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PRESS RELEASE

9M 2015 for ČSOB: strong growth continues across key segments, high loan quality sustained

- The Group's 9M 2015 net profit increased by 4% Y/Y to CZK 11.0 billion
- ČSOB strengthened its market leading position in loans* as the volume increased by 9% Y/Y to CZK 575 billion, while keeping high quality of the loan portfolio
- Group deposits grew to CZK 699 billion* (+7% Y/Y)
- The total volume of assets under management reached CZK 181 billion (+10% Y/Y)
- Operating income grew to CZK 24.5 billion (+4% Y/Y) despite low interest rate environment
- Operating expenses increased to CZK 11.5 billion (+4% Y/Y)
- ČSOB upgraded the website www.csob.cz to easily navigate clients' financial needs in different life situations
- ČSOB continued in launching new products and services among others also new **mobile application "Smart key"** for more comfortable use of Internet Banking
- ČSOB Private Banking received an international award "**Best Private Bank of the Year 2015 in the Czech Republic**" by The Banker/ PWM magazine

*"4% Y/Y increase of net profit is reassuring us that our efforts are meaningful and our clients find assistance of our employees and services and products useful. We remain relentless to bring simple, safe and useful solutions to the benefit of existing as well as prospective clients and remain trusted partner to solve their life situations," said **John Hollows, CEO of ČSOB.***



The ČSOB group is the leading player in the Czech financial services industry. The ČSOB group is a part of the international bancassurance KBC group which is active in Belgium and the CEE region. The ČSOB group consists of the Bank (operates under the brands – ČSOB, Era and Poštovní spořitelna, Postal Savings Bank) and of entities related with the Bank. ČSOB's financial group includes strategic companies in the Czech Republic controlled directly or indirectly by ČSOB, or KBC, which offer financial services, namely Hypoteční banka, ČSOB Pojišťovna, Českomoravská stavební spořitelna, ČSOB Penzijní společnost, ČSOB Leasing, ČSOB Asset Management, ČSOB Factoring and Patria group. ČSOB provides its services to all groups of clients, i.e. retail as well as SME, corporate and institutional clients. The ČSOB group is a good listener, who offers a suitable solutions, rather than mere products.



Continuous strong growth of loan, deposit and asset management products, combined with strong performance of financial markets were the main factors of the 9M 2015 net profit growth. On the loan side, the highest Y/Y growth was reached in SME/corporate loans, mortgages and leasing. The high Y/Y growth of loans led to strengthening of market shares in all categories, but mortgages. The Y/Y growth in deposits was fully driven by current accounts. Despite the growth in business volumes ČSOB managed to keep high quality of the loan portfolio and NPL ratio further decreased. NPL ratio at 3.7% remains the lowest over last 6 years.

	9M 2014	9M 2015	Y/Y
Net profit (CZK bn)	10.5	11.0	+4%
Cost/income ratio (%)	47.1	46.9	-0.2pp
Loan portfolio (CZK bn)*	529.2	575.4	+9%
Deposit volume (CZK bn)*	655.3	699.4	+7%
Assets under management (CZK bn)	165.5	181.4	+10%
Tier 1 Capital Ratio (%)	17.7	18.3	+0.6pp
Credit cost ratio (% , annualized)	0.13	0.15	+0.02pp

* including ČMSS

A detailed presentation concerning the financial results for the 9M 2015 is available at:
<https://www.csob.cz/portal/web/csob/about-csob/investor-relations#hospodarske-vysledky>

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