



FY 2007 ČSOB Group Results



IFRS Unaudited Consolidated
Prague February 14, 2008



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Highlights

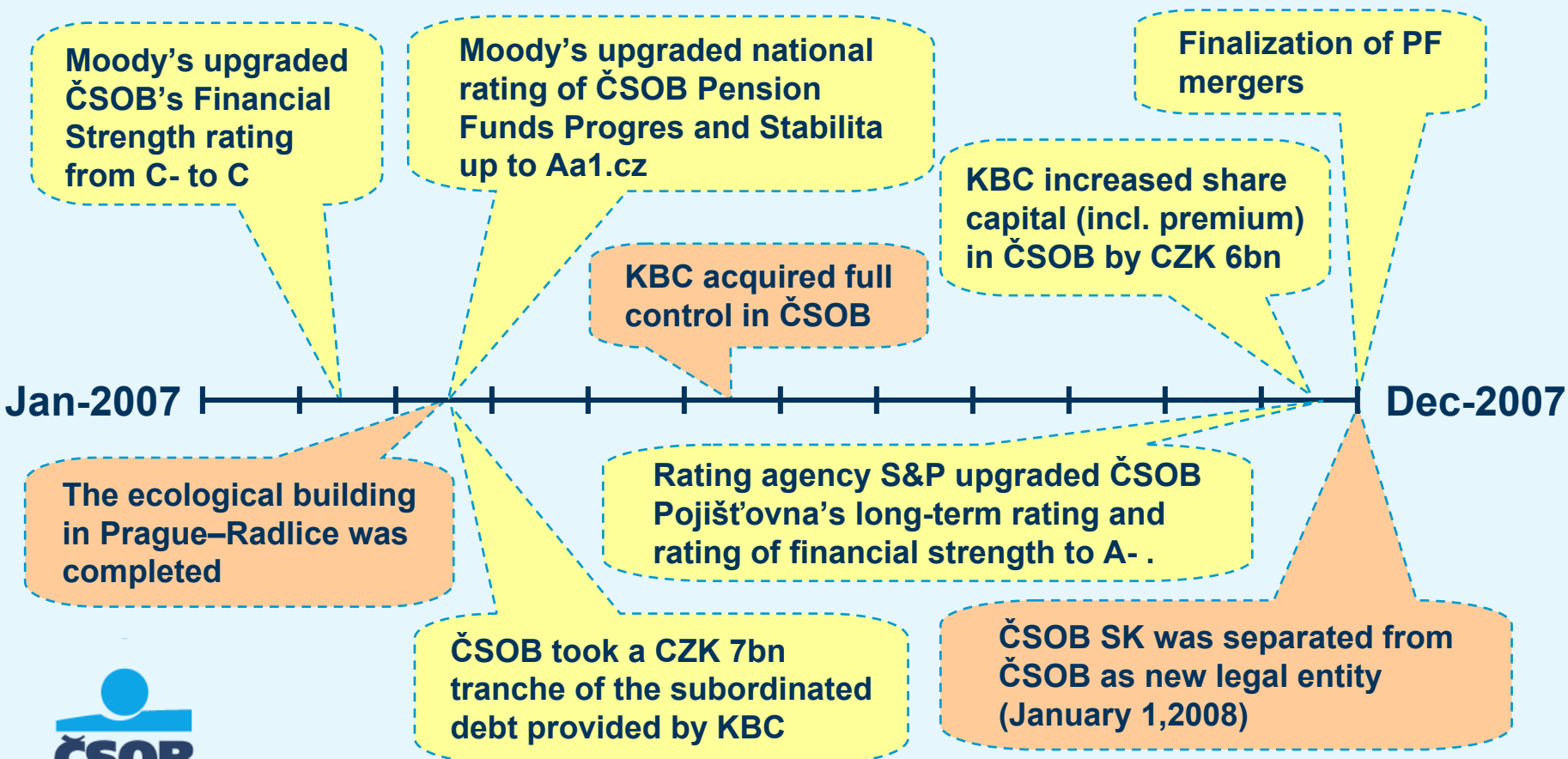
Successful year 2007

- ČSOB Group recorded 2007 net profit of **CZK 10,837m** (+22% excl. RE one-off).
- Group **business lending** rose by **26%** Y/Y and **AUM** by **21%** Y/Y.
- In spite of the business growth, **underlying operating expenses** increased only by **3%** due to strict cost control.
- Ongoing **investments in innovations** such as Mortgage On-line of HB, Image Card of ČSOB, Red Account of PSB or Liška Plus+ of ČMSS.
- Continuing strategy of **multibranding and bancassurance** – e.g. 40% of life insurance was acquired via ČSOB Bank and 60% of pension fund clients were acquired via ČMSS.
- Year of **important changes** – moving to the new ecological building, change in shareholders' structure and completion of legal separation of ČSOB SK (effective on January 1, 2008).
- ČSOB was **awarded** the best bank in the Czech Republic by The Banker and Global Finance.



Main Events of 2007

Year of important changes



Main Events of 2007

Three most important events

- April-June 2007: Most of Prague employees of ČSOB Group moved out of the city center into the **new ecological building** in Prague–Radlice. This was an important milestone on our journey towards high performance culture. The new building makes space for interaction of 2,600 service-minded people.
- June 2007: **KBC Bank NV acquired full control in ČSOB** by the squeeze-out of minority shareholders. This operation was financed with KBC's capital surplus. Valuation of ČSOB was set at CZK 185bn, i.e. about 20% of KBC's market capitalization.
- January 1, 2008: **ČSOB SK**, formerly the Slovak branch of ČSOB, started operating as a **new legal entity** and became a sole owner of ČSOB Group's business subsidiaries in SK. KBC thus obtained full direct control over ČSOB SK. FY2007 results are the last to include Slovak operations within ČSOB's consolidated accounts.



ČSOB Innovation Leadership in 2007

Selected banking innovations



- New account packages
- Image Card
- ČSOB Mortgage with guaranteed amount of repayments
- Club of Successful Businessmen – new advisory for SME
- VARIO mortgage which allows adjustment of repayments and duration (SK)



- Red Account – new savings product
- Loyalty program for paying with payment cards



- Mortgage On-line
- Remote access to the land register free of charge
- Info service via SMS or e-mail free of charge



- Liška Plus+ new building savings

ČSOB Innovation Leadership in 2007

Selected innovations in other financial services



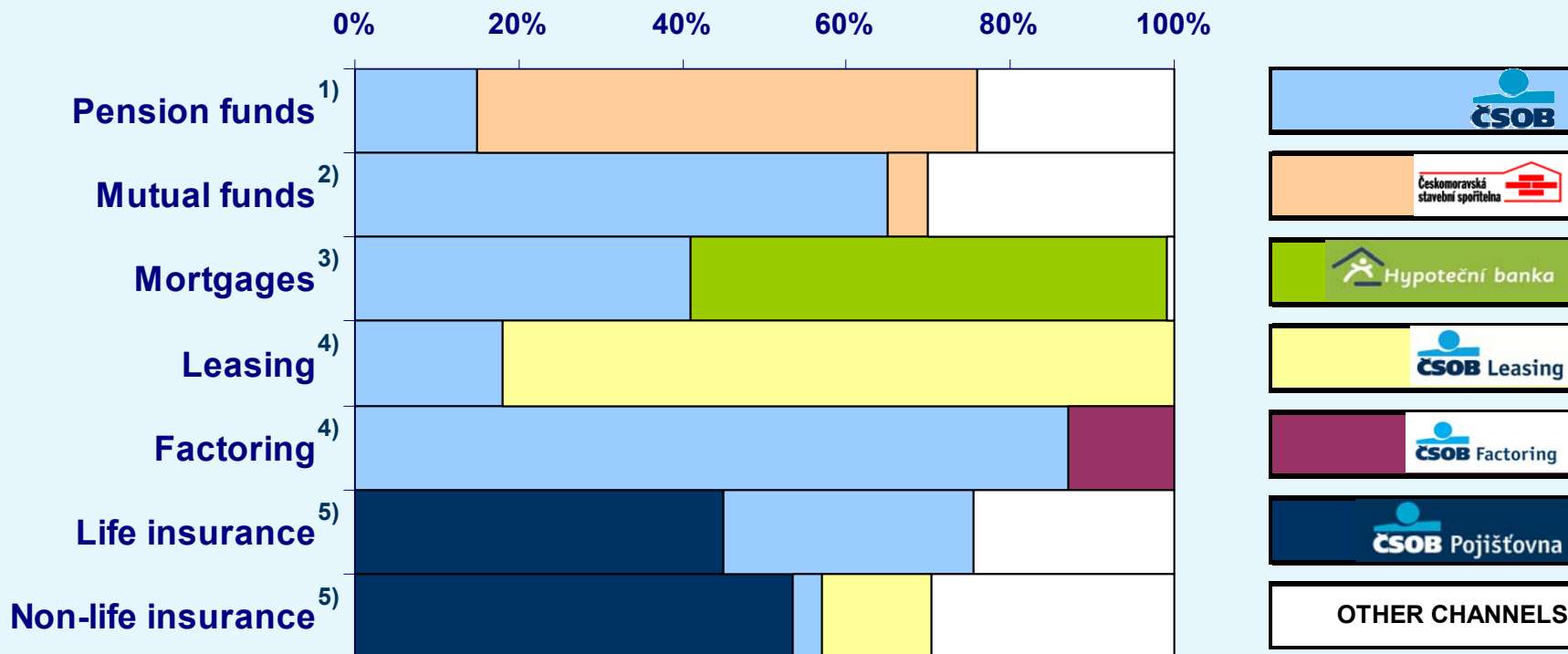
- **MUTUAL FUNDS:** First socially responsible funds – e.g. ČSOB Water Wealth 1
- **LEASING:** eLine – on-line application for concluding leasing contracts
- **LEASING:** Car Park – website for operational leasing
- **PENSION FUNDS:** On-line access to the accounts of PF's clients

INSURANCE:

- New accident insurance packages – Dítě, Pohoda, Komfort
- New travel insurance tariff Rodina
- New insurance for engineering companies – Merkur

ČSOB Group's Synergies

Strong cross-selling under multibranding strategy in ČSOB Group CZ



Note: 1) number of new contracts, 2) gross sales, 3) new sales, 4) new turnover, 5) written premium



Strategy of Multibranding and Multichannel is our major competitive advantage which delivers strong outcomes.

Bancassurance

High sales of insurance linked to retail banking products

FY 2007

CZ

SK

life insurance / ČSOB mortgages

68%

53%

property insurance / ČSOB mortgages

75%

63%

consumer loans insurance / ČSOB consumer loans

77%

84%

Note: number of new contracts insured / all insurable

- ČSOB Group aims to be **No. 1 in combining banking products with own insurance products.**
- Examples of a bancassurance innovations are:
 - ✓ ČSOB life insurance with two new options of accident insurance against death and injury with lasting effect – more attractive product for bank clients.
 - ✓ ČSOB Leasing started to offer new insurance products of ČSOB Pojišť'ovna – GAP car insurance and insurance of machine transportation for free.



Financial Highlights

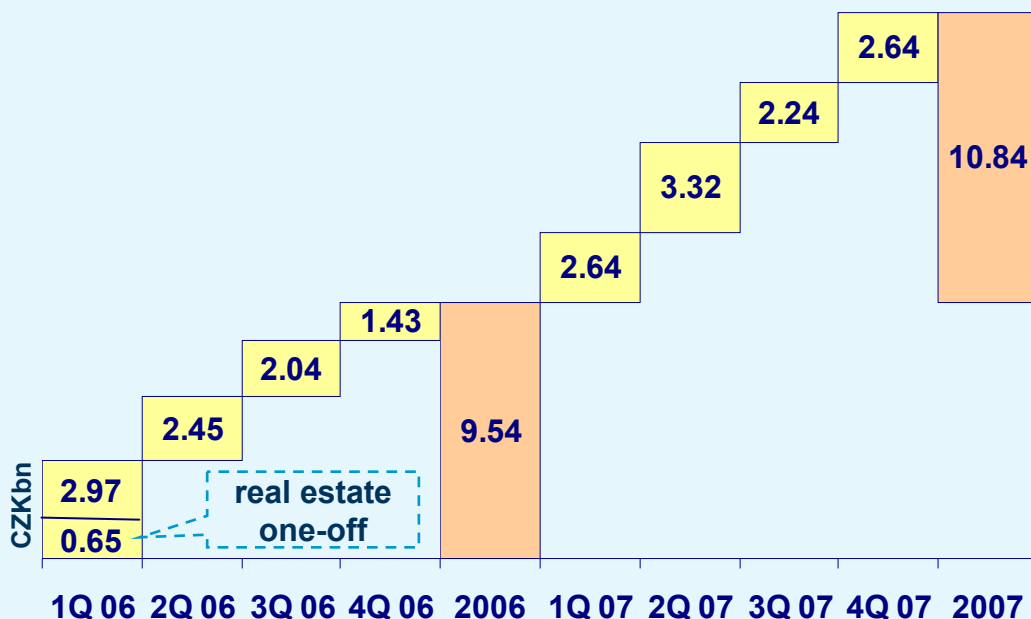
Net profit of CZK 10,837m

- ČSOB Group recorded 2007 net profit of **CZK 10,837m**.
 - This represents a nominal increase of 14%, compared to CZK 9,543m in 2006.
 - Such a Y/Y comparison is largely distorted, especially by the real estate one-off in 2006.
 - Excluding this one-off, net profit **grew by 22% Y/Y**.
- Net interest income, **NII**, showed a strong growth of **16% Y/Y** (see slide 18).
- Net fee and commission income, **NFCI**, increased by **6% Y/Y** (see slide 19).
- Net trading income, **NTI**, decreased by **10% Y/Y** (see slides 19 – 20).
- In spite of business expansion **underlying operating expenses** grew by **3% Y/Y** (see slide 21).
- **Cost/income** ratio improved to **52.9 %** (see slide 11).



Financial Highlights

Net profit development and ratios



4Q 2007 net profit of CZK 2.64bn – up by 85% Y/Y.

Return on Allocated Capital (ROAC) for 2007 reached 36.4% in CZ.



Cost-income ratio (excl. RE one-off) improved by 3.2 pp Y/Y down to 52.9%.

NIM grew by 11 basis points Y/Y and the loan/deposit ratio rose above two-thirds.

Financial ratios

	FY 2006 reclass.	FY 2007
excl. RE one-off		
C/I Ratio	56.1%	52.9%
Loan/Deposit Ratio*	63.1%	67.4%
NIM	2.62%	2.73%
CAD Bank*	9.29%	11.30%

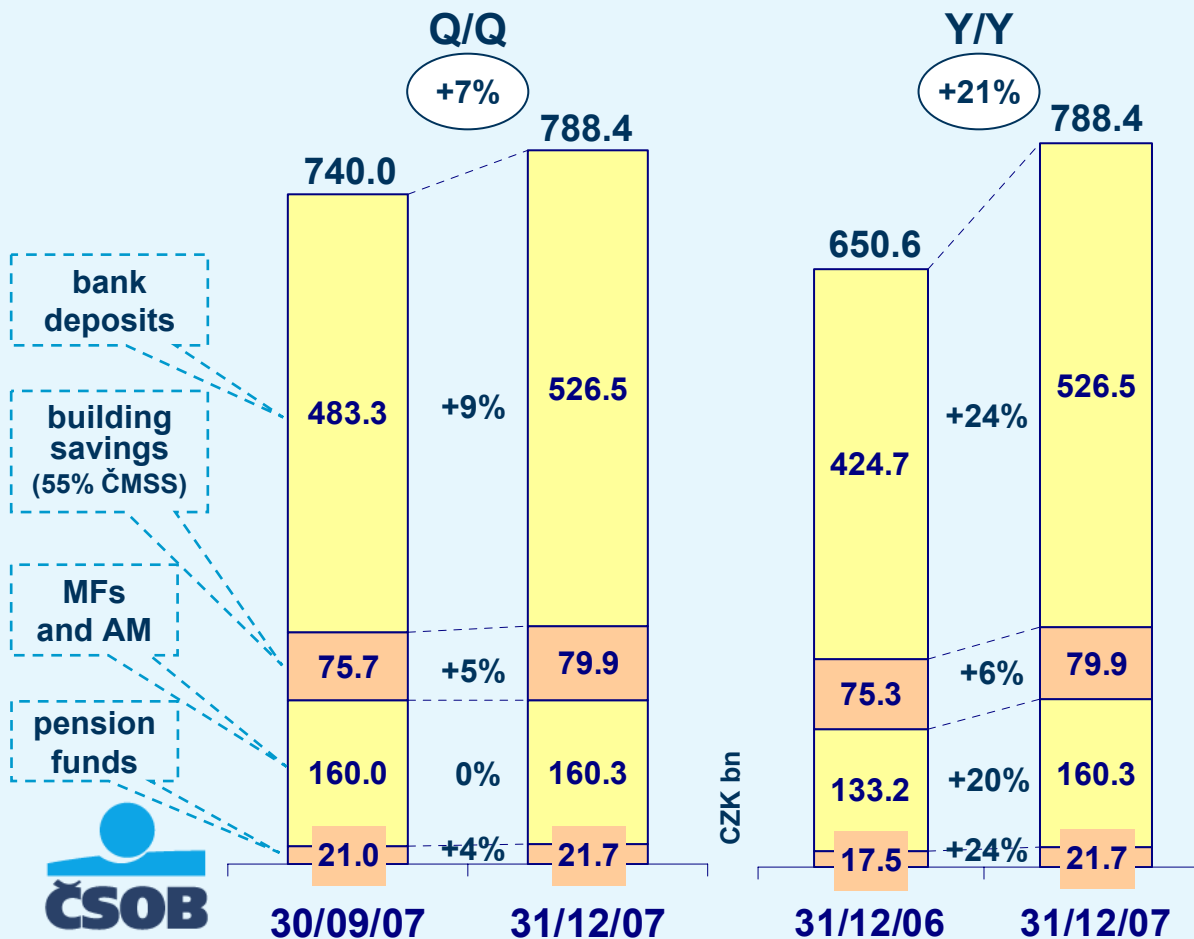
Basel I

Basel II

Note: * Level at the end of period

AUM and Deposits (CZ+SK) at Glance

Number one in total AUM



Assets under management and deposits rose Y/Y by CZK 137.8bn (+21%).

The fastest growing items were PFs and bank deposits (esp. due to current accounts), both +24% Y/Y (CZ and SK in total).

The Q/Q stagnation in mutual funds and AM (CZ+SK) was influenced by low performance of equity markets. Nevertheless, ČSOB CZ remains No. 1 in sales of capital guaranteed funds. AUM in CGFs in CZ increased by 46% Y/Y to CZK 36.6bn.

Note: Item MFs and AM = MFs (incl. institutional) + individual AM + institutional AM without pension funds.



Business Highlights

Assets side - strong growth in lending activities

(CZK bn)	31/12/2006	31/12/2007	Change Y/Y
Total Group lending ¹⁾	315.6	409.0	+30%
Group business lending (CZ+SK) ²⁾	318.3	402.4	+26%
Retail CZ - Housing loans	116.3	160.2	+38%
- of which: mortgages (HB+ČSOB+PSB)	54.2	80.4	+48%
- of which: building loans (ČMSS, 100 %)	62.1	79.7	+28%
Retail CZ - Consumer lending (incl. Amer. mortgages)	9.6	12.1	+26%
SME loans CZ	44.1	58.9	+34%
Corporate loans Bank CZ	85.1	94.1	+11%
Leasing CZ	28.0	33.8	+21%
Total lending SK ³⁾	48.8	58.8	+20%

Quality of loan portfolio remained on a very high level

NPL / Total Group lending	1.69%	1.72%	+0.03 pp
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Notes:

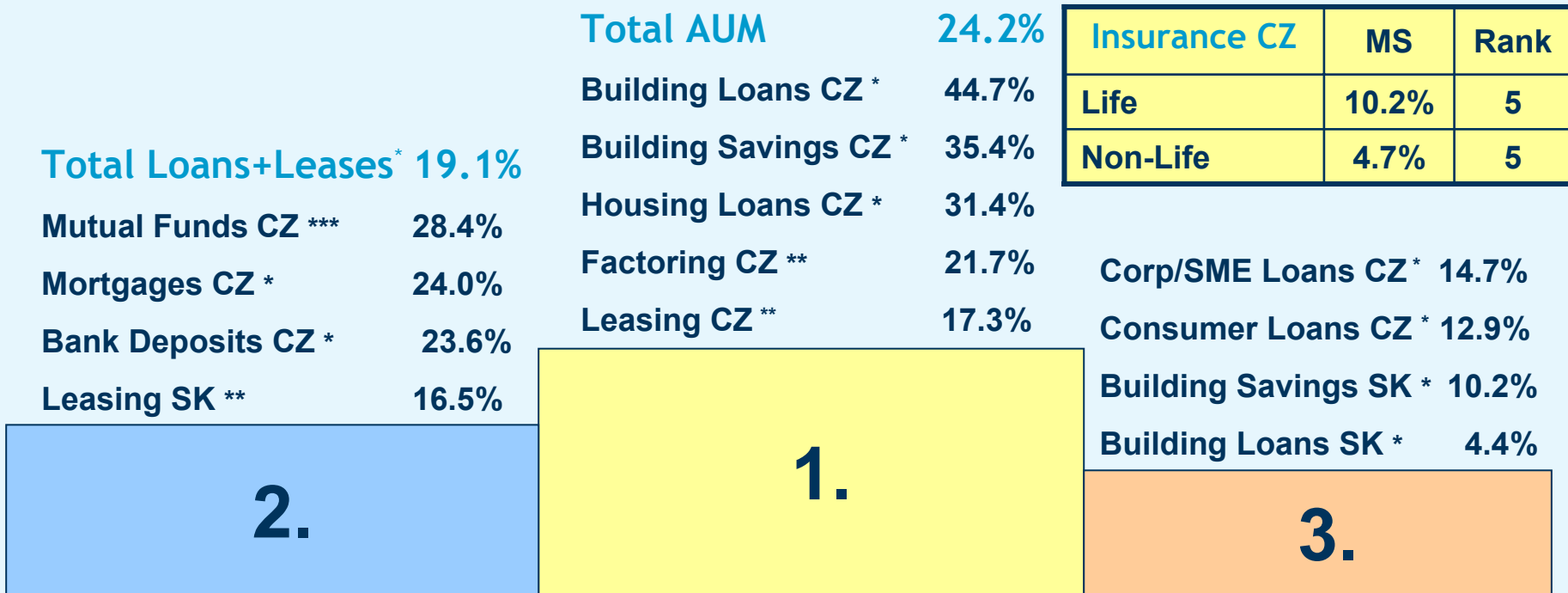
1) "Total Group lending" = "Loans and receivables" – "Due from banks" (from the Balance Sheet, ČMSS 55 %).

2) "Group business lending" = "Total Group lending" – ALM (securities) – historical bad debts +/- eliminations. (ČMSS 55 %)

3) In terms of SKK, Total lending SK grew by 22% Y/Y, see slides 33-34.

ČSOB Group's Market Shares

Maintaining leading positions in the Czech and Slovak markets



Notes: Market shares as of 30/09/07

* Market share according to outstanding volume at the end of period

** Market share according to volume of new business

*** Incl. institutional funds and third parties funds, MS according to outstanding volume at the end of period

Source: ČNB, financial associations

ČSOB Group's 2007 Awards

Superior reputation



**Banker Awards:
Bank of the Year 2007
Czech Republic**



**GF World's Best Bank
Awards:
Best Bank 2007
Czech Republic**



**Most successful of Czech
financial groups,
16 medals, incl. 5 golden ones**

Other awards:

- Best FX Bank by Global Finance
- Best Trade Finance Provider by Global Finance
- Mortgage of the Year by MasterCard for HB
- Banker of the Year by MasterCard for Pavel Kavánek
- No. 1 leasing provider in Czech Top 100





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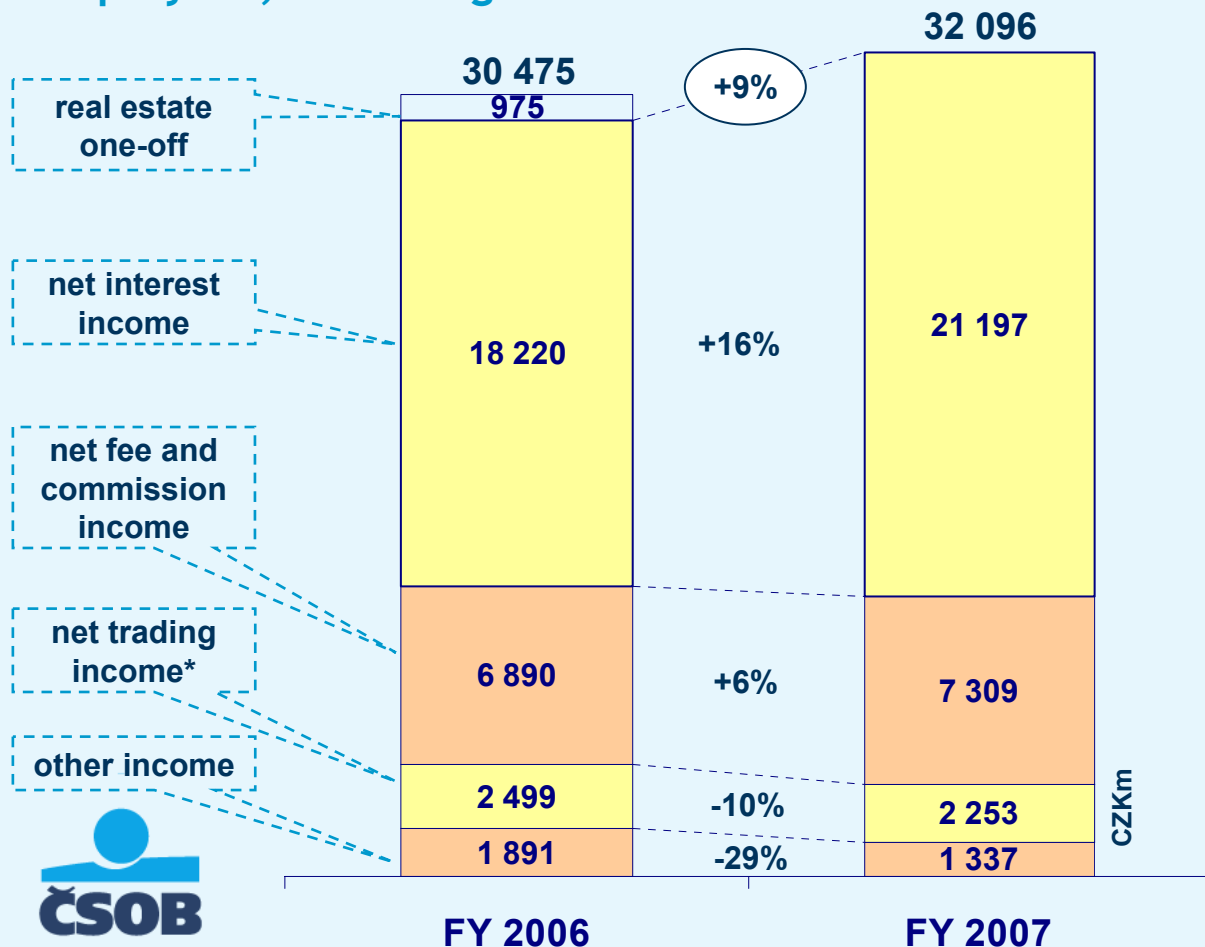
Quality of Credit Portfolio

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Operating Income

Up by 9%, excluding real estate one-off



Operating income excluding the real estate one-off increased from CZK 29,500m to CZK 32,096m.

NII increased as a result of fast growing business volumes.

Good results reached in customer desk and dealing operations were outbalanced by revaluation of CDO portfolio.**

Decrease of other income was caused by decrease of recoveries.

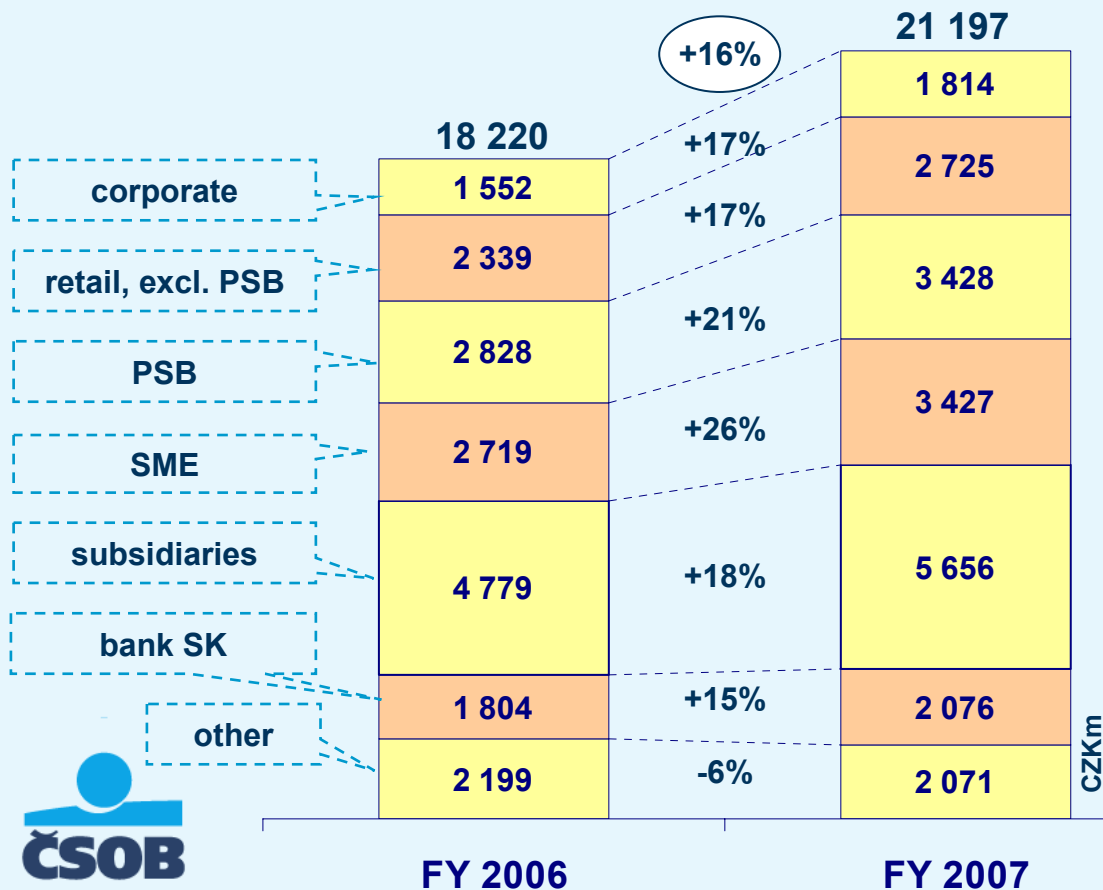
Operating income in 2006 was distorted by CZK 975m real estate one-off.

Notes: * NTI = Net gains from financial instruments at fair value through P/L.
** CDO = Collateralized debt obligation.



Net Interest Income

Growth in all segments continues



Net interest income increased by 16% Y/Y thanks to good business results in all business segments.

The strongest growth of NII was recorded by SME (CZK +708m) thanks to strongly growing volumes of both loans and deposits.

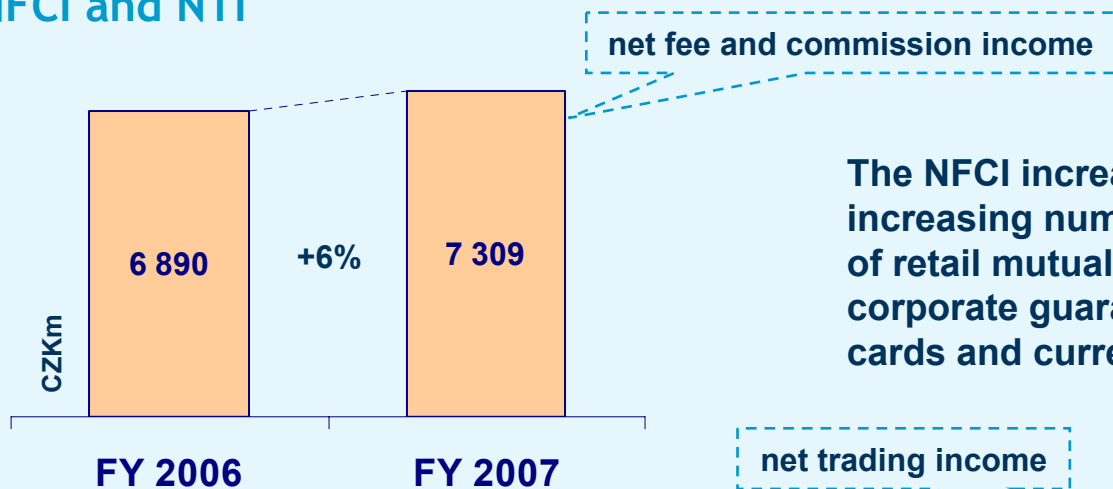
The CZK 600m growth in PSB was driven by volumes of deposits.

Contribution of subsidiaries to NII grew thanks to larger volume of outstanding mortgages in HB and higher interest income from loans in ČMSS.



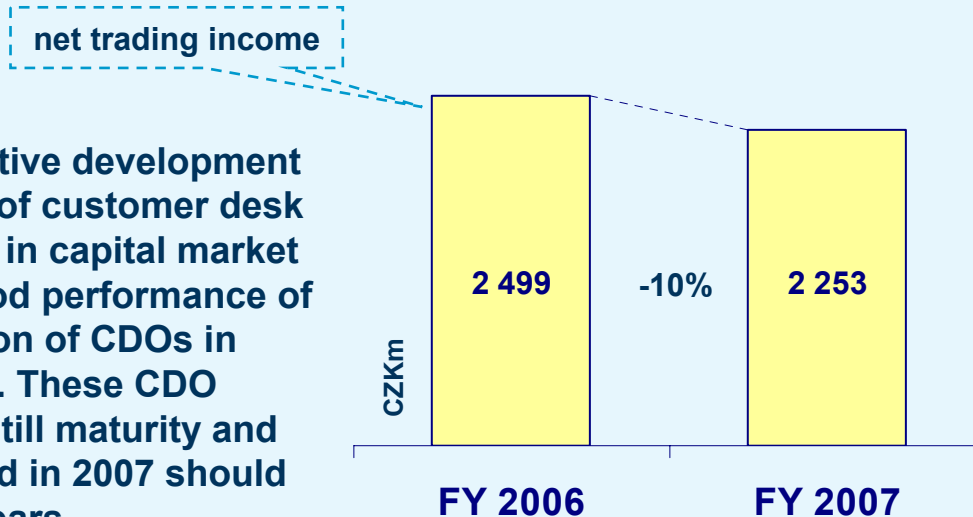
Non-Interest Income

NFCI and NTI



The NFCI increase was driven mainly by the increasing number of transactions, especially of retail mutual funds, retail loans and corporate guarantees in ČSOB and payment cards and current accounts in PSB.

FM showed volatile, yet very positive development mainly due to good performance of customer desk and profitable dealing operations in capital market and money market desk. This good performance of FM was outbalanced by revaluation of CDOs in investment portfolio (CZK -800m). These CDO positions are intended to be kept till maturity and loss from their revaluation booked in 2007 should gradually be offset in following years.



Subprime Loan Exposure

Limited exposure, high quality of our CDOs

- As previously mentioned, ČSOB has CDOs in its investment portfolio. Investment strategy is to keep all the securities to maturity.

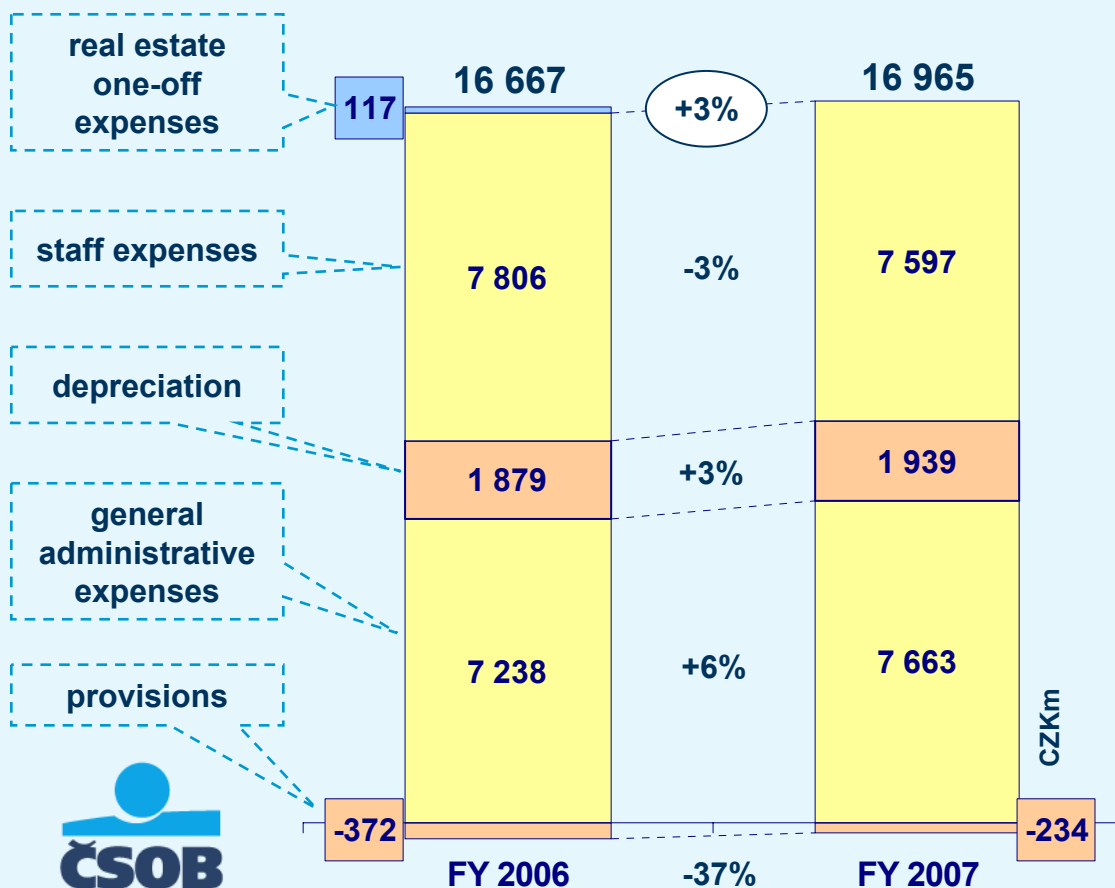
	Investment grade	AA- and higher	A- to A+	Subprime
CDOs without ABS* and without subprime	100%	60%	40%	0%
CDOs with ABS included limited subprime	100%	100%	0%	4.9%

- Total nominal exposure of ČSOB Group to subprime, according to Moody's methodology, is EUR 20.8m. This is an indirect exposure which is, in addition, protected by a certain subordination level.
- All CDOs in ČSOB's portfolio are structured and actively managed by KBC. The realised asset substitutions have recently proven to be effective to avoid credit rating downgrades.
- As of February 13, 2008, no CDOs held by KBC Group were downgraded. In November 2007, Moody's put under review 5 KBC managed CDOs. Out of these, 3 had their rating reconfirmed in January 2008 while 2 are still under review. Fitch took no action regarding KBC Group's CDOs.

Note: * ABS = asset-backed securities

Operating Expenses

Up by 3%, excluding real estate one-off



Operating expenses excl. real estate one-off increased from CZK 16,550m to CZK 16,965m.

Staff expenses in 2006 were influenced by accruals for expenses stemming from the termination of a stock option plan (as a part of squeeze-out of minority shareholders). Excluding these accruals staff expenses increased by 8% in 2007 driven by higher performance bonuses and increase of salaries.

Increase of GAE was connected especially to communication expenses driven by data network (e.g. E-toll) and increase of building expenses driven by branch expansion and parallel running of head office buildings during 1H 2007.



Profit and Loss Statement

(CZK m)

	FY 2006	FY 2007	Y/Y
Net interest income	18 220	21 197	16%
Net fee and commission income	6 890	7 309	6%
Net gains from fin. instruments at fair value through P/L	2 499	2 253	-10%
Net realised gains on available-for-sale fin. assets,	2 866	1 337	-53%
Dividend income, Other net income			
Operating income	30 475	32 096	5%
Staff expenses	-7 806	-7 597	-3%
General administrative expenses	-7 355	-7 663	4%
Depreciation and amortisation	-1 879	-1 939	3%
Provisions	372	234	-37%
Operating expenses	-16 667	-16 965	2%
Impairment losses	-1 410	-1 446	3%
Share of profit of associates	45	181	307%
Profit before tax	12 441	13 867	11%
Income tax expense	-2 797	-2 993	7%
Profit for the period	9 645	10 874	13%
Attributable to:			
Equity holders of the parent	9 543	10 837	14%
Minority interest	102	37	-64%

real estate
income 2006:
CZK 975m

real estate
expense 2006:
CZK 117m

Profit contrib. of
ČSOB Pojišť'ovna
(25%)*

tax effect of
real estate
one-off 2006:
CZK 206m

excl. RE one-off:
CZK 8,891m

excl. RE one-off:
+22%



Note: Structure of statements was changed according to IFRS 7, therefore some items for FY 2006 were reclassified.

Balance Sheet (Assets)

(CZK m)	31/12/2006	31/12/2007	Ytd. change
Cash and balances with central banks	33 386	33 830	1%
Financial assets held for trading	149 647	224 488	50%
Financial assets designated at fair value through P/L	23 880	24 152	1%
Available-for-sale financial assets	66 166	75 956	15%
Loans and receivables - net	340 279	411 129	21%
<i>Loans and receivables - gross</i>	347 284	418 428	20%
<i>Loans and receivables - provisions</i>	-7 005	-7 299	4%
Held-to-maturity investments	108 772	114 089	5%
Derivatives used for hedging	5 124	5 587	9%
Accrued interest income	6 574	7 640	16%
Current tax assets	1 354	697	-49%
Deferred tax assets	414	722	74%
Investments in associates	658	703	7%
Investment property	0	875	-
Property and equipment	11 024	11 936	8%
Goodwill and other intangible assets	4 503	4 710	5%
Non-current assets held-for-sale	63	27	-57%
Other assets	10 457	8 881	-15%
Total assets	762 301	925 424	21%



Note: Structure of statements was changed according to IFRS 7, therefore some items for FY 2006 were reclassified.

Balance Sheet (Equity and Liabilities)

(CZK m)	31/12/2006	31/12/2007	Ytd. change
Financial liabilities held for trading	13 957	15 985	15%
Financial liabilities at fair value through P/L	84 163	145 789	73%
Financial liabilities at amortised cost	586 855	681 882	16%
Derivatives used for hedging	386	1 385	258%
Accrued interest expenses	2 020	1 624	-20%
Current tax liabilities	104	298	187%
Deferred tax liabilities	94	367	291%
Provisions	1 611	1 219	-24%
Other liabilities	20 578	19 674	-4%
Total liabilities	709 768	868 223	22%
Share capital	5 105	5 855	15%
Share premium account	2 259	7 509	232%
Statutory reserve	18 687	18 687	0%
Retained earnings	24 686	25 960	5%
Available-for-sale reserve	605	-363	-160%
Cash flow hedge reserve	946	-649	-169%
Foreign currency translation reserve	-147	-133	-10%
Parent shareholders' equity	52 139	56 865	9%
Minority interests	394	336	-15%
Total equity	52 533	57 201	9%
Total liabilities and equity	762 301	925 424	21%

includes
item
Subordi-
nated debt



Note: Structure of statements was changed according to IFRS 7, therefore some items for FY 2006 were reclassified.



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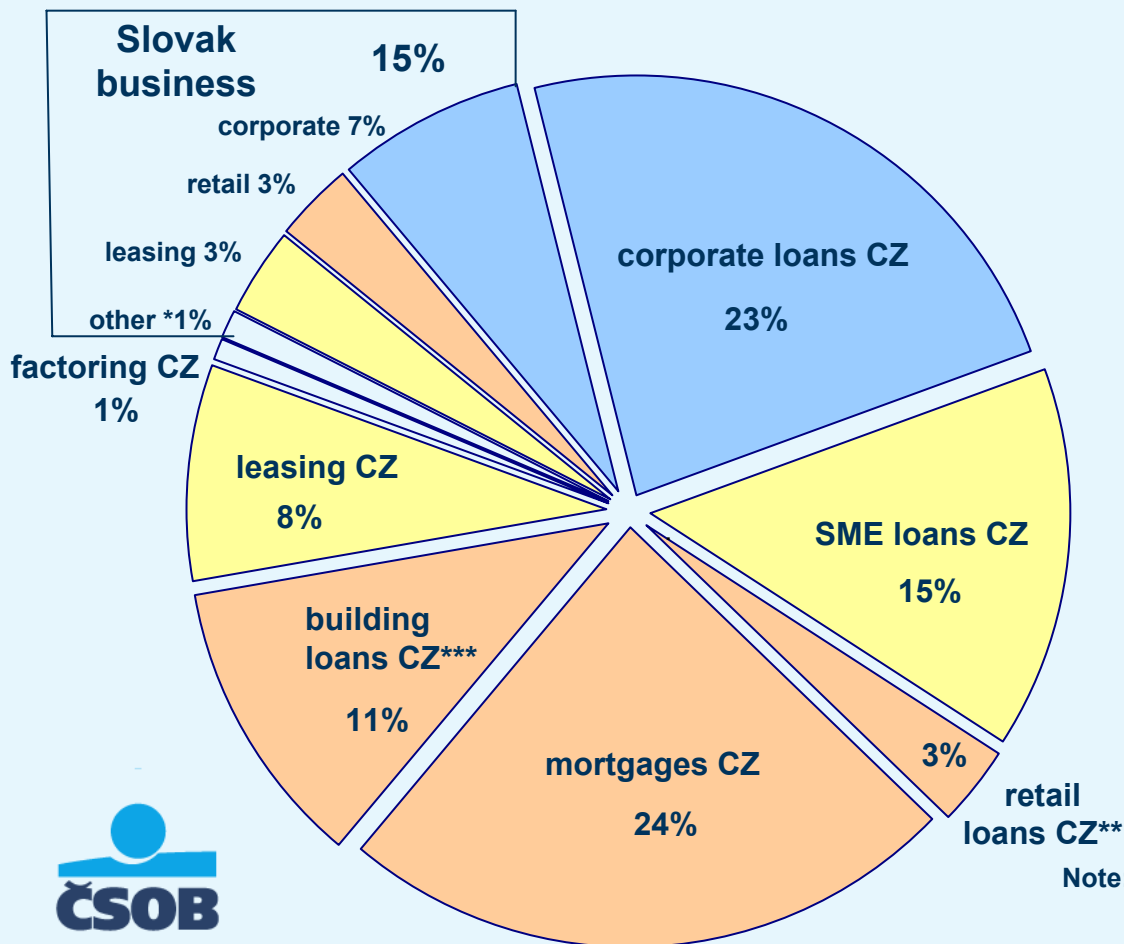
Quality of Credit Portfolio

Other Information



Group Business Lending

Increase of 26% Y/Y



Total Group Business Lending rose by 26% Y/Y and reached CZK 402.4bn. This strong Y/Y rise was supported by the growth of all segments, especially by mortgages CZ (+48%), SME loans CZ (+34%), retail loans CZ (+31% excl. mortgages) and building loans CZ (+28%).

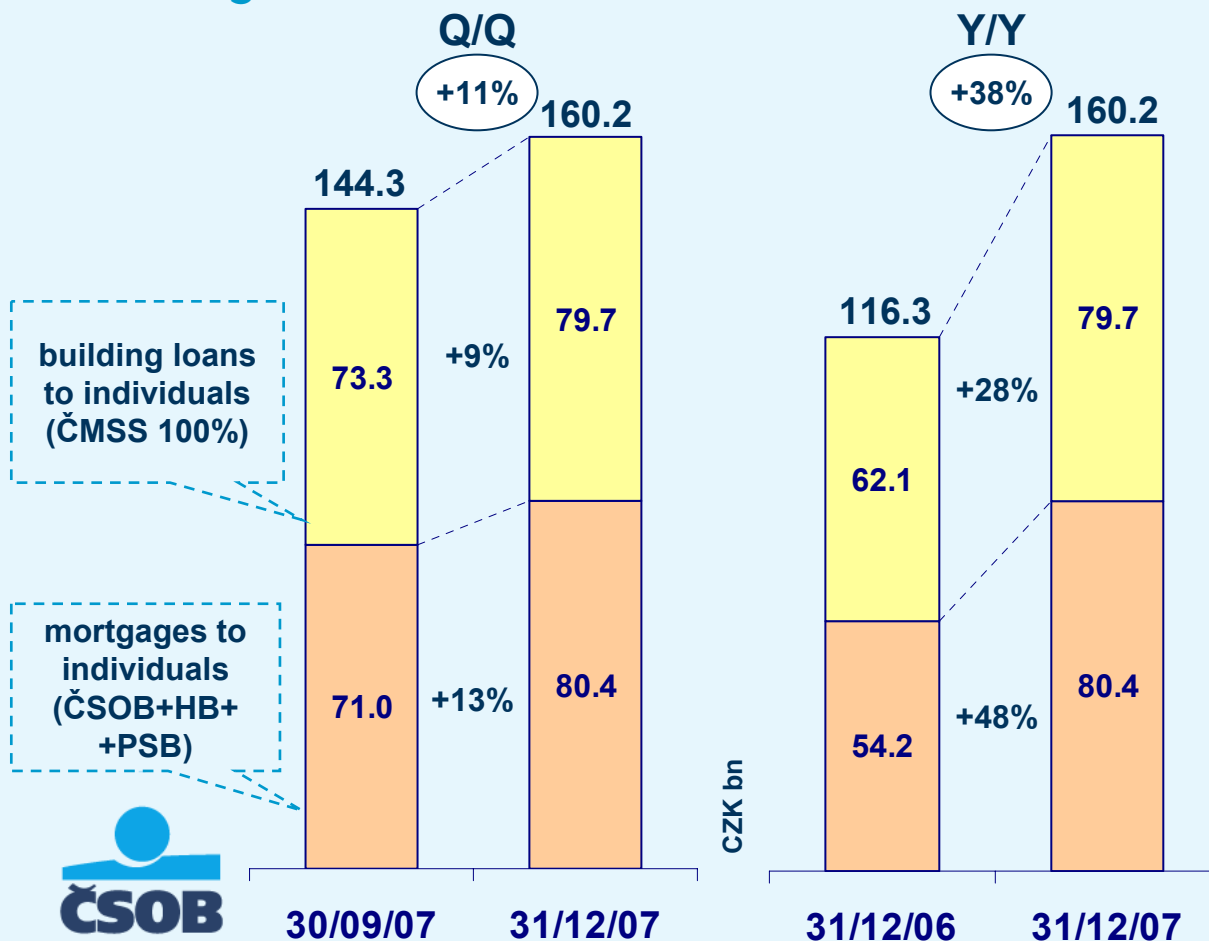
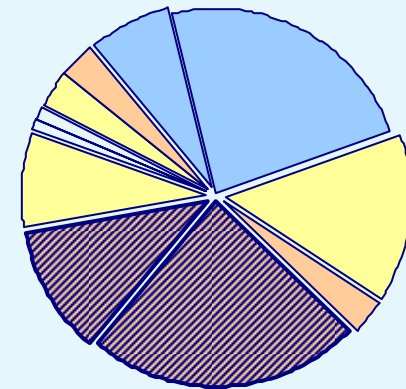
During 4Q 2007, total Group business lending grew by 5%. The main contributors were mortgages CZ (+12%) and building loans CZ (+9%).

Note: * incl. factoring, SME loans, and building loans
 ** excl. mortgages and building loans
 *** ČMSS consolidated proportionally by 55%



Housing Loans (CZ)

Leading the market



The outstanding volume of housing loans exceeded CZK 160bn.

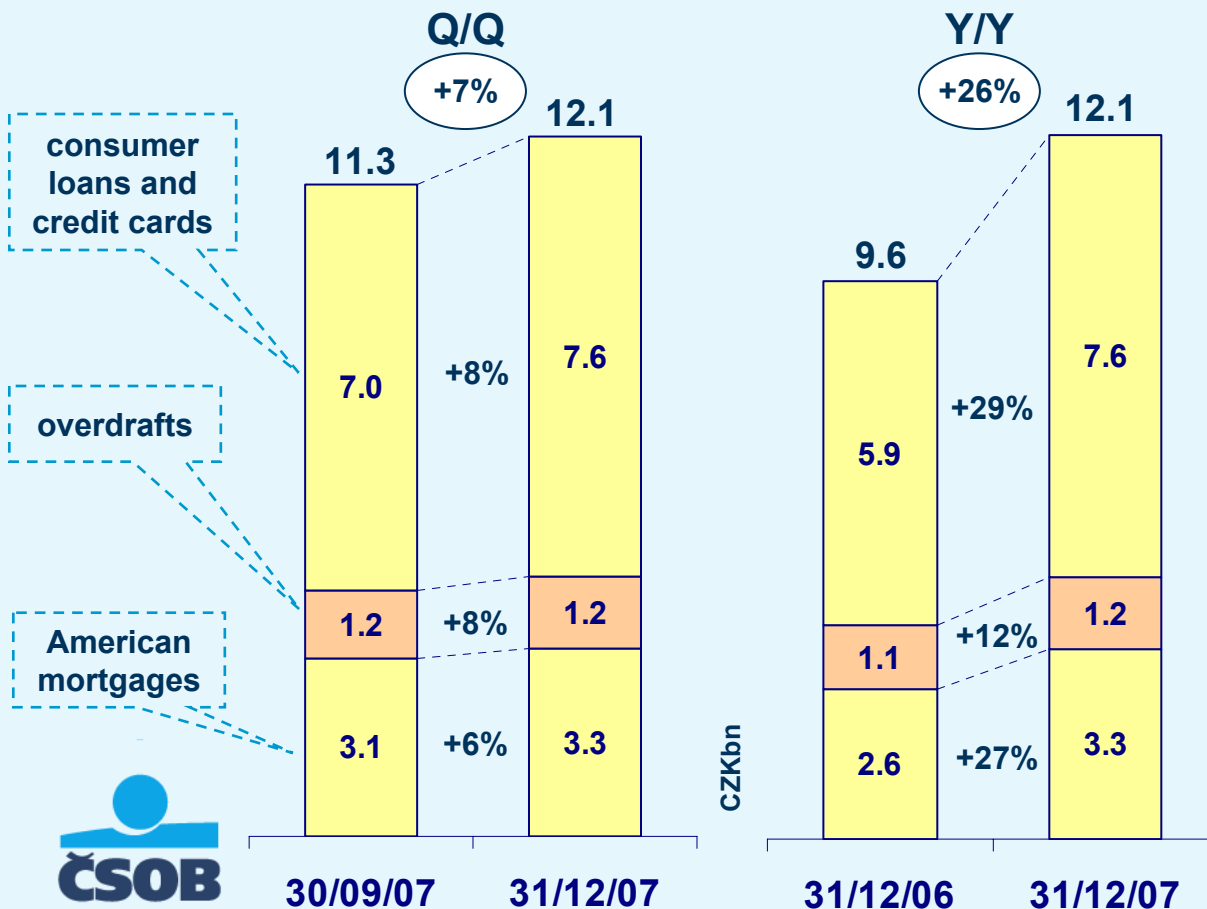
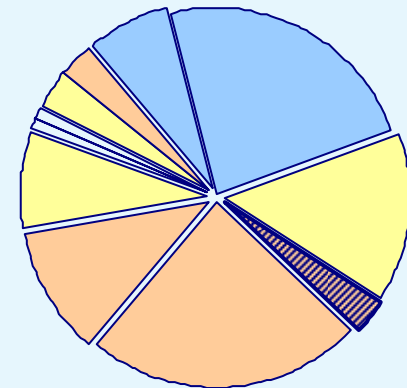
New sales of mortgages in 2007 increased by 53% and amounted to CZK 40.4bn.

During 2007, ČSOB, HB and ČMSS introduced many innovations in housing finance such as ČSOB Mortgage with guaranteed amount of repayments, Mortgage On-line or building savings Liška Plus+ of ČMSS.



Consumer Lending (CZ)

Solid growth of ČSOB's consumer lending continues



Total consumer lending, excl. housing loans, rose by 26% Y/Y and topped the amount of CZK 12.1bn.

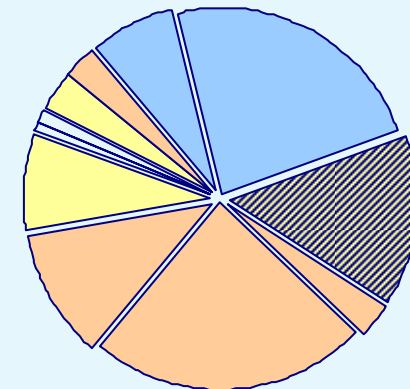
The main contributor to the Y/Y growth were consumer loans and credit cards with a 29% increase.

Consumer loans, incl. other retail loans, showed in the end of September 2007 market share of 12.9% (+0.9 pp Ytd).



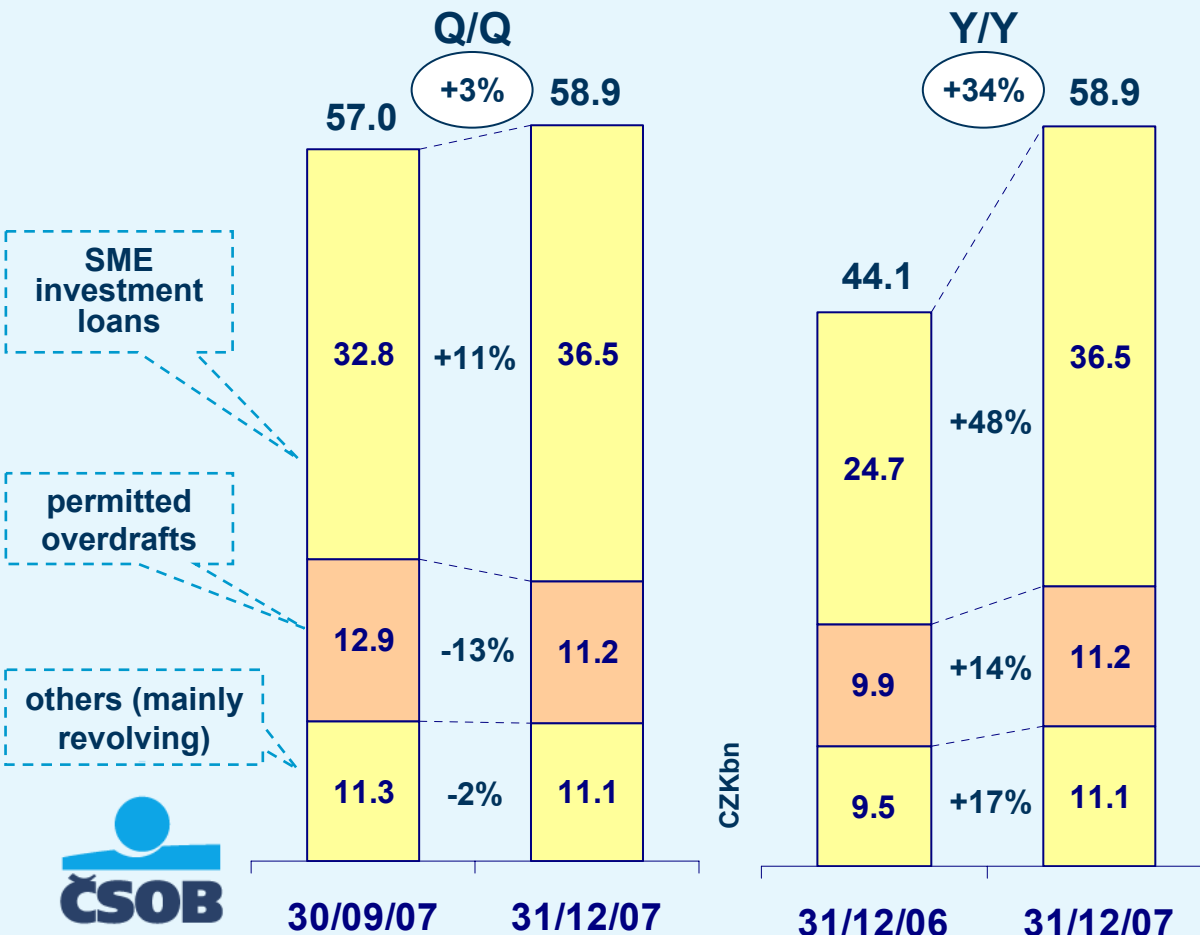
SME Lending (CZ)

Growth via customer approach



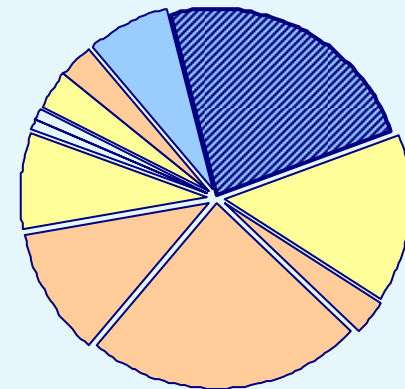
SME lending reached CZK 58.9bn and increased Y/Y by 34%. The Y/Y growth was caused especially by growth of investment loans (+48%). These results were positively impacted by new offer of consultant service for SME clients.

Main 2007 innovations for SME were new saving product ČSOB Saving Account for Businessmen and an advisory website – Club of Successful Businessmen.



Corporate Lending (CZ)

Growth via Group cooperation



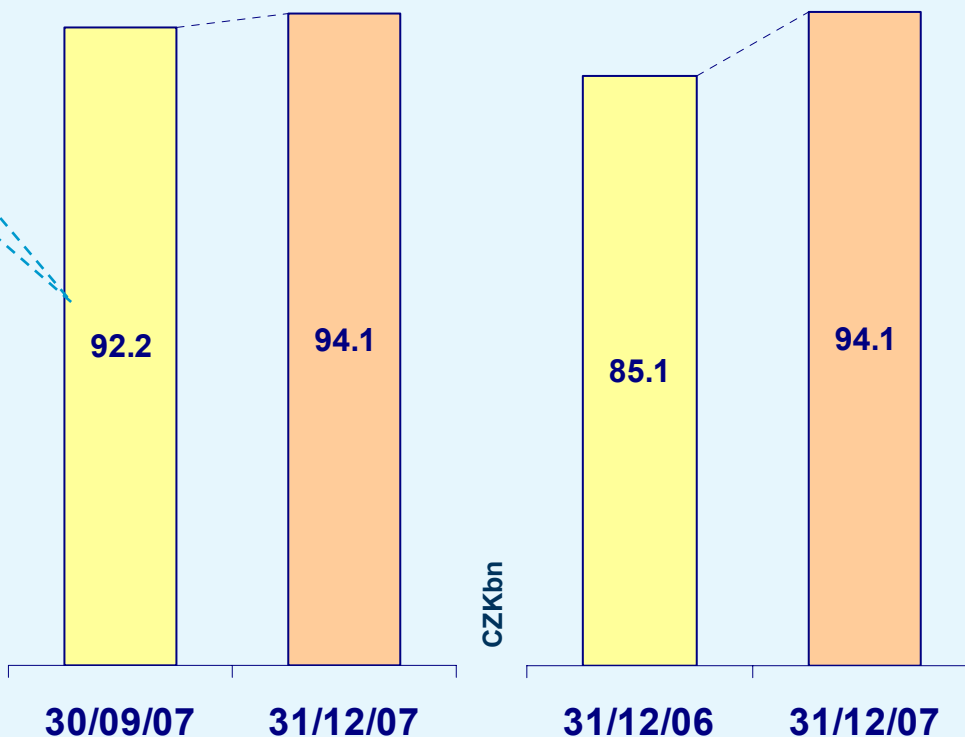
Q/Q

+2%

Y/Y

+11%

corporate
loans
Bank CZ



The volume of corporate loans topped CZK 94.1bn.

Y/Y increase of 11% came from mid-sized loans (CZK 100m – 500m).

ČSOB offers to clients integrated financial solutions involving Corporate Bank, Structured Finance, Patria, Private Bank, Financial Markets, KBC Private Equity.



Large Corporate and Institutional Deals

Selected structured finance transactions arranged by ČSOB in 2007



ČEZ



ORCO – Hagibor
office building



ORCHARD
Project Ostrava



Nowaco



Kapsch
(KTC C&R)



International
Power Opatovice



Cadence
Innovation

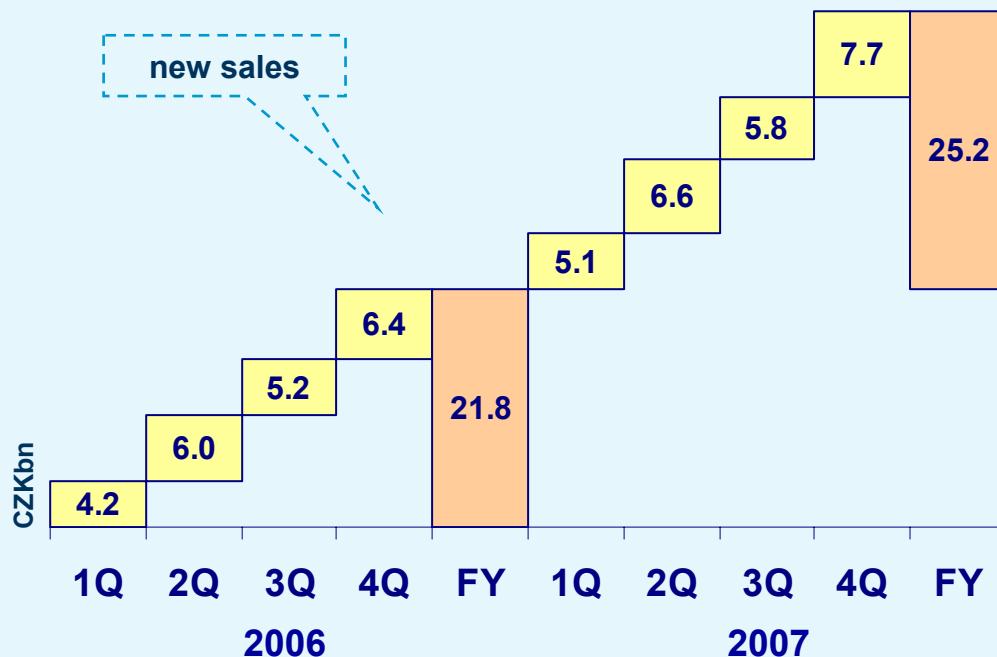
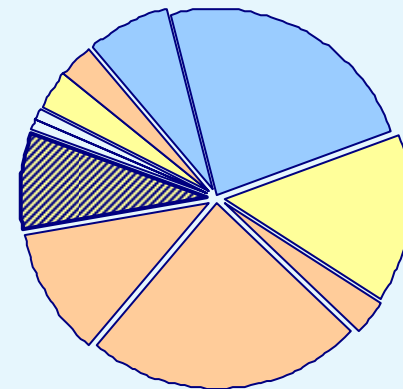


Telefonica
(Spain)



Leasing (CZ)

ČSOB Leasing - No. 1 in the Czech Republic



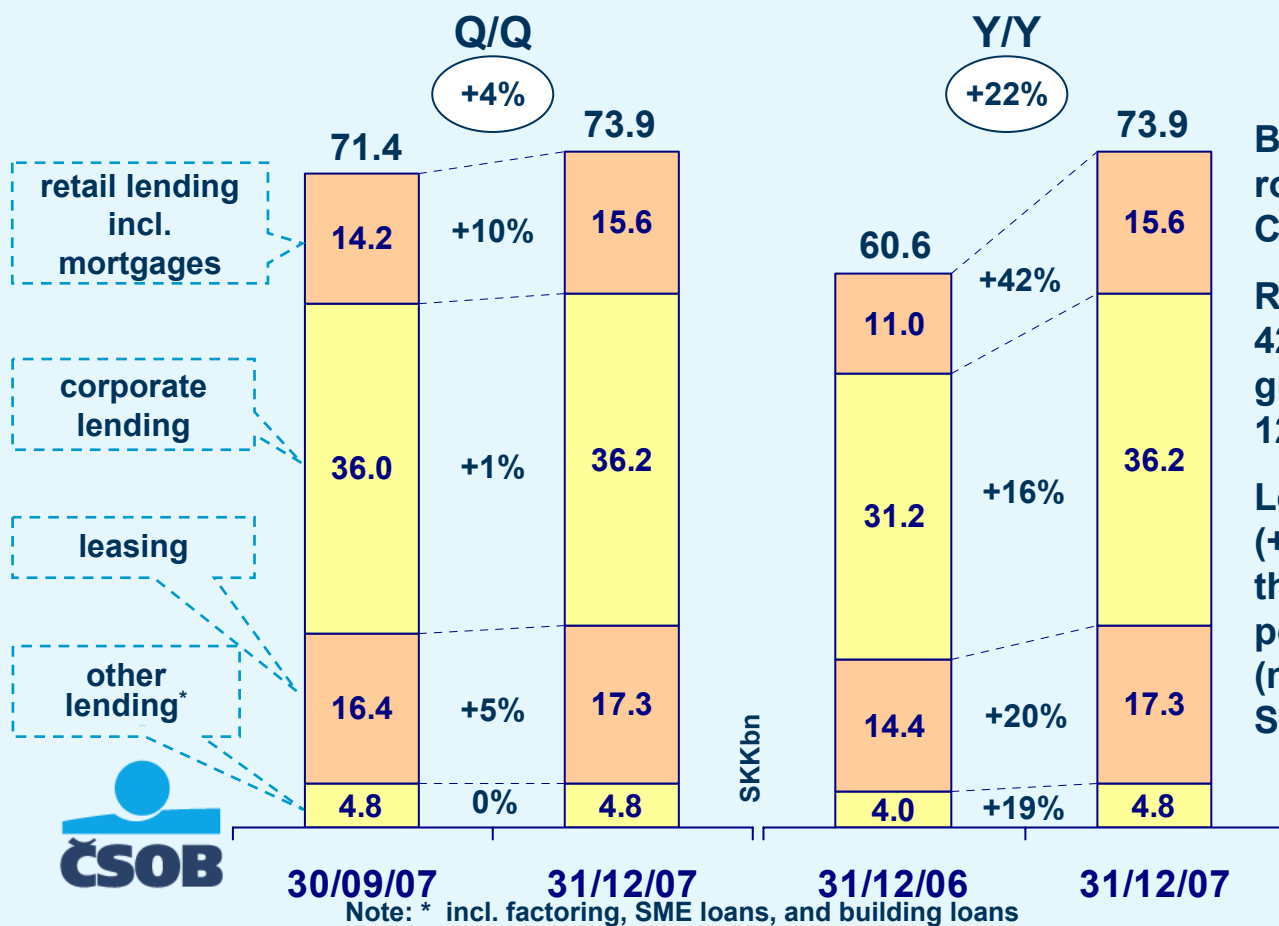
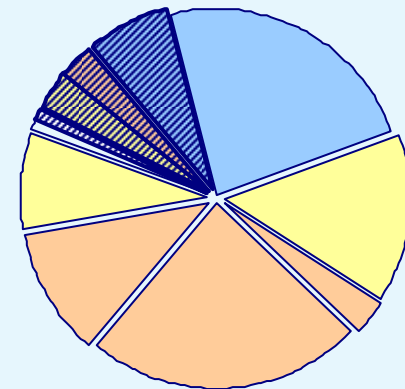
By the end of 2007, new turnover accounted for CZK 25.2bn (+16% Y/Y). The Y/Y improvement was driven by financial leasing (+10%), full service operative leasing (+34%) and consumer loans (+46%). From commodity view the best results were achieved in the area of commercial vehicles (+33% Y/Y).

ČSOB Leasing ranked for the fifth time in a row as No. 1 among financial intermediaries and support financial institutions in the ranking of 100 most important Czech companies.



Lending in Slovakia

Growth across all segments (in SKKbn)



Business Lending in Slovakia rose by 22% Y/Y (or by 20% in CZK terms).

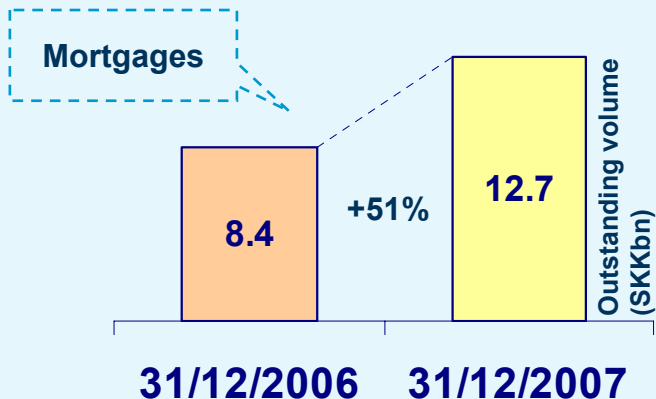
Retail loans increased Y/Y by 42%, of which mortgages growth was 51% (to SKK 12.7bn).

Leasing grew by SKK 2.9bn (+20% Y/Y), ČSOB Leasing SK thus confirmed its second position in the Slovak market (market share of 16.5% as of September 30, 2007).



Slovak Business

Bank for Living and Investing (in SKKbn)

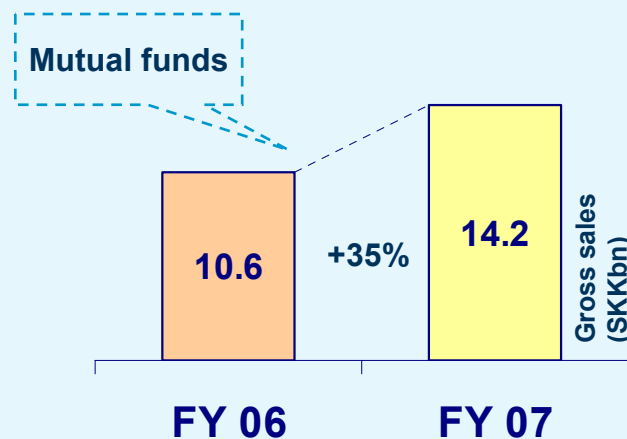


Outstanding volume of mortgages in SK rose by 51% Y/Y and reached SKK 12.7bn.

In autumn 2007, ČSOB SK launched VARIO mortgage which allows adjustment of repayments and duration (up to 40 years) and repayment anytime after 30 years.



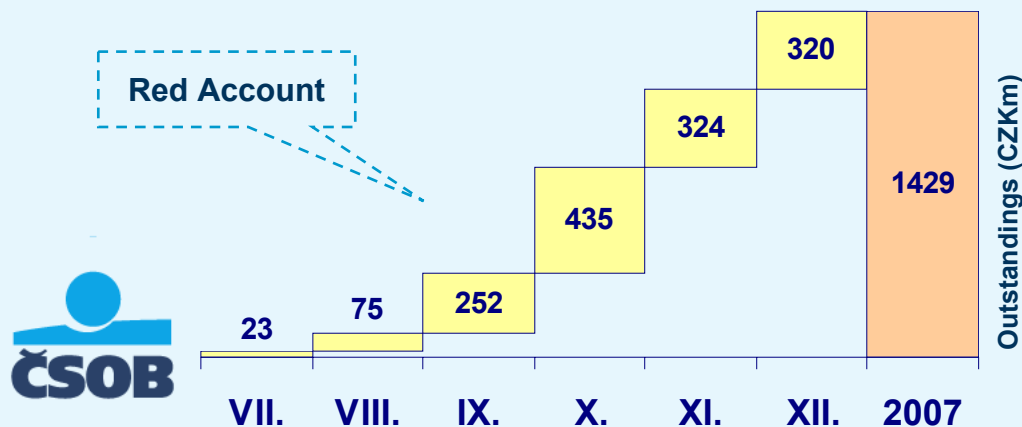
Gross sales of mutual funds in 2007 reached SKK 14.2bn (+35% Y/Y). In 2007, ČSOB SK launched first property CGF – FUND PARTNERS ČSOB Reality SKK 1.



Postal Savings Bank

“Red” brand for mass clientele

- PSB launched new concept of client care, including an ombudsman.
- PSB opened 9 new Financial Centers* in 2007 (total 29 FCs).
- New, incentive-based contract with the Czech Post based on sales performance
→ contributed to the strong growth of deposits and, thus, to the Group’s NII.
- PSB enhanced the multichannel concept by adding ČMSS and its network of 2,500 advisors as a new distribution channel of PSB’s products – consumer loans and current accounts.
- In May, PSB launched new sub-brand focusing on youth segment, Space.
- Main PSB’s innovations in 2007 were Red Account and customers loyalty program.

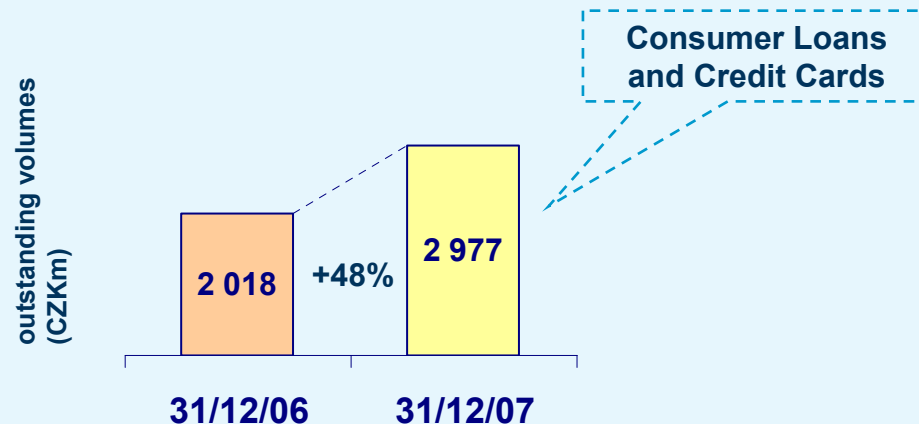
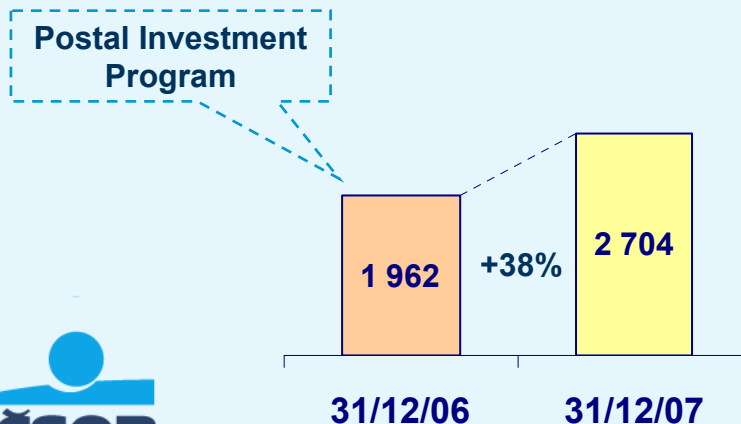
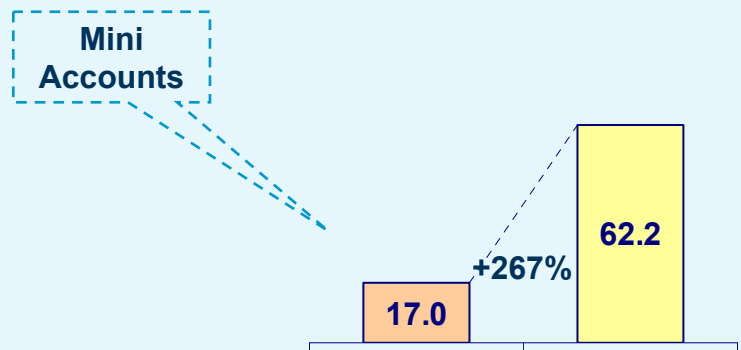


In July 2007, PSB launched **Red Account**. By December 31, almost 6,500 pieces of this new saving product had been sold and the volume of deposits on Red Accounts reached CZK 1.43bn.

Note: *FC = PSB’s branch – important distribution channel alternative to ca 3,350 post offices.

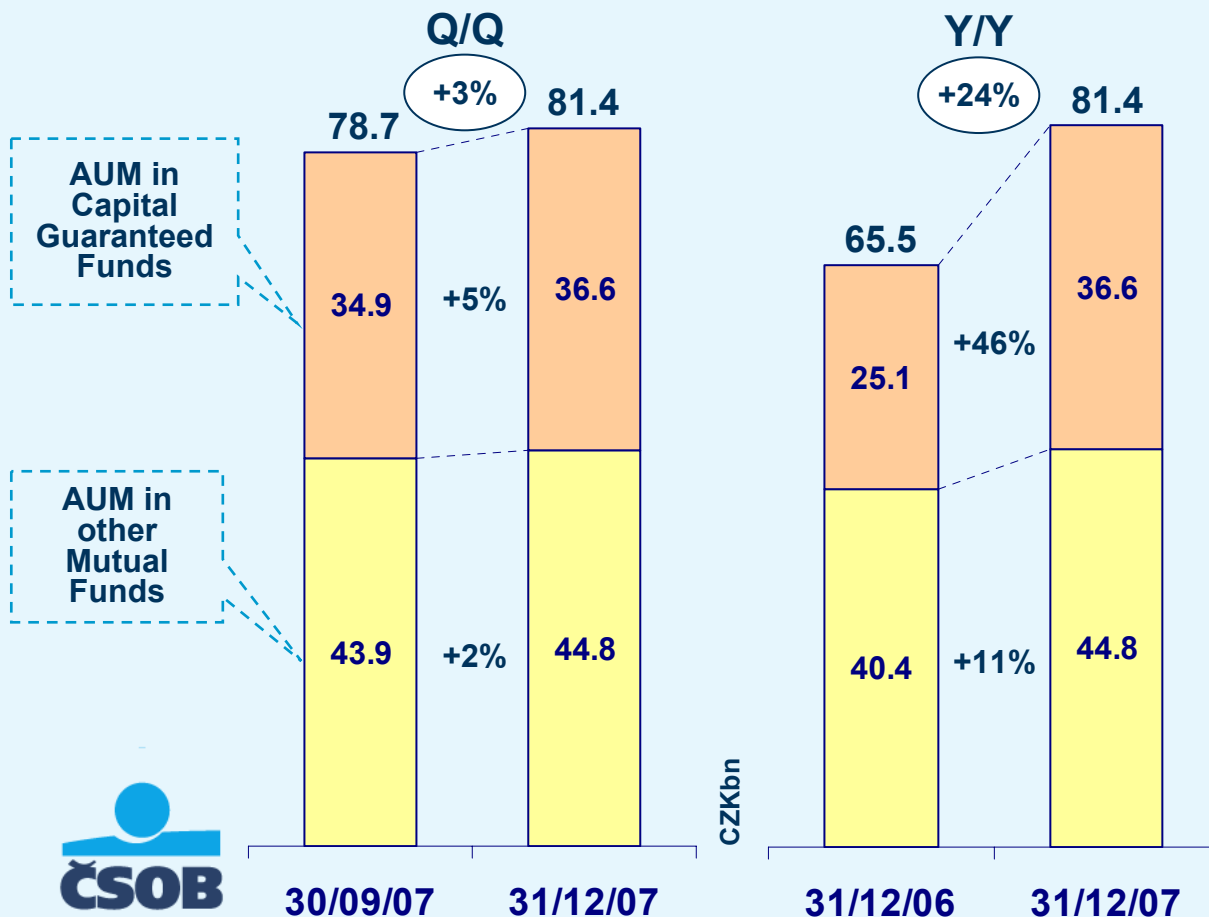
Postal Savings Bank

Fast growth in youth segment and consumer finance



Mutual Funds (CZ)

Leading the market



Assets in mutual funds grew by 24% Y/Y and reached CZK 81.4bn.*

Every third investment in the Czech Republic was made in ČSOB.

ČSOB once again confirmed its No. 1 position in capital guaranteed funds with market share over 70%.

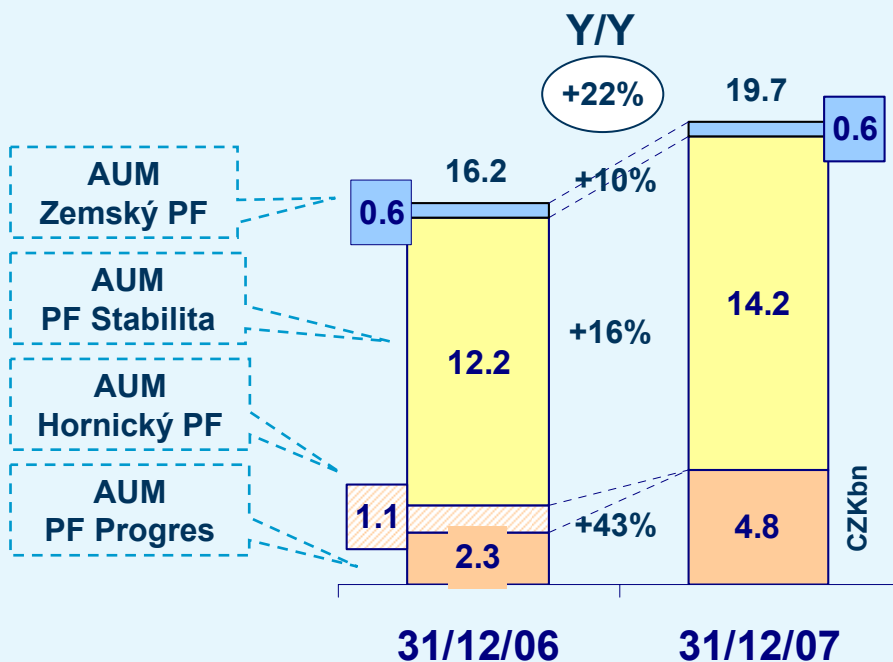
ČSOB continues in its socially responsible policy and at the beginning of 2008 introduced new socially responsible CGF – ČSOB Maximum growth 2.

Note: * Direct position only



Pension Funds (CZ)

Organic growth and mergers



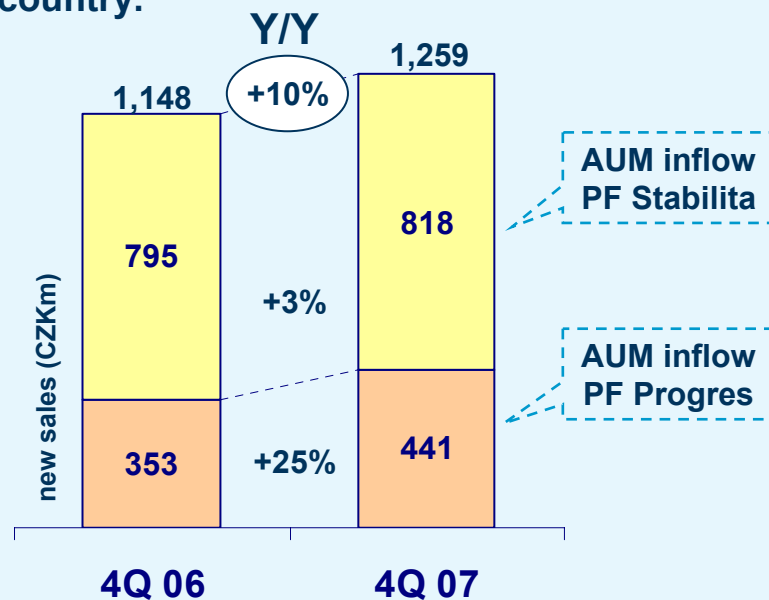
Zemský PF was merged with PF Progres on December 31, 2007.



In 2007, PF Progres won once again „Zlatá koruna“ award.

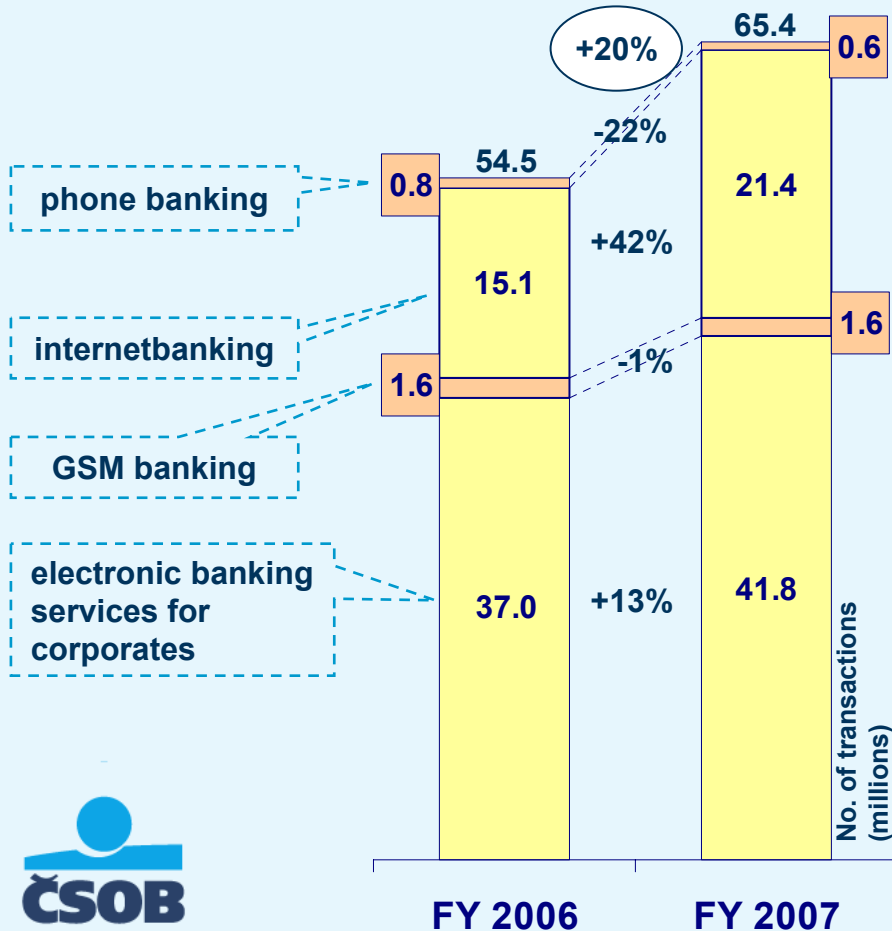
The volume of assets placed in ČSOB PFs rose by 22% Y/Y and reached CZK 19.7bn.

In the end of 2007, ČSOB Pension Funds reached the level of almost 615 thousands clients. In terms of numbers of clients ČSOB is the third largest provider of pension insurance in the country.



Direct Channels

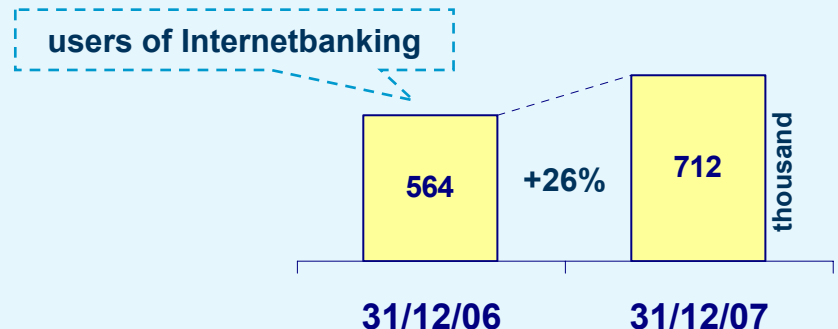
Four out of five payment orders were done via direct channels



Since January 1, 2007, ČSOB and PSB clients entered more than 65 million transactions through direct channels (+20% Y/Y).

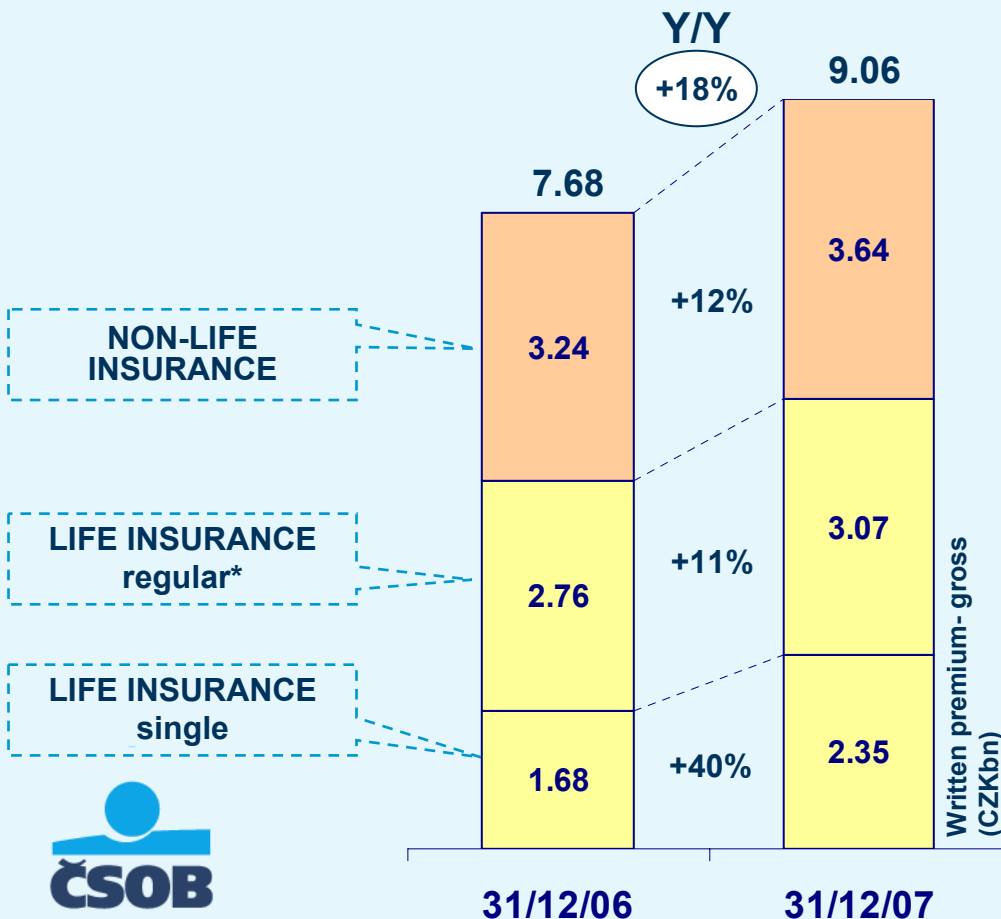
The fastest growth in number of transactions was recorded by products for SME and corporates – ČSOB Business Banking 24 (+160%) and wise (+372%).

During 2007, ČSOB launched three new products – ČSOB Business Banking 24 Online and Max Homebanking PS Online in CZ and ČSOB Business Banking Lite in SK.



ČSOB Insurance Company (CZ)

Increasing volumes of gross written premium



Non-life gross written premium grew by 12% Y/Y to CZK 3.635bn. The highest growth was recorded in Households, MTPL and Casco. Since October 2007, the new product Merkur is being sold as a part of industrial risk – for engineering business.

Life gross written premium of CZK 5.421bn increased in 2007 by 22% Y/Y.

ČSOB Insurance Company reported net profit of CZK 840m in 2007.

In December, rating agency S&P upgraded its long-term rating and rating of financial strength to A- .

Note: * Incl. CZK 429m in 2006 and CZK 640m in 2007 of one-time paid premium connected to regularly paid policy. Figures reported herein differ from those of the Czech Insurance Association which includes this item in single paid premium.

ČSOB Pojišť'ovna is included in consolidated accounts by 25% since the end of 2006.





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NPLs and Provisions

IFRS, consolidated, gross (in CZKbn)

	31/12/06	31/12/07	Ytd change
Total loans	315.57	408.96	+30%
- of which, NPLs	5.34	7.02	+31%
Total provisions	6.98	7.21	+3%
NPLs / total loans	1.69%	1.72%	+0.03 pp
Coverage of NPLs by provisions	130.8%	102.7%	-28.1 pp

Loan-Loss Ratio (Group CZ+SK)

0.36%

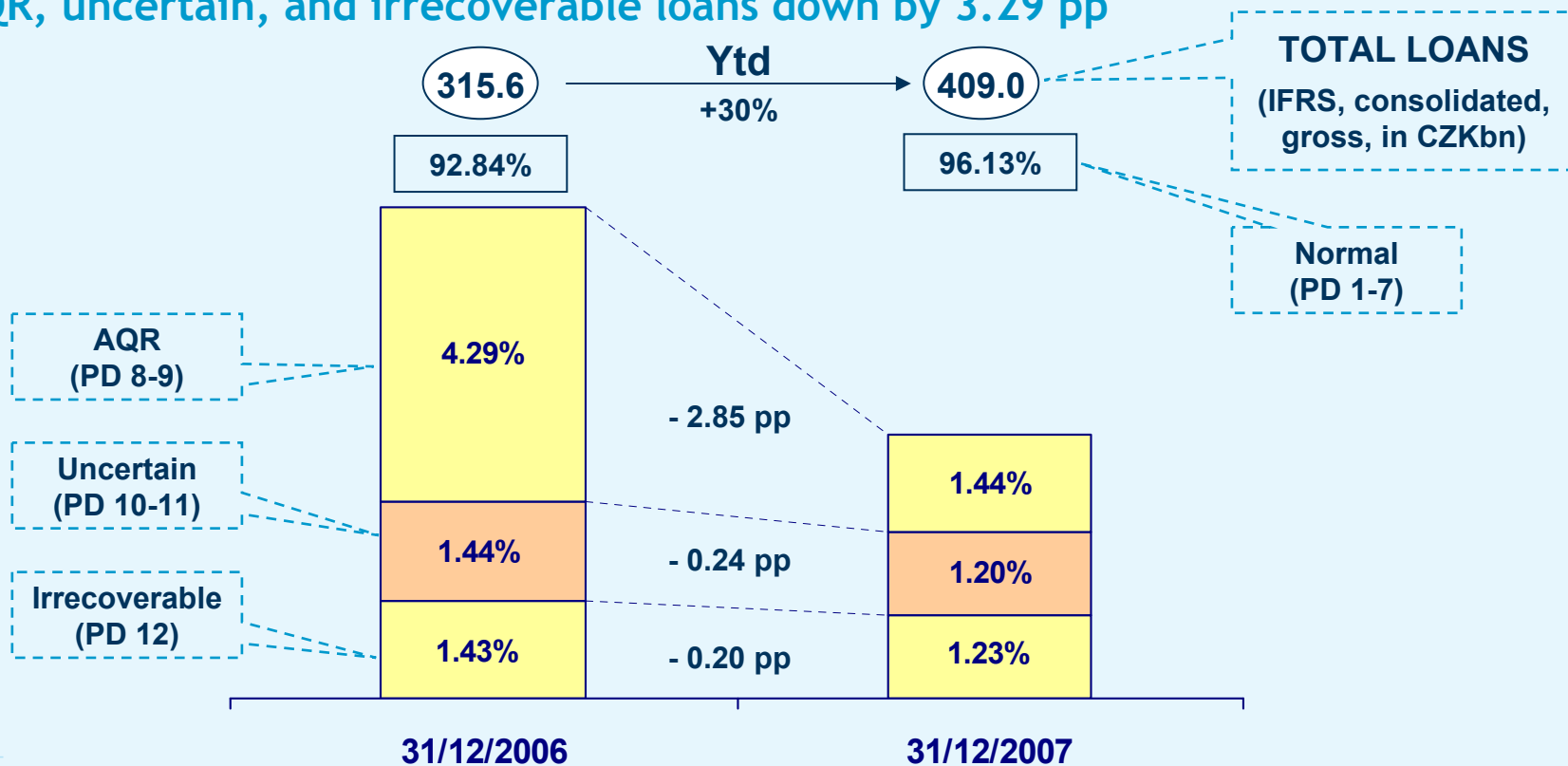
0.27%



ČSOB applies a conservative approach to classification of NPLs. If at least one installment of principal or interest is more than 90 days overdue, all loans granted to the particular client are classified as non-performing.

Loan Portfolio Quality - IFRS Classification

AQR, uncertain, and irrecoverable loans down by 3.29 pp



Loan portfolio improved during 2007, notwithstanding the strong growth of lending.

Note: ČSOB Group's internal classification (the system of 12 PD rating grades) is based on the newly implemented Basel II models. The PD ratings, applied in line with KBC Group policy, are in compliance with the ČNB's methodology.



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Penetration Ratios

Substantial increase of penetration ratios

Our multi-channel distribution and cross-selling activities have provided us with further strong increase in penetration ratios.

	31/12/2005	31/12/2006	31/12/2007
Retail	3.84	4.39	4.73
SME	3.13	3.42	3.66
Retail+SME	3.70	4.21	4.53

Total number of products sold per customers increased in Retail as well as in SME segment.

The average ratio reached 4.53 products per customer and thus rose by 32 bp Y/Y.



Note: There is no standard methodology in calculating penetration ratios.
Thus the figures reported above can be compared only in time, not across banks.

ČSOB's Profile

Numbers and statistics - ČSOB Bank (incl. PSB)

	31/12/06		31/12/07	
	CZ	SK	CZ	SK
Employees (FTE)	6,750	1,487	6,754	1,648
Customers (ths) ¹⁾	2,931	202	2,995	218
ČSOB branches ²⁾	214	105	222	114
PSB financial centers ³⁾	20	-	29	-
ATMs	585	130	637 ⁴⁾	132
Payment cards (ths)	1,723	158	1,833	176
Users of direct banking (ths)	1,302	176	1,536	216



Note: 1) Figures according to new methodology for unique clients statistics.

2) In SK, number of branches includes business centers for SMEs, corporate branches, branches for institutional clientele and Private bank branches.

3) In addition, PSB provides its services through Czech Post Offices, number of outlets: ca 3,350.

4) In addition, customers can withdraw money from more than 2,400 cashiers of Hypervnova and Albert via CashBack.

Ratings in ČSOB Group

Improved rating in 2007

In February, Moody's upgraded ČSOB's Financial Strength rating from C- to C.

- Moody's: "ČSOB has a leading position in the Czech Republic and strong financial fundamentals, including a good level of recurring earnings, sound liquidity, solid capitalization and improving asset quality."

In October, Moody's confirmed ČSOB's long-term rating A1.

- The rating is constrained by the country's foreign currency depositing ceiling for Czech Republic and the further growth is conditioned by growth of country ceiling.

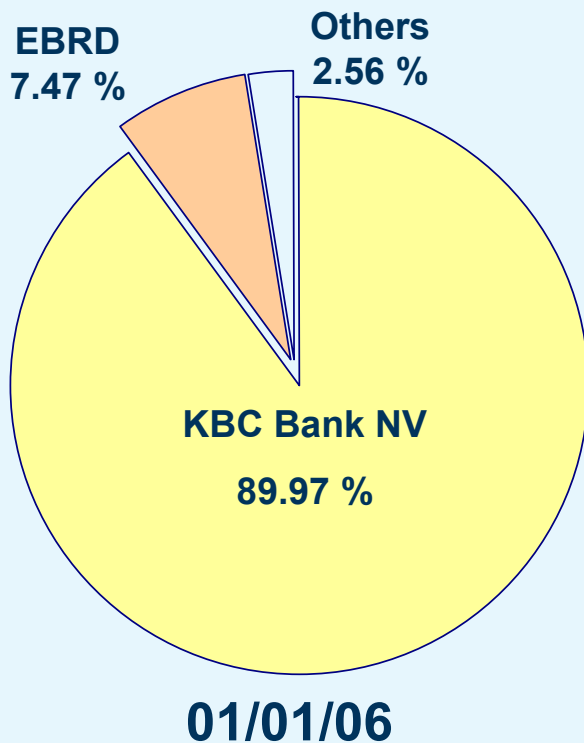
	Long-term	Short-term	Other		
Moody's	A1	Prime-1	Financial strength	C	
Fitch	A+	F1	Individual	B/C	Support 1

- In March, Moody's upgraded national rating of ČSOB Pension Funds Progres and Stabilita up to Aa1.cz.
- In December, rating agency S&P upgraded ČSOB Pojišť'ovna's long-term rating and rating of financial strength to A- .



ČSOB's Shareholder Structure

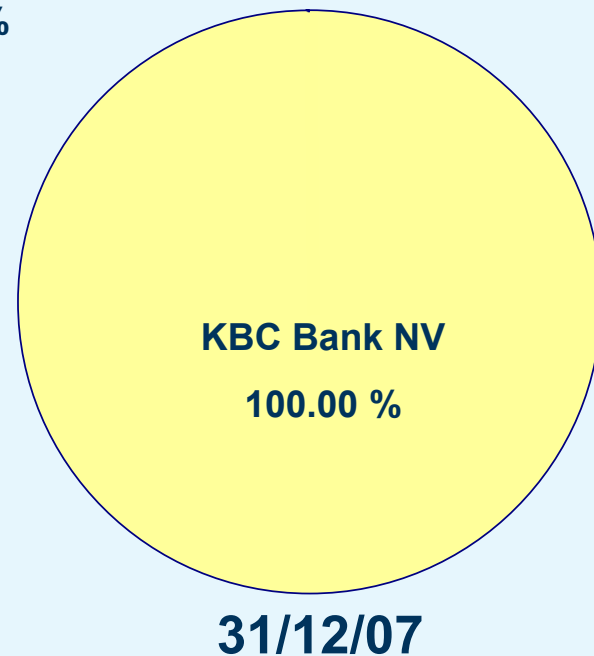
KBC acquired full control in ČSOB



In December 2006, KBC Bank NV exercised its call option on 7.47% ČSOB shares held by the EBRD under a Put and Call Option Agreement dating back to the time of privatization in 1999.

In June 2007, KBC Bank NV acquired the remaining 2.56 % ČSOB by the squeeze-out of minority shareholders. This operation was financed with KBC's capital surplus.

As of December 31, ČSOB's registered capital was CZK 5,855 m (EUR 220m).



ČSOB valued at 20% of KBC's **market capitalization** (as of 31/12/06):

ČSOB = CZK 185bn (EUR 6.6bn); total KBC = EUR 33.7bn

ČSOB SK Separation

ČSOB SK was separated from ČSOB as of January 1, 2008

On January 1, 2008, the former Slovak branch started operating as a **separate legal entity**. This entity will also own all ČSOB Group's business subsidiaries*.

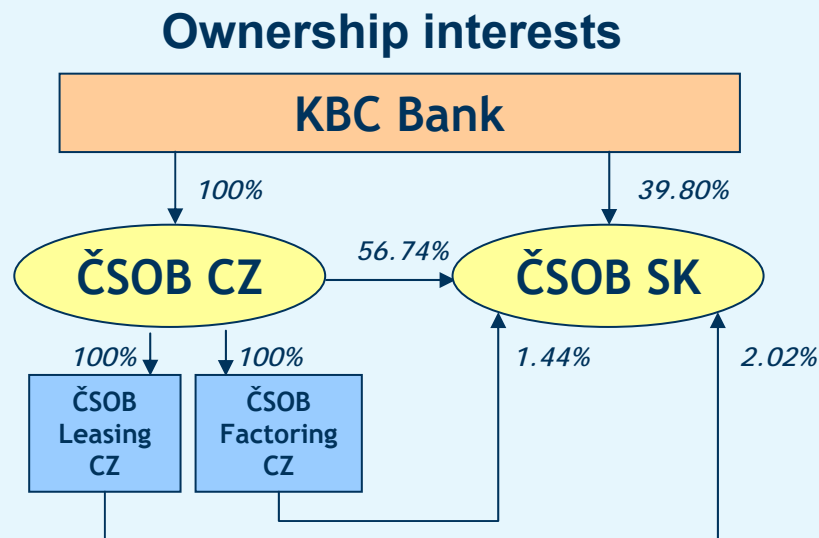
The separation aligned formal bodies of ČSOB in both countries with the country management approach within KBC Central Europe. In addition, **KBC Bank** obtained **full direct control over ČSOB SK** as the transaction gave it **100% of voting rights**.

The ownership structure results from:

- ČSOB CZ contributed its SK branch and subs
- ČSOB Leasing CZ and ČSOB Factoring CZ contributed their SK subs
- KBC provided new capital



Note: * except ČSOB Poist'ovňa (ČSOB Insurance SK)



Macroeconomic Environment (CZ)

Dynamic growth

		2005	2006	2007	
GDP	change, %	6.4	6.4	6.1	e
Industrial production	change, %	6.7	11.2	8.5	e
Construction output	change, %	4.2	6.6	7.0	e
Retail sales	change, %	4.0	6.5	7.5	e
Inflation (CPI)	average, %	1.9	2.5	2.8	
Current account	% of GDP	-1.6	-3.1	-3.0	e
Rate of unemployment (ILO)	average, %	8.0	7.2	5.4	
Real wages	change, %	3.3	3.8	4.6	e
CZK/EUR	average	29.78	28.34	27.76	
PRIBOR 3M	average, %	2.01	2.30	3.09	
IRS 10Y	average, %	3.48	3.79	4.23	
General government balance	% of GDP	-3.5	-2.9	-2.5	e



Note: e) ČSOB estimate

Source: Czech Statistical Office, Czech National Bank

Macroeconomic Environment (SK)

Dynamic growth

		2005	2006	2007	
GDP	change, %	6.6	8.5	8.9	e
Industrial production	change, %	3.3	10.0	12.8	
Construction output	change, %	14.7	14.9	5.7	
Retail sales	change, %	9.7	8.8	4.8	e
Inflation (CPI)	average, %	2.7	4.5	2.8	
Current account	% of GDP	-8.5	-7.0	-3.8	e
Rate of unemployment (ILO)	average, %	16.2	13.3	11.2	e
Real wages	change, %	6.3	3.3	4.2	e
SKK/EUR	average	38.59	37.25	33.37	
BRIBOR 3M	average, %	2.93	4.32	4.31	
IRS 10Y	average, %	3.70	4.44	4.51	
General government balance	% of GDP	-2.8	-3.7	-2.5	e



Note: e) ČSOB estimate

Source: Slovak Statistical Office, National Bank of Slovakia

Definitions

Glossary of financials ratios used

ROAC (return on allocated capital)	net profit, including minority interests, of a business unit, corrected for income on allocated instead of real equity / average allocated equity to business unit
C/I (Cost/Income Ratio)	operating expenses / operating income
Loan/Deposit Ratio	total Group lending / [bank deposits + building savings (55% ČMSS)]
NIM (net interest margin)	net interest income / interest earning assets (lines 2-4,6,8 in slide 23)
CAD (capital adequacy ratio)	according to prudential reports of ČNB - Basel II (since July 1, 2007)
NPL (non-performing loans)	outstanding amount of non-performing loans (loans for which principal repayments or interest payments are more than 90 days overdue) / total outstanding loan portfolio (“Loans and receivables” – “Due from banks”)
LLR (Loan-Loss Ratio)	net changes in individual and portfolio-based impairment for credit risks / average outstanding loan portfolio





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