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PRESS RELEASE

Preliminary FY 2008 financial results: ČSOB Group expects a net profit of CZK 1bn¹

ČSOB Group expects to report a net profit of approximately CZK 1bn in FY 2008. Excellent business results were offset by effects of financial crisis. As ČSOB decided to reevaluate to zero its CDO portfolio, this portfolio can no longer negatively affect ČSOB Group's profit in the years to come. CAD exceeds 10%. Loan to deposit ratio is about 70%.

In line with the KBC Group, the ČSOB Group decided to also publish its preliminary financial results. As ČSOB has already stated, the current financial crisis will not have any impact on ČSOB's stability or its clients, only 2008 net profit will be reduced.

In the fourth quarter of 2008 ČSOB decided to reevaluate to zero the remaining value of CDOs and to create provisions on the exposure to Icelandic banks in the amount of CZK 466m (after tax impact).

Altogether, the impact of the international financial crisis in ČSOB's full-year results of 2008 includes CDO revaluation (throughout the year) and creation of provisions on the exposure to Lehman Brothers (in 3Q08) and to Icelandic banks (in 4Q08).

Having done these conservative measures ČSOB Group expects to report FY 2008 IFRS net profit of approximately CZK 1bn.

Information on the CDO portfolio:

As has been communicated in the past, the ČSOB Group has CDOs in its portfolio in the total nominal value of EUR 430m (approx. CZK 10bn). ČSOB decided to be as prudent as possible and revaluated all these assets whose value was under speculations to zero.

As a result, the CDO portfolio can no longer negatively affect ČSOB Group's profit in the years to come.

¹ All FY 2008 figure in this press release are provisional, unaudited, according to IFRS. Subject to change.



ČSOB Group is the leading player in Czech financial services industry. ČSOB Group is a part of the international bancassurance KBC Group which is active in Belgium and the CEE region. Combining the power of its retail brands – ČSOB (banking, insurance, asset management, pension funds, leasing and factoring), the Postal Savings Bank (banking through postal distribution network), the Mortgage Bank and the ČMSS (bank specialized for financing the housing needs) – ČSOB Group holds strong market positions in all segments of Czech financial market. ČSOB Group is a long-term number 1 in financing the housing needs, leasing and total assets under management. ČSOB Group builds a strong, long-term partnership with each client, whether in personal and family finance, financing SMEs or corporate finance. ČSOB Group is a good listener who offers suitable solutions, rather than mere products.



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Capital and liquidity remain strong:

The capital adequacy of ČSOB Group exceeded 10% at the end of 2008. The liquidity also remains very high – the loan-to-deposit ratio stays around 70%.

Detailed figures to come on 12 February:

This prognosis is based on provisional, unaudited figures; subject to change. Detailed consolidated unaudited financial reports according to IFRS and the FY 2008 results presentation and press release will be published on 12 February 2009 in accordance with ČSOB's financial calendar.

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