limited impact on P&L statement in April, bringing the whole exposure to these countries below CZK 1bn.

In 2011, the **Greek** sovereign bonds were impaired to their fair value (market prices), as required by IAS 39. In 1Q 2012, the ČSOB group took part in the Greek bond exchange program and subsequently sold the newly acquired Greek government bonds.

The **Italian** bonds are classified as held-to-maturity investments. The book value of these bonds (which reflects their amortized cost) is close to the fair value.

3. Analysis of business performance

ČSOB group's market shares:

Number 1 position in housing loans and mutual funds

Insurance	market share	rank
Life[2,6]	↘ 7.4%	5
Non-life[2]	↗ 5.7%	6
Total[2,6]	↘ 6.3%	5

2nd

Deposits[1]	↘ 21.2%
Total loans and leases[1]	↗ 18.7%
Factoring[2]	↗ 24.4%
Leasing[2]	⇨ 12.1%

1st

Building savings loans[1]	↘ 43.6%
Building savings deposits[1]	↘ 36.1%
Mortgages[1]	↗ 30.0%
Housing loans[1,4]	↗ 35.2%
Mutual funds[1]	⇨ 30.7%

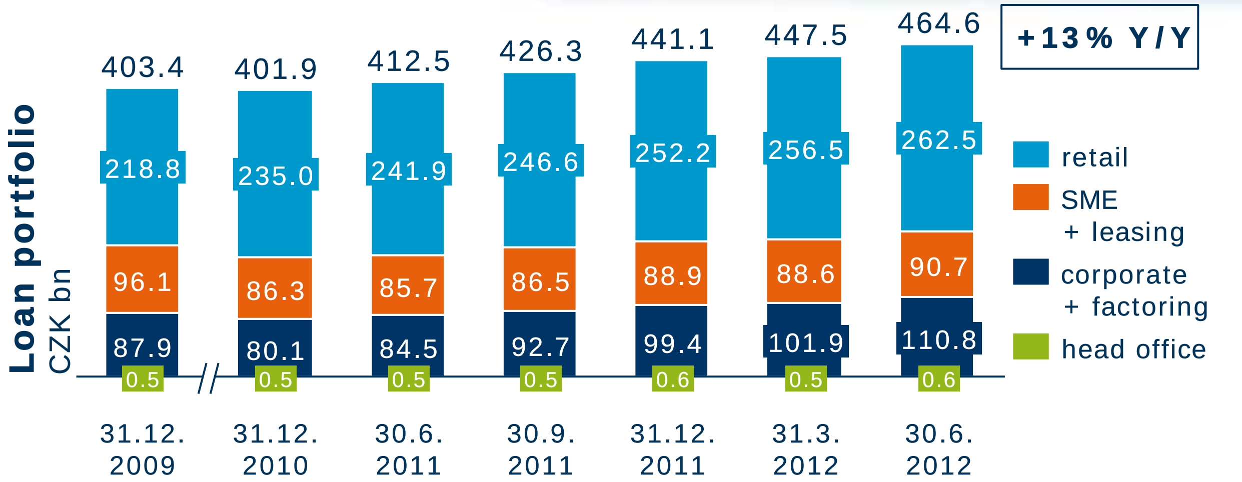
3rd

Pension funds[3]	↘ 15.3%
Corporate/SME loans[1]	↗ 13.9%
Other retail loans[1,5]	↗ 15.3%

Arrows show Y/Y change. Market shares as of 31 March 2012 (i.e. the latest available).
[1] Outstanding at the given date; [2] New business in the year to the given date, insurance: gross written premium to the given date; [3] Number of clients at the given date; [4] Comprise mortgages and building savings loans; [5] Retail loans excluding mortgages and building savings loans; [6] The decrease of market shares due to a methodology change of ČAP: Only 10% of single life written premium is now included. Without this effect, the insurance market share would have increased.
Sources and detailed definitions are provided in Appendix.

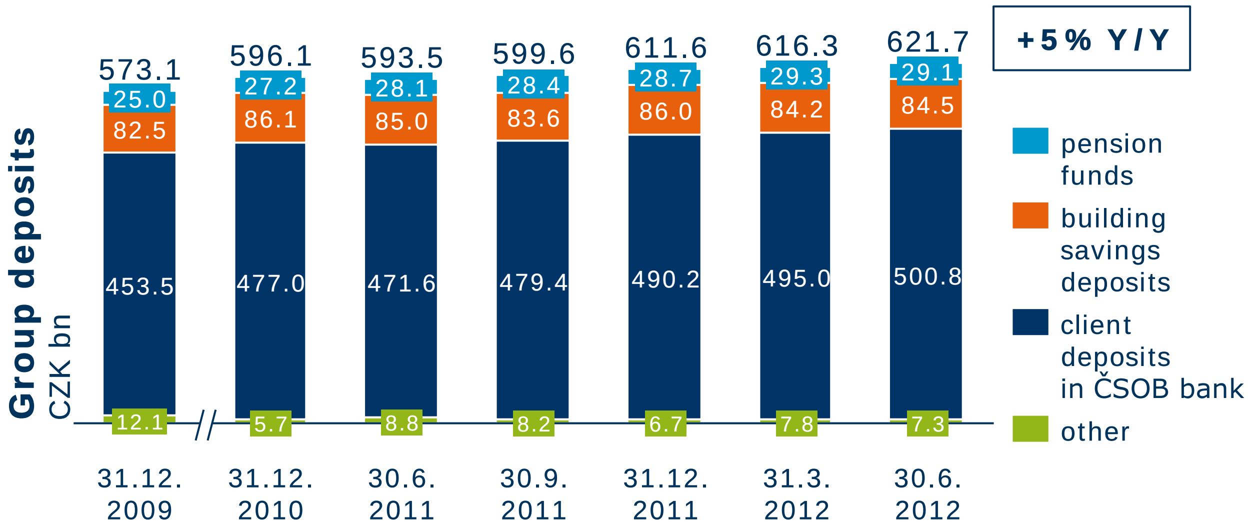
Lending and deposits development

Loans continue to outpace deposits



At the end of 2Q 2012, the **loan portfolio reached CZK 464.6bn**, after six quarters of a steady growth.

The 4% increase Q/Q was driven especially by corporate loans and by mortgages.



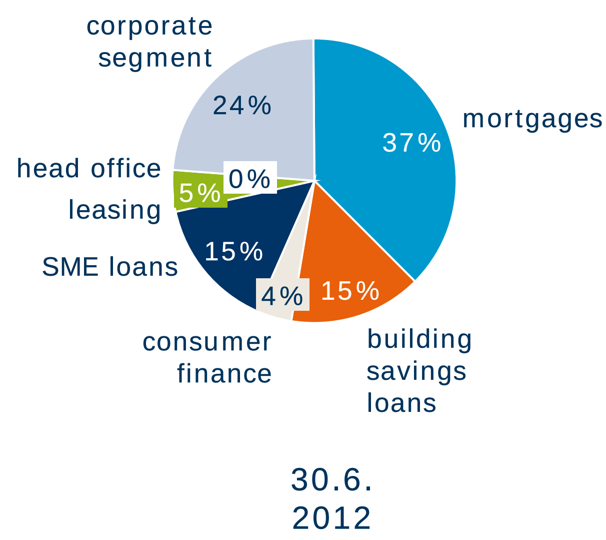
Group deposits kept increasing on a quarterly basis, adding 1% Q/Q. The Y/Y growth was driven by current and saving accounts.

In 2Q 2012, the whole deposit market was affected by the issuance of the **Ministry of Finance savings bonds**.

Loan portfolio

Housing loans dominate the loan portfolio with a share of more than 50%

Gross outstanding volumes, CZK bn	30.6.2011	30.6.2012	Y/Y
Loan portfolio	**412.5**	**464.6**	**+13%**
Retail / SME Segment			
Mortgages[1]	151.6	173.8	+15%
Building savings loans[2]	72.0	70.0	-3%
Consumer finance[3]	18.3	18.7	+2%
SME loans[3]	63.7	68.6	+8%
Leasing	22.0	22.1	+1%
Corporate Segment			
Corporate loans[4]	80.5	106.7	+33%
Factoring	3.9	4.1	+5%
Head Office[5]	0.5	0.6	+13%

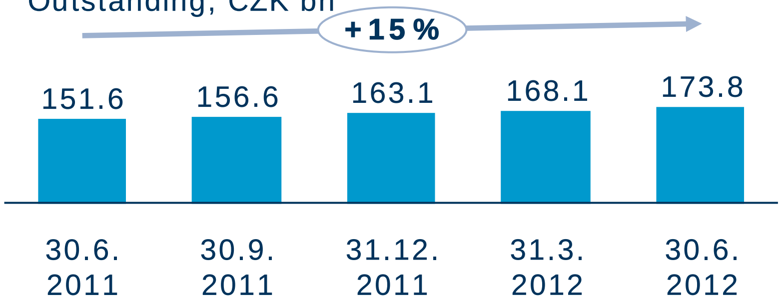


[1] ČSOB group mortgages are booked in the balance sheet of ČSOB's subsidiary Hypoteční banka.
[2] ČSOB group building savings loans are booked in the balance sheet of the ČMSS building savings company, 55%-owned by ČSOB. Volumes are reported pro rata, i.e. the way they enter ČSOB's consolidated balance sheet.
[3] Loan transfers in both directions were made between the consumer finance and SME sub-segments in 4Q 2011 and 1Q 2012. Adjusted for their effects, the Y/Y changes would be -1% Y/Y for consumer finance and +9% Y/Y for SME in 1Q 2012.
[4] Including credit-replacing bonds.
[5] Historic files.

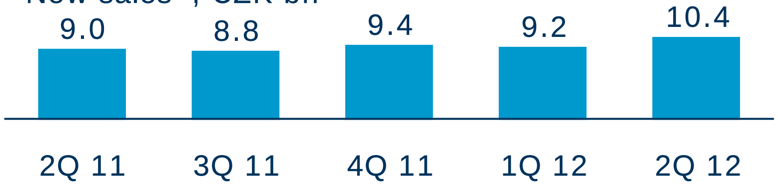
Strong performance in a growing mortgage market

Mortgages

Outstanding, CZK bn



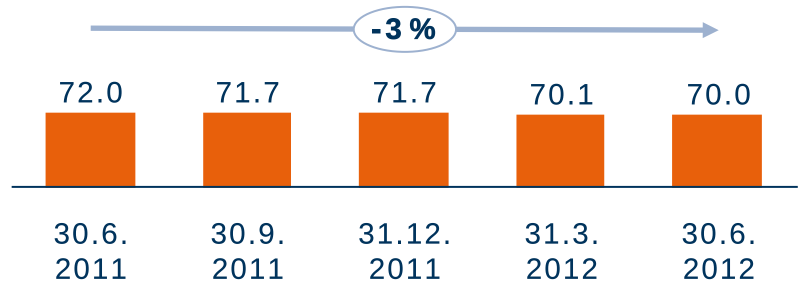
New sales*, CZK bn



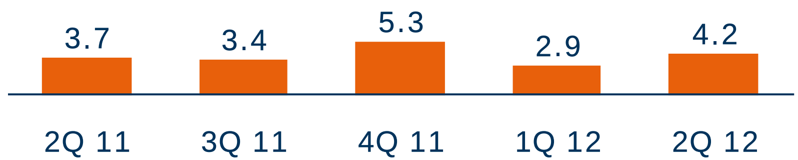
The mortgage portfolio (fully booked in HB, a 100%-owned subsidiary) represents 37% of the total loan portfolio. A **high demand for mortgages** was **driven by a favorable development of interest rates and stable real estate prices**. The Y/Y growth of new sales was supported by an increased share of refinanced building savings loans.

Building savings loans

Outstanding (ČMSS 55%), CZK bn



New sales (ČMSS 55%)*, CZK bn

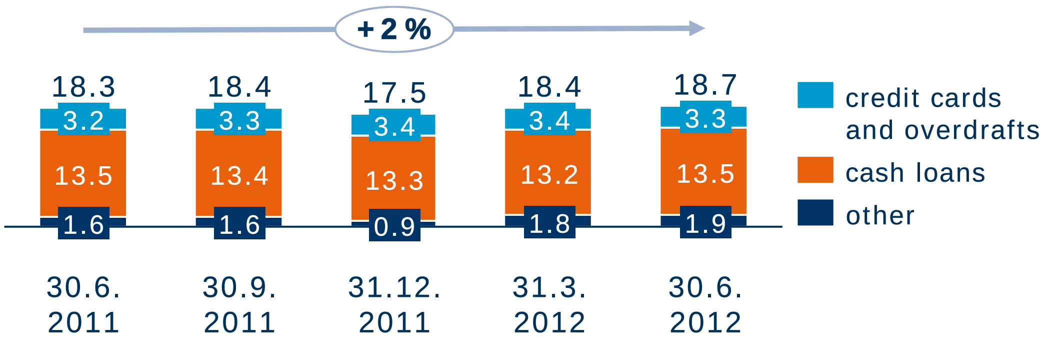


The portfolio of building savings loans (fully booked in ČMSS, a 55%-owned subsidiary) decreased Y/Y. The whole Czech market of building savings loans is affected by the uncertainty due to the ongoing discussions of the scheme. Despite this difficult market, **ČMSS's new sales in 2Q 2012 are 12% higher** than in 2Q 2011 **due to a higher refinancing of old loans**.

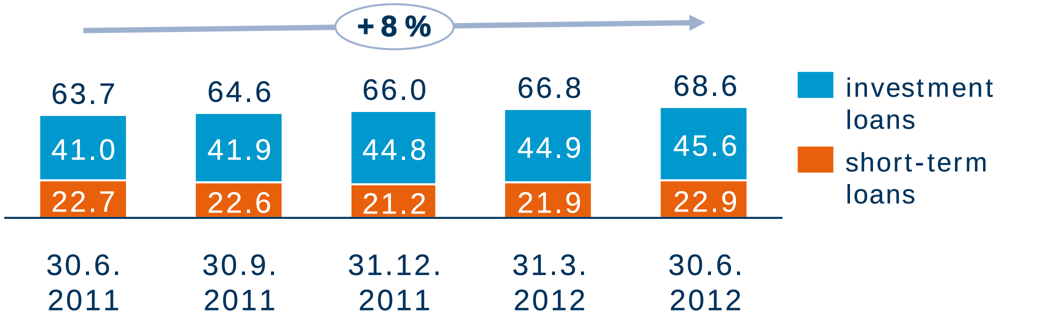
** Building savings loans: granted loan limits; mortgages: signed contracts, in line with MMR statistics.*

Consumer finance, SME loans, leasing
All sub-segments outperformed the market

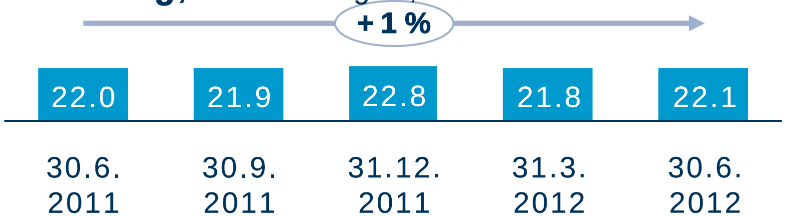
Consumer finance, outstanding*, CZK bn



SME loans, outstanding*, CZK bn



Leasing, outstanding**, CZK bn



Thanks to a solid demand and increased value of an average loan, new sales of **consumer finance products increased by 15% Y/Y** and exceeded the market growth.

SME volumes have picked up and **ended up 8%** above the June 2011 level. This led to an **improvement** of the ČSOB group's **market share**.

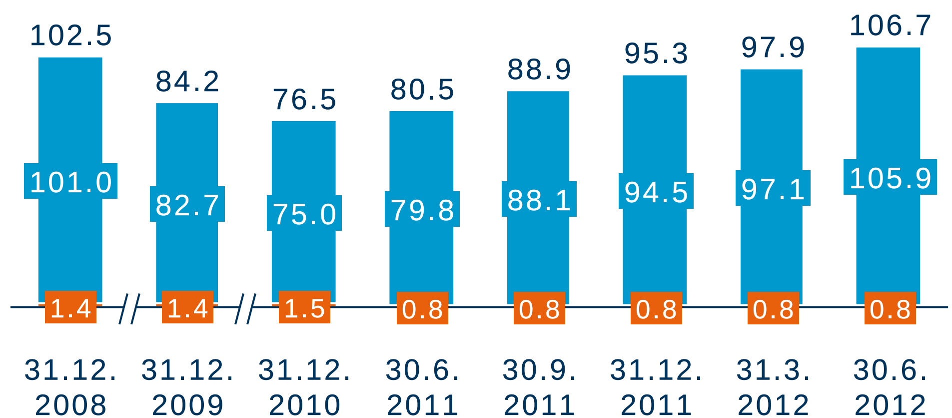
Thanks to solid business performance, the **outstanding volumes in leasing slightly increased** in the last three months after bottoming out in 1Q 2012. In addition, ČSOB Leasing **outperformed the market** in the past three consecutive quarters.

** Loan transfers in both directions were made between the consumer finance and SME sub-segments in 4Q 2011 and 1Q 2012. Adjusted for their effects, the Y/Y changes would be -1% Y/Y for consumer finance and +9% Y/Y for SME in 1Q 2012.*
*** Total exposure of ČSOB Leasing, excluding operational leasing.*

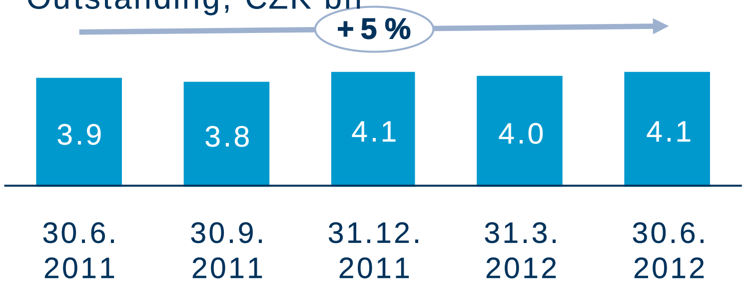
Corporate segment
Back to pre-crisis levels

Corporate loans
Outstanding, CZK bn

loans
credit-replacing bonds



Factoring
Outstanding, CZK bn



The corporate **loans have been permanently increasing** since February 2011. In 2012, the growth was also fueled by a rebound in the area of structured and acquisition finance.

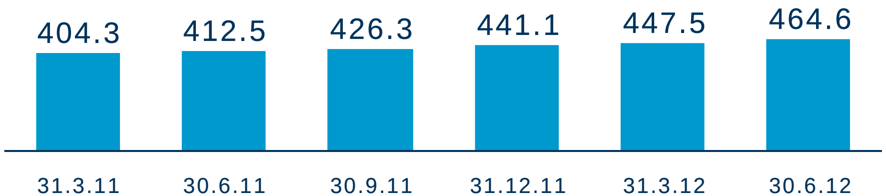
As a result, ČSOB is **winning back volumes** reduced during the crisis impacted quarters and **restoring its market position** in the corporate lending. From the trough, ČSOB's market share in corporate segment increased by more than 4pp and is **back to pre-crisis levels**.

In 2012, ČSOB was **awarded by the Global Finance magazine** as the Best FX Bank and Best Trade Finance Bank.

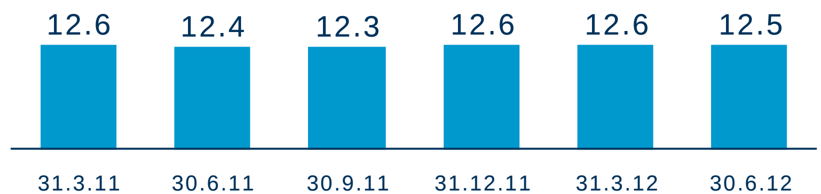
Note: The corporate segment comprises mid-cap corporate customers with an annual turnover above CZK 300 m, local subsidiaries of international groups and selected institutional clients.

Credit risk well managed (1/2)

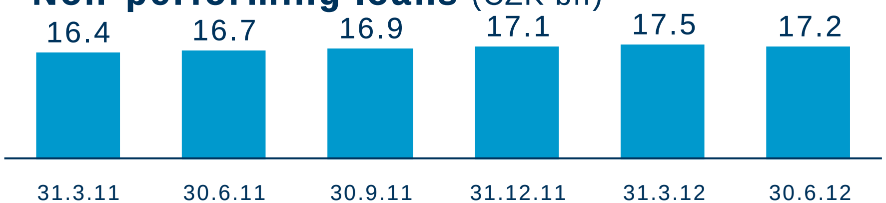
Loan portfolio[1] (CZK bn)



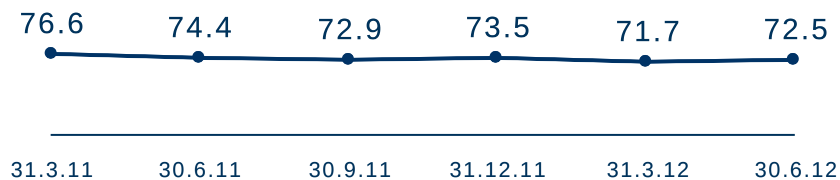
Allowances for loans and leases[3] (CZK bn)



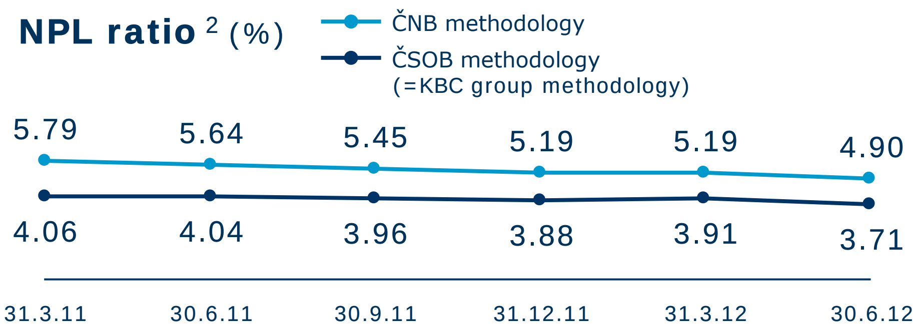
Non-performing loans (CZK bn)



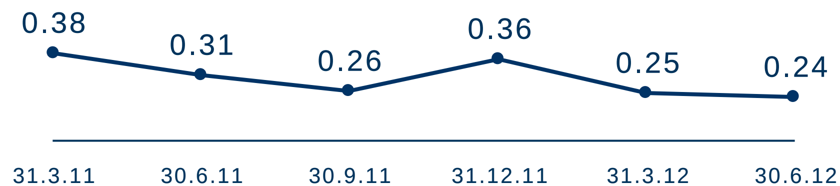
NPL coverage ratio (%)



NPL ratio[2] (%)



Credit cost ratio[4] (%)



[1] *For definition, see Appendix.*
[2] *ČSOB methodology in line with KBC group methodology.*
[3] *Allowances for on-balance sheet items.*
[4] *Ytd. annualized, including off-balance sheet items.*

Credit risk well managed (2/2)

Credit costs

- The credit cost ratio (Ytd. annualized) further contracted to 24 bps in 1H 2012 vs. 31 bps a year ago.
- A Y/Y decrease in impairments (Ytd.) was recorded in building savings loans and leasing. On top of this, impairments were released in the corporate/SME segment. Consumer loans showed an increase Y/Y of credit costs, while mortgages remained flat Y/Y.
- On the Q/Q basis, the most significant drop was in the corporate/SME segment. On the other hand, impairments in leasing and building savings loans increased from a level close to zero in 1Q 2012.

Non performing loans

- The NPL ratio declined during 1H 2012. The amount of newly defaulted loans is low. Migration from defaulted to non-performing is in balance with the amount of loans where the recovery process was completed.
- On the Y/Y basis, NPL ratio in all areas of retail loans increased. On the other hand, there is significant drop in the corporate/SME and leasing segments.
- On the Q/Q basis NPL ratio in all segments but housing loans decreased, with the most significant drop in corporate/SME. Housing loans remained stable.

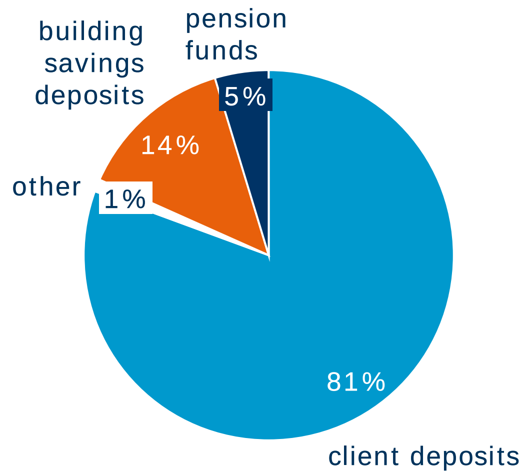
Coverage of non performing loans

- The provision coverage of NPLs stands at 72.5%.
- Housing loans (mortgages and building savings loans), representing more than a half of the ČSOB group's loan portfolio, require less provisioning given the fact they are largely secured by collateral. NPLs from the remaining part of the portfolio are fully covered by allowances, i.e. showing the coverage ratio around 100%.

Group deposits

Growth continues despite the low interest rates environment

Outstanding volumes, CZK bn	30.6.2011	30.6.2012	Y/Y
Group deposits	**593.5**	**621.7**	**+5%**
Client deposits	471.6	500.8	+6%
Current accounts	252.6	269.0	+7%
Saving deposits	188.7	201.3	+7%
Term deposits	30.3	30.5	0%
Building savings deposits[1]	85.0	84.5	-1%
Pension funds[2]	28.1	29.1	+3%
Other[3]	8.8	7.3	-16%

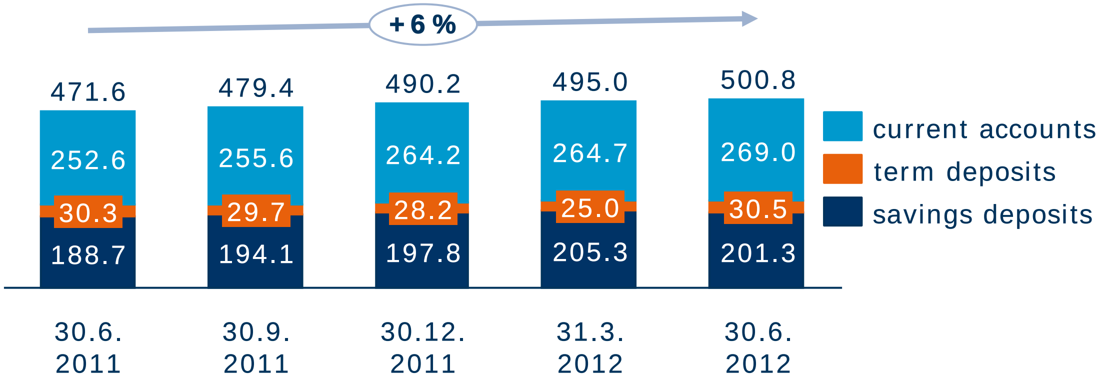


30.6.2012

[1] ČSOB group building savings deposits are in the balance sheet of the ČMSS building savings company, 55%-owned by ČSOB. Volumes are reported pro rata, i.e. the way they enter ČSOB's consolidated balance sheet.
[2] Liabilities to pension fund policy holders.
[3] Repo operations with non-banking financial institutions and other.

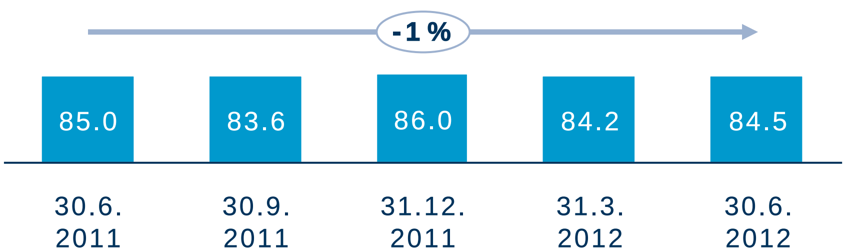
Steady growth of deposits

Client deposits in ČSOB bank (CZK bn)



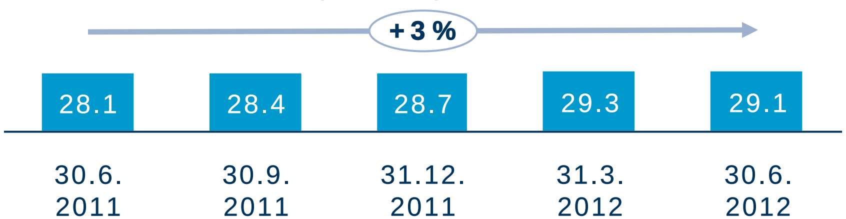
Within the total client deposits, **saving deposits recorded a 7% growth Y/Y**. Part of the increase was at the expense of mutual funds (-11% Y/Y, see the next slide). **Current accounts increased by 7% Y/Y**. The Q/Q change in savings deposits was affected by the issuance of the MFCR savings bonds.

Building savings deposits (CZK bn)



Despite the uncertainty related to the change of the state subsidy, the volumes of **building savings deposits remained stable**.

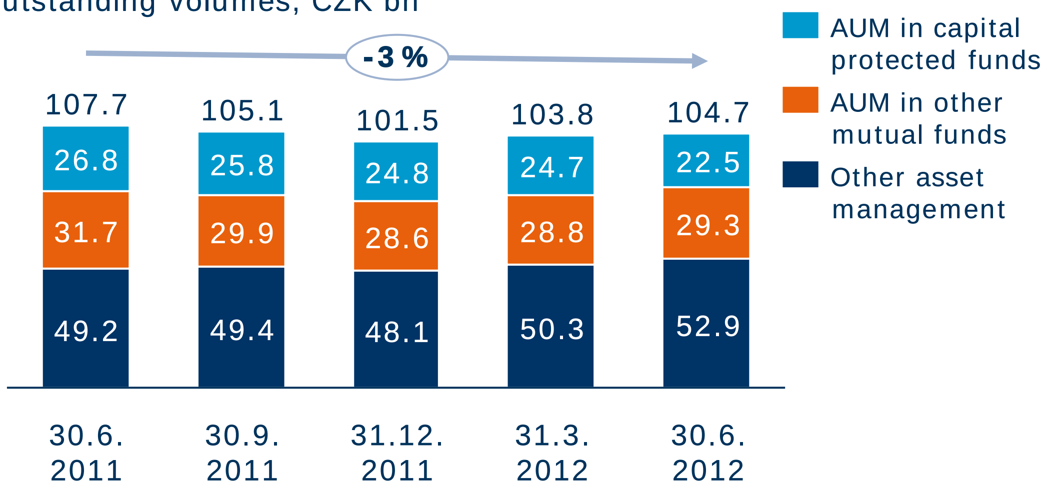
Pension funds (CZK bn)



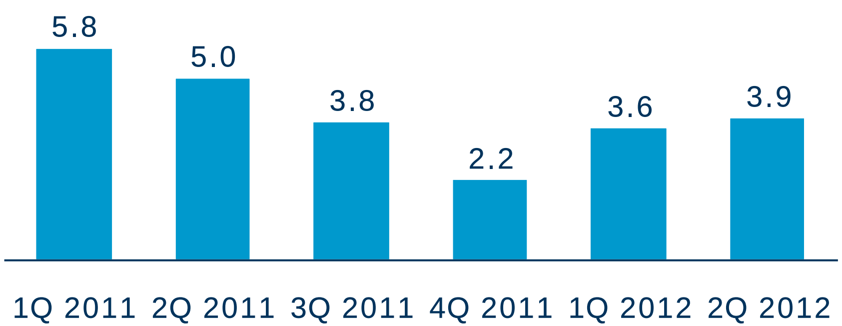
AUM in the **pension fund kept increasing**. Over the last months, ČSOB Pension fund Stabilita saw a higher number of client requests to increase their monthly contributions.

Mutual funds and other asset management
AUM flat Q/Q

Assets under management
outstanding volumes, CZK bn



Mutual funds
New sales, CZK bn



ČSOB is keeping its **No 1. position on the funds market.**

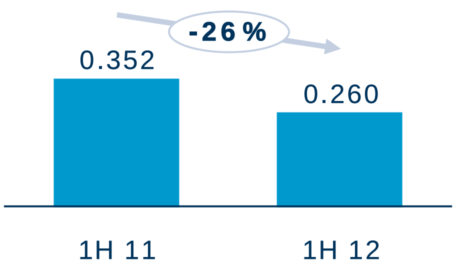
AUM decreased 3% Y/Y. New sales of mutual funds were lower than outflows as part of clients preferred investing their money into deposit products rather than reinvesting them into the funds. On the other hand, this was partially offset by the performance effect. As a result, **AUM in mutual funds** (capital protected and other mutual funds) **decreased by 11% Y/Y.**

New sales: bond and money market funds increased Y/Y, while all other types of mutual funds (capital protected, equity and mixed funds) declined Y/Y.

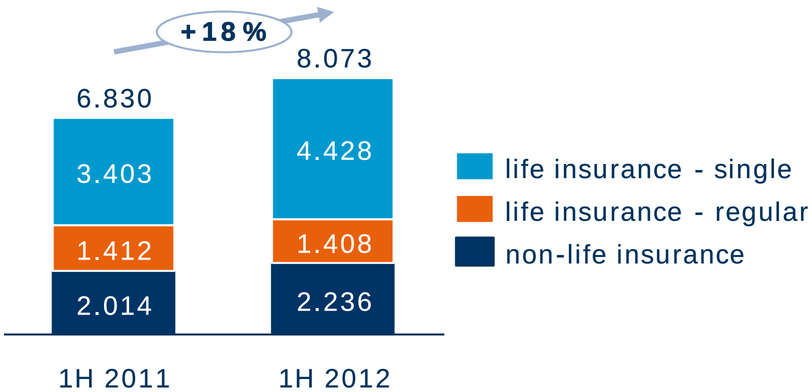
Notes:
AUM definition: funds managed by ČSOB AM as well as those distributed by the ČSOB group but managed by the KBC AM group.
AUM in funds: Only direct positions are included (the funds bought directly by clients).
Other asset management: Discretionary mandates and Qualified Investors Funds.

Insurance
Strong business growth in non-life and single life

Net profit of ČSOB Pojišťovna*
CZK bn



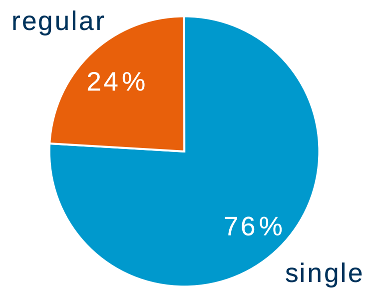
Gross written premium
CZK bn



ČSOB Pojišťovna's **contribution to the group underlying P/L* in 1H 2012 was CZK 65m**, compared to CZK 88m a year ago. The decline is due to a higher comparison base in 1H 2011, i.e. higher releases of provisions on claims in non-life insurance and one-off restructuring of investments portfolio.

Gross written premium in life insurance is significantly higher Y/Y thanks to **successful sales of product Maximal Invest** (single life insurance) in 1H 2012. Regular life insurance remained flat Y/Y, while **non-life insurance improved in 1H 2012 by 11% Y/Y** mainly in retail area.

Life insurance
1H 2012



CZK 5.836bn

** Underlying net profit of ČSOB Pojišťovna used for consolidation purposes. 25% of the figures shown enter the ČSOB group's profit and loss statement through the line share of profit of associates.*

ČSOB

ČSOB group's distribution platform

Strengthening distribution power

	30.6.2011	30.6.2012
Customers of the group*	> 4m	> 4m
of which ČSOB + PSB (ths)	3 086	3 077
Retail / SME branches and advisory centers	**566**	**569**
ČSOB Retail/SME branches	238	242
PSB branches ("Financial Centers")	60	63
ČMSS advisory centers	152	151
Hypoteční banka centers	27	27
ČSOB Pojišťovna branches	89	86
Leasing branches	**12**	**13**
Corporate branches	**11**	**11**
PSB outlets of the Czech Post network	**ca. 3 200**	**ca. 3 200**
ATMs (ČSOB+PSB)	805	866

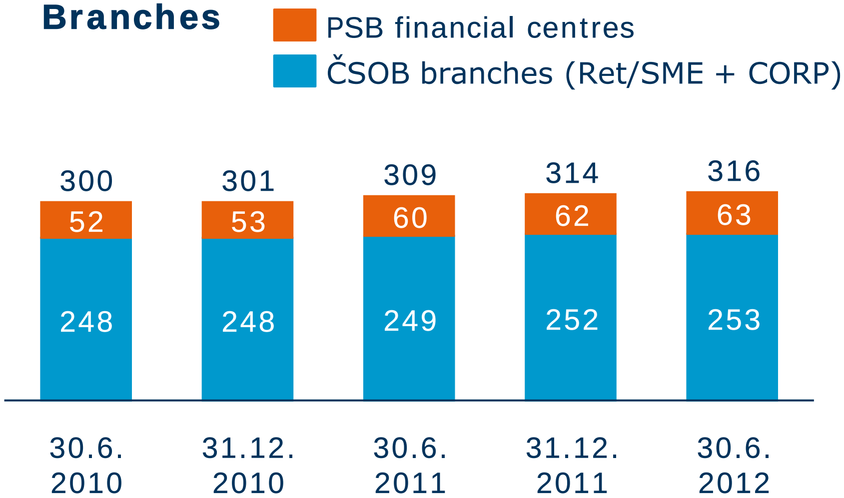
The number of ČSOB's clients (bank only) decreased due to closing of zero balance accounts of a product by the Postal Savings Bank, First account, and due to client consolidation in the RET/SME segment. **The pro-forma increase is 1% Y/Y.**

Multi-channel distribution platform of the ČSOB group includes also a wide **agent network** of ca. 8,000 agents, incl. ČMSS tied agents, intermediaries and individual brokers for the Hypoteční banka, ČSOB Leasing dealers and ČSOB Pojišťovna's tied agents, multi-agents and individual brokers.

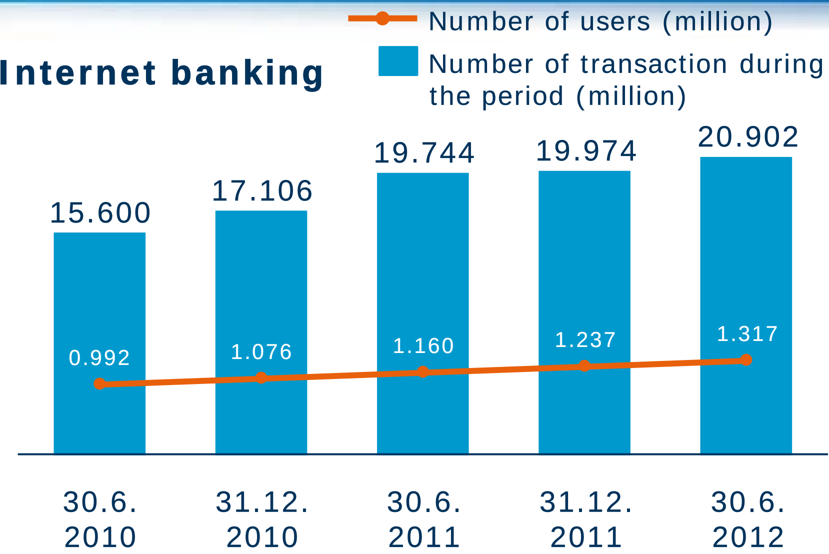
** The total number of unique clients exceeds 4 million. Client groups of different brands partly overlap, esp. between ČMSS and the two full service brands (ČSOB and PSB). The overlap between ČSOB and PSB is very limited.*

Other information

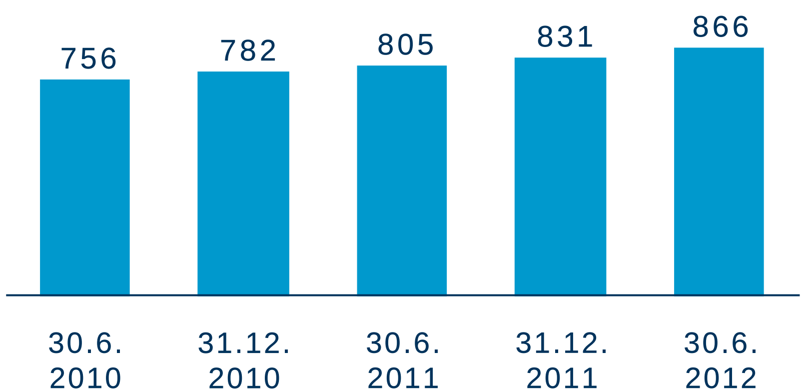
Branches



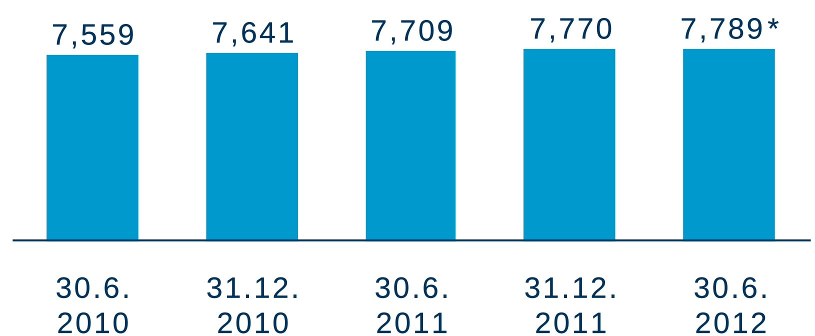
Internet banking



ATMs



Group employees



** Without ČSOB Asset management employees*

Appendix

Credit rating and shareholder structure

ČSOB's credit ratings

As at 7 August 2012

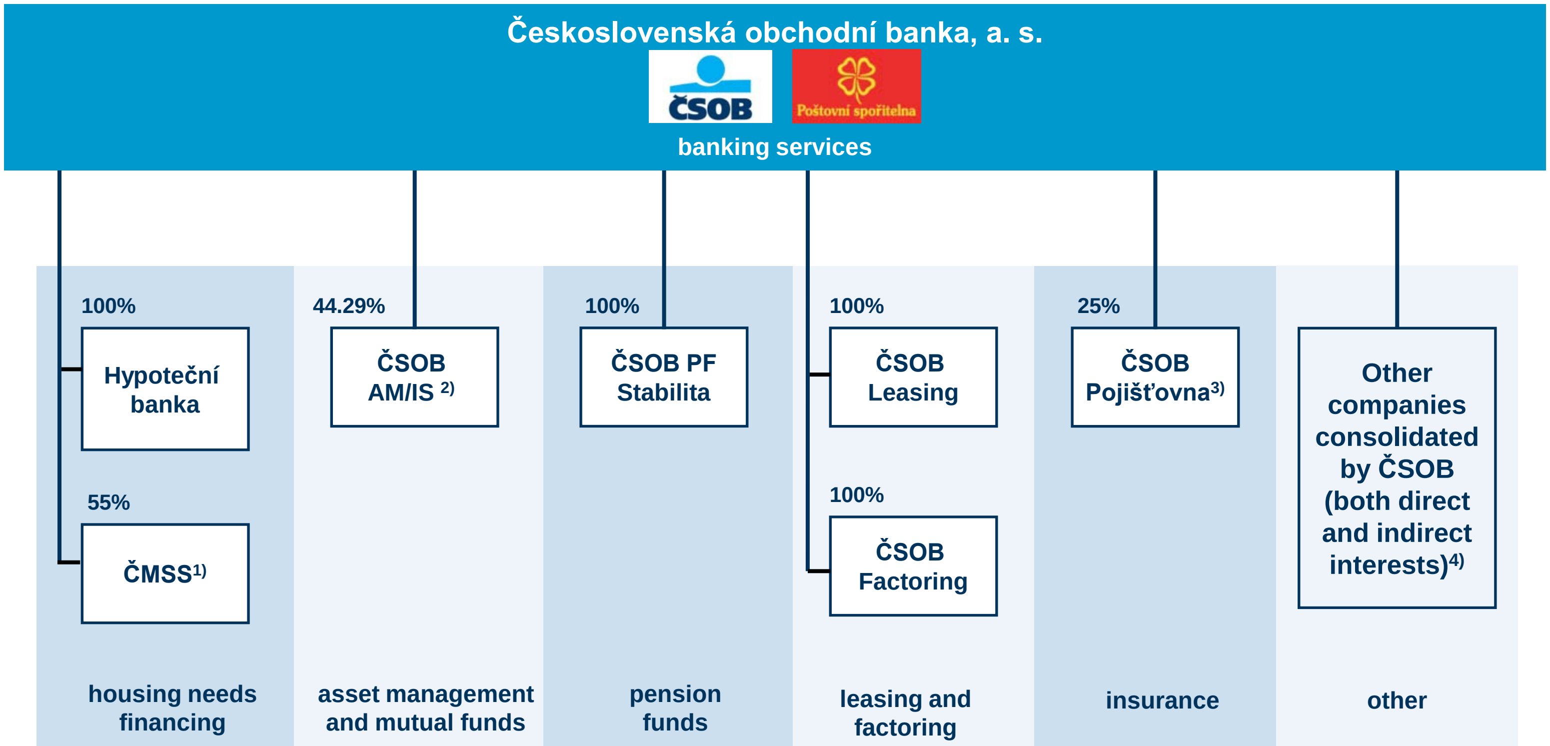
Rating agency	Moody's		Fitch	
	Long-term rating:	**A2**	**Long-term rating:**	**BBB+**
	Outlook:	negative	Outlook:	stable
	Short-term rating:	Prime-1	Short-term rating:	F2
	Financial strength:	C-	Viability rating:	bbb+
			Support:	2
LT rating valid since		20 June 2012		3 February 2012
Last confirmation		20 June 2012		3 February 2012

Shareholder structure

As at 30 June 2012, ČSOB's share capital was CZK 5.855bn and comprised of 292,750,000 ordinary bearer shares with a nominal value of CZK 20 each.

ČSOB is directly controlled by KBC Bank NV, whose ownership interest in ČSOB is 100%.

ČSOB group in the Czech Republic



Percentages show ownership interests on company's equity as at 1 July 2012

[1] 45% of shares owned by Bausparkasse Schwäbisch Hall; a proportional consolidated subsidiary of ČSOB.

[2] 55.71% of shares owned by KBC Participations Renta; subsidiary consolidated in ČSOB by an equity method.

[3] 75% of shares owned by KBC Insurance; subsidiary consolidated in ČSOB by an equity method.

[4] A complete list of companies consolidated by ČSOB is stated in ČSOB Annual Report.

Corporate social responsibility related events in 1H 2012
ČSOB continues to invest into relations with the community and society

301 ČSOB employees participated at the Prague International Marathon. ČSOB donated CZK 100 per runner and kilometer to ***the Committee of Good Will – the Olga Havlová Foundation.***

Employees of the bank supported ČSOB marathon runners through a public collection. The money raised were donated to the ***Klíček*** foundation. ČSOB's CEO Pavel Kavánek also contributed to the collection.

ČSOB was again a partner of the ***Sluníčkový den*** collection which is organized by the *Rozum a cit* foundation to support abandoned children and foster parents.

ČSOB (under the brand Era) is a partner for the ***Linka bezpečí*** helpline, which helps young people in need. Every year it organizes *Pomněnkový týden*; the money raised go to the support of the helpline's activities. The beneficiary sale took also place in Era Financial centers and headquarters in Radlice.

The ***ČSOB and ERA Support Regions*** program helped 46 community projects across regions in the Czech Republic. The ***ČSOB Education Fund*** supported 9 projects aimed at improving financial literacy.

2012 awards

Many accolades received

Global Finance Best Bank 2012	A Global Finance magazine award: ČSOB named the best bank in the Czech Republic for the year 2012.
Global Finance 25 Years Winners Circle	ČSOB has been the most frequently awarded bank in the Czech Republic in the 25 years award program of the Global Finance magazine.
Global Finance: Best Trade Finance Provider	A Global Finance magazine award: ČSOB awarded the best provider of the financial services for international trade in the Czech Republic.
Global Finance: Best FX Bank	A Global Finance magazine award: ČSOB awarded the best FX provider for its clients in the Czech Republic.
The *Zlatá koruna* contest	Silver and bronze awarded to ČSOB Leasing for electric car financing and ČSOB Autolease – fleet financing.
The Most Desired Company: bronze	Employer of the Year 2012: ČSOB was the top bank in the category "Most Desired Company" (an university students vote).
Mobile Application of the Year 2012	In a client vote, the smartbanking applications branded by Era and by ČSOB took the top two positions in the Payment and shopping category.

Profit and loss statement – reported

(CZK m)	1H 2011	1H 2012	Y/Y
Interest income	*16 502*	*16 658*	*+1%*
Interest expense	*-4 235*	*-4 043*	*-5%*
Net interest income	12 267	12 615	+3%
Net fee and commission income	3 084	2 795	-9%
Net gains from financial instruments at FVPL*	1 043	1 392	+33%
Other operating income	425	267	-37%
Operating income	**16 819**	**17 069**	**+1%**
Staff expenses	-3 287	-3 363	+2%
General administrative expenses	-3 892	-3 807	-2%
Depreciation and amortisation	-467	-440	-6%
Operating expenses	**-7 646**	**-7 610**	**0%**
Impairment losses	-2 040	-333	-84%
Impairment on loans and receivables	*-755*	*-623*	*-17%*
Impairment on available-for-sale securities	*-1 277*	*-3*	*-100%*
Impairment on other assets	*-8*	*293*	*N/A*
Share of profit of associates*	90	96	+7%
Profit before tax	**7 223**	**9 222**	**+28%**
Income tax expense*	-955	-1 337	+40%
Profit for the period	**6 268**	**7 885**	**+26%**
Attributable to:			
Owners of the parent	**6 209**	**7 882**	**+27%**
Non-controlling interests	59	3	-95%

Notes: FVPL = fair value through profit and loss.

Other operating income = Net realised gains on available-for-sale fin. assets, dividend income, other net income.

** Lines designated by asterisk as reported differ from underlying figures.*

Profit and loss statement – underlying

(CZK m)	1H 2011	1H 2012	Y/Y
Interest income	*16 502*	*16 658*	*+1%*
Interest expense	*-4 235*	*-4 043*	*-5%*
Net interest income	12 267	12 615	+3%
Net fee and commission income	3 084	2 795	-9%
Net gains from financial instruments at FVPL*	941	1 373	+46%
Other operating income	425	267	-37%
Operating income	**16 717**	**17 050**	**+2%**
Staff expenses	-3 287	-3 363	+2%
General administrative expenses	-3 892	-3 807	-2%
Depreciation and amortisation	-467	-440	-6%
Operating expenses	**-7 646**	**-7 610**	**0%**
Impairment losses	-2 040	-333	-84%
Impairment on loans and receivables	*-755*	*-623*	*-17%*
Impairment on available-for-sale securities	*-1 277*	*-3*	*-100%*
Impairment on other assets	*-8*	*293*	*N/A*
Share of profit of associates*	88	95	+8%
Profit before tax	**7 120**	**9 202**	**+29%**
Income tax expense*	-936	-1 333	+43%
Profit for the period	**6 184**	**7 869**	**+27%**
Attributable to:			
Owners of the parent	**6 125**	**7 866**	**+28%**
Non-controlling interests	59	3	-95%

Notes: FVPL = fair value through profit and loss.
Other operating income = Net realised gains on available-for-sale fin. assets, dividend income, other net income.
** Lines designated by asterisk as reported differ from underlying figures.*

Balance sheet - assets

(CZK m)	31/12 2011	30/06 2012	Ytd.
Cash and balances with central banks	46 691	31 842	-32%
Financial assets held for trading	176 703	165 198	-7%
Financial assets designated at fair value through P/L	11 021	8 256	-25%
Available-for-sale financial assets	87 404	93 101	+7%
Loans and receivables - net	449 291	471 550	+5%
Loans and receivables to credit institutions - gross	*23 783*	*24 025*	*+1%*
Loans and receivables to which other than credit institutions - gross	*438 073*	*460 014*	*+5%*
Allowance for impairment losses	*-12 565*	*-12 489*	*-1%*
Held-to-maturity investments	139 423	138 388	-1%
Fair value adjustments of the hedged items in portfolio hedge	77	289	275%
Derivatives used for hedging	10 328	10 636	+3%
Current tax assets	70	296	+323%
Deferred tax assets	481	85	-82%
Investments in associate	1 150	1 703	+48%
Investment property	509	495	-3%
Property and equipment	8 114	8 154	0%
Goodwill and other intangible assets	3 314	3 241	-2%
Non-current assets held-for-sale	98	113	+15%
Other assets	1 919	1 731	-10%
Total assets	**936 593**	**935 078**	**0%**

Balance sheet - liabilities and equity

(CZK m)	31/12 2011	30/06 2012	Ytd.
Financial liabilities held for trading	165 914	143 653	*-13%*
Financial liabilities at amortised cost	688 556	698 803	+1%
of which Deposits received from credit institutions	*41 122*	*45 733*	*+11%*
of which Deposits received from other than credit institut.	*612 160*	*621 741*	*+2%*
of which Debt securities in issue	*23 295*	*19 348*	*-17%*
of which Subordinated liabilities	*11 979*	*11 981*	*0%*
Fair value adjustments of the hedged items in portfolio hedge	*103*	*409*	*+297%*
Derivatives used for hedging	7 350	7 445	*+1%*
Current tax liabilities	532	229	-57%
Deferred tax liabilities	1 081	1 847	+71%
Provisions	1 058	1 067	+1%
Other liabilities	10 816	17 798	+65%
Total liabilities	**875 410**	**871 251**	**0%**
Share capital	5 855	5 855	0%
Share premium account	7 509	7 509	0%
Statutory reserve	18 687	18 687	0%
Retained earnings	24 061	25 203	+5%
Available-for-sale reserve	2 612	4 403	+69%
Cash flow hedge reserve	1 578	1 944	+23%
Foreign currency translation reserve	1	1	N/A
Parent shareholders' equity	**60 303**	**63 602**	**+5%**
Minority interest	880	225	-74%
Total equity	**61 183**	**63 827**	**+4%**
Total liabilities and equity	**936 593**	**935 078**	**0%**

Market shares definitions and sources

Item	Definition	Source
Deposits	Total bank deposits (retail and COR/SME) excl. repo operations, comprise current accounts and bills of exchange	ČNB (Time series ARAD), ČSOB
Building savings loans	Outstanding volumes of building savings loans, ČMSS 100%	ČNB (ARAD), ČMSS
Building savings deposits	Deposits of buildings savings clients, ČMSS 100%	ČNB (ARAD), ČMSS
Housing loans	Outstanding volumes; building loans + mortgages	ČNB (ARAD), HB, ČSOB, ČMSS
Mutual funds	AUM in both Czech and foreign funds at the given date, including institutional funds and third parties funds; according to AKAT methodology	Association for Capital Market (AKAT)
Total Loans and Leases	Outstanding volumes, consumer loans, mortgages, housing loans (55%), COR/SME loans	ČNB (ARAD), Ministry for Regional Development, HB, ČSOB, ČMSS
Leasing	Volume of newly granted loans (leasing of movables, commercial loans and hire purchase, excl. consumer loans); related to the relevant market comprising both banks and non-banking institutions	Association of Leasing and Factoring Companies ČR (ČLFA)
Mortgages	Outstanding volumes; mortgages for private individuals excl. home-equity consumer loans and mortgages for non-housing real estate purposes, consumer loans for house purchase, according to ČNB definition	ČNB (ARAD), HB, ČSOB
Factoring	Volume of new business	ČLFA
Pension funds	Number of clients at the given date	Association of Pension Funds, ČSOB PF
CORP/SME loans	Remaining loans that are not reported in any of the retail loans categories (loans to other than households)	ČNB (ARAD), ČSOB
Other retail loans	Outstanding volume of cash loans, credits cards, overdrafts, home equity loans, student loans and mortgages for non-housing real estate purposes	ČNB (ARAD), ČSOB
Life insurance	Gross written Premium, life insurance	Czech Insurance Association (ČAP), ČSOB Pojišťovna
Non-life insurance	Gross written Premium, non-life insurance	ČAP, ČSOB Pojišťovna
Total insurance	Gross written Premium, life insurance + non-life insurance	ČAP, ČSOB Pojišťovna

Glossary - ratios

NIM (net interest margin)	Net interest income / average interest earnings assets excluding repo operations; Qtd., annualized
C/I (cost/income ratio)	Operating expenses / operating income, Ytd.
RoA (return on average assets)	Net profit for the year / five point average of total assets (calculated based on the period end closing balance and the closing balances of the preceding four quarters); Ytd., annualized
RoE (return on average equity)	Net profit for the year / five point average of total shareholders' equity (calculated based on the period end closing balance and the closing balances of the preceding four quarters); Ytd., annualized
CCR (credit-cost ratio)	Total credit costs / average outstanding credit portfolio (loans, loans replacements and drawn credit commitments - e.g. guarantees) and non-sovereign bonds in credit book; Ytd., annualized
NPL (non-performing loans) ratio	Outstanding amount of non-performing loans (KBC group methodology) / loan portfolio
NPL coverage ratio	Allowances for loans and leases / non-performing loans
Core tier 1 ratio Total capital ratio	According to prudential reports of ČNB – Basel II (since 1 July 2007)
Solvency ratio (insurance)	According to prudential reports of ČNB – Solvency I
Loan to deposit ratio	Loan portfolio / primary deposits
Net stable funding ratio (NSFR)	Available amount of stable funding (equity and liability which are expected to be reliable sources of funds over a one-year time horizon under extended stress) to stable funding required by an institution based on types of its assets, off-balance sheet exposures and activities pursued (according to Basel III)
Leverage ratio	Tier 1 capital / non-risk value of assets (According to Basel III)
Liquidity coverage ratio	High quality liquid assets (unencumbered and convertible into cash) to liquidity needs (outflow – inflow) for a 30 calendar days time horizon under specified significant stress scenario (According to Basel III)

Glossary - other definitions

Underlying	Excluding extraordinary items. KBC group methodology.
Loan portfolio	Loans and receivables to other than credit institutions plus loans and receivables to credit institutions minus exposure to banks from inter-bank transactions plus credit replacing bonds (in HTM, AFS and FVPL portfolios).
Mortgages	All loans booked in Hypoteční banka, including home equity loans and mortgage loans to legal entities, excluding intra-group loans. Gross.
Building savings loans	All customer lending granted by ČMSS in book values. Gross.
Consumer finance	Loan portfolio granted by ČSOB's retail network (ČSOB brand and PSB brand) in book values. Gross.
SME loans	Loan portfolio granted by ČSOB's SME network in book values. Gross.
Corporate loans	Loan portfolio granted by ČSOB's corporate banking network in book values, including credit-replacing bonds. Gross.
Group deposits	Item Deposits received from other than credit institutions from the consolidated balance sheet.
Building savings deposits	All ČMSS financial liabilities at amortized cost minus deposits received from other than credit institutions.
Primary deposits	Group deposits minus pension funds minus repo operations with non-banking financial institutions (part of "other group deposits") plus deposits to credit institutions (excl. repo operations with credit institutions). Consistent with the internal liquidity management reporting system.

Contacts

ČSOB Investor Relations Team
Robert Keller (Head of IR)
Jana Kloudová
Tereza Měrtlová
Michal Nosek
Markéta Pellantová

Tel: +420 224 114 111
Tel: +420 224 114 109
investor.relations@csob.cz
www.csob.cz/ir

Československá obchodní banka, a. s.
Radlická 333/150, Praha 5
Czech Republic

ČSOB group Czech Republic
Member of the KBC Group