3Q 2011 Results
ČSOB Group
Czech Republic

EU IFRS Unaudited Consolidated

Presentation for analysts
10 November 2011

Contents

1. Highlights

Measures of sustainable performance:
Consistent business profitability and resilience

Key indicators		2008	2009	2010	9M 2010	9M 2011
Profitability	underlying* net profit (CZK bn)	12.6	10.5	13.0	9.8	8.8
	underlying* RoE	21.6%	17.1%	19.6%	19.7%	18.8%
Liquidity	loan/deposit ratio	75.2%	71.1%	68.5%	70.0%	72.1%
	net stable funding ratio			*137.7%*		*137.3%*
Capital	capital adequacy ratio	10.3%	15.0%	18.0%	17.8%	16.0%
Credit costs	credit cost ratio	0.59%	1.12%	0.75%	0.83%	0.26%
Cost efficiency	underlying* cost/income ratio	46.9%	43.4%	44.7%	43.2%	44.7%

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

3Q 2011 at a glance:
Growth of business performance partly reduced by Greek impairment

- In 3Q 2011, **ČSOB group reported net profit of CZK 2.7 bn** (underlying net profit is very close to the reported).
  - While the profitability of the core customer business was further growing, an impairment on Greek bonds in the AFS portfolio bit CZK 0.8 bn off the net profit, making it 13% lower than the same period a year ago.

- 3Q 2011 recorded **favorable development of business activities**.
  - **Loan portfolio** has been rising for five consecutive quarters to reach CZK 426.3 bn (with an acceleration in 3Q 2011) and **deposits** have climbed to CZK 599.6 bn. Positive development of business volumes contributed to the net interest income increase by 3% Y/Y .

- In 3Q 2011, operating expenses decreased by 1% Y/Y despite continuing selective investment activities.

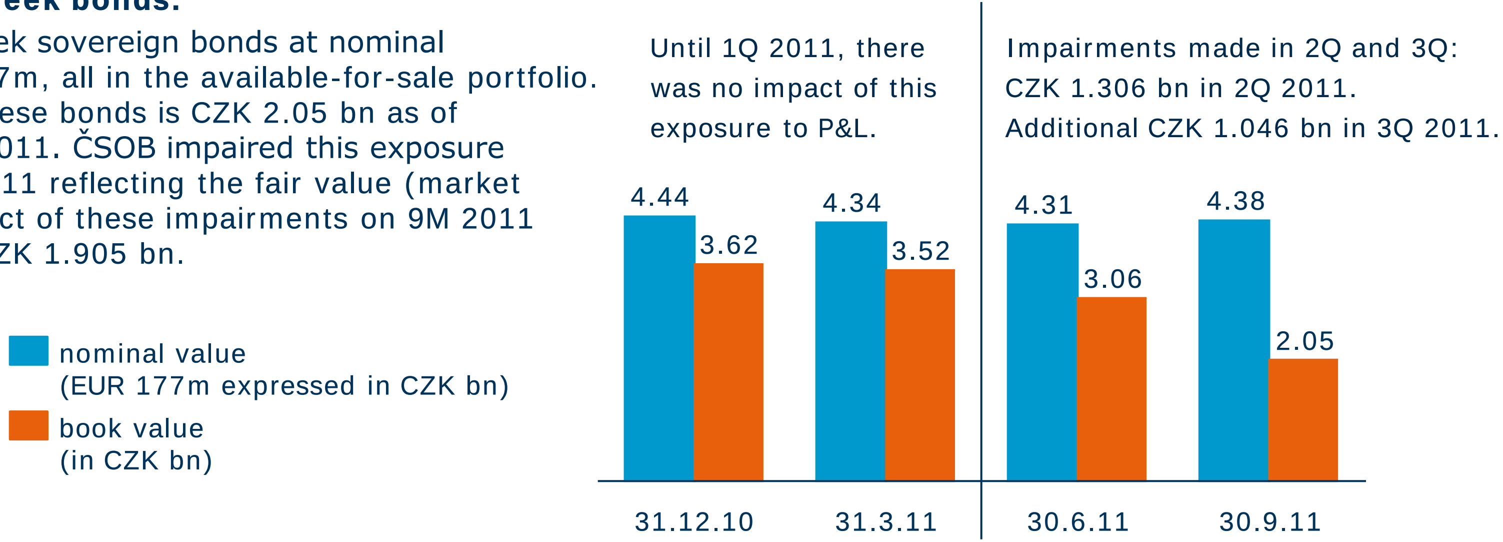
- **Credit costs further decreased** to one-fifth of the 3Q 2010 figure.

- ČSOB group maintains **strong capital and liquidity position**.
  - Total capital ratio stands at 16.0% and the (core) Tier 1 ratio at 12.1% as of 30 September 2011.
  - Loan to deposit ratio stands at 72.1% and net stable funding ratio at 137.3% as of 30 September 2011.

Note: As of 1 January 2011, ČSOB adjusted the methodology of reporting economic hedges, cash-flow hedging derivatives and depreciation of investment property in profit and loss statements. Thus 2010 statements (1Q through 4Q, both underlying and reported) are reclassified in this presentation to allow for a like-to-like comparison. See annex for details.

European debt crisis impact on ČSOB is very limited

- **Exposure to Greek bonds:**
  ČSOB holds Greek sovereign bonds at nominal value of EUR 177m, all in the available-for-sale portfolio. Book value of these bonds is CZK 2.05 bn as of 30 September 2011. ČSOB impaired this exposure in 2Q and 3Q 2011 reflecting the fair value (market prices). The effect of these impairments on 9M 2011 net profit was CZK 1.905 bn.

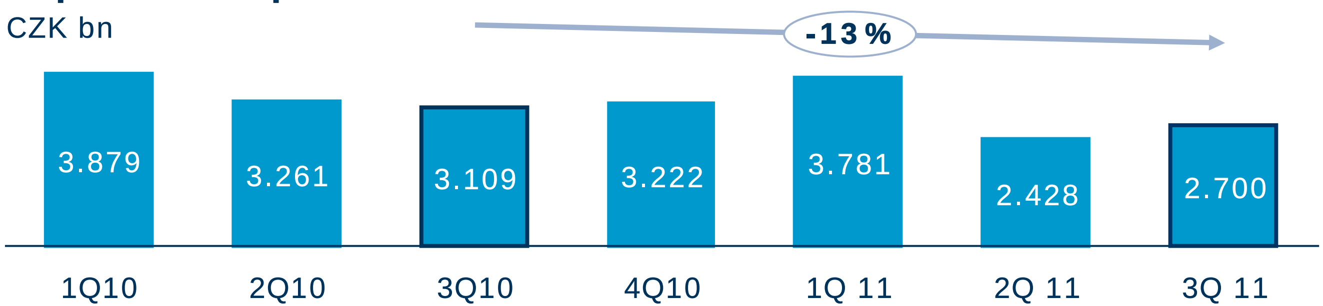


- **Exposure to other selected Southern European countries and Ireland:**
  ČSOB has no exposure to Ireland and Portugal. Book value of ČSOB's Italian bonds is CZK 1.83bn and Spanish bonds CZK 0.58bn. The book value of these bonds (which reflects their amortized cost) is close to the fair value. All these bonds are in the held-to-maturity portfolio, where IFRS do not allow to book impairments.

Net profit:
Small difference between the reported and underlying net profits

Reported net profit

CZK bn



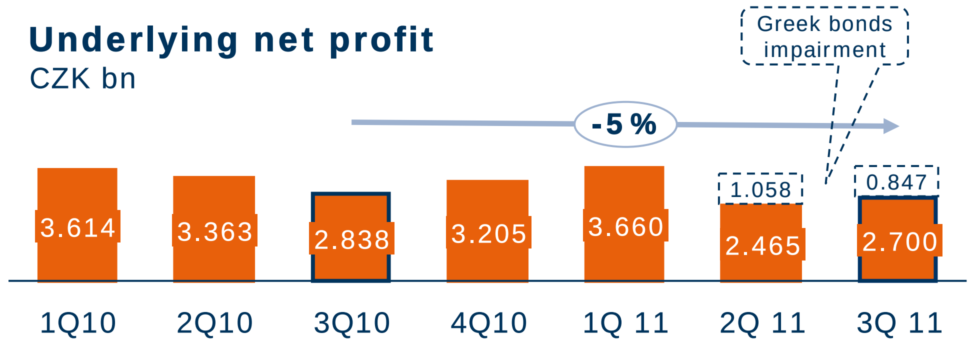
3Q 2011 underlying net profit declined by 5% Y/Y as the positive effect of increasing net interest income from loans and deposits and significantly decreasing credit costs were overweighed by impairment on Greek bonds.

According to KBC group-wide methodology, impairments on the AFS portfolio (which includes the Greek bonds) are not treated as extraordinary items but are included in the underlying P&L.

Extraordinary items in 2011 to date: the 1Q positive revaluation of bonds in the FVPL portfolio and non-hedging derivatives was followed by a slight negative revaluation thereof in 2Q.

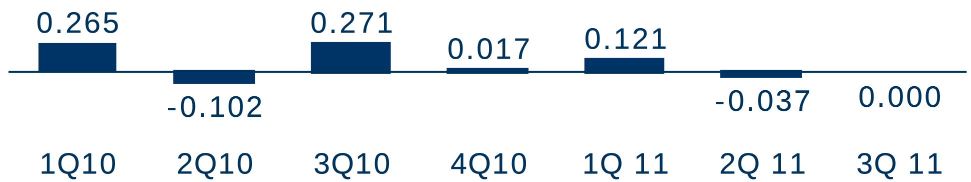
Underlying net profit

CZK bn



Extraordinary items

CZK bn



Financial ratios:
Consistent business profitability and resilience

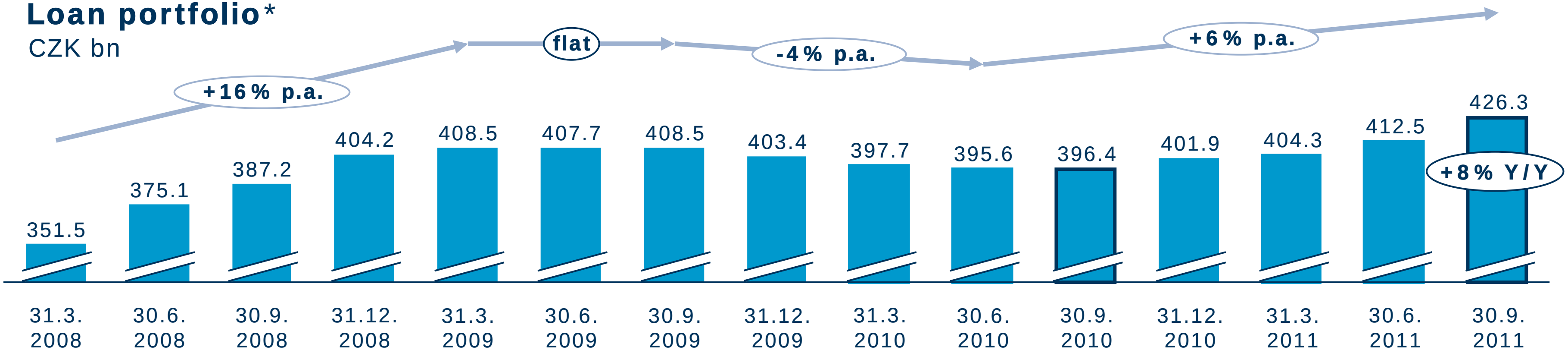
Profitability	9M 2010	9M 2011	Y/Y
Net interest margin	3.33%	3.42%	+9 bps
Cost/income (underlying)	42.2%	44.6%	+2.4 pp
Cost/income (reported)	43.2%	44.7%	+1.5 pp
RoE (underlying)	19.7%	18.8%	–0.9 pp
RoE (reported)	20.6%	19.0%	–1.6 pp
RoA (underlying)	1.52%	1.31%	–0.21 pp
RoA (reported)	1.59%	1.32%	–0.27 pp

Risk management	30.9.2010	30.9.2011	Y/Y
Asset quality			
Credit cost ratio	0.83%	0.26%	–57 bps
NPL ratio	4.16%	3.96%	–0.20 pp
NPL coverage ratio	75.8%	72.9%	–2.9 pp
Capital adequacy			
Core tier 1 ratio (Basel II)	14.12%	12.13%	-1.99 pp
Total capital ratio (Basel II)	17.82%	15.97%	-1.85 pp
Solvency ratio – insurance (Solvency I)	241.2%	246.0%	+4.8 pp
Leverage ratio (Basel III)	4.74%	3.98%	-0.76pp
Liquidity			
Loan to deposit ratio	70.0%	72.1%	+2.1 pp
Net stable funding ratio (Basel III)	NA	137.3%	NA

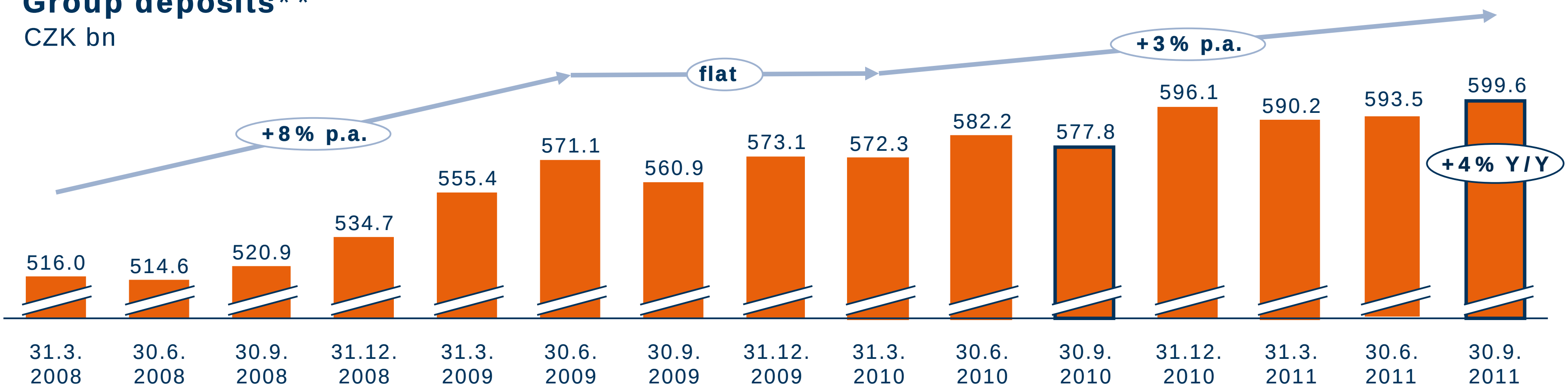
Note: For definitions of the ratios see Appendix.

Lending and deposits:
Growth of business, both lending and deposits

Loan portfolio*
CZK bn



Group deposits**
CZK bn

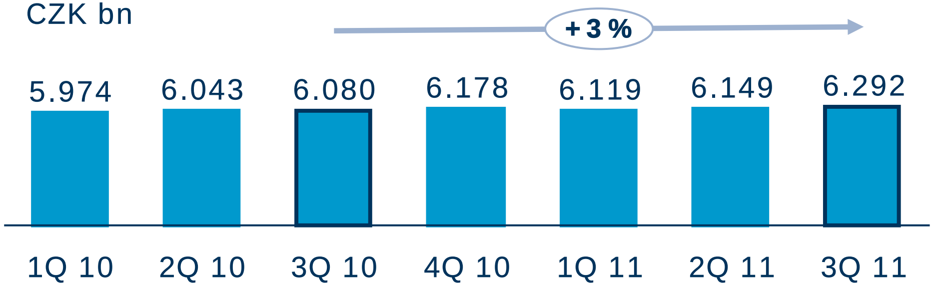


*Notes: * Item Loans and receivables minus exposure to banks from inter-bank transactions plus credit replacing bonds*
*** Item “Deposits received from other than credit institutions” from the consolidated balance sheet.*

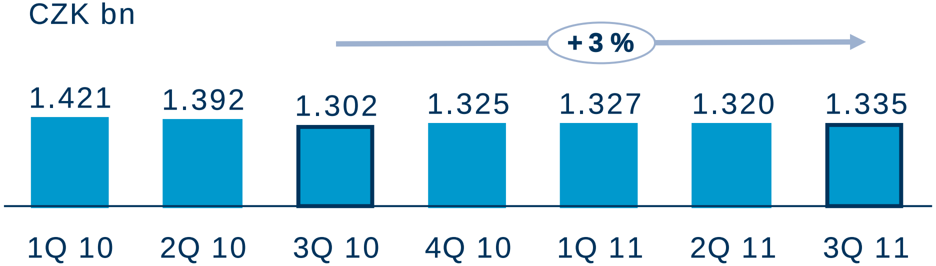
2. Analysis of underlying results

Operating income – underlying:
Income from loans and deposits is growing

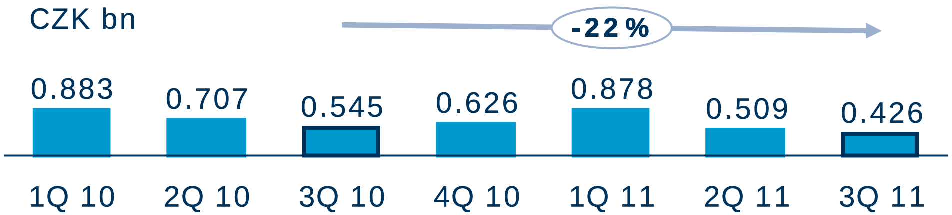
Net interest income (NII)
CZK bn



Net fee and commission income (NFCI)
CZK bn



Other*
CZK bn



The 3Q 2011 operating income increased by 2% Y/Y as the growth of net interest income was supported by an increase in the net fee and commission income.

The NII Y/Y growth of 3% was driven by the structure change towards business volumes (especially mortgages and corporate loans).

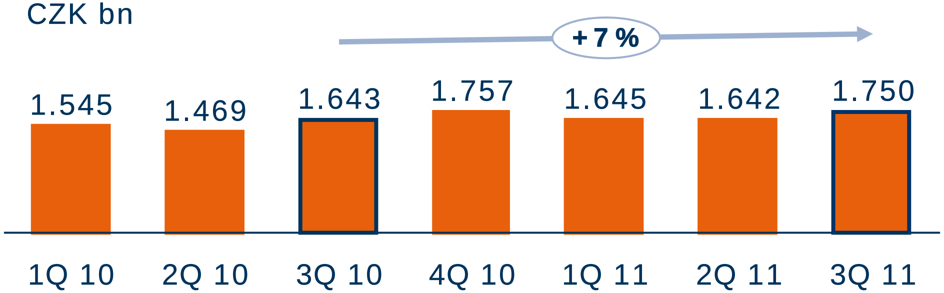
NFCI increased by 3% due to higher fees from payment cards. In 1H 2010, NFCI was higher due to lower payments to the deposit insurance fund (by CZK 161 m) as the annual deposit insurance premium went up from 10 to 16 bps effective since mid-2010.

Other operating income decreased due to a negative revaluation of derivatives used for economic hedging of pension funds' FVPL portfolio. This portfolio makes less than 18% of PFs' assets. Negative development in FVPL was compensated by results in other PF's portfolios.

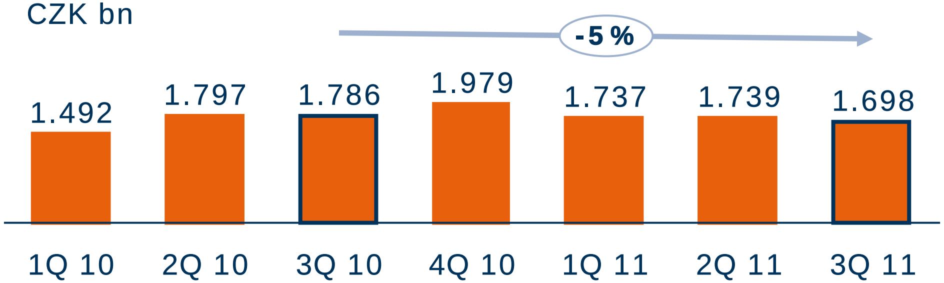
Notes:
** Other = Net gains from financial instruments at FVPL + net realized gains on available-for-sale financial assets + dividend income + other net income.*

Operating expenses:
Decreasing administrative expenses and increasing staff expenses

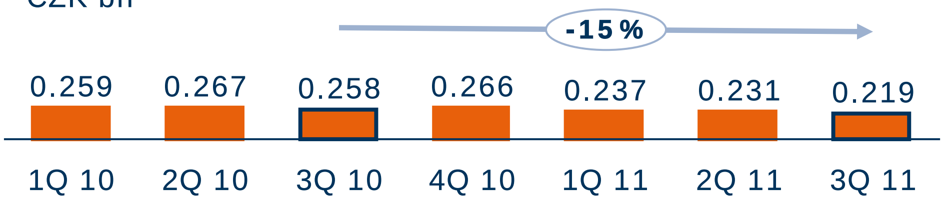
Staff expenses
CZK bn



General administrative expenses
CZK bn



Depreciation and amortization
CZK bn



Total operating expenses for 3Q slightly decreased by 1% Y/Y as growing staff expenses were more than compensated by lower general administrative expenses (GAE) and depreciation and amortization.

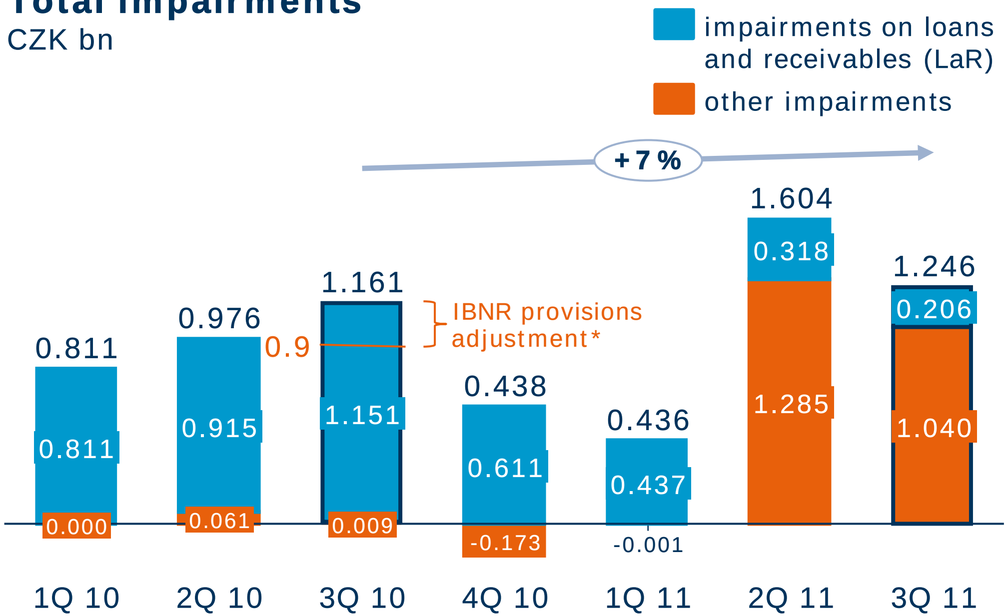
On a comparable basis, i. e. disregarding the effect of accruals for performance-related bonuses, staff expenses increased by 5% Y/Y. This development resulted from the regular annual salary adjustment and the growth of the total number of employees.

Lower GAE in Y/Y comparison resulted from lower marketing expenses and lower accruals on ICT services.

Depreciation and amortization decreased Y/Y due to lower depreciation of application software. After the mid-2009 transfer of ICT services to KBC GS CZ, some application software remained in the property of ČSOB. The decrease in depreciation results from this software phasing out and being replaced by new software which is in the property of KBC GS CZ.

Impairments:
Further decrease of credit costs

Total impairments
CZK bn



Quarterly costs of credit risk declined to one-fifth of the level year ago and credit cost ratio (Ytd. annualized) further contracted to 26 bps.

The most remarkable drop of credit costs was recorded by loans to companies. Improvement in credit costs is also seen in all areas of retail lending.

Effect of the Greek sovereign exposure: In line with IFRS rules, ČSOB decided to book impairments of CZK 1.306 bn in 2Q 2011 and CZK 1.046bn in 3Q 2011 (before tax) on the Greek sovereign bonds held in the AFS portfolio (all have maturity dates before end 2020).

The NPL ratio decreased by 20 bps Y/Y. While NPLs in the retail loans were still slightly increasing, the remaining part of the portfolio (corporate, SME and leasing), being in the more advanced phase of the recovery cycle, showed an opposite trend.

*Note: *Incurred But Not Reported impairment provisions cover impairment which is already present in the not defaulted portfolio, but not identified yet.*

Strong capital position

Consolidated, CZK m	31.12.2010	30.9.2011
Total regulatory capital	**57 522**	**53 507**
- Tier 1 Capital	45 583	41 111
- Tier 2 Capital	12 564	13 336
- Deductions from Tier 1 and Tier 2	-625	-940
Total capital requirement	**25 530**	**26 797**
- Credit risk (IRB approach)	21 564	22 463
- Market risk (internal model)	613	674
- Operational risk (standardized)	3 354	3 660
Total RWA	**319 124**	**334 961**
Core Tier 1 ratio = Tier 1 ratio	**14.19%**	**12.13%**
Total capital ratio	**18.03%**	**15.97%**

Effect of dividend payout from 13 May 2011: CZK -4,350m

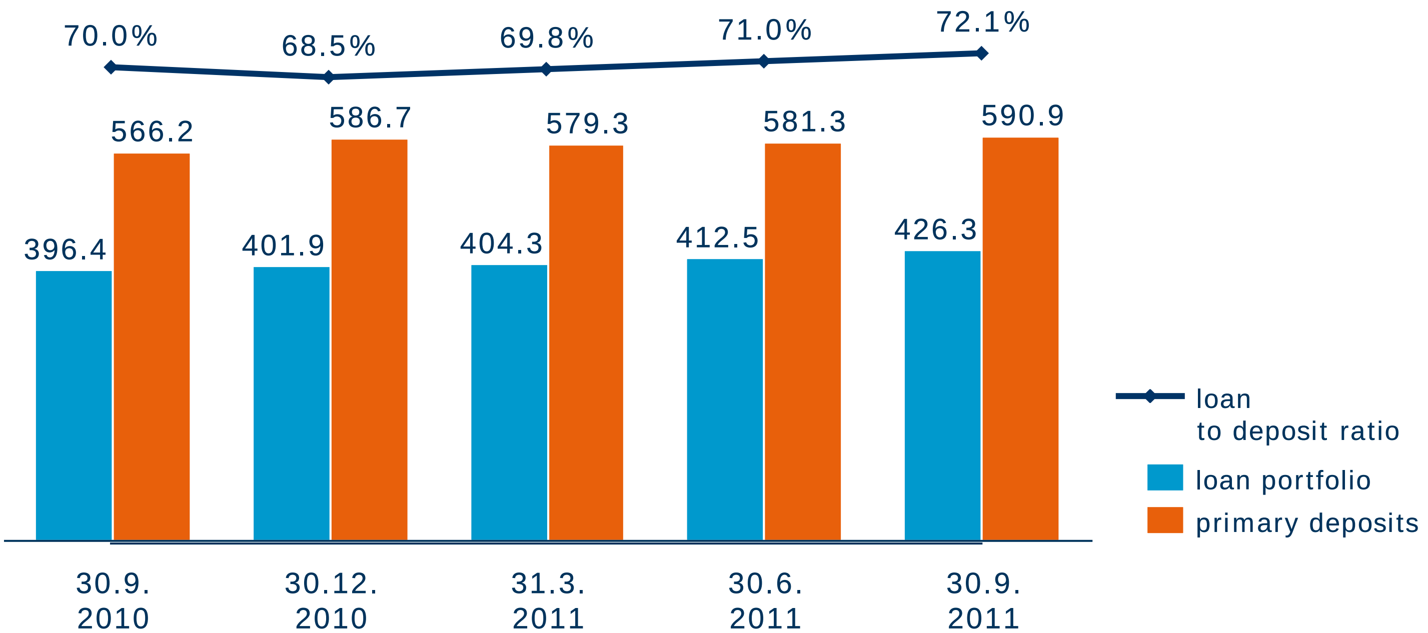
RWA development during 9M11 was driven by higher loan exposure (increased credit risk) and higher income (increased operational risk).

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
Total regulatory capital = Tier 1 + Tier 2 – deductions
*Tier 1 ratio = (Tier 1 capital – 0.5*deductions) / (total capital requirement / 0.08)*

Ample liquidity

CZK bn	30.9.2010	31.12.2010	31.3.2011	30.6.2011	30.9.2011
Excess of primary deposits over loan portfolio	169.8	184.8	175.0	168.8	164.6

Basel III will require banks to publish net stable funding ratio. Based on the latest version of Basel III rules published, the value of NSFR for ČSOB stands at 137.3% as of 30 September 2011.



Notes:
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)
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)

Selected exposure to bonds:
Southern European countries and Ireland

Exposure to bonds of selected Southern European countries and Ireland
as at 30 September 2011
book value, CZK bn

	Sovereign	Banks	Corporates	Total
Portugal	-	-	-	-
Ireland	-	-	-	-
Italy	1.83	-	-	1.83
Greece	2.05	-	-	2.05
Spain	0.58	-	-	0.58
Total	4.46	0.00	0.00	4.46

ČSOB group actively reduced the exposure to Greek and Italian sovereign bonds during 2010. During the first half of 2011, there has been no reduction of the above-mentioned bonds in nominal terms. Exposure to bank bonds is zero as the bonds reached their maturity in 2Q 2011.

The **Greek bonds** are classified as available-for-sale assets. The book value of these bonds (which reflects their fair value) is lower than their nominal value of EUR 177 m. As of 30 June 2011 and 30 September 2011, the Greek sovereign bonds with a maturity date before end 2020 were impaired to their fair value (market prices), as required by IAS 39.

The **Italian and Spanish** 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]	⬀ 12.7%	3
Non-life[2]	⬀ 5.5%	6
Total[2]	⬀ 9.1%	3

1st

Building savings loans[1]	⬂	44.0%
Building savings deposits[1]	⬀	36.5%
Mortgages[1]	⬀	28.6%
Housing loans[1,4]	⬀	34.7%
Mutual funds[1]	⬂	30.7%

2nd

Deposits[1]	⬂	21.3%
Total loans and leases[1]	⇨	17.9%
Factoring[2]	⬂	22.0%
Leasing[2]	⬀	11.3%

3rd

Pension funds[3]	⬂	16.1%
Corporate/SME loans[1]	⬂	12.9%
Other retail loans[1,5]	⬂	14.7%

Notes: Arrows show Y/Y change. Market shares as of 30 June 2011 (i.e. latest available). Insurance as of 30 September 2011.

[1] Outstanding at the given date

[2] New business in the year to the given date, insurance: gross written premium to the given date

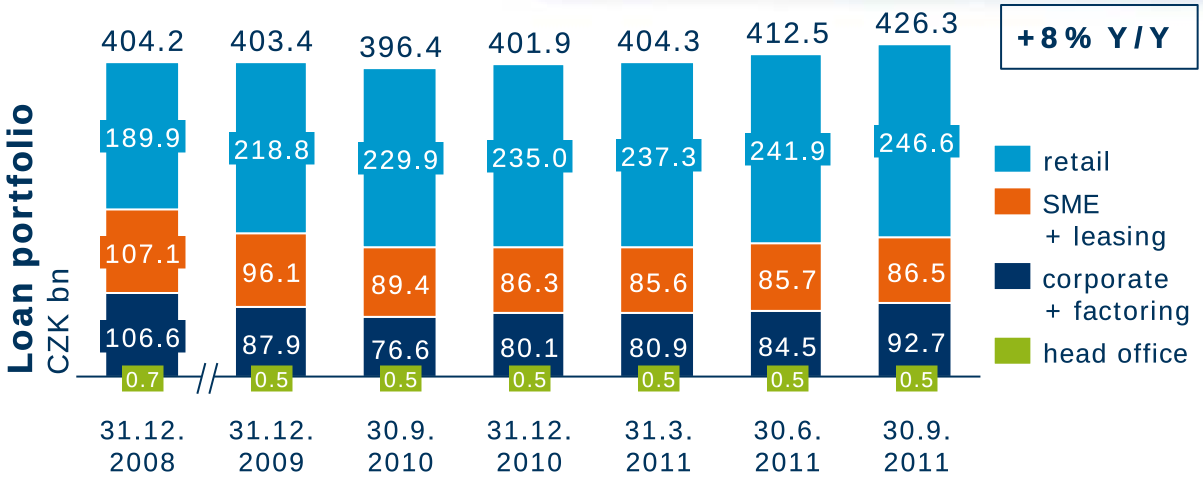
[3] Number of clients at the given date

[4] Comprise mortgages and building savings loans

[5] Retail loans excluding mortgages and building savings loans

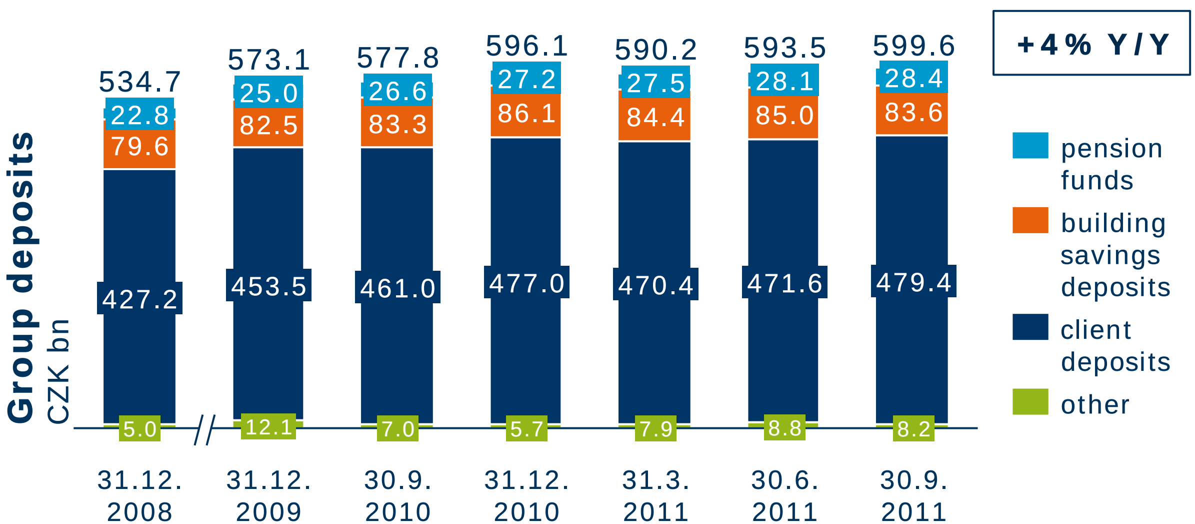
Sources and detailed definitions are provided in Appendix.

Lending and deposits development:
Loans are growing faster than deposits



In 3Q 2011, loan portfolio reached CZK 426.3 bn, which is nearly CZK 14 bn above previous quarter's level. This Y/Y growth is the highest since end-2008.

The third quarter was the fifth showing a consequent growth in loan portfolio. The Q/Q increase of 3% was driven especially by corporate loans and mortgages.

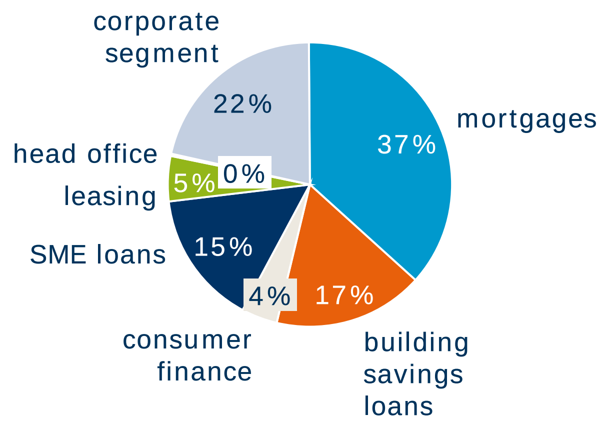


The share of mortgages and building savings loans (together referred to as housing loans) grew to 54% as at 30 September 2011 from 53% one year earlier.

Group deposits showed in each quarter Y/Y increase. This applies across all major products – client deposits, building savings deposits, and pension funds.

Loan portfolio:
Mortgages and corporate lending drive the growth

Gross outstanding volumes, CZK bn	30.9.2010	30.9.2011	Y/Y
Loan portfolio	**396.4**	**426.3**	**+8%**
Retail/SME Segment			
Mortgages[1]	141.4	156.6	+11%
Building savings loans[2]	70.5	71.7	+2%
Consumer finance	17.9	18.4	+2%
SME loans	65.2	64.6	-1%
Leasing	24.2	21.9	-10%
Corporate Segment			
Corporate loans[3]	73.2	88.9	+22%
Factoring	3.4	3.8	+11%
Head Office[4]	0.5	0.5	-9%

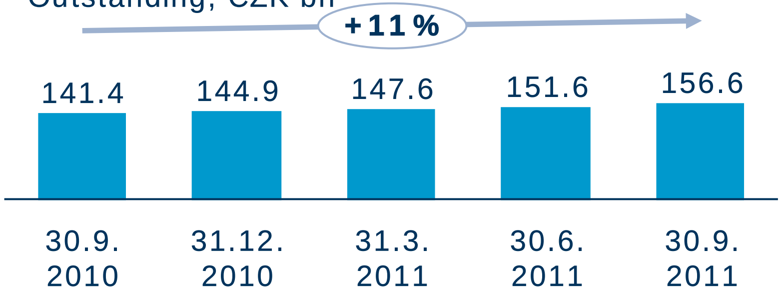


30.9. 2011

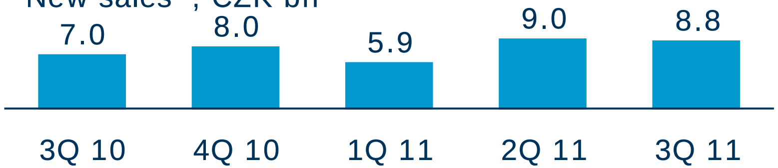
Notes:
[1] ČSOB group mortgages are in the balance sheet of ČSOB's subsidiary Hypoteční banka.
[2] ČSOB group building savings loans are in the balance sheet of ČMSS building savings company, 55%-owned by ČSOB. Volumes are reported in the 55% proportion, i.e. the way they enter ČSOB's consolidated balance sheet.
[3] Including credit-replacing bonds.
[4] Historic files.

Housing loans:
Mortgages are the source of the growth

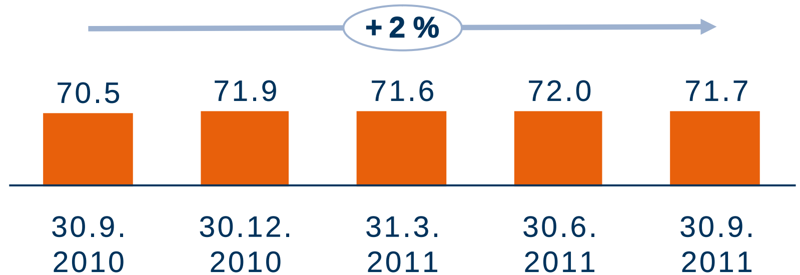
Mortgages
Outstanding, CZK bn



New sales*, CZK bn



Building savings loans
Outstanding (ČMSS 55%), CZK bn



New sales (ČMSS 55%)*, CZK bn

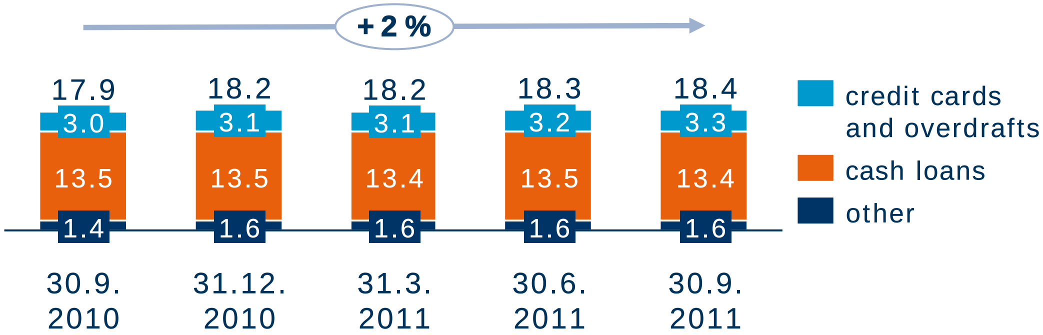
The mortgage portfolio (fully booked in HB, a 100%-owned subsidiary) represents 37% of total loan portfolio. On a healthy and stable mortgage market, ČSOB group's volumes have been steadily growing at about half a pace compared to the mortgage boom before 2008. New sales were supported by favorable development of interest rates and stable real estate prices.

The portfolio of building savings loans (fully booked in ČMSS, a 55%-owned subsidiary) increased Y/Y. The whole Czech market of building savings loans is affected by clients' uncertainty due to ongoing changes of the state subsidy scheme. ČMSS's Ytd. new sales decreased Y/Y less than the whole market's new sales.

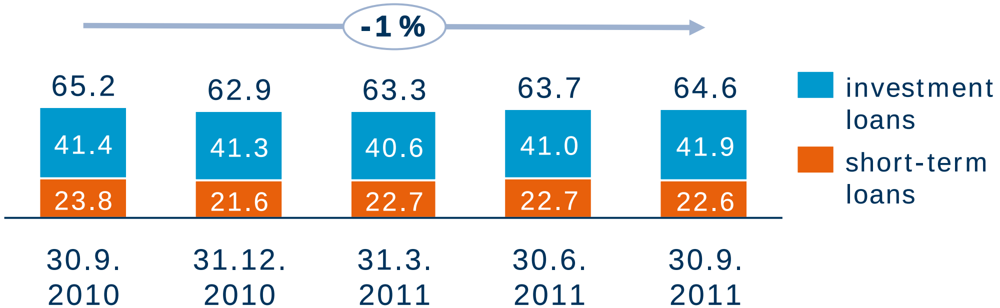
*Note: * Building savings loans: granted loan limits, Mortgages: signed contracts, in line with MMR statistics*

Consumer finance, SME loans, leasing:
Slower growth reflects sluggish growth or decline of the whole market

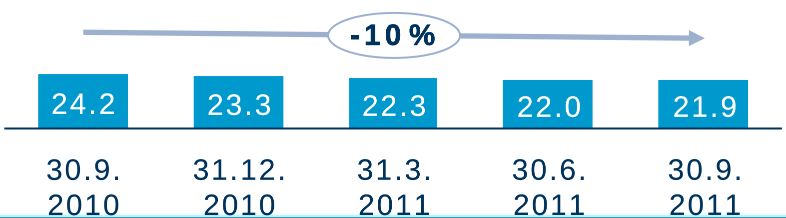
Consumer finance, outstanding, CZK bn



SME loans, outstanding, CZK bn



Leasing, outstanding*, CZK bn



Credit cards and overdrafts kept growing to show a 9% Y/Y increase, while cash loans reported a slight decrease of 1% Y/Y. All in all, consumer finance grew by 2% Y/Y.

In the beginning of 2011, SME loans returned to growth and kept steadily increasing each quarter to end up 1% below the September 2010 level. In the last six months, the demand for (longer-term) investment loans has revived.

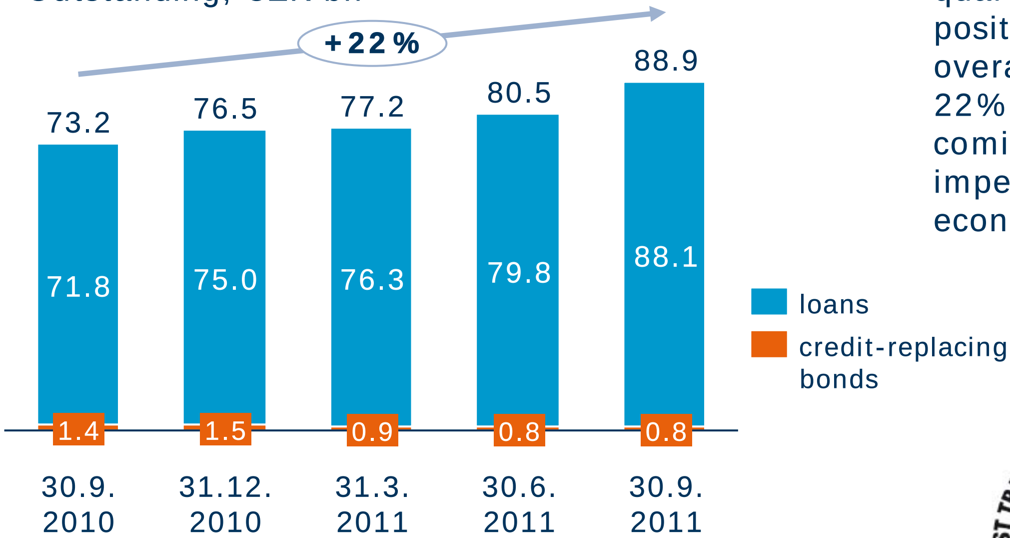
The Y/Y decline of outstanding leasing volumes was caused by the dramatic drop of the leasing market in 2010. Although new sales for 9M increased by 20% Y/Y, they remain below their pre-crisis level and thus do not compensate for repayments.

In the 2011 *Zlatá koruna* contest, ČSOB Leasing won in both the retail and SME leasing categories.

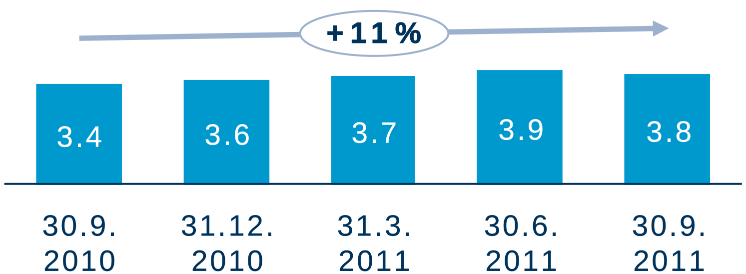
*Note: * Total exposure of ČSOB Leasing, excluding operational leasing.*

Corporate segment:
Acceleration of the growth in 3Q

Corporate loans
Outstanding, CZK bn



Factoring
Outstanding, CZK bn

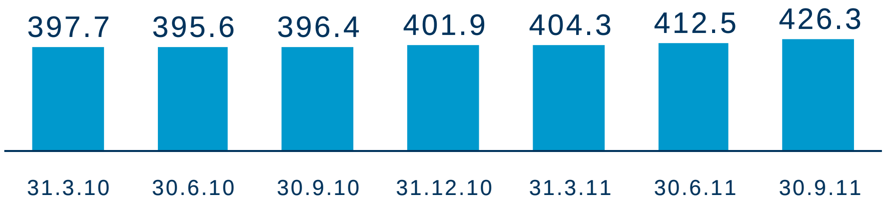


The growth of corporate loans during the last four quarters accelerated in 3Q 2011, especially due to a positive development in structured finance. The overall Y/Y growth as of 30 September 2011 was 22% (after a 21% Y/Y decline a year ago). In coming quarters, the growing trend may be impeded by the worsening outlook of the Czech economy.

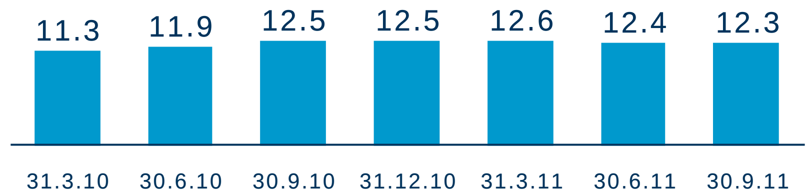
Note: The corporate segment comprises mid-cap corporate customers with an annual turnover above CZK 300 m, local subsidiaries of international groups and selected institutional clients.

Credit risk under control (1/2)

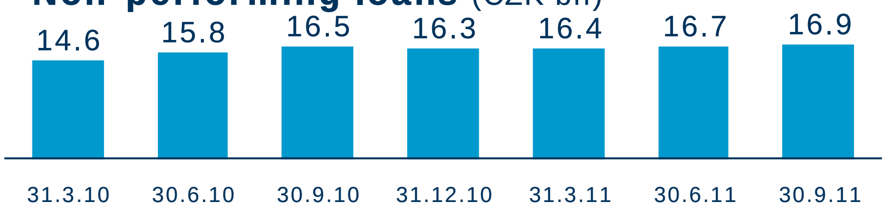
Loan portfolio[1] (CZK bn)



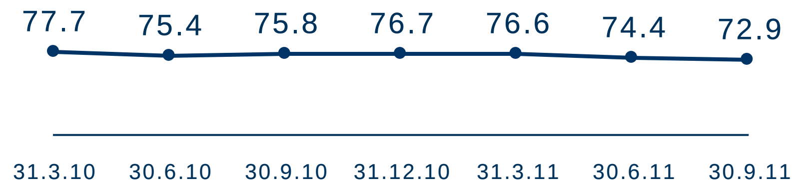
Allowances for loans and leases[3] (CZK bn)



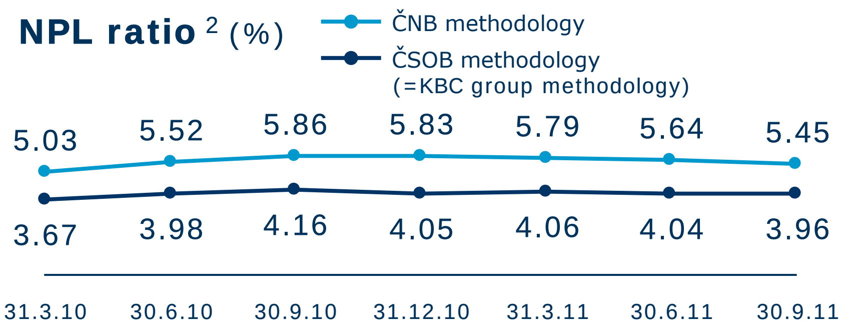
Non-performing loans (CZK bn)



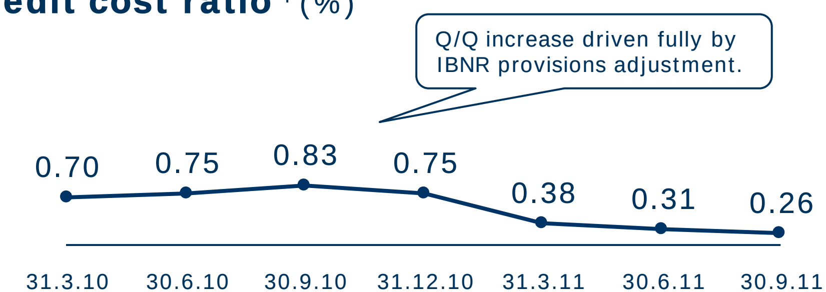
NPL coverage ratio (%)



NPL ratio[2] (%)



Credit cost ratio[4] (%)



Notes: [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 under control (2/2)

Credit costs

- Quarterly costs of risk declined to one-fifth of the level year ago, impairments on loans and receivables fell to CZK 206 m, and the credit cost ratio (Ytd. annualized) further contracted to 26 bps.
- The most remarkable drop of credit costs was recorded by loans to companies, as a combined effect of the following two facts. As the situation of Czech companies continued improving, the number of impaired loans decreased. At the same time, there was a release of allowances in 3Q 2011.
- Improvement in credit costs is also seen in all areas of retail lending – mortgages, building savings loans and consumer finance.

Non performing loans

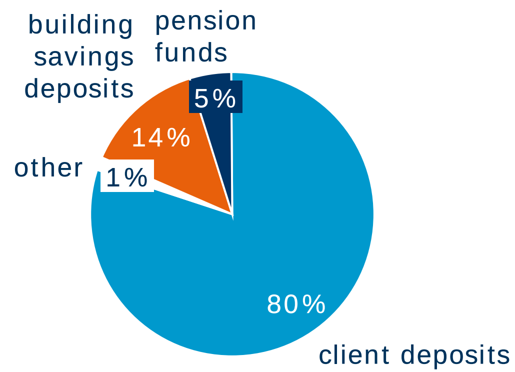
- The NPL ratio decreased by 20 bps Y/Y to 3.96%.
- While NPLs in the retail loans (mortgages, building savings loans and consumer finance) were still slightly increasing, the remaining part of the portfolio showed an opposite trend (i.e. corporate, SME and leasing), being in a more advanced phase of recovery.

Coverage of non performing loans

- The provision coverage of NPLs stands at high 72.9%.
- Housing loans (mortgages and building savings loans), representing more than a half of the group's loan portfolio, require less provisioning given the fact they are largely secured by collateral. The NPLs from the remaining part of the portfolio are fully covered by allowances, i.e. showing the coverage ratio above 100%.

AUM and deposits:
Deposits increased, mutual fund decreased

Outstanding volumes, CZK bn	30.9.2010	30.9.2011	Y/Y
Group deposits	**577.8**	**599.6**	**+4%**
Client deposits	461.0	479.4	+4%
Building savings deposits[1]	83.3	83.6	+0%
Pension funds[2]	26.6	28.4	+7%
Other[3]	7.0	8.2	+18%
Mutual funds[4]	**65.3**	**55.7**	**-15%**
Other asset management	**55.5**	**57.9**	**+4%**
AUM and deposits	**698.7**	**713.1**	**+2%**

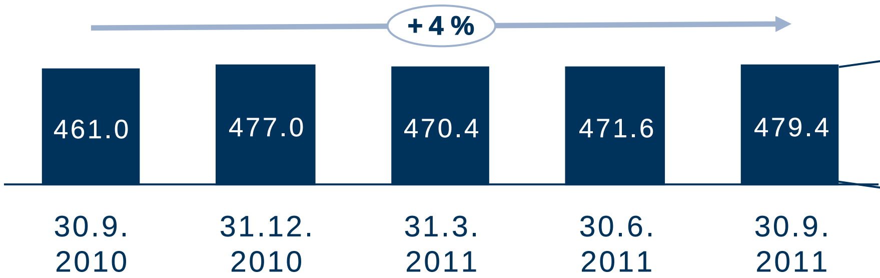


30.9.2011

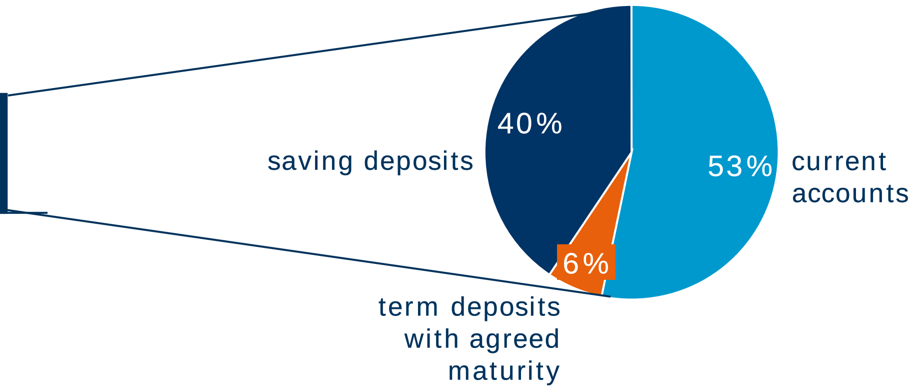
Notes:
[1] ČSOB group building savings deposits are in the balance sheet of ČMSS building savings company, 55%-owned by ČSOB. Volumes are reported in the 55% proportion, i.e. the way they enter ČSOB's consolidated balance sheet.
[2] Liabilities to pension fund policy holders.
[3] Repo operations with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

Group deposits:
All categories showed Y/Y growth

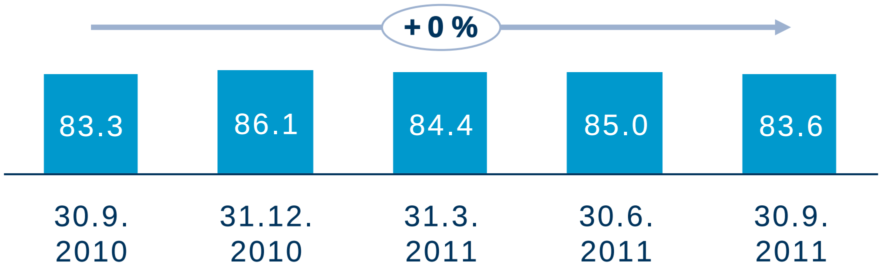
Client deposits (CZK bn)



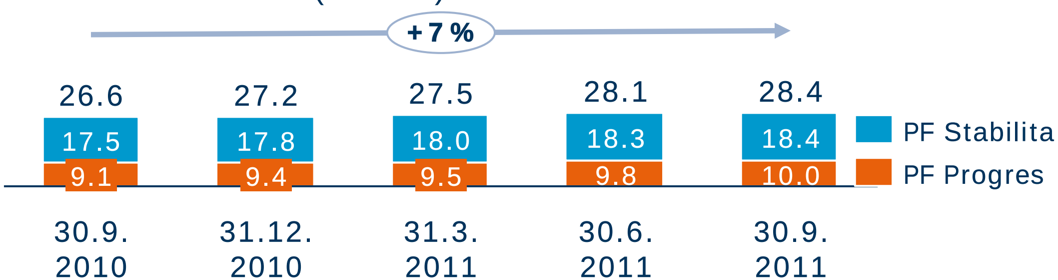
Client deposits breakdown (CZK 479.4 bn)



Building savings deposits (CZK bn)



Pension funds (CZK bn)



The largest contributor to the CZK 21.8 bn growth of group deposits Y/Y were client deposits with a CZK 18.4 bn increase Y/Y.

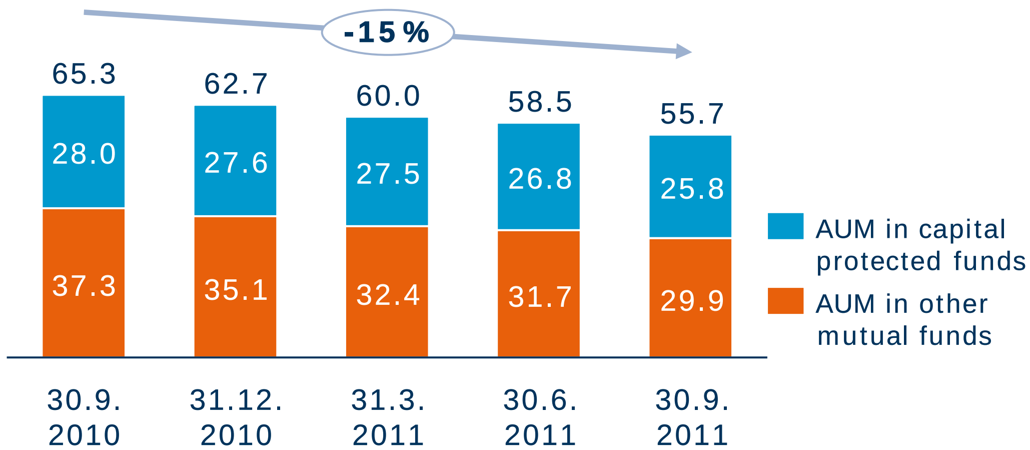
Within client deposits, saving deposits recorded a 16% Y/Y growth. Part of the increase was at the expense of term deposits (-28% Y/Y) and mutual funds (-15% Y/Y, see next slide). Current accounts increased by 1% Y/Y.

The stagnation of the volumes of building savings deposits reflects the uncertainty of clients about the state support to this form of savings going forward.

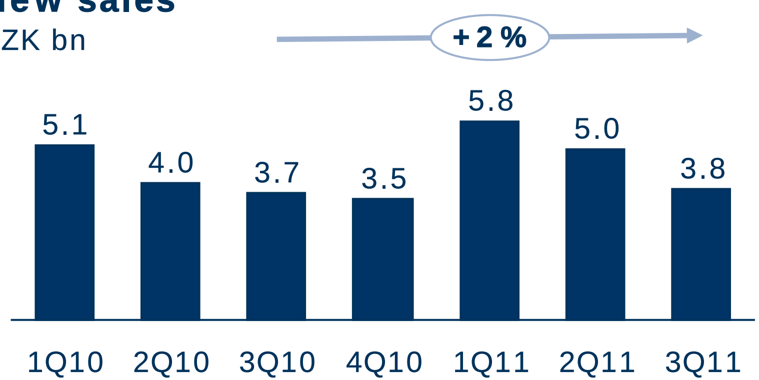
AUM in both pension funds kept increasing.

Mutual funds:
New sales are drawn by capital protected funds

Assets under management
outstanding volumes, CZK bn



New sales
CZK bn



During 3Q 2011, ČSOB strengthened its No. 1 position on the market, as the capital protected funds, where ČSOB's market share exceeds 70%, were less affected by market turbulences than the other types of funds.

AUM in ČSOB's mutual funds decreased by 5% Q/Q and 15% Y/Y mainly due to falling prices of equities. The Q/Q decline concerned all categories with the exception of bond funds.

New sales of mutual funds in 3Q 2011 of CZK 3.8 bn represent a slight increase Y/Y. In Q/Q comparison, sales slowed down as increased volatility on financial markets made clients more cautious. A negative seasonal effect played a role, too.

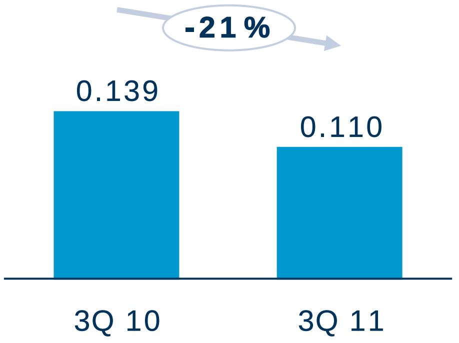
New sales: capital protected funds increased Q/Q, while all types of other mutual funds (money market, bond, equity, and mixed funds) declined Q/Q.

Note: Only direct positions are included.

Insurance

Net profit of ČSOB Pojišťovna*

CZK bn



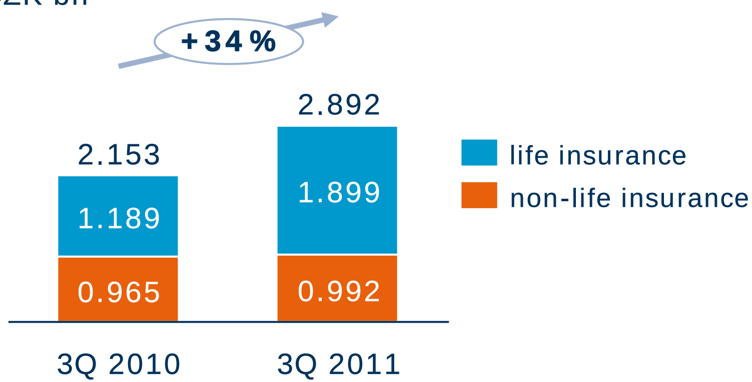
ČSOB Pojišťovna's contribution to the group underlying P/L* in 3Q 2011 was CZK 27 m, compared to CZK 35 m a year ago.

The Y/Y comparison is lower mainly due to a negative effect of the change in policy on recognizing life insurance commissions. The worsened market conditions also contributed to the lower 2011 result. These negative effects were partly offset by the fact that non-life claims in 3Q 2011 were lower than in the floods-affected period of 3Q 2010.

Gross written premium sharply increased thanks to sales of the bancassurace product, Maximal Invest.

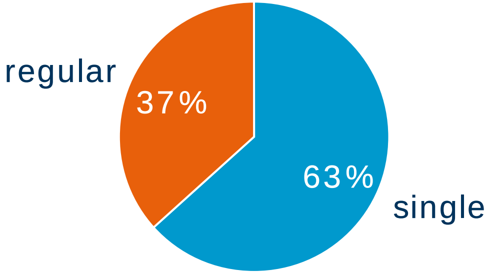
Gross written premium

CZK bn



Life insurance

3Q 2011



CZK 1.899 bn

Note:

** 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 group's distribution platform

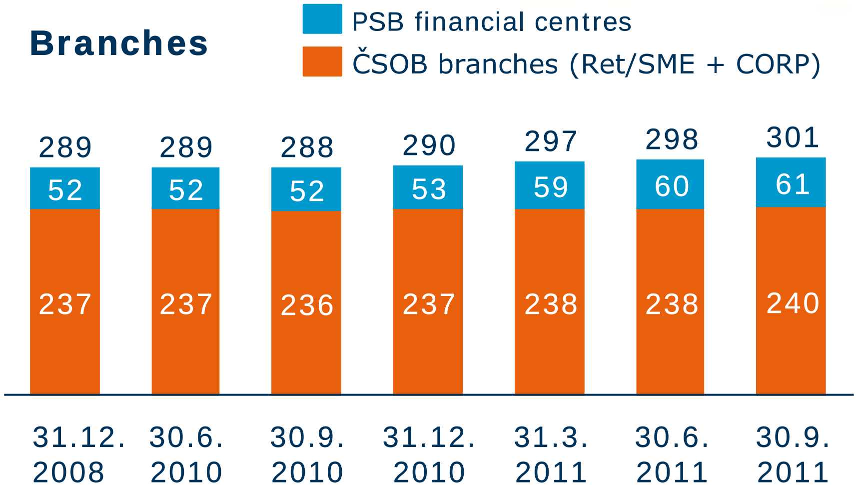
	30.9.2010	30.9.2011
Customers of the group*	> 4 m	> 4 m
of which ČSOB + PSB (ths)	3 074	3 092
Retail / SME branches and advisory centers	**554**	**567**
ČSOB Retail/SME branches	236	240
PSB branches ("Financial Centers")	52	61
ČMSS advisory centers	150	151
Hypoteční banka centers	27	27
ČSOB Pojišťovna branches	89	88
Leasing branches	**12**	**12**
Corporate branches	**11**	**11**
PSB outlets of the Czech Post network	**ca. 3 300**	**ca. 3 200**
ATMs (ČSOB+PSB)	772	815

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

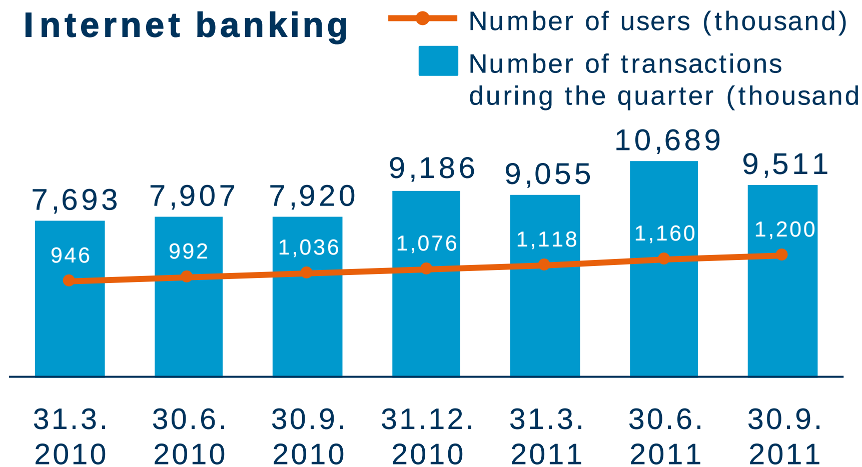
** The total number of unique clients is >4 million. Some overlap of client groups exists among different brands, esp. between ČMSS and the two full service brands (ČSOB and PSB). The overlap between ČSOB and PSB is very limited.*

Other information

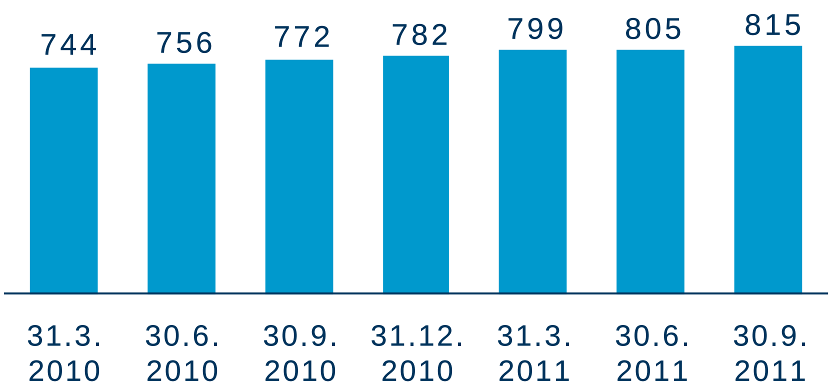
Branches



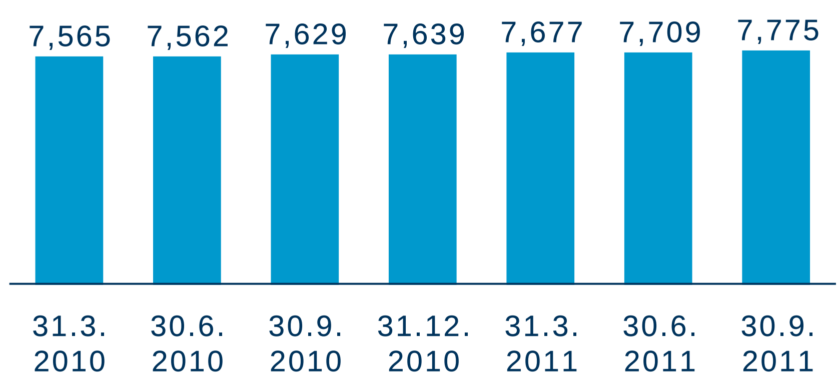
Internet banking



ATMs



Group employees



Appendix

Credit rating and shareholder structure

ČSOB's credit ratings

As at 1 October 2011

Rating agency	Moody's		Fitch	
	Long-term rating:	**A1** (negative)	**Long-term rating:**	**A-** (stable)
	Short-term rating:	Prime-1	Short-term rating:	F2
	Financial strength:	C	Individual:	C
			Support:	1
Rating valid since		23 February 2007		14 May 2009
Last confirmation		7 October 2011		12 October 2011

Shareholder structure

As at 30 September 2011, ČSOB's share capital was CZK 5.855 bn 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%.

Management structure

- Chairman of the Board of Directors, Chief Executive Officer
- Members of the Board of Directors, Senior Executive Officers
- B-1 units managing respective branch networks
- Other B-1 units

Chief Executive Officer (CEO)
Pavel Kavánek

- Internal Audit
- Legal
- ICT Relationship Management
- Compliance
- Corporate Office

Distribution
Petr Hutla

- Retail Branch Network Management
- SME Branch Network Management
- Private Banking
- Retail / SME Segment Business Development
- Retail / SME Marketing and Segments
- Business Support

Corporate Banking
Petr Knapp

- Corporate and Institutional Banking
- Financial Markets
- Facilities Management

Mass Market
Jan Lamser

- Mass Market Sales and Distribution
- Direct Financial Services
- Mass Market Segment Management
- Mass Market Strategic Management
- Mass Market Business Support
- Operations

CFO
Bartel Puelinckx

- Finance
- Central Procurement
- Credits
- Assets and Liabilities Management

CRO
Koen Wilmots

- Integrated Risk Management
- Risk Shared Services
- Risk Specific Management

CSO
Jiří Vévoda

- Human Resources Management
- Communication
- Strategy and development
- Consumer Finance
- Payment Products and Services

ČSOB group in the Czech Republic

Československá obchodní banka, a. s.

ČSOB | Poštovní spořitelna

banking services

- **housing needs financing**
  - 100% Hypoteční banka
  - 55% ČMSS[1)]
- **asset management and mutual funds**
  - 20.59%[4)] ČSOB AM [2)]
  - 73.15% ČSOB IS[3)] (11.57% via ČSOB AM)
- **pension funds**
  - 100% ČSOB PF Stabilita
  - 100% ČSOB PF Progres
- **leasing and factoring**
  - 100% ČSOB Leasing
  - 100% ČSOB Factoring
- **insurance**
  - 25% ČSOB Pojistovna[4)]
- **other**
  - Other companies consolidated by ČSOB (both direct and indirect interests)[5)]

Notes:
Percentages show ownership interests on company's equity as of 30 September 2011
1) 45% of shares owned by Bausparkasse Schwäbisch Hall; a proportional consolidated subsidiary of ČSOB.
2) 79.41% of shares owned by KBC Participations Renta; ČSOB AM is a fully consolidated subsidiary of ČSOB.
3) 15.28% of shares owned by KBC Participations Renta; ČSOB IS is a fully consolidated subsidiary of ČSOB.
4) 75% of shares owned by KBC Insurance; subsidiary consolidated in ČSOB by an equity method.
5) A complete list of companies consolidated by ČSOB is stated in ČSOB Annual Report.

Awards for ČSOB group:
Accolades received in 2011

ČSOB as a whole

Named the best bank in the Czech Republic by the Global Finance magazine

Named Best Bank Czech Republic in 2010 by the EMEA Finance magazine

Named the best bank in the Czech Republic by the Euromoney magazine

Selected business areas

Postal Savings Bank	ČSOB Leasing	Trade Finance	Custody	Foreign Exchange	Acquisition Finance
Named the most client friendly bank in the Czech Republic *(contest organized by the Hospodarske noviny daily)*	Named best in retail and SME leasing categories *(Zlata koruna contest)*	Named best in the Czech Republic	Named best Sub-custodian in the Czech Republic	Named best in the Czech Republic	Named best bank in Eastern Europe

Profit and loss statement – reported

(CZK m)	3Q 2010	2Q 2011	3Q 2011	Y/Y	Q/Q
Interest income	*8 589*	*8 239*	*8 375*	*-2%*	*+2%*
Interest expense	*-2 509*	*-2 091*	*-2 083*	*-17%*	*+0%*
Net interest income	6 080	6 148	6 292	+3%	+2%
Net fee and commission income	1 301	1 321	1 334	+3%	+1%
Net gains from financial instruments at FVPL*	646	244	13	-98%	-95%
Other operating income	235	219	413	+76%	+89%
Operating income	**8 262**	**7 932**	**8 052**	**-3%**	**+2%**
Staff expenses	-1 644	-1 642	-1 750	+6%	+7%
General administrative expenses	-1 786	-1 740	-1 698	-5%	-2%
Depreciation and amortisation	-257	-230	-220	-14%	-4%
Operating expenses	**-3 687**	**-3 612**	**-3 668**	**-1%**	**+2%**
Impairment losses*	-1 161	-1 603	-1 246	+7%	-22%
Impairment on loans and receivables	*-1 152*	*-318*	*-206*	*-82%*	*-35%*
Impairment on available-for-sale securities	*-5*	*-1 274*	*-1 051*	*N/A*	*-18%*
Impairment on other assets	*-4*	*-11*	*11*	*-375%*	*+/-*
Share of profit of associates	35	38	27	-23%	-29%
Profit before tax	**3 449**	**2 755**	**3 165**	**-8%**	**+15%**
Income tax expense*	-306	-290	-425	+39%	+47%
Profit for the period	**3 143**	**2 465**	**2 740**	**-13%**	**+11%**
Attributable to:					
Equity holders of the parent	**3 109**	**2 428**	**2 700**	**-13%**	**+11%**
Minority interest	34	37	40	+18%	+8%

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)	3Q 2010	2Q 2011	3Q 2011	Y/Y	Q/Q
Interest income	*8 589*	*8 239*	*8 375*	*-2%*	*+2%*
Interest expense	*-2 509*	*-2 091*	*-2 083*	*-17%*	*+0%*
Net interest income	6 080	6 148	6 292	+3%	+2%
Net fee and commission income	1 301	1 321	1 334	+3%	+1%
Net gains from financial instruments at FVPL*	311	290	13	-96%	-95%
Other operating income	235	219	413	+76%	+89%
Operating income	**7 927**	**7 978**	**8 052**	**+2%**	**+1%**
Staff expenses	-1 644	-1 642	-1 750	+6%	+7%
General administrative expenses	-1 786	-1 740	-1 698	-5%	-2%
Depreciation and amortisation	-257	-230	-220	-14%	-4%
Operating expenses	**-3 687**	**-3 612**	**-3 668**	**-1%**	**+2%**
Impairment losses*	-1 161	-1 603	-1 246	+7%	-22%
Impairment on loans and receivables	*-1 152*	*-318*	*-206*	*-82%*	*-35%*
Impairment on available-for-sale securities	*-5*	*-1 274*	*-1 051*	*N/A*	*-18%*
Impairment on other assets	*-4*	*-11*	*11*	*-375%*	*-200%*
Share of profit of associates	35	38	27	-22%	-28%
Profit before tax	**3 114**	**2 800**	**3 166**	**+2%**	**+13%**
Income tax expense*	-242	-299	-425	+75%	+42%
Profit for the period	**2 872**	**2 502**	**2 740**	**-5%**	**+10%**
Attributable to:					
Equity holders of the parent	**2 838**	**2 465**	**2 700**	**-5%**	**+10%**
Minority interest	34	37	40	+18%	+8%

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 2010	30/09 2011	Ytd
Cash and balances with central banks	21 164	30 865	+46%
Financial assets held for trading	173 810	178 222	+3%
Financial assets designated at fair value through P/L	11 132	11 341	+2%
Available-for-sale financial assets	102 521	88 045	-14%
Loans and receivables - net	399 741	432 734	+8%
Loans and receivables to credit institutions - gross	*14 137*	*20 501*	*+45%*
Loans and receivables to which other than credit institutions - gross	*397 445*	*423 332*	*+7%*
Allowance for impairment losses	*-12 466*	*-12 297*	*-1%*
Accrued interest income	*625*	*1 198*	*+92%*
Held-to-maturity investments	150 240	146 703	-2%
Fair value adjustments of the hedged items in portfolio hedge	0	14	*N/A*
Derivatives used for hedging	9 437	12 387	+31%
Current tax assets	39	35	-10%
Deferred tax assets	488	141	-71%
Investments in associate	1 163	1 137	-2%
Investment property	713	687	-4%
Property and equipment	8 057	8 045	0%
Goodwill and other intangible assets	3 625	3 500	-3%
Non-current assets held-for-sale	140	147	+5%
Other assets	2 785	1 923	-31%
Total assets	**885 055**	**915 926**	**+3%**

Increase due to reverse repo operations with ČNB

Increase due to decrease of interest rates and increase of volumes

Balance sheet - liabilities and equity

(CZK m)	31/12 2010	30/09 2011	Ytd
Financial liabilities held for trading	21 096	22 033	+4%
Financial liabilities at fair value through P/L	117 774	134 716	+14%
Financial liabilities at amortised cost	663 418	677 324	+2%
of which Deposits received from credit institutions	*30 442*	*39 792*	*+31%*
of which Deposits received from other than credit institut.	*596 078*	*599 572*	*+1%*
of which Debt securities in issue	*24 105*	*23 785*	*-1%*
of which Subordinated liabilities	*11 974*	*11 977*	*0%*
of which Accrued interest expenses	*819*	*2 198*	*+168%*
Fair value adjustments of the hedged items in portfolio hedge	*0*	*45*	*N/A*
Derivatives used for hedging	5 567	7 322	+32%
Current tax liabilities	1 203	658	-45%
Deferred tax liabilities	830	1 062	+28%
Provisions	651	596	-8%
Other liabilities	8 676	11 895	+37%
Total liabilities	**819 215**	**855 651**	**+4%**
Share capital	5 855	5 855	0%
Share premium account	7 509	7 509	0%
Statutory reserve	18 687	18 687	0%
Retained earnings	30 560	21 798	-29%
Available-for-sale reserve	2 422	3 577	+48%
Cash flow hedge reserve	-2	1 900	+/-
Foreign currency translation reserve	0	0	N/A
Parent shareholders' equity	**65 031**	**59 326**	**-9%**
Minority interest	809	949	+17%
Total equity	**65 840**	**60 275**	**-8%**
Total liabilities and equity	**885 055**	**915 926**	**+3%**

Increase especially due to money-market deposits from banks and repo loans from non-banking institutions. Liabilities from issued securities increased as well.

Increase of liabilities from unsettled transactions with clients and unsettled liability from tax payment

Increase due to the impairment on Greek bonds

Methodological note

Reclassification of the profit and loss statement:

This presentation shows 2010 quarters' profit and loss statement items reclassified in accordance with the current accounting methodology in order to ensure comparability of IFRS financial statements in time. There are following reclassifications:

- Between interest income and interest expenses, there are changes in accounting of net interest income realized on cash-flow hedging derivatives.
- Interest income and expenses realized on financial derivatives used as economic hedges were reclassified from Net gains from financial instruments recognized at fair value through profit or loss into Net interest income.
- Depreciation of investment property was reclassified from Operating expenses into Other net income.

Reconciliation of business volumes:

ČSOB changed the way of showing lending volumes. Instead of term „group lending‟ shown in last year presentations defined as item „loans and receivables – gross“ from the consolidated balance sheet plus credit–replacing bonds, ČSOB newly uses throughout the whole presentation the term „loan portfolio‟ defined as 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).

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 PFs
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., annulized
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).

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 Bank retail network (ČSOB brand and PSB brand) in book values. Gross.
SME loans	Loan portfolio granted by ČSOB Bank SME network in book values. Gross.
Corporate loans	Loan portfolio granted by ČSOB Bank 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.

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