

2006 ČSOB Group Results

IFRS Unaudited Consolidated
26 February 2007, Prague



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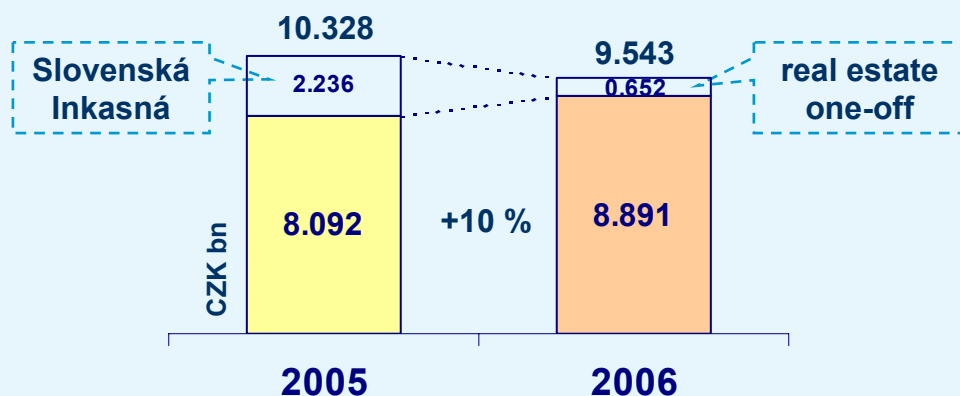
Quality of Credit Portfolio

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Financial Highlights

Underlying net profit up by 10 %



Net profit exceeded CZK 9.5 bn

Underlying net profit in 2006 was CZK 8.9 bn, i.e. 10 % above 2005.

The 2006 results were influenced by the extraordinary profit of CZK 652 m (after tax) from the sale of real estate portfolio in the center of Prague prior to moving to New Headquarters (planned in 1H 2007).

Financial ratios improved Y/Y

	2005 incl. SI* one-off	2005 excl. SI* one-off	2006 incl. RE* one-off	2006 excl. RE* one-off
ROAE	21.0 %	16.5 %	18.4 %	17.2 %
C/I Ratio	54.0 %	59.3 %	56.1 %	57.5 %
Loan/Asset Ratio**	33.4 %		41.4 %	
NIM***	2.48 %		2.55 %	
CAD Bank**	10.55 %		9.29 %	

Business and cost management further improved our C/I by 1.8 pp and Loan/Asset by 8 pp. In severe competition we succeeded to maintain NIM at a reasonably high level.

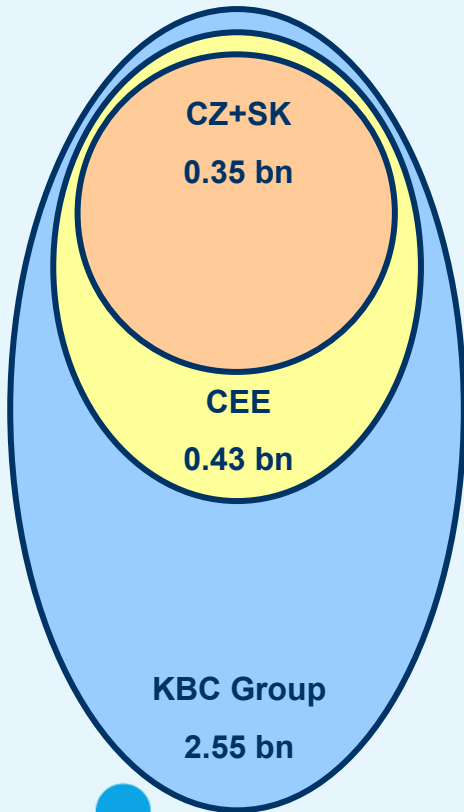
Notes:

- * SI = Slovenska Inkasna, RE = real-estate
- ** Level at the end of period
- *** Net interest margin on interest bearing assets



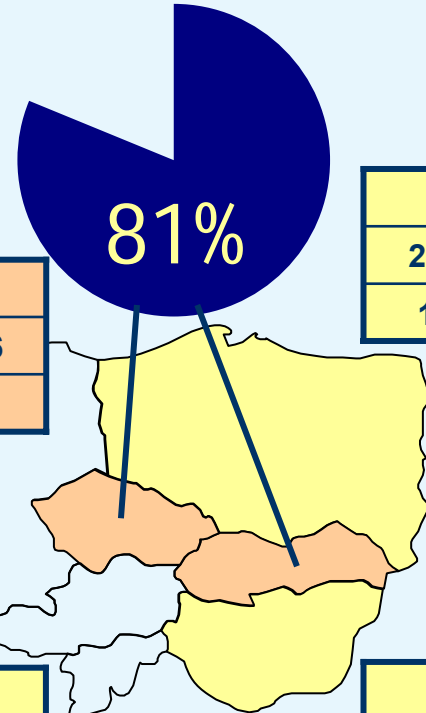
17 % of KBC's Profit Comes from CEE*

And about 81 % of the CEE profit comes from ČSOB



Profit contribution in millions of Euro (banking and insurance total):

CZ + SK	
2005	2006
257	346



Poland	
2005	2006
138	136

other**	
2005	2006
-148	-114

Hungary	
2005	2006
79	58

Notes: * Underlying profit

** Includes funding charges for KBC participations, minority interests in profit, profit contribution of minority stake in Slovenia and some consolidation adjustments.

Business Highlights, FY 2006

Assets side - strong growth in lending activities

(CZK bn)	31/12/2005	31/12/2006	Change Y/Y
Total Group lending *	246	316	+29 %
Group business lending (CZ+SK)	238	318	+34 %
Retail CZ - Housing loans **	87.9	117.8	+34 %
Retail CZ - Consumer lending (incl. Amer. mortgages)	6.9	9.6	+39 %
SME loans CZ	29.2	44.1	+51 %
Corporate loans Bank CZ	72.5	85.1	+17 %
Leasing CZ	23.6	28.0	+19 %
Total lending SK	29.7	48.8	+64 %

Quality of loan portfolio remained on a very high level

NPL / Total Group lending	1.67 %	1.69 %	+2 bp
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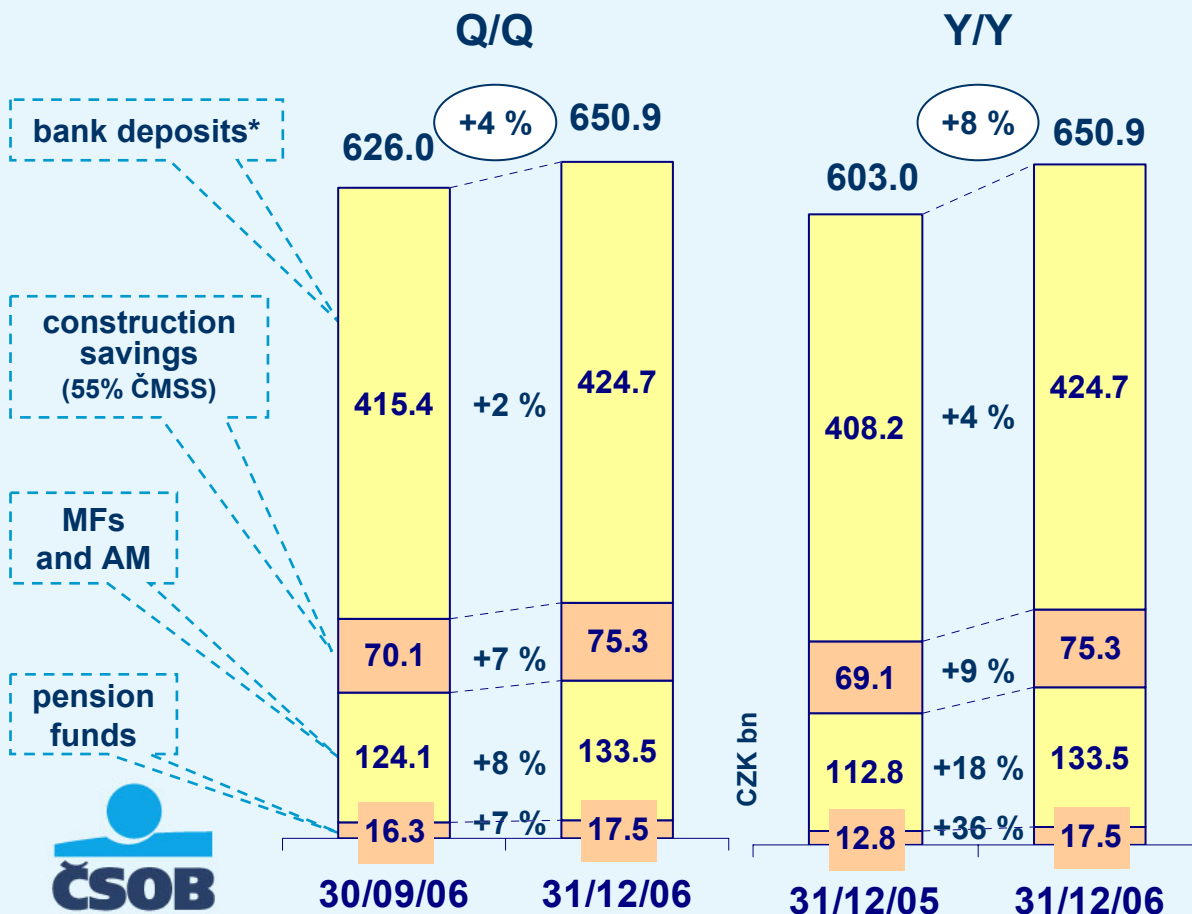


Note: * "Total Group lending" is the sum of Group business lending, ALM (securities), and historical bad debts, minus eliminations.

** "Housing loans" is the sum of mortgages to individuals (HB+ČSOB+PSB) and construction loans to individuals (ČMSS 100%).

AUM and Deposits (CZ+SK) at Glance

Dynamic growth of mutual and pension funds continues



Assets under Management and deposits rose Y/Y by CZK 47.9 bn (+8 %) to CZK 650.9 bn.

Pension funds boosted by 36% Y/Y, partly due to the acquisition of Zemský PF.

Mutual funds and AM recorded a Y/Y significant improvement by 18 %, constructions savings rose by 9 %.

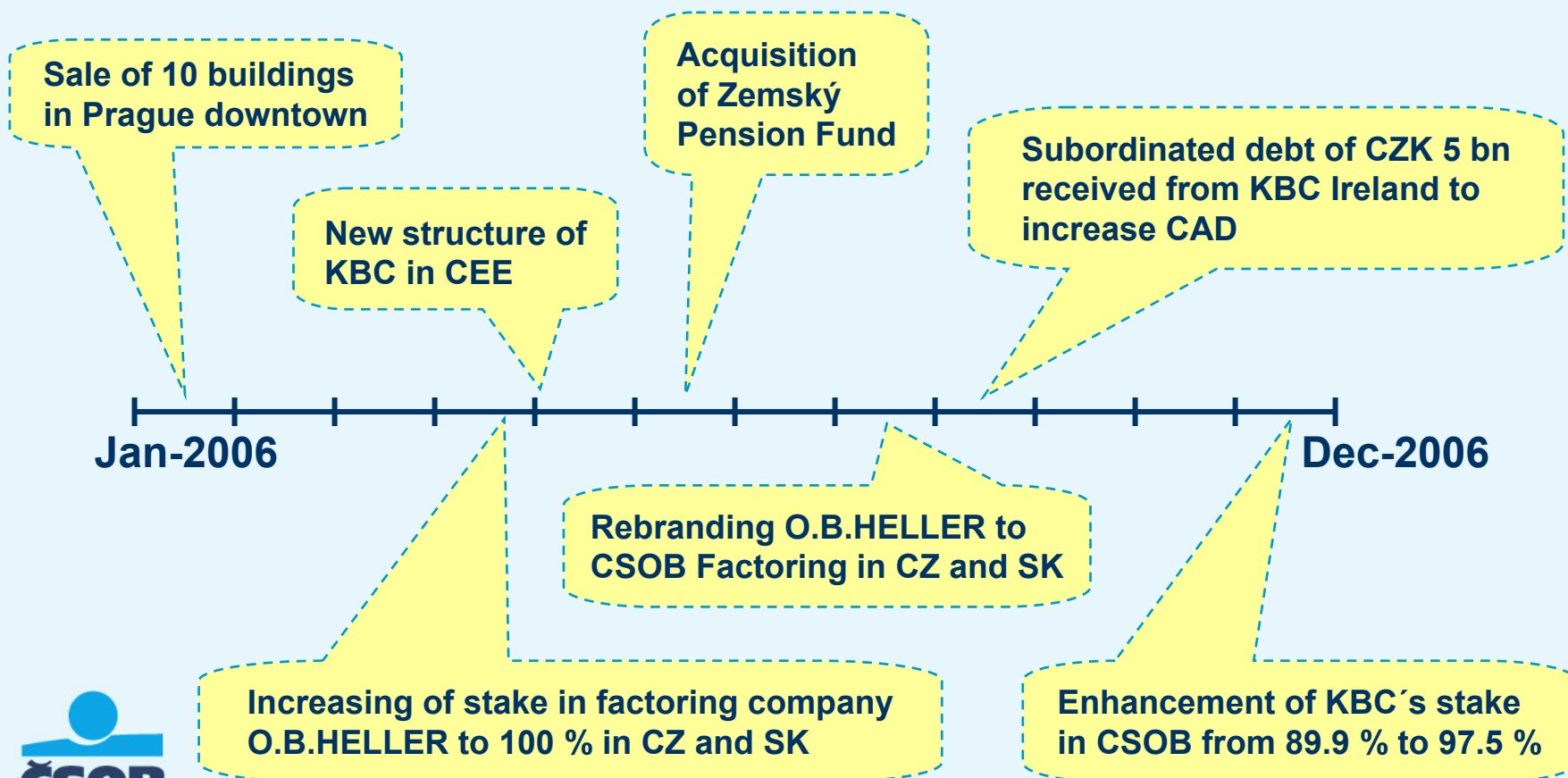
Consolidated deposits of ČSOB CZ (incl. PSB) and ČSOB SK rose by 4%.

Note: * incl. depository notes



Main Events of 2006

Year of important changes



2006 Financing Housing Needs Innovations

ČSOB Group remains to be the main innovator in mortgages

ČSOB Mortgage 2 in 1 as a combination of a mortgage with a non-specific loan to be used for any purpose

Mortgage can be transferred to the new buyer of the property without adjustment of the parameters incl. fixed interest rate

Clients can make new adjustments to mortgages, such as raising the mortgage during building a house or a flat

Express appraisal of flat free of charge

Jan-2006 Dec-2006

PSB mortgage – the third distribution channel within the Group

New product: Pre-mortgage Loan

ČSOB (SK) Mortgage with lowest installments available for people aged under 36

ČSOB Group is the first to offer 40-years mortgage



2006 Electronic Innovations

ČSOB brings new e-solutions

The ONLY bank providing a payment system for the highway **e-Toll**. ČSOB introduced the **Toll Tool** and the **Fleet Card Centrum**, enabling it to service a central e-toll system.

Payment button was launched in CZ and SK in order to enable customers paying for goods and services which they bought via internet shops quickly and easily.

The FIRST bank in CZ that provides on-line processing of export/import documentary transactions called **ČSOB Flexims**.

e-innovation

The FIRST bank that offers **CashBack** in CZ. ČSOB/PSB card holders are able to withdraw cash at the AHOLD super- and hypermarkets' cashiers.

The FIRST of large banks in CZ that introduced **SMS authentication** of e-banking access.

ČSOB and PSB launched **embossed chip cards** that further enhance the security of the client's fund. ČSOB and PSB clients now hold 1.3 m cards – the MOST in the market.



New Headquarters (NHQ)

Important milestone in corporate culture to come in 1H 2007



Ecological building of NHQ in Prague–Radlice for 2,500 employees of ČSOB Group, is expected to bring important cost savings:

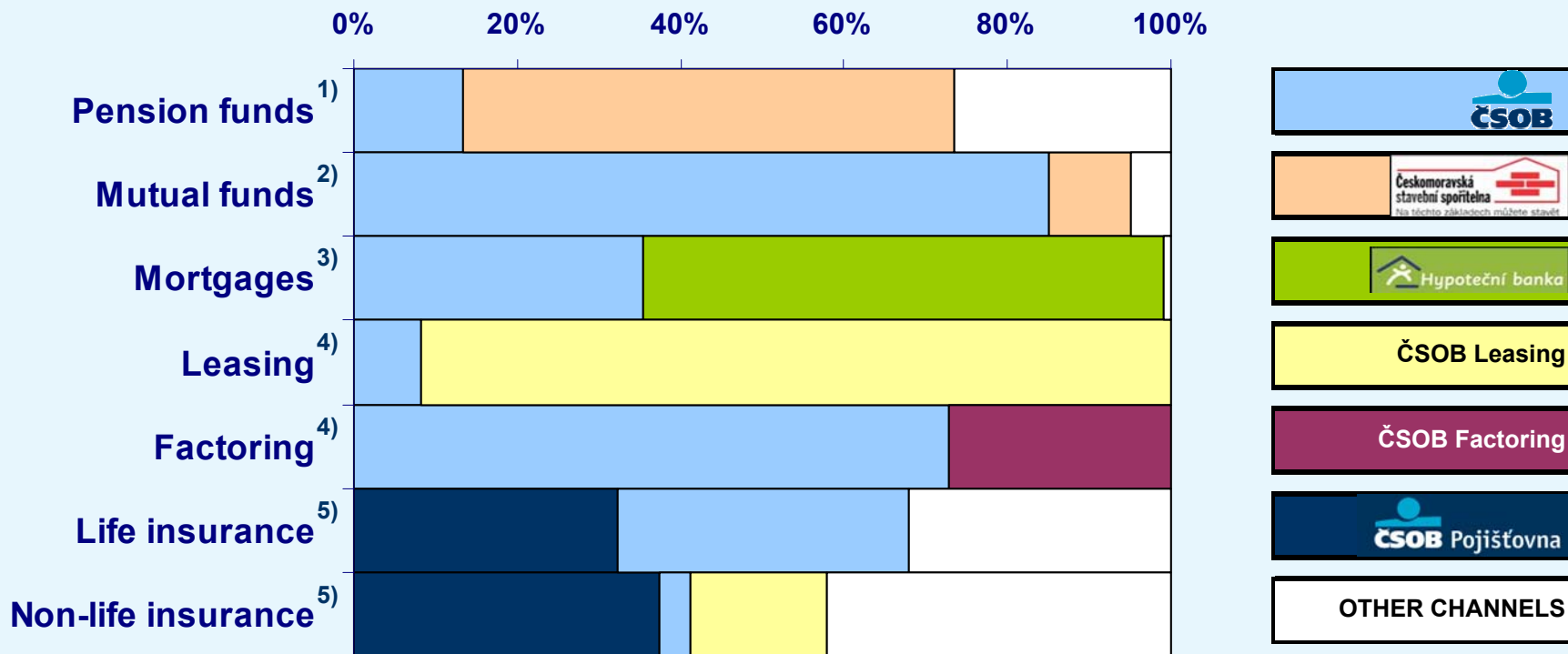
- direct (maintenance etc.)
- indirect (high-performance culture, operational excellence)

FY 2006 results have been affected by the January sale of buildings in Prague downtown:

P/L effect of the real-estate one-off	CZK m
other op. income	+ 975
gen. admin. expenses	- 117
income tax expense	- 206
net profit	+ 652

ČSOB Group's Synergies

Our structure allows for strong cross-selling within the Group



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 2006	CZ	SK
life insurance / ČSOB mortgages	59 %	62 %
property insurance / ČSOB mortgages	67 %	61 %
consumer loans insurance / ČSOB consumer loans	79 %	88 %

Note: number of new contracts insured / all insurable

- ČSOB Group aims to be **No. 1 in combining banking products with own insurance products.**
- In May 2006, **Country Teams (CZ+SK)** were set up to enhance bancassurance focus.
- An example of a bancassurance innovation is **Credit Protection Insurance**, launched In August 2006 – the risk life cover linked to consumer loans was extended by unemployment and temporary disability covers.



ČSOB Group's 2006 Awards

ČSOB Group performance was awarded again



**Banker Awards:
Bank of the Year 2006
Czech Republic**



Best FX Bank



**Most successful of Czech
financial groups,
9 medals, incl.3 golden ones:**

- ✓ ČSOB Loan for Better Living
- ✓ PF Progres
- ✓ ČSOB Leasing



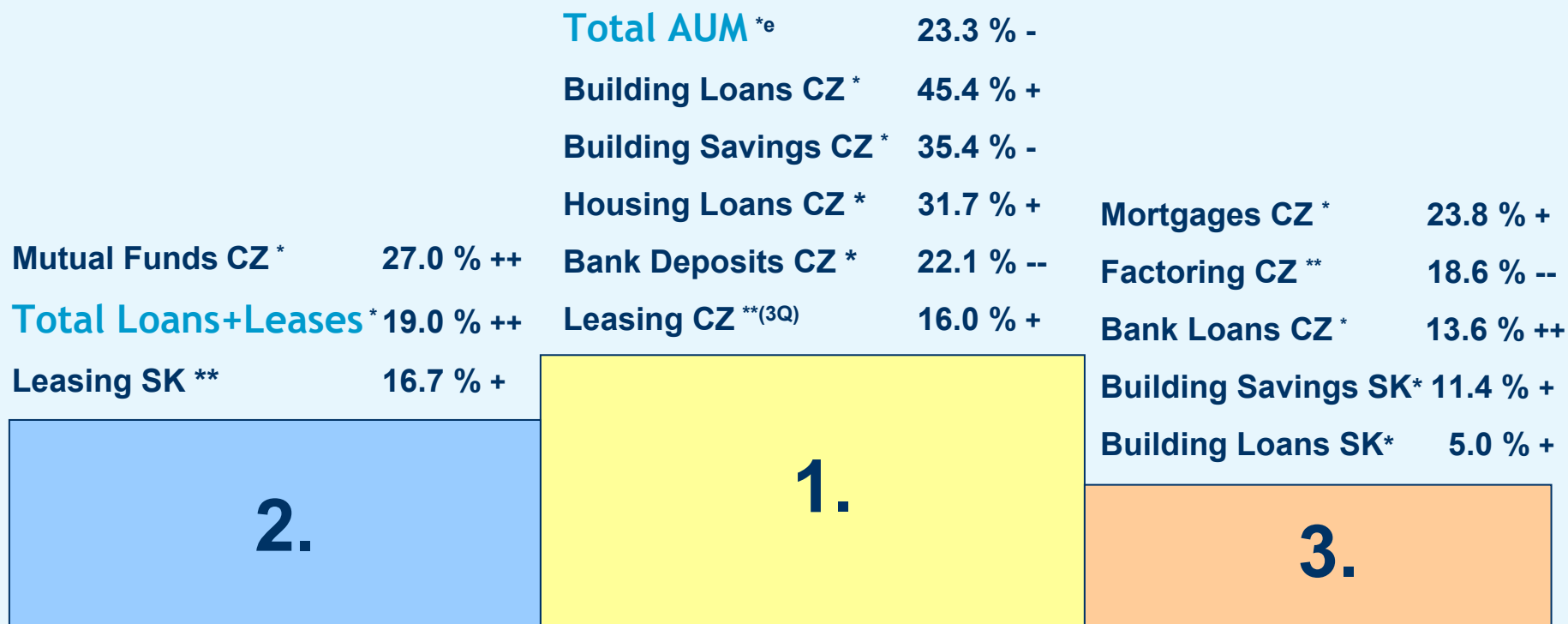
- **The Best Bank**
- **The Most Admired
Financial Institution**



**Achievement Awards:
The Best Bank
Czech Republic**

ČSOB Group's Market Shares

Maintaining leading positions in the Czech and Slovak market



Notes: Market shares as of 31/12/06, ranks as of 30/09/06 (i.e. latest available)

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

** Market share according to volume of new business

^e Estimate (including deposits)

+ / ++ = Y/Y increase by less/more than 1 pp

- / -- = Y/Y decrease by less/more than 1 pp

Source: ČNB, Financial Associations

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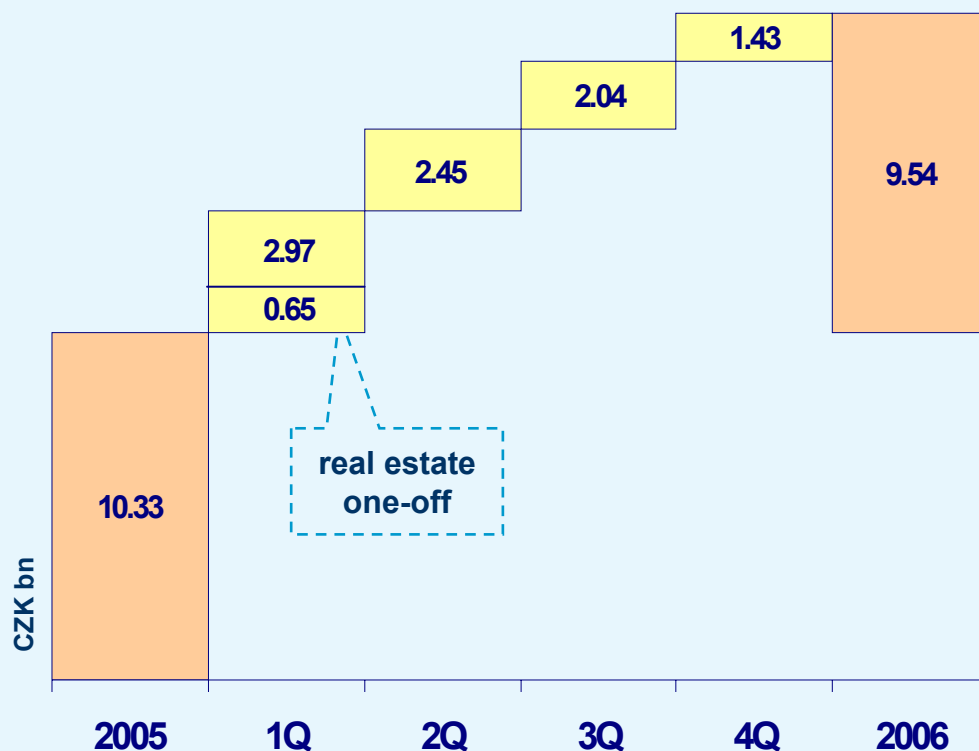
Quality of Credit Portfolio

Other Information



Net Profit Development

Steady increase in profit



Net profit exceeded CZK 9.5 bn in 2006.

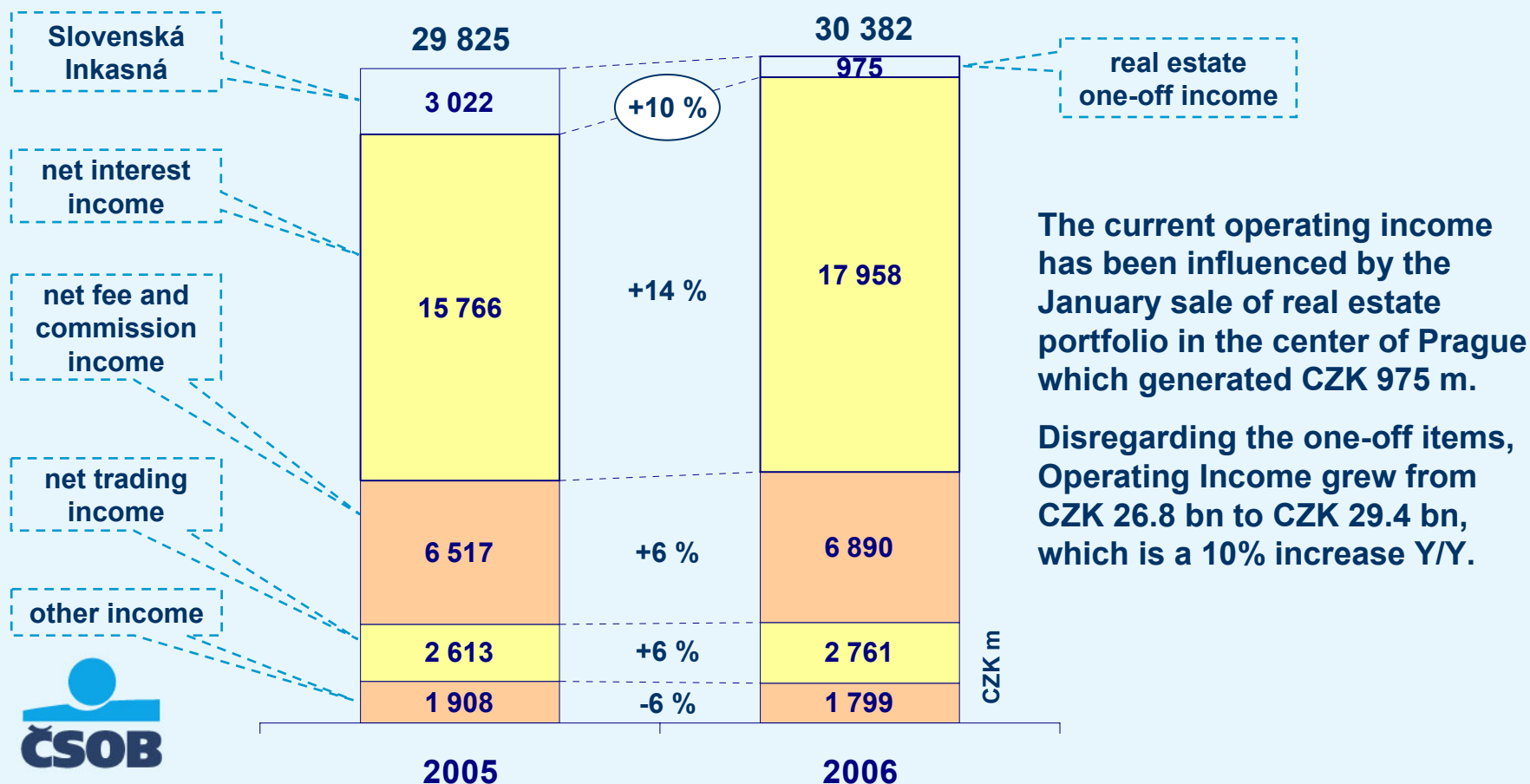
Strong earning drivers were new SME loans, corporate loans, mortgages, and construction loans.

In 4Q 2006, ČSOB Group generated net profit of CZK 1.43 m (lower due to seasonality), which adds to the CZK 8.11 m profits in 1-3Q 2006 and one-off profit of CZK 0.65 bn from the sale of buildings in the center of Prague in 1Q 2006.



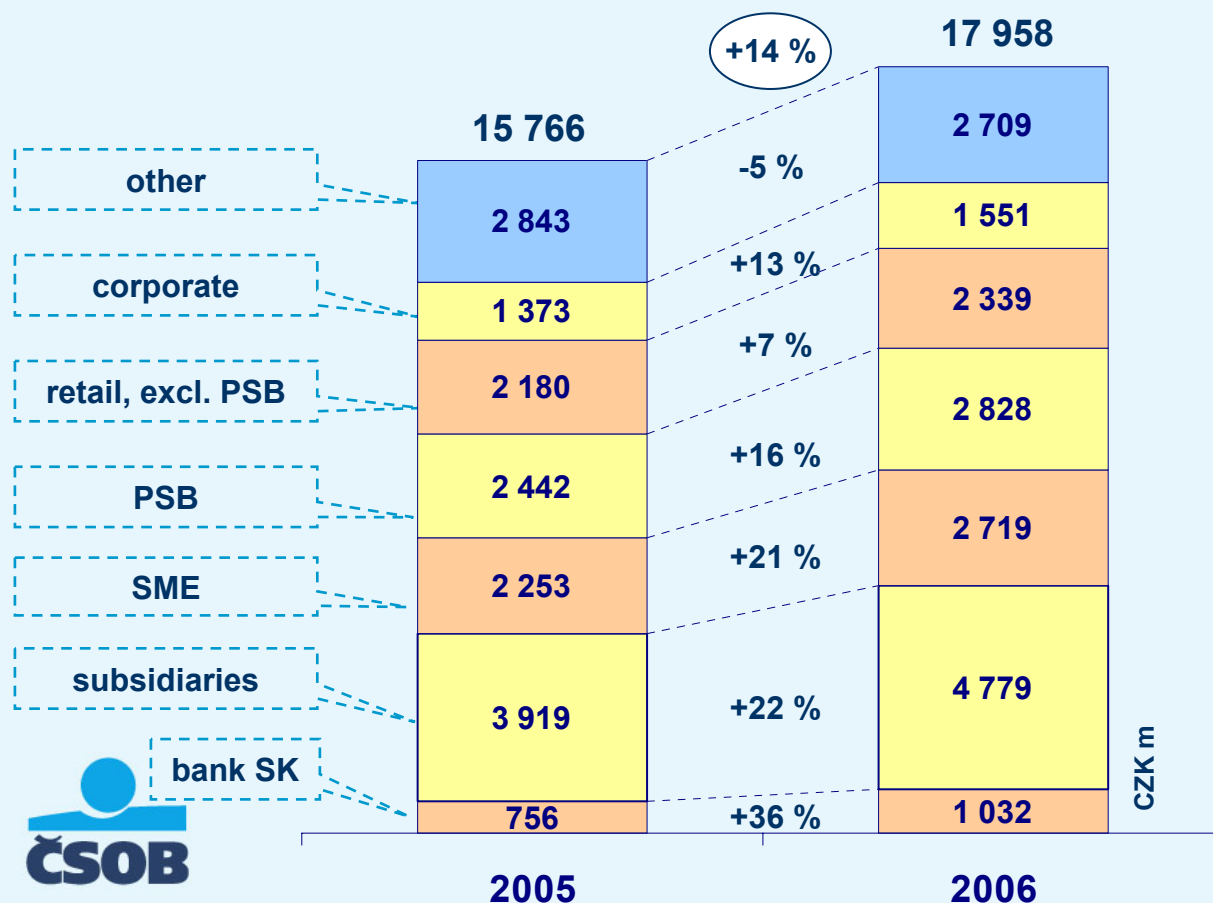
Operating Income

Business growth boosts sustainable operating income by 10 % Y/Y



Net Interest Income

Solid growth in all segments continues



Net interest income, excl. “other”, increased by 18 % Y/Y thanks to business expansion in all business segments. The result is driven by growing volumes of loans, deposits and AUM and by improving deposit margin.

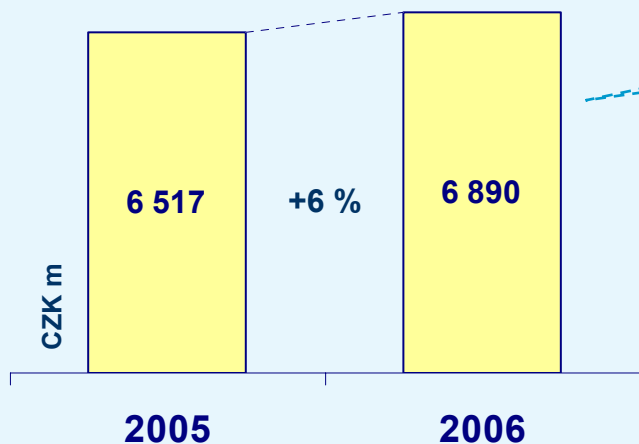
The highest NII growth has been recorded by Bank SK, SME CZ and PSB. Subsidiaries’ NII increased by 22 %.

Decrease in other NII reflects revaluation of assets in benchmark positions of ALM to lower interest rates.



Non-Interest Income

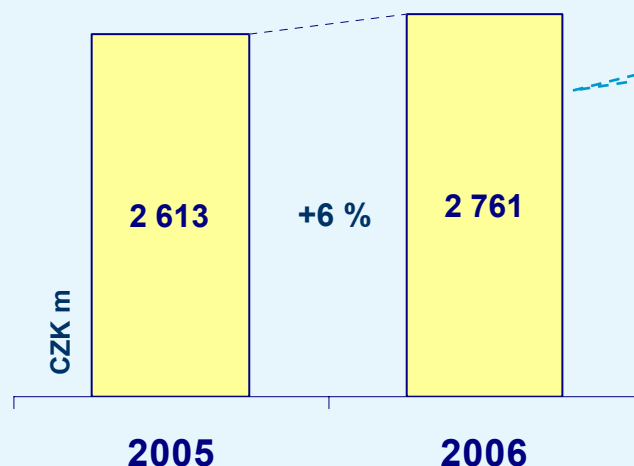
Ongoing growth driven by outstanding business growth



net fee and commission income

NFCI is 6 % above last year result mainly due to fee and commission income from bank loans and AUM (mutual funds and deposit products).

Since May 2006, ČSOB has gradually simplified its price list.



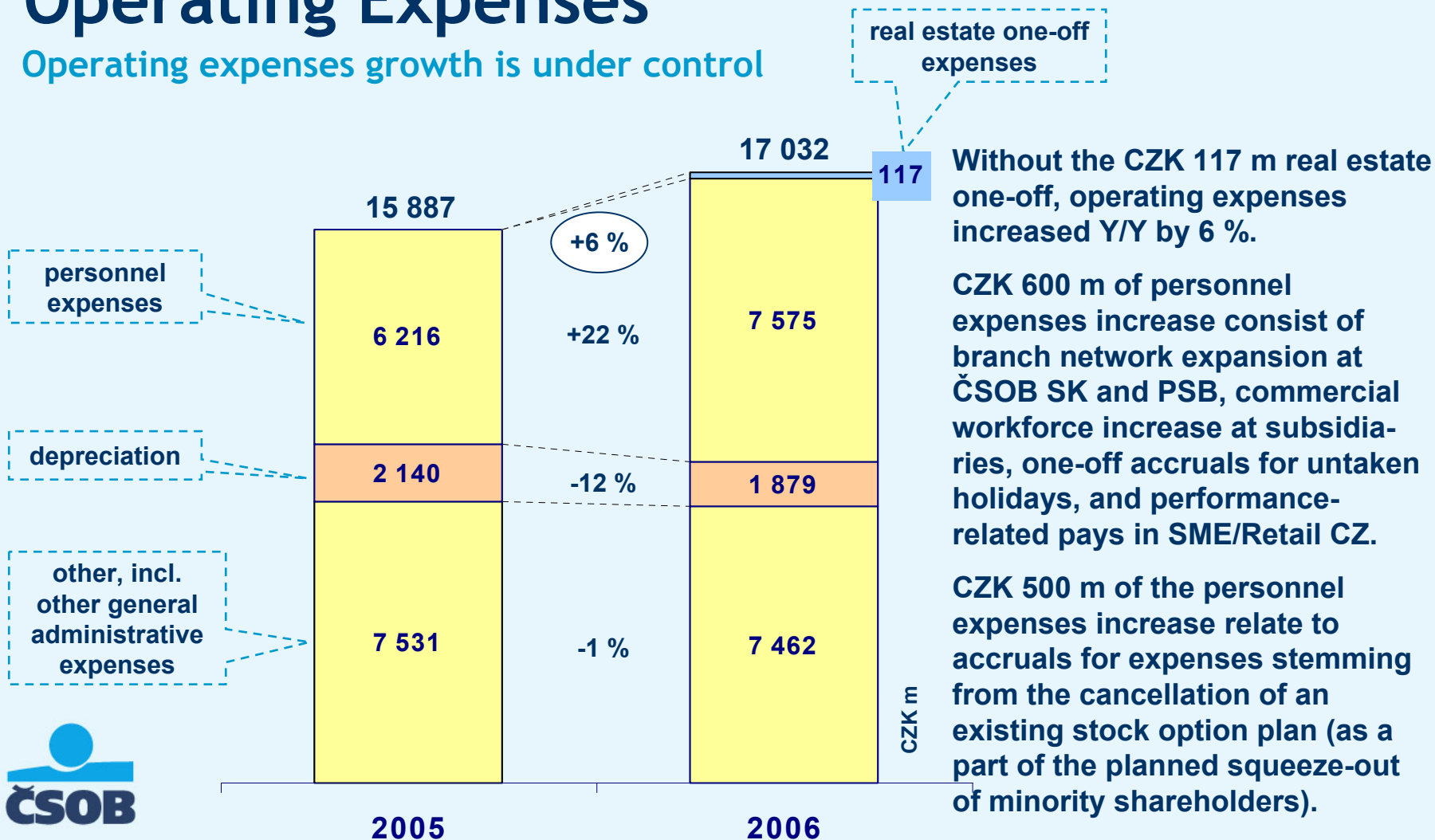
net trading income

The continuing growth in Net trading income is largely result of active sales of more sophisticated, higher-margin products, such as derivatives.



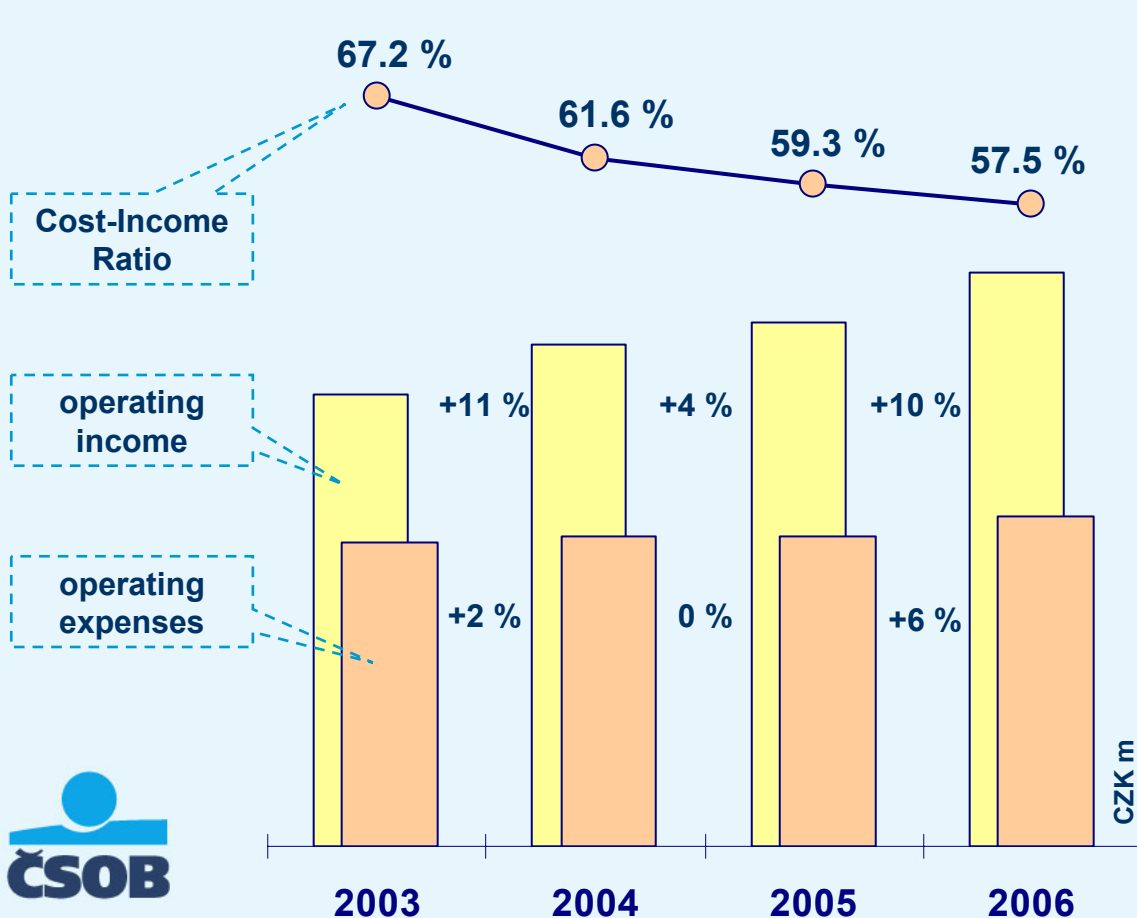
Operating Expenses

Operating expenses growth is under control



Cost-Income Development

Cost development justified by growth-oriented investment



ČSOB Group manages to constantly decrease its cost-income ratio, while transforming itself.

Comment to slide 20 continued:

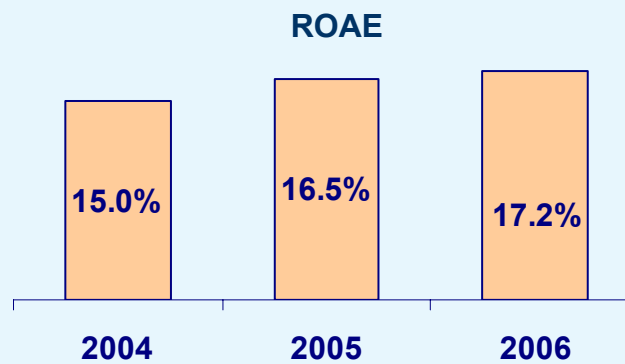
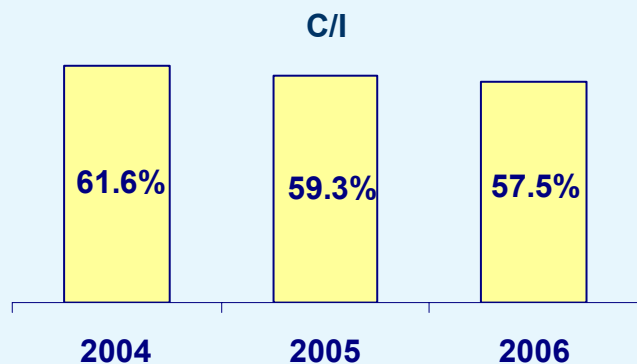
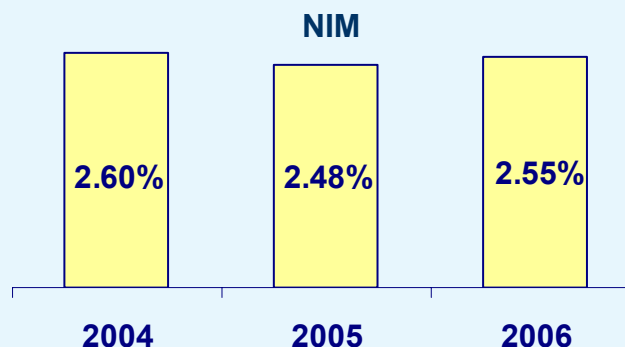
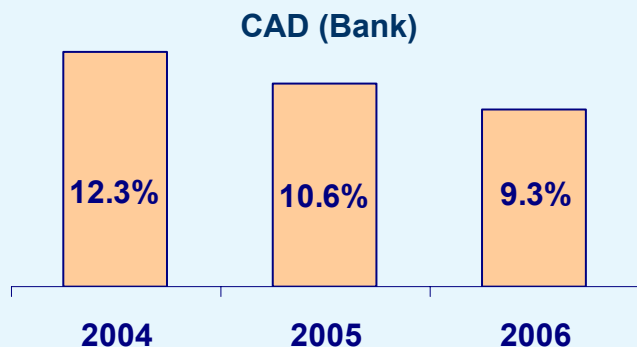
Depreciation decreased by CZK 261 m, especially due to accelerated depreciation of buildings in 2005 (- 430 m) and increased depreciation of property from operating leasing due to increased sales of operating leasing (+ 130 m).

The decrease of other expenses has been contributed by an efficiency enhancement of supplier relations (renegotiation of contracts with suppliers).



Financial Ratios

Excluding one-offs



Return on allocated capital (ROAC) for FY 2006

35.9 %

Profit & Loss Statement

Including one-offs (SI and real estate)

(CZK m)

	2005 reclassified*	2006	Y/Y
Interest income	26 137	30 210	16%
Interest expense	-10 371	-12 253	18%
Net interest income	15 766	17 958	14%
Net fee and commission income	6 517	6 890	6%
Net trading income	2 613	2 761	6%
Other operating income	4 930	2 774	-44%
General administrative expenses	-15 343	-16 802	10%
Other operating expenses	-543	-231	-58%
Profit before impairment losses, provisions, contribution to pension fund clients and income tax	13 939	13 350	-4%
Impairment losses on financial assets	295	-830	-
Provisions	-433	261	-
Contribution to pension fund clients	-401	-383	-5%
Share of profit of associates**	0	45	-
Profit before income tax	13 399	12 441	-7%
Income tax expense	-2 896	-2 797	-3%
Profit for the year	10 503	9 645	-8%
Profit attributable to minority interests	175	102	-42%
Profit attributable to equity holders of the Bank	10 328	9 543	-8%

In 2005, there was a repayment of claims that had already been written-off

In 2005, creation of provisions on staff reduction, litigation, and loan repurchase commitment losses



Note: * Deposit insurance premium was reclassified from Other expenses into Net fee and commission income and contribution to pension fund clients from Other expenses into a new item Contribution to pension fund clients.

** New item due to the new consolidation of 25 % stake of ČSOB Pojišťovna (Insurance Company).

Profit & Loss Statement

Excluding one-offs (SI and real estate)

(CZK m)

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Profit before impairment losses, provisions, contribution to pension fund clients and income tax	10 917	12 492	14%
Impairment losses on financial assets	295	-830	-
Provisions	-433	261	-
Contribution to pension fund clients	-401	-383	-5%
Share of profit of associates**	0	45	-
Profit before income tax	10 377	11 583	12%
Income tax expense	-2 110	-2 591	23%
Profit for the year	8 267	8 993	9%
Profit attributable to minority interests	175	102	-42%
Profit attributable to equity holders of the Bank	8 092	8 891	10%

2005: CZK 3022 m income from SI arbitration and
2006: CZK 975 m income from the sale of buildings

2006:
CZK 117 m expense related to the sale of buildings

For the calculation of the effects of one-off items on the income tax, 24 % tax rate is assumed



Note: * Deposit insurance premium was reclassified from Other expenses into Net fee and commission income and contribution to pension fund clients from Other expenses into a new item Contribution to pension fund clients.

** New item due to the new consolidation of 25 % stake of ČSOB Pojišťovna (Insurance Company).

Balance Sheet

Assets

(CZK m)	31/12/2005 restated*	31/12/2006	Ytd. change
Cash and balances with Central banks	15 017	18 394	22%
Due from banks	81 713	46 676	-43%
Fin. assets at fair value through profit or loss	189 086	173 562	-8%
Investment securities	174 613	172 171	-1%
Loans and leases (net)	239 357	308 596	29%
Pledged assets	3 968	4 863	23%
Property and equipment	9 296	11 946	29%
Goodwill	3 555	3 580	1%
Other assets, including tax assets	14 799	16 480	11%
Prepayments and accrued income	5 133	5 375	5%
Investments in associated undertakings**	0	658	-
Total assets	736 538	762 301	3%



Note: * Former accounts of NHQ-related company „Centrum Radlická“ newly included in Due from banks, Property and equipment, Other assets, Due to banks, and Other liabilities + restatement of trading mortgage bonds of HB

** New item due to the new consolidation of 25 % stake of ČSOB Pojišťovna (Insurance Company).

Balance Sheet

Liabilities

(CZK m)	31/12/2005 restated*	31/12/2006	Ytd. change
Due to banks	23 664	32 002	35%
Subordinated debt	200	5 182	2491%
Fin. liabilities at fair value through profit or loss	122 704	98 651	-20%
Due to customers	472 431	504 294	7%
Debt securities in issue	37 384	40 086	7%
Other liabilities, including tax liabilities	23 579	26 816	14%
Accruals and deferred income	1 671	1 813	9%
Provisions	1 429	924	-35%
Total liabilities	683 061	709 768	4%
Share capital	5 105	5 105	0%
Share premium account	2 259	2 259	0%
Statutory reserve	18 687	18 687	0%
Cumulative gains not recognized in income stmt	1 459	1 403	-4%
Retained earnings	25 441	24 686	-3%
Equity attributable to equity holders of the Bank	52 950	52 139	-2%
Minority interests	527	394	-25%
Total liabilities and equity	736 538	762 301	3%



Note: * Former accounts of NHQ-related company „Centrum Radlická“ newly included in Due from banks, Property and equipment, Other assets, Due to banks, and Other liabilities. Subordinated debt was reclassified from Due to customers into a new item Subordinated debt + restatement of trading mortgage bonds of HB.

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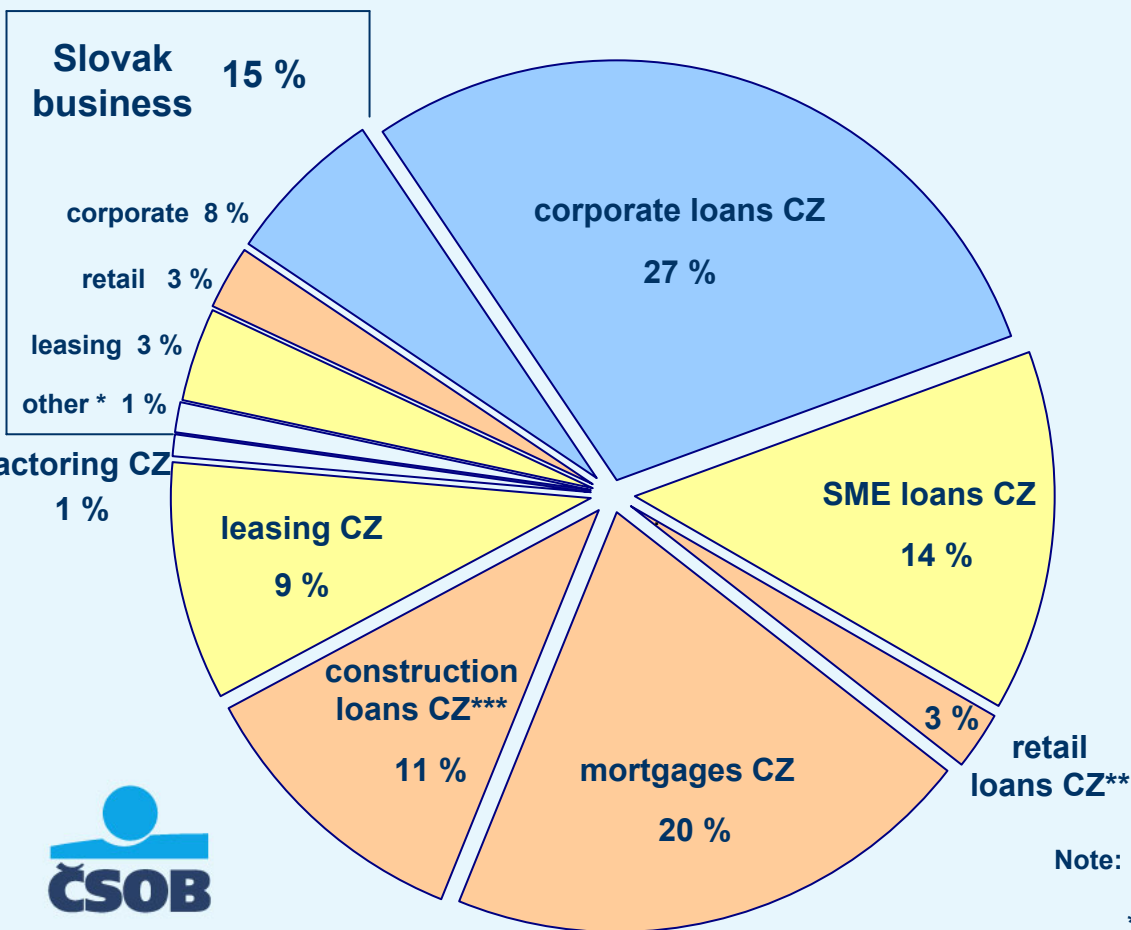
Quality of Credit Portfolio

Other Information



Group Business Lending

Up by 34 % during FY 2006



Total Group Business Lending rose by 34 % Y/Y and topped CZK 318 bn. This strong Y/Y rise was supported by the improvement of SME loans CZ (+51 %), mortgages CZ (+43 %), corporate lending CZ (+17 %), and total business lending in Slovakia (+64 %).

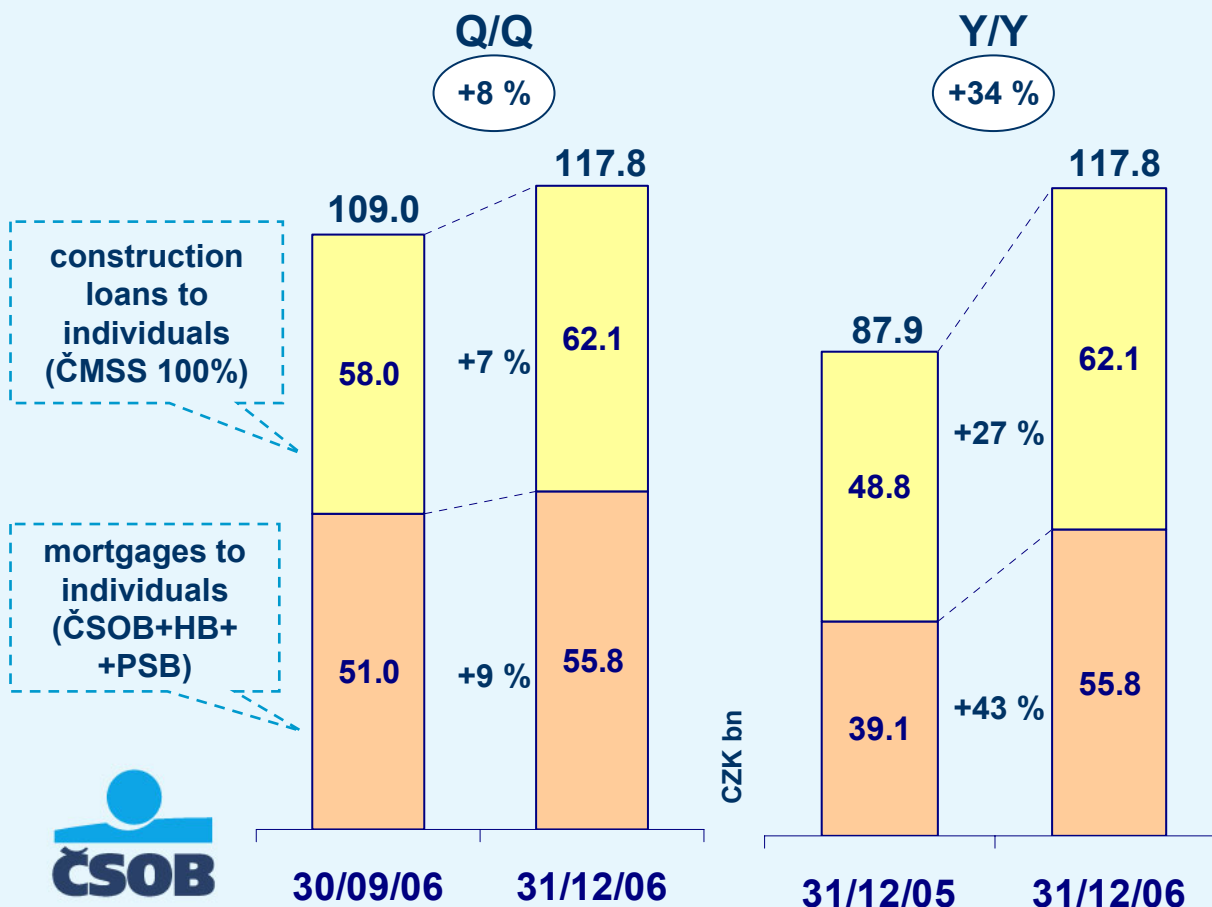
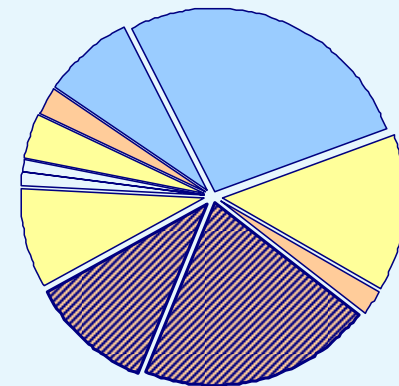
Compared to the last year SME CZ and mortgages CZ increased their stakes in Group Business Lending. Slovak business significantly increased its contribution to the Group Business Lending from 9 % to 15 %.

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



Housing Loans (CZ)

No.1 financier of housing needs



The outstanding volume of housing loans reached almost CZK 118 bn as of 31/12/2006 and improved by 34 % Y/Y.

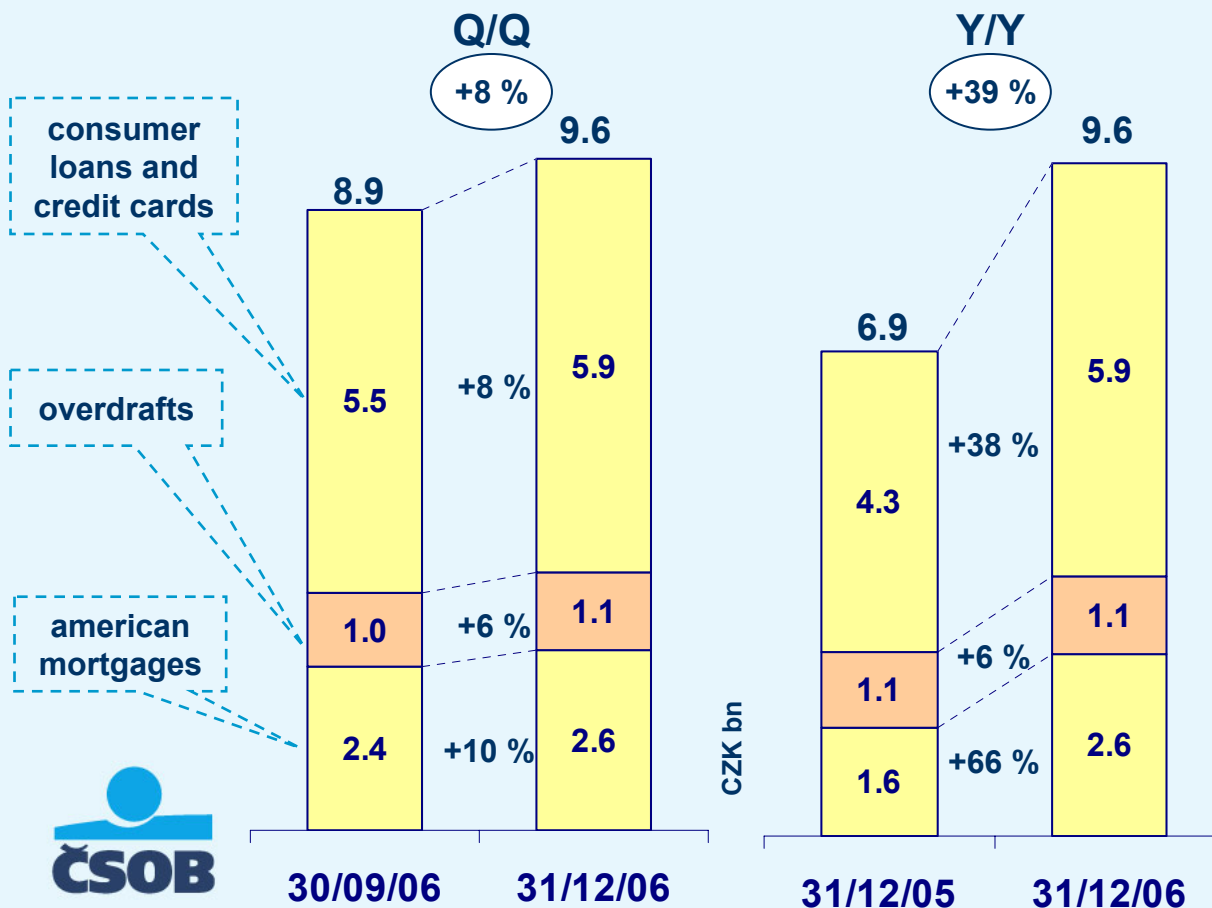
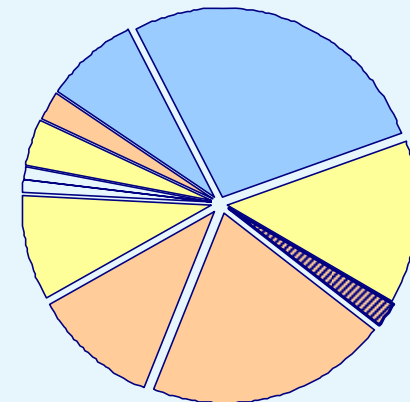
The financing of housing needs is one of ČSOB's priorities. In 2006, ČSOB launched many new innovations (see slide 8) which helped the company to keep its No. 1 position in the market with 31.7 % MS.

The sale of housing loans keeps the same growth rate (+34 %) as in 2005. Mortgages recorded much more dynamic sales (+43 %) compared to FY 2005.



Consumer Lending (CZ)

Solid growth of 39% Y/Y



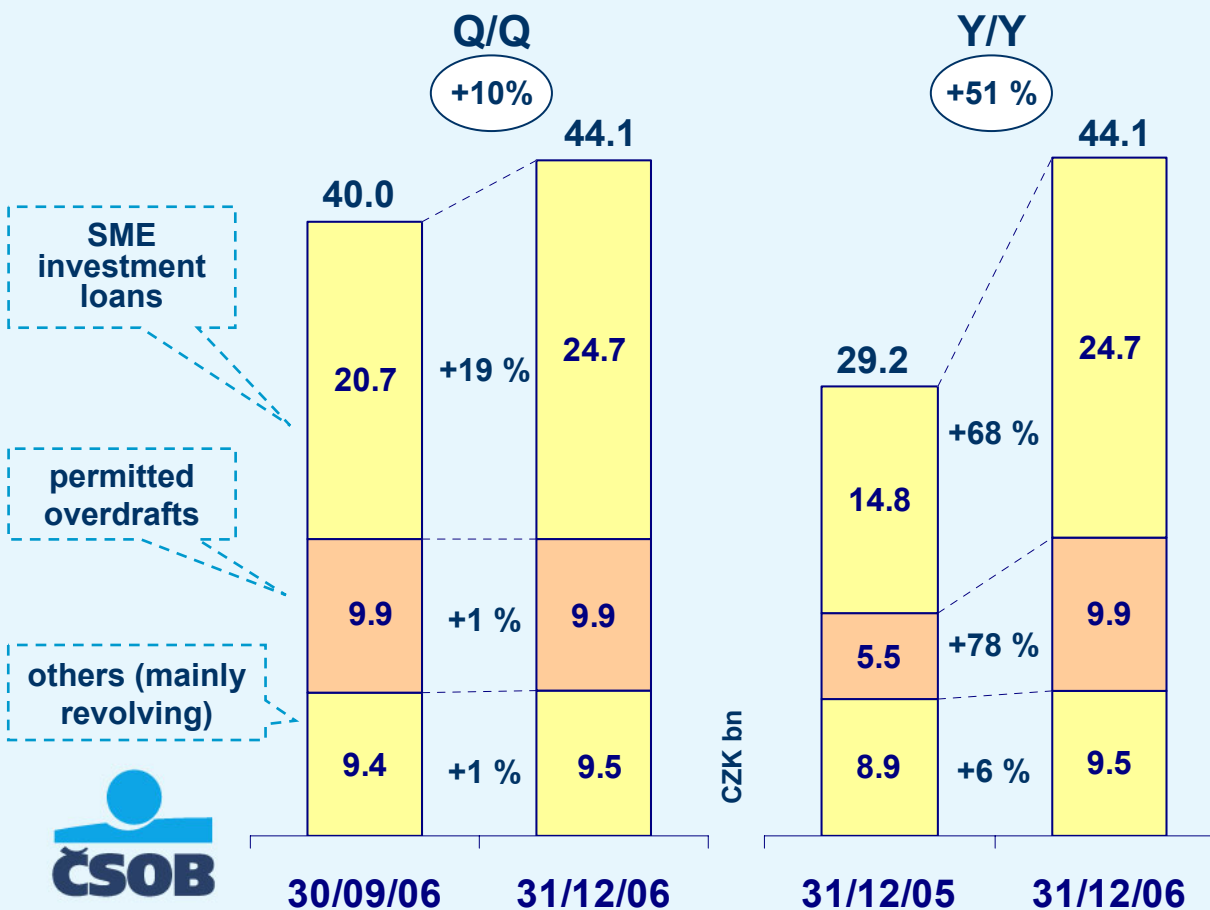
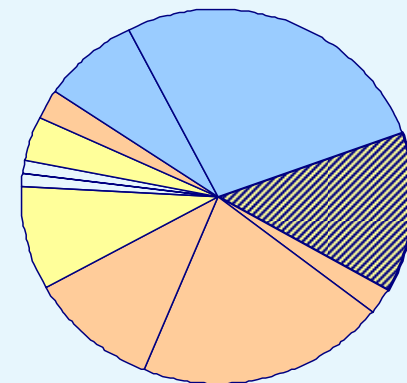
Total consumer lending rose by 39 % Y/Y and reached the amount of CZK 9.6 bn. The outstanding volume of consumer loans and credit cards improved in FY 2006 by 38 %.

American mortgages continue strong growth (+66 % Y/Y).



SME Lending (CZ)

SME loans surged by 51 % Y/Y



SME loans exceeded CZK 44 bn and rose by more than 50 % in 2006.

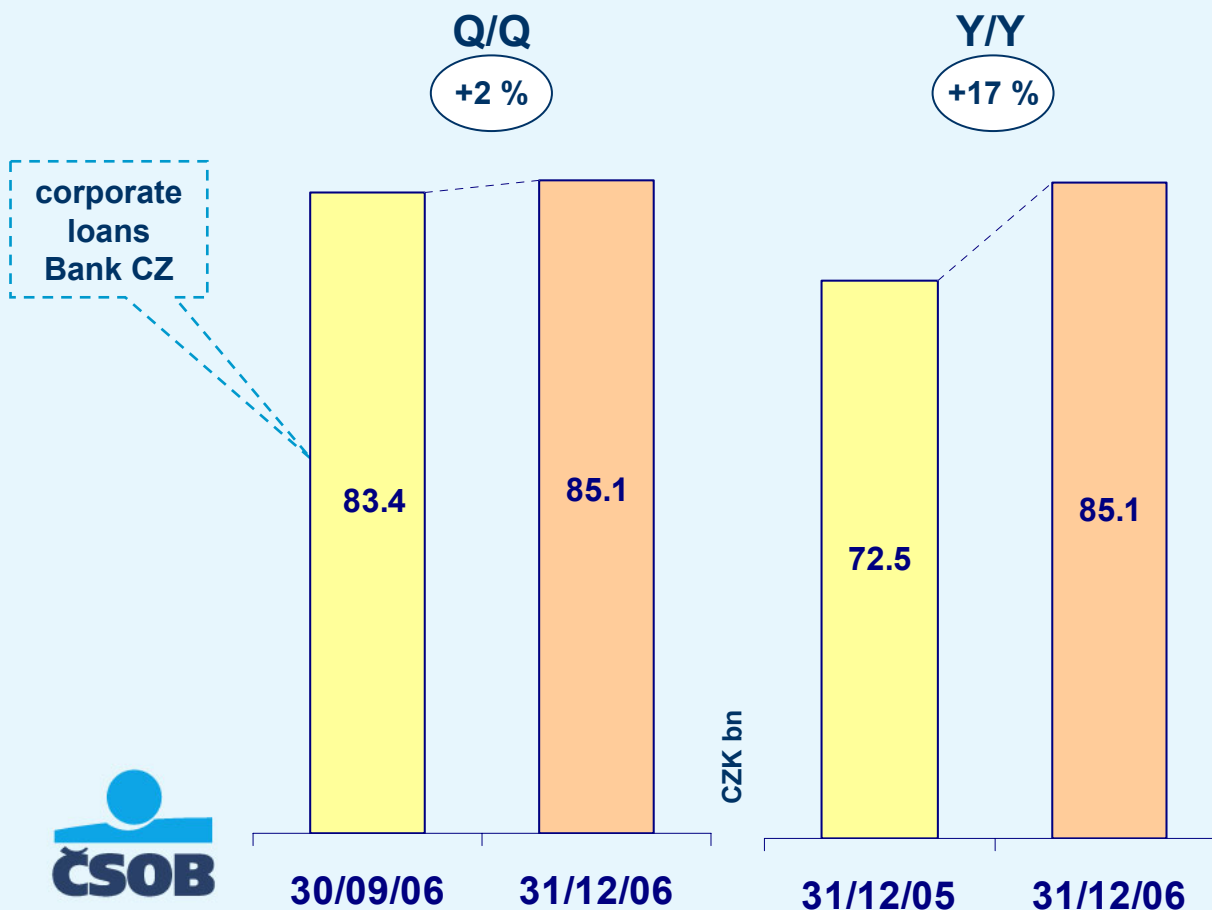
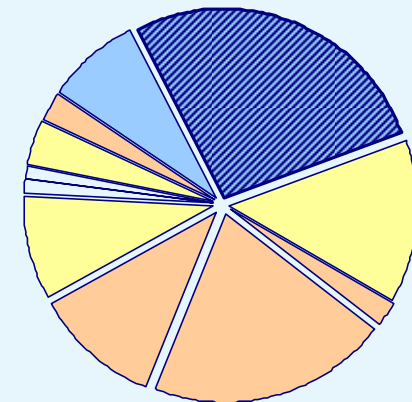
All types of SME loans recorded a strong increase in FY 06 – Investment loans grew by 68 % and overdrafts by 78%.

The SME segment is constantly bringing new innovations and simplifications. ČSOB is also focused on specific segments of SME clients including municipalities and housing cooperatives. In 2006, ČSOB launched for SME clients a new service – comprehensive financial advisory.



Corporate Lending (CZ)

Steady growth



Corporate loans increased by 17 % Y/Y and surpassed CZK 85 bn as of 31/12/06.

ČSOB concluded many reference deals in 2006 (see next slide).

In 2006, the European Investment Bank provided EUR 5 m credit to ČSOB to help municipalities and private companies to finance infrastructure projects from EU structural funds.



Large Structured Finance Corporate Deals

ČSOB concluded many reference deals



ČSA

Financing of deliveries of 12 new Airbus A319/A320 in the total amount of USD 471 m with ČSOB as a Mandated Lead Arranger



Tatra

Refinancing of all Tatra's loans in the amount of CZK 1.3 bn in conjunction with a change of ownership with ČSOB as a Mandated Lead Arranger

Irisbus France

ČSOB as a lender in export financing of deliveries of Karosa buses to France amounting to EUR 30 m

VGP

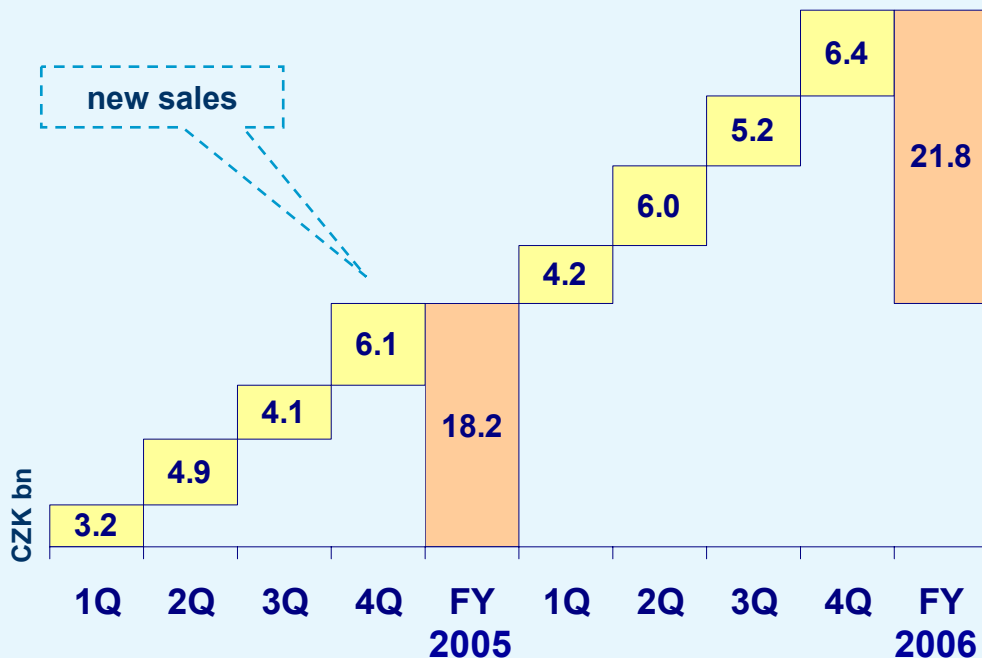
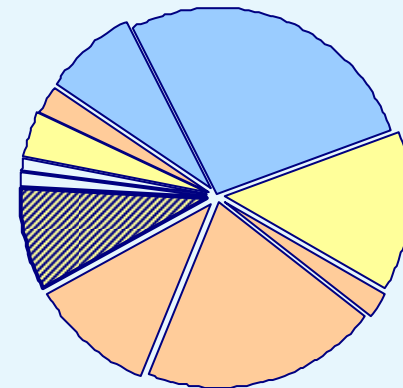
VGP Industrie Park Sever

Syndicated credit facility of ČSOB and KBC amounting to EUR 31.5 m for logistic development project



Leasing (CZ)

ČSOB Leasing - No. 1 in CZ with a market share of 16 %*



ČSOB Leasing is steadily increasing its sales. New sales during 2006 reached 21.8 bn CZK, which is 19.5 % higher compared to 2005.

A dramatic increase of 22 % occurred in leasing of cars and commercial vehicles.

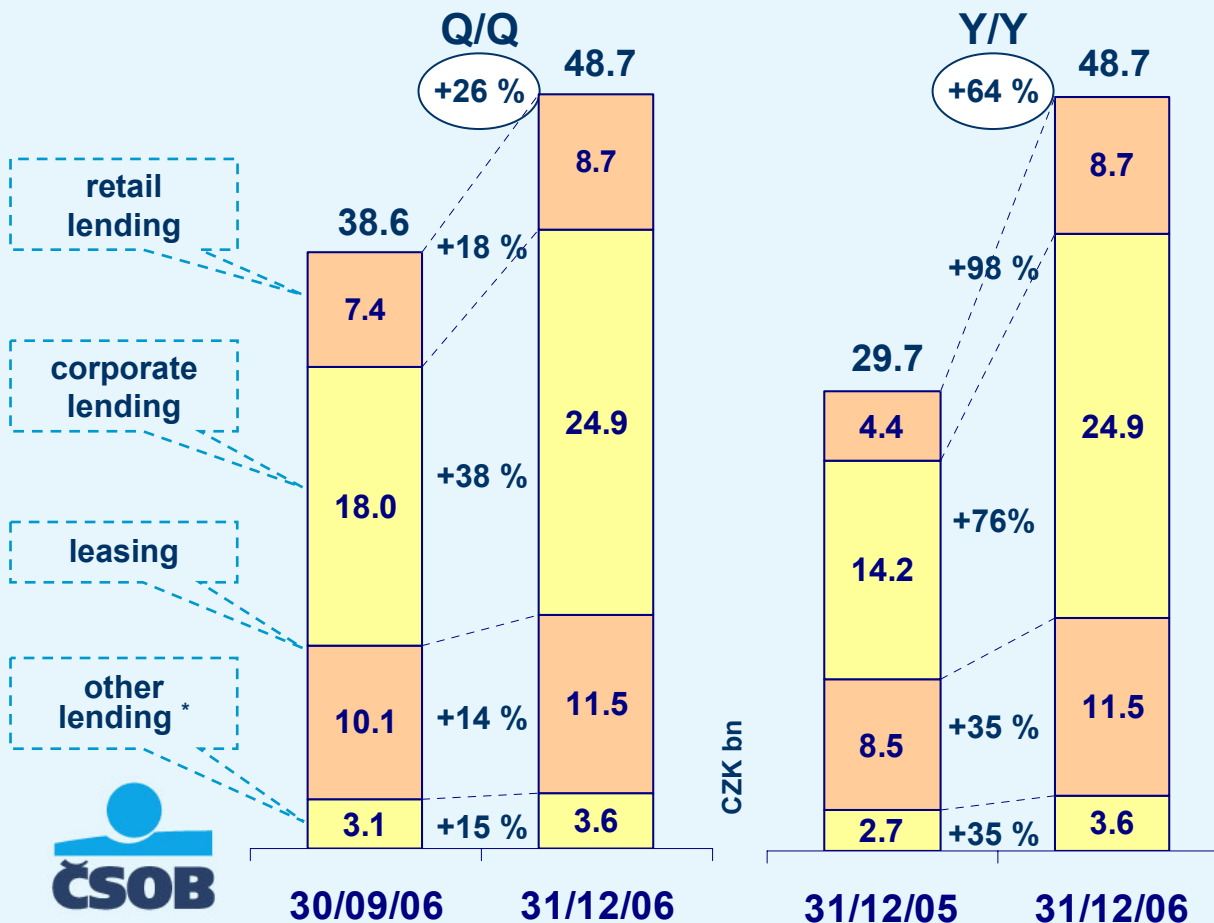
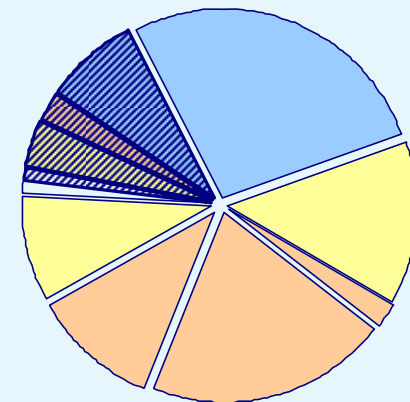


In 2006, ČSOB Leasing ranked for the fourth time in a row as No. 1 among financial intermediaries and support financial institutions in the ranking of 100 most important Czech companies.

Note: * market share as of 31/09/2006

Lending in Slovakia

Excellent growth across all segments



Total Business Lending in Slovakia surged 64 % Y/Y and reached almost CZK 49 bn. This strong rise was supported thanks to the growth in all segments: Retail (+98%), Corporate (+76 %) and SME (+79%).

Mortgages as a main part of retail loans rose by 140 % Y/Y.

Total loans provided by ČSOB keep the fourth position in the Slovak market with 8 % share.

Note: * incl. factoring, SME loans, and construction loans



2006 Slovak Innovation

Improvements as a success of SK business

- ČSOB SK **extended its branch network** to 84 Retail branches. ČSOB SK also serves its SME clients at 14 specialized Business Centers.
- ČSOB SK is gradually starting to offer not only standard bank products but also **investment advice** from ČSOB AM, insurance from ČSOB Insurance Company SK and also old age pension savings from ČSOB d.s.s. (pension savings company). In addition, ČSOB SK provides advice on products from ČSOB Stavebná sporiteľňa (building society).
- ČSOB SK is focusing on strengthening **insurance sales via bank network** in line with the Group strategy. In May 2006, ČSOB bank SK started to sell **Investment Life Insurance** and two emissions of single paid program **ČSOB Invest Garant** (more than SKK 146 m).
- In June, ČSOB SK launched **ČSOB Business Account Komplet** for SME as the first all inclusive package with comprehensive services.
- In September, ČSOB SK began to offer **ČSOB Children's Account**. The offer includes option to conclude also accident insurance.



SME & Corporate Lending in Slovakia

Strong Y/Y growth in both segments by more than 75 %

- ČSOB SK began financing of **development projects** in 2005. In 2006 the bank managed to provide financing in the volume of SKK 7.5 bn mainly thanks to the two largest real estate projects in Slovakia.
 - 

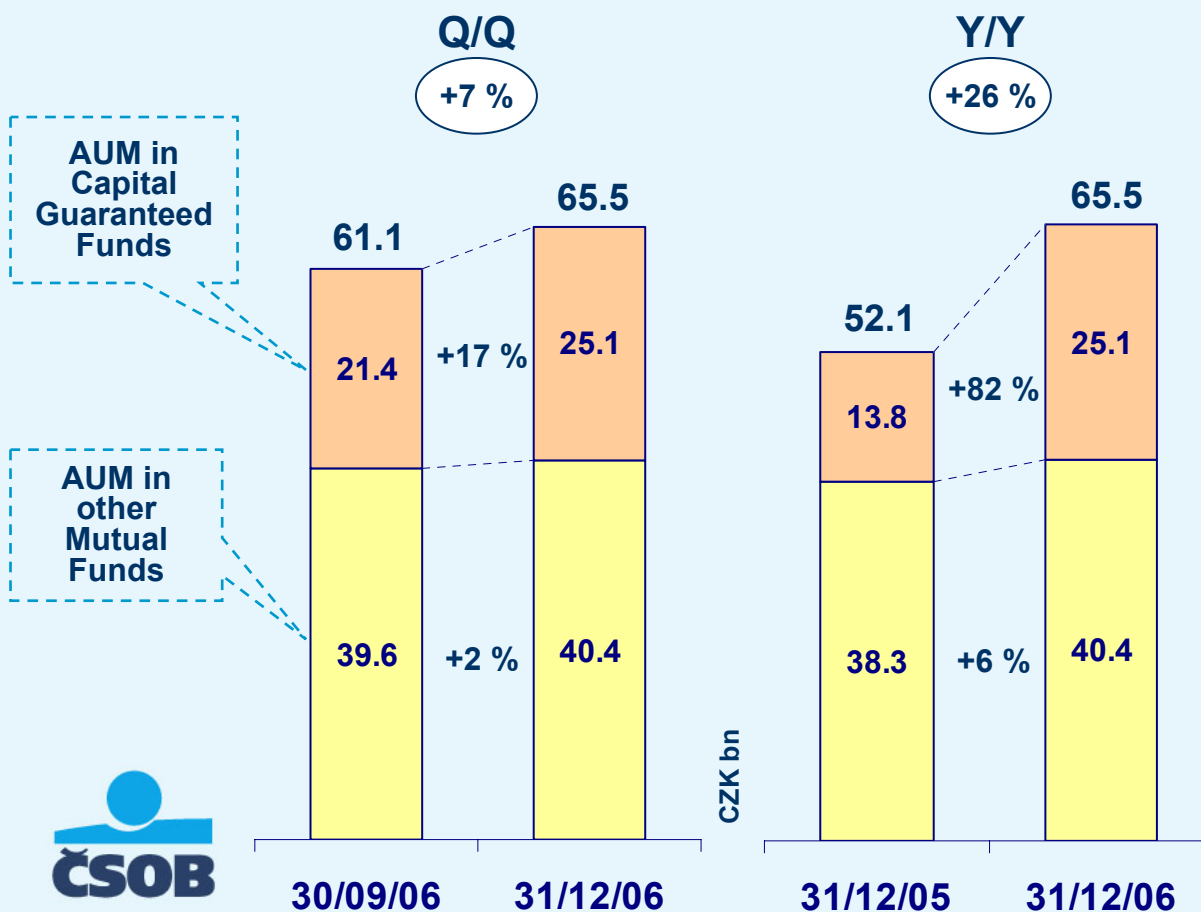
Bratislavské nábrežie s.r.o.
(EUR 144.7 m)
 - 

Ballymore Eurovea a.s.
(EUR 319.5 m)
- In January, ČSOB launched a new product **Agricultural Bridging Loan**.
- In February, ČSOB brought out **Starter Loan for Municipalities**. The aim of this loan is to cover short term imbalances and expenditure of communal and public sector.
 - In April, ČSOB and **Korean Exchange Bank** signed a **strategic partnership** agreement in the area of corporate **banking**. The aim is to offer joint support for Korean companies in SK.
 - In June, the bank newly offered **ČSOB Loan for Doctors and Pharmacies**.



Mutual Funds (CZ)

Capital guaranteed funds almost doubled



Assets in mutual funds grew by 26 % Y/Y and exceeded CZK 65 bn. Gross sales of mutual funds in 2006 exceeded CZK 25 bn.

The volume of financial means invested in ČSOB Capital Guaranteed Funds rose by 82 % during 2006 to exceed CZK 25 bn. ČSOB thus confirmed its No. 1 position in CGFs.

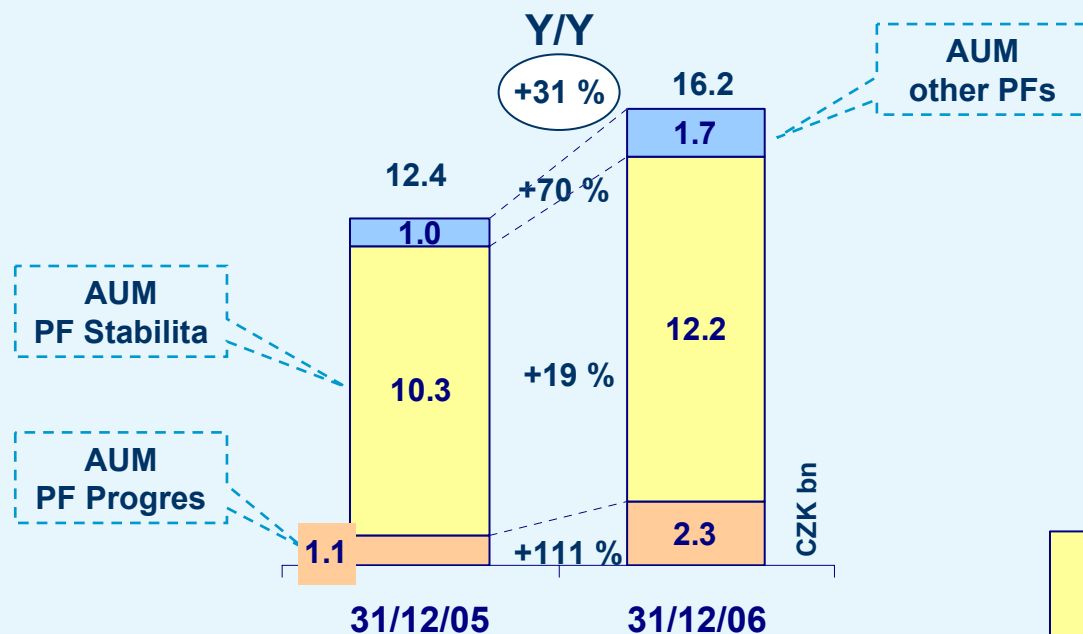
This success results from a combination of KBC expertise in managing CGFs and ČSOB capability of offering them in CZ. ČSOB also focuses on special clients' segments. New tailor-made mutual fund for housing coops and home owners was launched in 2006.

ČSOB's position among Czech mutual funds in total is 27 %.



Pension Funds (CZ)

Organic growth and acquisitions

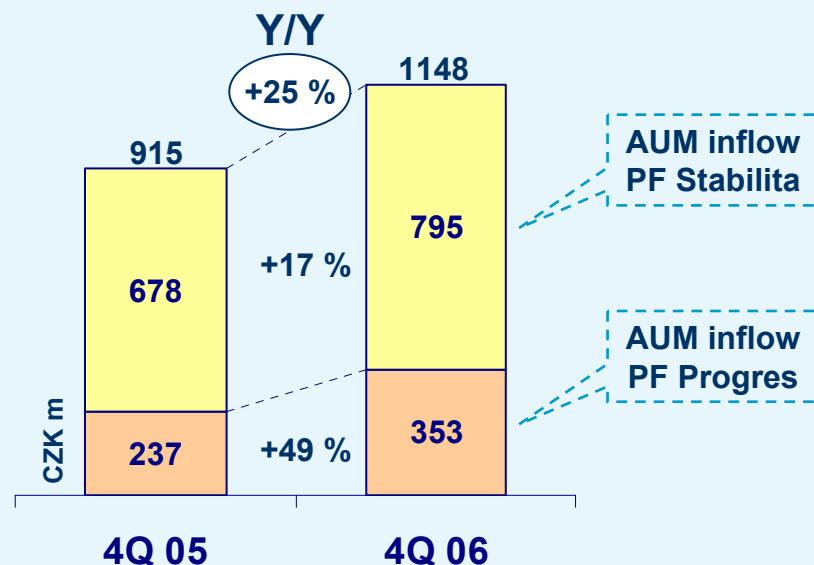


The volume of assets in PF Progres more than doubled Y/Y (+111 %) with AUM inflow in 4Q increased by 49 % Y/Y.

Hornicky PF Ostrava was successfully merged with PF Progres on December 31, 2006.

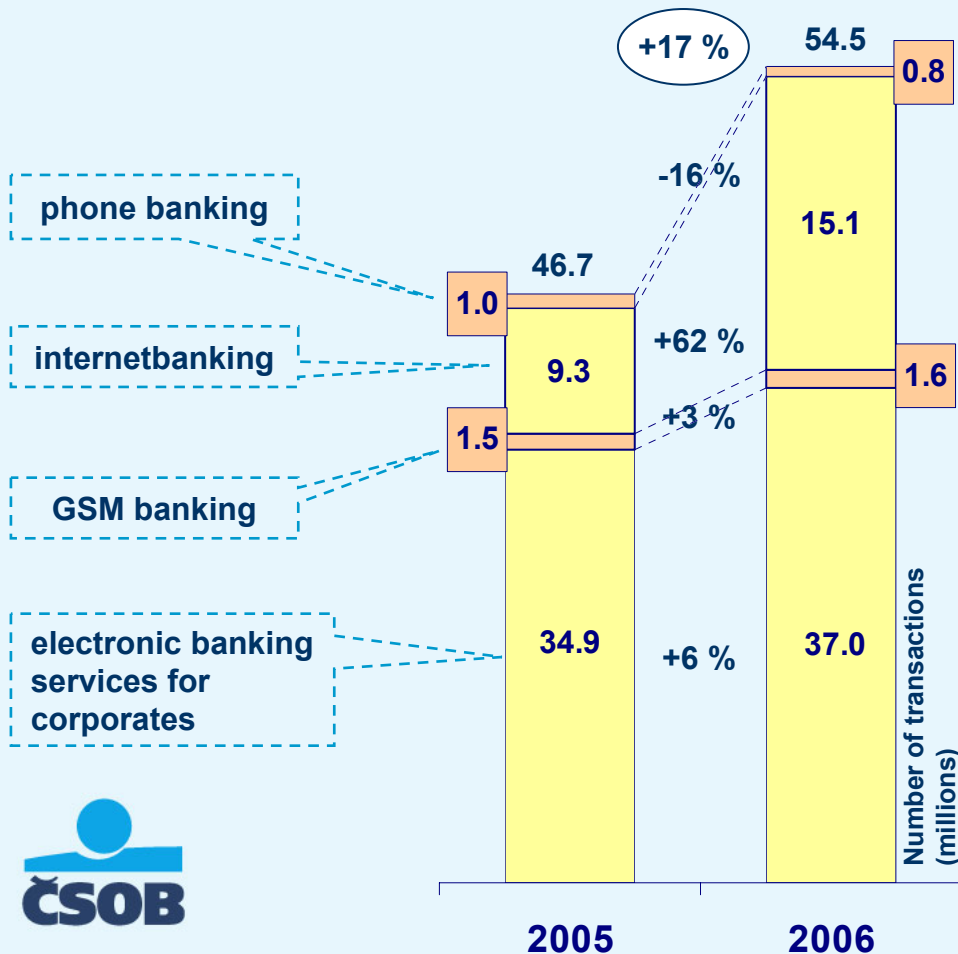
In June 2006, ČSOB acquired Zemsky Pension Fund and that's also why the total volume of client's assets placed in ČSOB pension funds exceeded CZK 16 bn.

In August 2006, ČSOB Pension Funds reached the level of half of million clients. In terms of numbers of clients ČSOB is the fourth largest provider of pension insurance in the country.



Direct Channels

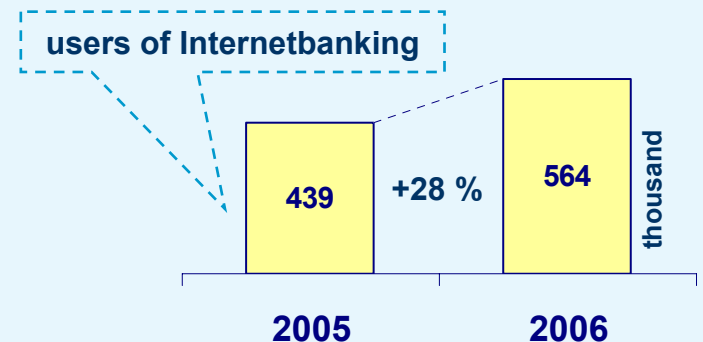
Customers send their money more often through direct channels



For 8 out of 10 domestic payment orders, customers of ČSOB CZ use e-banking services.

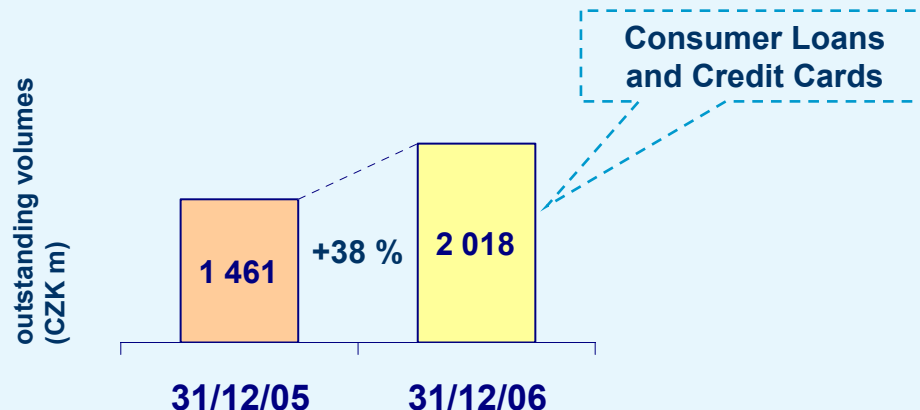
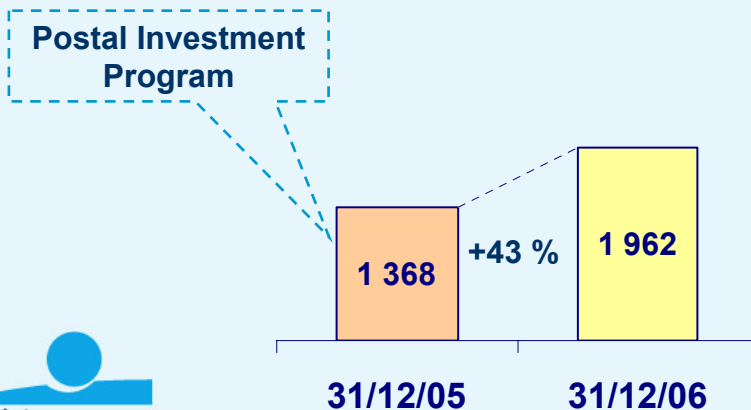
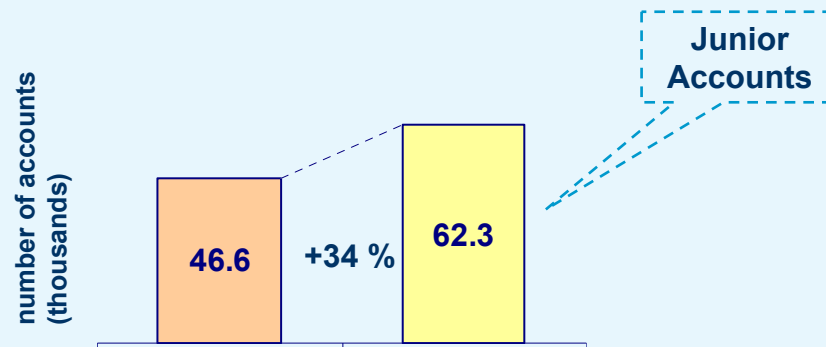
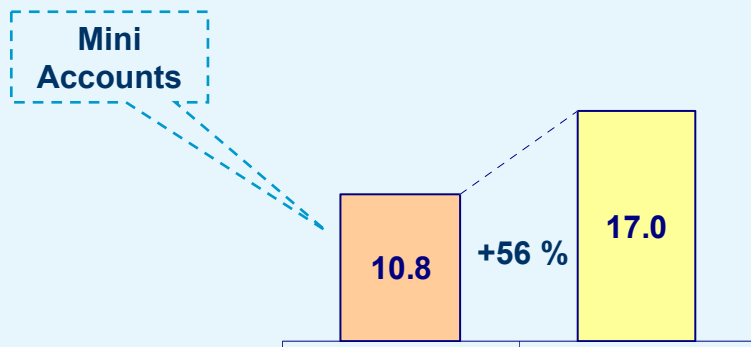
In 2006, ČSOB and PSB clients entered almost 54.5 million transactions through direct channels. Number of transaction via direct channels grew by 16.7 % Y/Y.

Internet banking transactions boosted by 62 %. Number of Internet banking users rose by 28 %.



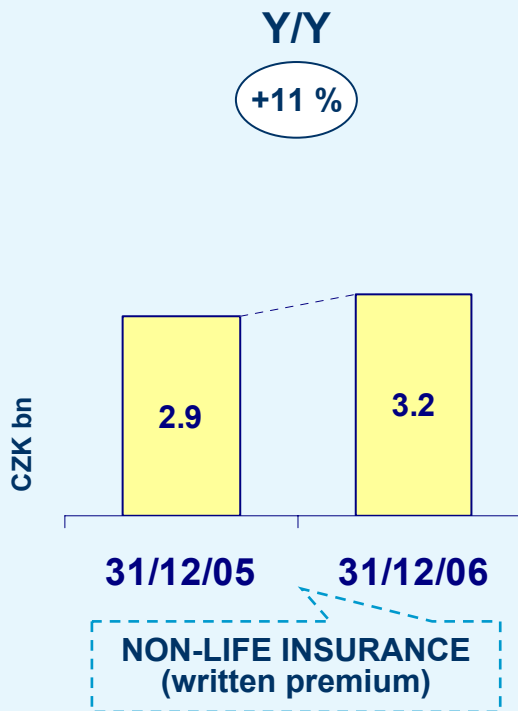
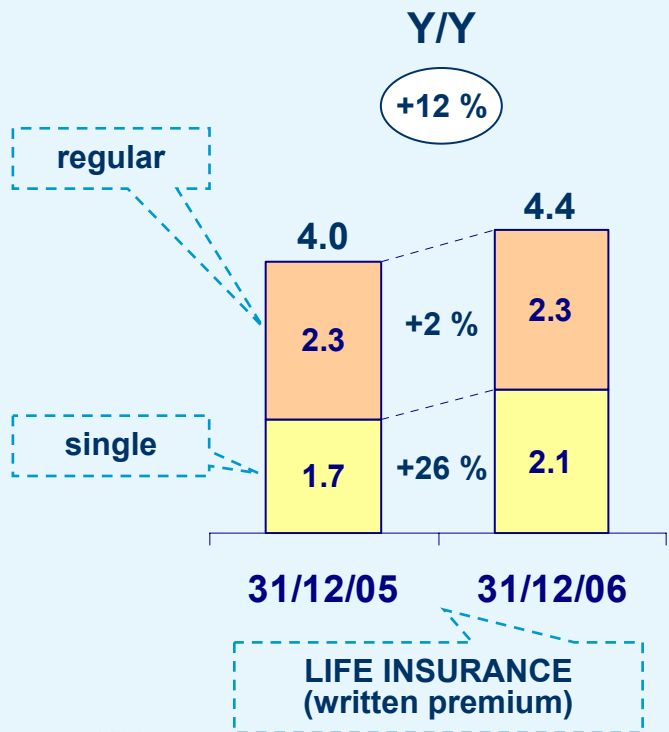
Postal Savings Bank

Sales of investment products and acquisition of young clients



ČSOB Insurance Company (CZ)

One of the fastest growing insurance companies in the Czech market



ČSOB Pojišť'ovna increased the total volume of written premium by 12 % Y/Y to CZK 7.7 bn.

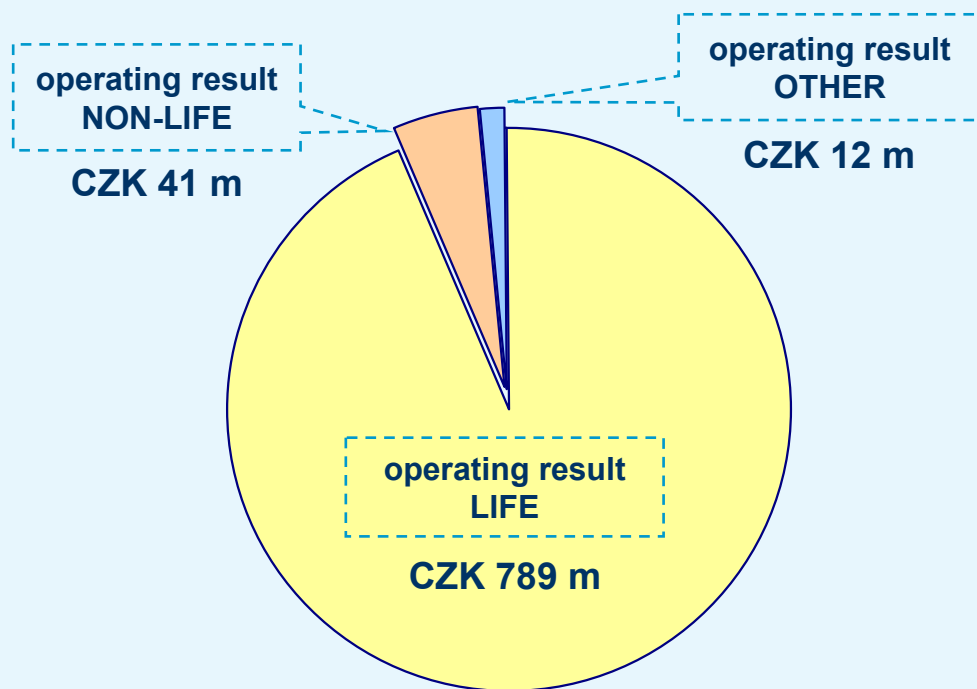
In 2006, ČSOB Pojišť'ovna grew above the market and increased its MS to 6.4 % (life 9.4 %, non-life 4.5 %), thus confirming its position No. 4 in the market.

The success of the last year was supported by the enhancement of x-selling activities with ČSOB, relations with insurance brokers and other third parties and by close cooperation between exclusive agents and ČSOB's networks (see slide 11).



ČSOB Insurance Company (CZ)

Record profit and volume of provisions in 2006



**Total net profit
CZK 634 m**

Year 2006 meant for ČSOB Pojišťovna a period of historically the highest profit of CZK 634 m.

There was also significant increase in total volume of life provisions, which boosted to CZK 19.2 bn. Non-life provisions increased to CZK 2.9 bn in 2006.

In December 2006, rating agency S&P upgraded its long-term rating and rating of financial strength to BBB+ .



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Loan Portfolio Development

IFRS, consolidated, gross (in CZK bn)

	31/12/05	31/12/06	Y/Y change
Current exposure	244.31	314.67	+29 %
Write-offs*	0.94	0.76	-19 %
Historical exposure	1.39	0.90	-36 %
Write-offs*	0.06	0.11	+67 %
Total loan portfolio**	245,70	315.57	+28 %
Write-offs*	1.00	0.87	-13 %

Current exposure rose by 29 % Y/Y to form 99.7 % of total loan portfolio.



Notes: Historical exposure does not include Ministry of Finance (CZ, SK) any more.

* write-offs during the year

** including ČKA

Non Performing Loans

Moody's: "ČSOB´s asset quality has traditionally compared with that of its peers."



Non-performing loans (over 90 days overdue) account for only 1.69 % of gross loans.

Thus ČSOB keeps one of the best asset quality profiles in the Czech Republic.

NPLs / total loans



NPLs and Provisions

IFRS, consolidated, gross (in CZK bn)

	31/12/05	31/12/06	Y/Y change
Total loans	245.7	315.6	+ 69.9 bn
- of which, NPLs	4.1	5.3	+ 1.2 bn
Total provisions	6.4	7.0	+ 0.6 bn
NPLs / total loans	1.67 %	1.69 %	+ 0.02 pp
Coverage of NPLs by provisions	155 %	131 %	- 24 pp

Loan-Loss Ratio (ČSOB Bank) * - 0.02 % - 0.08 %

Loan-Loss Ratio (ČSOB Group) * 0.07 % - 0.24 %



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.

Note: * including recoveries

Loan Portfolio Quality

IFRS, consolidated, gross (in CZK bn)

IFRS classification	PD rating	31/12/05		31/12/06	
		volume	% of total loans	volume	% of total loans
Normal	1-7	227.6	92.7	293.0	92.9
AQR	8-9	10.1	4.1	13.6	4.3
Uncertain	10-11	4.0	1.6	4.5	1.4
Irrecoverable	12	4.0	1.6	4.5	1.4
Total loan portfolio		245.7	100.0	315.6	100.0

Quality of loan portfolio remains stable despite very strong expansion.

Both uncertain and irrecoverable loans decreased from 1.6 % to 1.4 % of total portfolio.

ČSOB Group's internal classification (the system of 12 PD rating grades) is based on the newly implemented Basel 2 models. The PD ratings, applied in line with KBC Group policy, are in compliance with the ČNB's methodology.



ČNB Classification

IFRS consolidated, gross (in CZK bn)

Regulatory ČNB classification	31/12/05		31/12/06	
	volume	% of total loans	volume	% of total loans
Standard	201.7	82.1	244.4	77.4
Watch	31.2	12.7	56.5	17.9
Sub-standard and worse:	12.8	5.2	14.7	4.7
• sub-standard	5.9	2.4	6.9	2.2
• doubtful	2.9	1.2	3.3	1.1
• loss	4.0	1.6	4.5	1.4
Total loan portfolio	245.7	100.0	315.6	100.0

ČNB classification is used for regulatory purposes only.

ČSOB Group's internal classification (see previous slide), besides the timely repayment criteria, also considers current situation and estimated prospects of the customer. Thus, the internal classification is more conservative than that of ČNB.



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Penetration Ratios

More and more products sold per customer

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

	31/12/2005	31/12/2006
Retail	3.84	4.39
SME	3.13	3.42
Retail+SME	3.70	4.21

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

The average ratio rose by 14 % Y/Y to exceed four products per customer.



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 Ratings

Improved rating in 2006

In April, Fitch Ratings upgraded ČSOB's Individual rating from C to B/C.

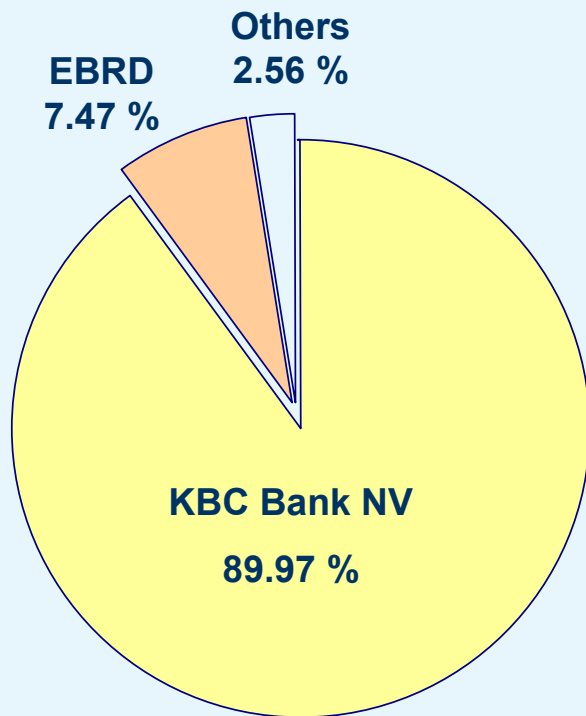
- This reflects a strengthening of the bank's franchise, a clean balance sheet and a good track record as a conservative, well-managed institution.
- Fitch: "Good core lending growth demonstrates a strengthening of ČSOB's franchise. With substantial excess liquidity and strengthened risk management systems, the bank is well positioned to take advantage of strong economic growth."
- Ratings by Moody's and CI are at the highest levels achievable in the Czech Republic.

	Long-term	Short-term	Other		
Moody's	A1	Prime-1	Financial strength	C-	
Fitch	A+	F1	Individual	B/C	Support 1
Capital Intelligence	BBB+	A2	Financial strength	BBB+	Support 2



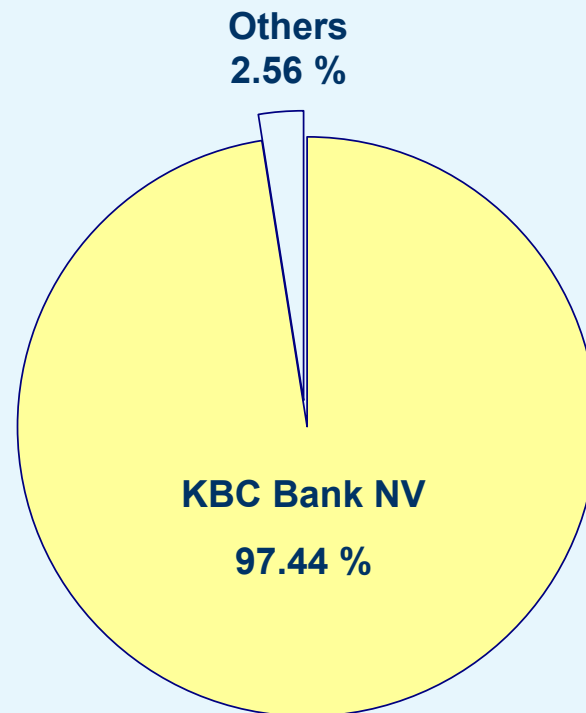
ČSOB's Shareholder Structure

KBC increased its control in ČSOB



01/01/06

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. This operation was financed with KBC's capital surplus.



31/12/06



ČSOB's registered capital = CZK 5,105 m (EUR 185.7 m)

ČSOB's Profile

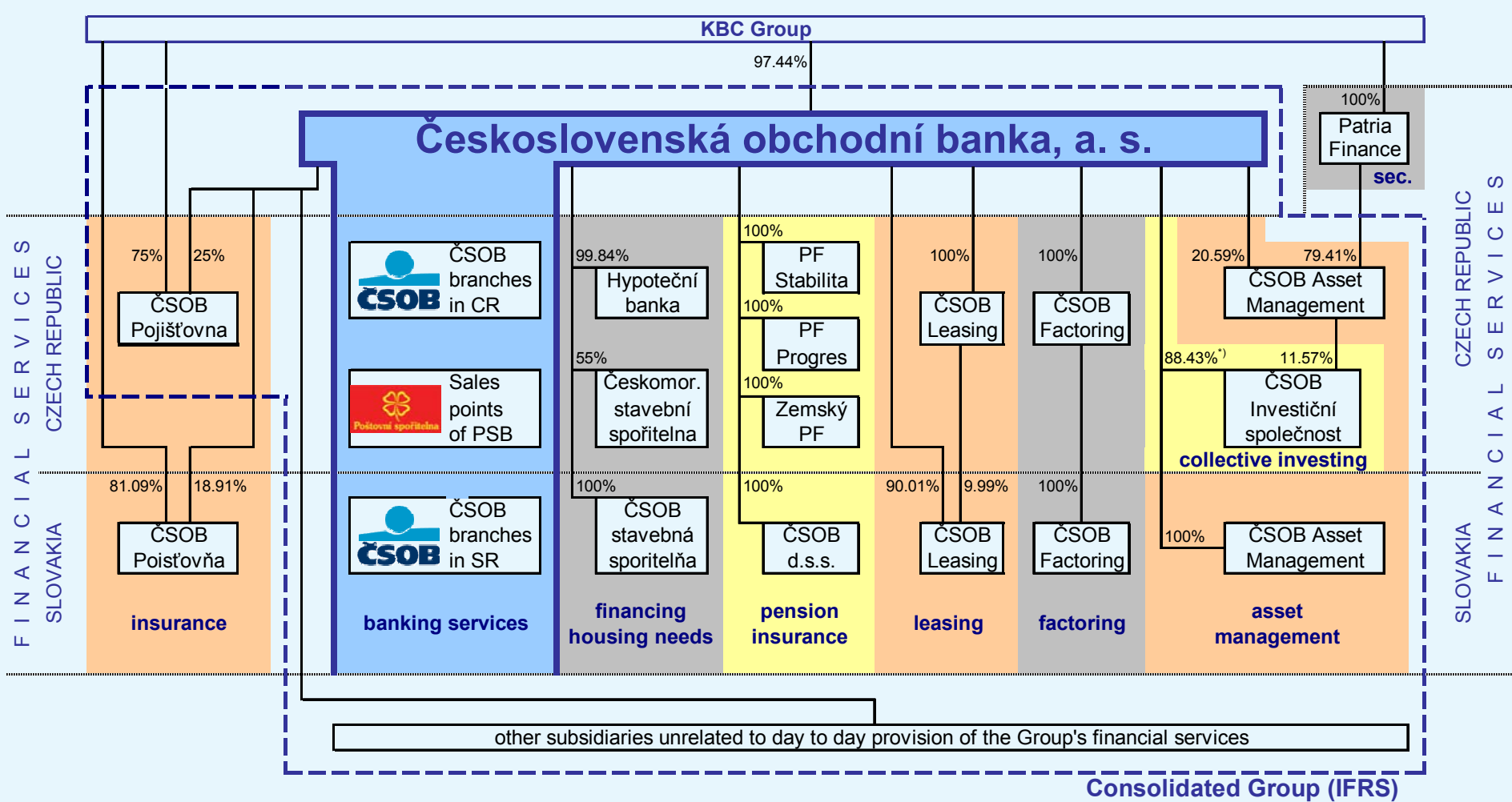
Numbers and statistics - ČSOB Bank (incl. PSB)

	31/12/05		31/12/06	
	CZ	SK	CZ	SK
Employees (FTE)	6,857	1,395	6,750	1,487
Customers (ths)	3,014	186	3,015	202
ČSOB branches*	210	99	214	105
PSB financial centers**	8	-	20	-
ATMs	537	113	585	130
Payment cards (ths)	1,630	132	1,723	158
- of which: Credit cards (ths)	34.5	5.5	70.9	7.8
Users of direct banking (ths)	1,126	151	1,302	176



Note: * In SK, number of branches includes business centers for SMEs, corporate branches, branches for institutional clientele and Private bank branches.

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



As of 31 December 2006

Note: ¹⁾ Direct (73.15%) and indirect (15.28% via subsidiary Auxilium) share of ČSOB on company's equity.



ČSOB Group's Structure

Macroeconomic Environment (CZ)

Dynamic growth

		2004	2005	2006
GDP	change, %	4.2	6.1	6.0 ^e
Industrial production	change, %	9.6	6.7	9.7
Construction output	change, %	9.7	4.2	6.6
Retail sales	change, %	2.5	4.0	6.4
Inflation (CPI)	average, %	2.8	1.9	2.5
Current account	% of GDP	-6.0	-2.1	-4.7 ^e
Rate of unemployment (ILO)	average, %	8.4	8.0	7.2
Real wages	change, %	3.7	3.4	4.2 ^e
CZK/EUR	average	31.90	29.78	28.34
PRIBOR 3M	average, %	2.36	2.01	2.30
IRS 10Y	average, %	4.63	3.48	3.73
General government balance	% of GDP	-2.9	-3.6	-3.6 ^{e06}

Note: e) ČSOB estimate

e06) ČSOB estimate for the whole year 2006

Source: Czech Statistical Office, Czech National Bank, Eurostat



Macroeconomic Environment (SK)

Dynamic growth

		2004	2005	2006
GDP	change, %	5.4	6.0	7.8 ^e
Industrial production	change, %	4.2	3.6	9.8
Construction output	change, %	5.7	14.7	14.8
Retail sales	change, %	6.2	9.7	8.3
Inflation (CPI)	average, %	7.5	2.7	4.5
Current account	% of GDP	-3.6	-8.6	-7.8 ^e
Rate of unemployment (ILO)	average, %	18.1	16.2	13.4 ^e
Real wages	change, %	2.5	6.3	3.1 ^e
SKK/EUR	average	40.05	38.59	37.24
BRIBOR 3M	average, %	4.67	2.93	4.32
IRS 10Y	average, %	4.89	3.82	4.52
General government balance	% of GDP	-3.0	-3.1	-2.5 ^{e06}

Note: e) ČSOB estimate

e06) ČSOB estimate for the whole year 2006

Source: Slovak Statistical Office, National Bank of Slovakia, Eurostat



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