

Ceska Sporitelna

1Q 2007 IFRS Consolidated Results (Unaudited)

April 30th, 2007

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1Q 2007 Highlights

1Q 2007 Highlights

➤ **CS on track to deliver 15-20% profit growth in 2007**

- » Strong macroeconomic performance in Czech Republic
- » Strong volume growth in loans and deposits
- » Building infrastructure for future synergies from Erste Group projects
- » Growing recognition of First Choice Bank customer deliverables and corporate culture change management initiatives

➤ **Record loan growth – quarterly increase is record breaking**

	<u>YTD 1Q07</u>	<u>YTD 1Q06</u>
» Large Corporates	9.8%	5.3%
» Medium Corporates	5.8%	3.6%
» Private Mortgages	8.1%	7.4%
» Consumer lending	2.5%	-1.0%
» Building savings loans	5.7%	4.0%

➤ **1Q 2007 deposit growth (excluding repos) on track for more than 10% annual increase**

➤ **6.3% General Administrative Expense growth driven by strong client volume increases and up front charges associated with building Group synergies**

1Q 2007 News

- **Reico, a new real estate company owned by CS, obtained a licence for its real estate fund from CNB (2/2007). The CS nemovitostni fond thus became the first real estate fund for retail investors on the domestic market**
 - » CS customers can invest into real property via the new real estate fund of CS beginning in March
- **CS was the sole Bookrunner, Lead Manager and Listing Agent for listing first local bond issue of ECM Real Estate Investments A.G. on the Prague Stock Exchange (on secondary market). The bonds in the total amount of CZK 1 bn have been offered mainly to institution investors in the Czech Republic**
- **CS limited clients' liability for transactions executed with a stolen or misappropriated payment card to CZK 4,500 in the 48 hours before the card is blocked. CS also extended card misuse insurance to up to 96 hours prior to the blocking of a card**
- **Stavebni sporitelna CS (building society) provided a record number and amount of new loans in 1Q 2007; volume of new loans increased by 65.5% YTY (the best quarterly result in history)**
- **CS offered to institutional investors two issues of structured bonds in the total amount of CZK 1,040 mil. in 1Q 2007**

1Q 2007 IFRS Consolidated Results (Unaudited)

IFRS – International Financial Reporting Standards

Group Profit & Loss Statement Highlights

- **Operating result increased by 11.6% (YTY) to CZK 4,198 m**
 - » Operating Income grew by 8.8% (9.8% excluding Net profit on financial operations) and Operating Expenses by 6.3%
- **Net profit reached CZK 2,721 m, growing by 8.7% (YTY)**
- **ROE remains above the target level of 20% at 21.8% (1Q 2006: 22.5%); ROA 1.4% (1Q 2006: 1.5%)**
- **Net interest income rose by 11.9% to CZK 5,694 m**
 - » Increase driven by continuing strong growth in customer loans and deposits
- **Net fee and commission income grew by 4.9% to CZK 2,345 m**
 - » Biggest increase in security business
- **General administrative expenses increased by 6.3%**
 - » Growth attributed to building infrastructure for synergies within EB Group and to continuing business expansion in CS Group
- **Cost/Income ratio improved from 52.4% in 1Q 2006 to 51.2% in 1Q 2007**

Group Profit & Loss Statement

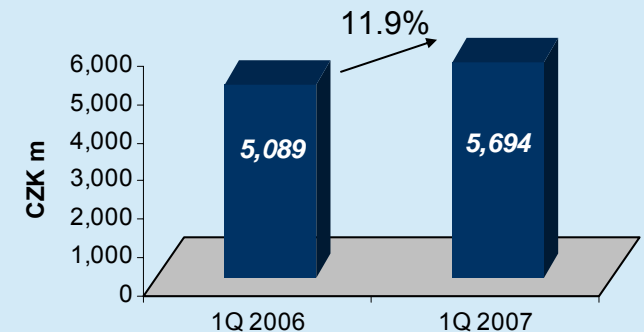
<i>IFRS, Consolidated, CZK m</i>	1Q 2006	1Q 2007	% change
Net interest income	5,089	5,694	11.9
Provisions on losses on loans and advances	-309	-401	29.8
Net fee and commission income	2,235	2,345	4.9
Net profit/(loss) on financial operations	508	461	-9.3
General administrative expenses	-4,142	-4,402	6.3
Income from insurance business	70	100	42.9
Other operating results	-228	-148	-35.1
Result from financial assets FV	-198	-110	-44.4
Result from financial assets AFS	276	169	-38.8
Result from financial assets HTM	0	12	x
Profit/(loss) before taxes	3,301	3,720	12.7
Income tax expense	-762	-912	19.7
Profit/(loss) after taxes	2,539	2,808	10.6
Minority interests	-35	-87	148.6
Net profit/(loss) for the year	2,504	2,721	8.7
Operating income	7,902	8,600	8.8
Operating expenses	-4,142	-4,402	6.3
Operating result	3,760	4,198	11.6
Cost / Income Ratio (%)	52.4%	51.2%	
ROE (%)	22.5%	21.8%	

Group Profit & Loss Statement

Net Interest Income up by 11.9%

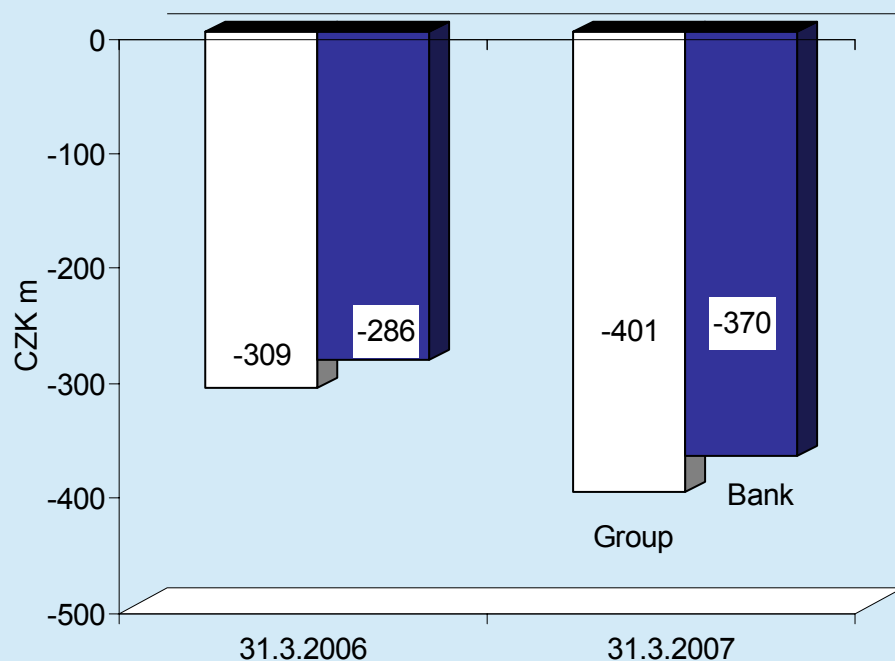
- Net interest income growth driven by loans to customers which increased by 17.8% (including loans to CKA; gross amount) compared to 1Q 2006
- Decrease of net interest income from credit institutions (by 37.9%) caused by reduction of average loans to credit institutions and increase of average deposits from credit institutions in an environment of rising interest rates
- Major source of increase in other interest income were dividends
- 1Q 2006 Other interest income/expense was positively affected by revaluation of banking book derivatives
 - » When adjusted for the effect of derivatives, overall NII would have grown by 15% from 1Q 2006 to 1Q 2007
- Higher interest expense on bond issues reflects mainly higher volume of mortgage bonds
 - » Volume of mortgage bonds paying higher interest rose by almost CZK 3 bn YTY (lower cost bills of exchange dropped by CZK 2.4 bn)
- Net interest margin on average interest bearing assets slightly increased to 3.65% compared to 3.62% in 1Q 2006
 - » NIM calculation reflects changes in B/S (caused changes in interest earning assets)

<i>IFRS, Consolidated, CZK m</i>	1Q 2006	1Q 2007	% change
Interest income	6,963	8,132	16.8
- from loans and advances to credit institutions	722	678	-6.1
- from loans and advances to customers	4,104	4,881	18.9
- from debt securities and other fixed income securities	1,595	1,879	17.8
- other interest income	542	694	28.0
Interest expense	-1,874	-2,438	30.1
- from amounts owed to credit institutions	-205	-357	74.1
- from amounts owed to customers	-1,302	-1,425	9.4
- from bonds in issue	-189	-290	53.4
- other interest expense	-178	-366	105.6



Group Profit & Loss Statement

Provisions on Losses on Loans and Advances



- **Group net provision creation reached CZK 401 m, of which**
 - » Bank CZK 370 m (CZK 286 m 1Q 2006)
 - » Subsidiaries CZK 31 m (CZK 23 m 1Q 2006)

- **The increase in creation against 1Q 2006 was driven by consumer lending expansion**

Balance impact (CZK m, IFRS)

ČS Group Loan loss reserves	Total provisions
Balance 01.01.2007	-6,339
Creation total	-401
Write offs	88
Balance neutral effects	-32
Balance 31.3.2007	-6,684

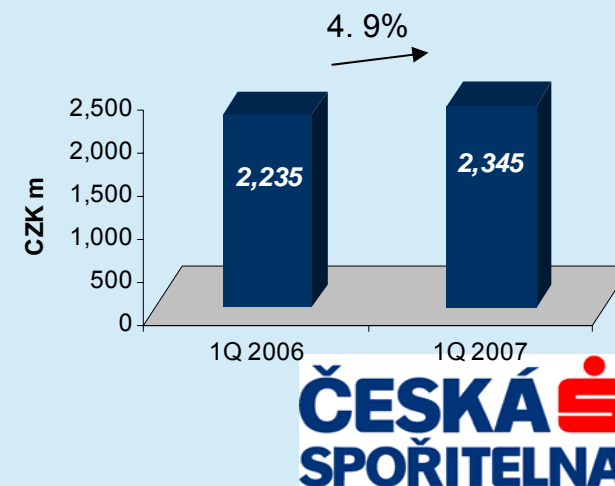
NOTE: Creation(-), release(+)

Group Profit & Loss Statement

Net Fee Income up by 4.9%

- **Fee and commission income growth attributed mainly to growing net fee income from security business which rose by 27.7% (largest increase in brokerage fees)**
 - » Net fee income from security business represents 13.2% of total net fee income (up from 10.8% in 1Q 2006)
- **Development in fees and commissions from lending business influenced by change in accounting methodology in March 2006 regarding mobile sales force**
 - » Excluding this effect net fee income from lending would be up by approximately 7%
- **Net fee and commission income from payment transactions grew by 3.9%**
 - » Its share on total net fee income decreased to 58.3% from 58.8%
- **Increase in other fee expense mainly reflects growth in building society's business (including higher performance related sales incentives)**

<i>IFRS, Consolidated, CZK m</i>	1Q 2006	1Q 2007	% change
Fee and commission income	2,376	2,599	9.4
- from lending business	439	485	10.5
- from payment transactions	1,397	1,448	3.7
- from security business	252	324	28.6
- other	288	342	18.8
Fee and commission expense	-141	-254	80.1
- from lending business	27	-38	n/a
- from payment transactions	-82	-82	0.0
- from security business	-10	-15	50.0
- other	-76	-119	56.6

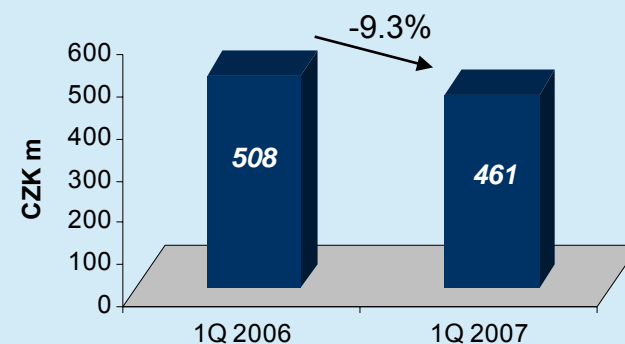


Group Profit & Loss Statement

Net Profit on Financial Operations Decreased by 9.3%

- Main contributor to Net Profit on Financial Operations was result from securities trading (strong share trading)
- Result from derivative instruments dropped by 77.6% due to the lower growth of EUR and USD market interest rates in 1Q 2007 compared to 1Q 2006.
- Gain from FX operations decreased by 52.7% due to lower exchange rates volatility especially in latter part of the Quarter.

<i>IFRS, Consolidated, CZK m</i>	1Q 2006	1Q 2007	% change
Realised and unrealised profit on securities trading	-117	220	<i>n/a</i>
Interest Rate & Equity Derivatives	219	49	-77.6
FX gains	406	192	-52.7

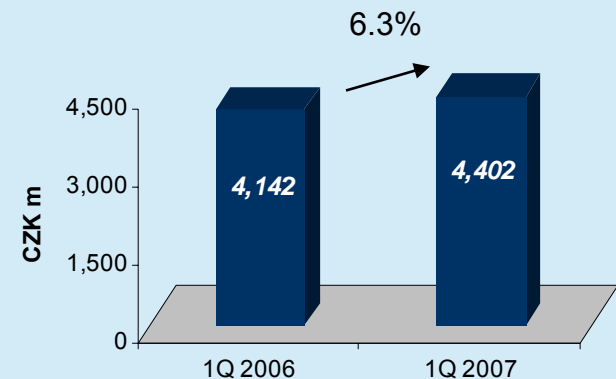


Group Profit & Loss Statement

General Administrative Expenses rose by 6.3%

- **Personnel expenses increased by 8.0% due to growing bonuses connected with good results (up 21% YTY), salary increase and needed new personnel**
 - » Costs related to profit sharing program (accruals) amounted to CZK 44 m in 1Q 2007 (CZK 35 m in 1Q 2006)
 - » Number of employees in CS Group increased by 165 to 10,966 as of 1st April 2007 (driven by growing volumes related to business expansion)
- **Other administrative expenses went up by 9.7% due to higher costs connected with building infrastructure in order to achieve EBG synergies and with business growth (higher expenditures for business projects and marketing)**
- **Depreciation decreased by 3.1% mainly due to lower depreciation on IT investments**

<i>IFRS, Consolidated, CZK m</i>	1Q 2006	1Q 2007	% change
Personnel expenses	1,754	1,894	8.0
Other administrative expenses	1,520	1,667	9.7
Depreciation	868	841	-3.1



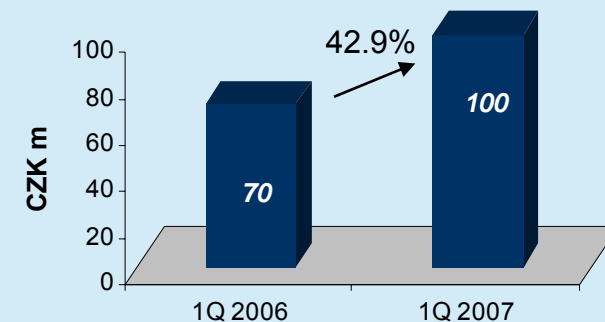
Group Profit & Loss Statement

Income from Insurance Business up by 42.9%

- **Net result from insurance business (profit before tax of Pojistovna CS) increased by 42.9% compared to 1Q 2006, primarily due to 52.0% growth of operating income of Pojistovna CS mainly influenced by rising net premiums earned (increased by 59.3% YTY)**
- **Life insurance business growth attributed to very good sales of single-paid products in CS branches**
 - » Written premium increased by 60.5% to CZK 1.5 bn
 - » Single paid insurance premium representing 73% of total written premium rose by 87.6% to CZK 1.1 bn; most popular products were single paid Flexi invest and Flexi life insurance
 - » Current paid insurance premium increased by 15.1% to CZK 403 m (share on total written premium was 27%)
 - » Pojistovna CS concluded overall nearly 520 thousand life insurance contracts in total till the end of March 2007 (up by 9.5% YTY); main distribution channel CS (Bank) concluded 80% of contracts (72% share on total insurance premium)
- **Pojistovna CS (CS Insurance company) ranks 5th on life insurance market with market share of 9.4% (as of 31.12.2006)**

	31/03/06	31/12/06	31/03/07
Life insurance			
capital	10%	12%	23%
credit*	4%	5%	3%
flexi	82%	80%	72%
other	3%	3%	3%

* including mortgage insurance



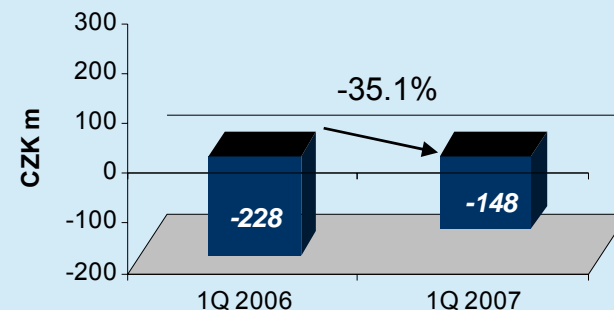
Note: profit before tax

Group Profit & Loss Statement

Other Operating Income / (Expenses)

- **Other operating income increased by 219.7% due to**
 - » Higher income from real estate attributed to revaluation of buildings in real estate funds
 - » Other income growth connected with sale of real estate buildings owned by real estate funds
- **Other operating expenses increased by 53.7% due to**
 - » Higher contribution into Deposit Insurance Fund caused by increase in primary deposits
 - » Growth of other expenses reflected higher costs connected with real estate business (compensated in other operating income)

<i>IFRS, Consolidated, CZK m</i>	1Q 2006	1Q 2007	% change
Other operating income	122	390	219.7
- income from real estate	-1	43	n/a
- other income	123	347	182.1
Other operating expenses	-350	-538	53.7
- Deposit Insurance Fund contribution	-101	-113	11.9
- expenses from real estate	0	-9	n/a
- other expenses	-249	-416	67.1



Group Balance Sheet Highlights*

- **Asset totalled CZK 794.0 bn which represent 9.0% increase since 31/12/2006**
 - » Main growth categories in assets: loans and advances to credit institutions and to customers
- **Loans to customers (incl. loans to CKA, gross value) rose by 5.4% (YTD) to CZK 346.6 bn (represent 43.6% of total assets)**
- **Securities in total decreased by 3.4%; their share of total assets dropped to 30.2%**
- **Total client funds under CS Group management rose by 11.5% YTD to CZK 677.9 bn**
 - » Amounts owed to customers in parent bank grew by 15.6% to CZK 497.9 bn (excluding repo operations growth would be 3.7%)
- **Loans to Deposits ratio decreased to 57.1% (from 61.2% at YE 2006) due to strong growth in deposits**
- **Volume of issued bonds went up by 9.7% to CZK 37.7 bn due to issued bonds (CZK 2.1 bn in 1Q 2007)**
- **Group capital adequacy (BIS) at 11.1%**
 - » Capital adequacy according to CNB (parent bank only) at 10.0%

* Comparison between 31/12/2006 and 31/3/2007

Group Balance Sheet

Assets

<i>IFRS, Consolidated, CZK m</i>	31/12/06	31/03/07	% Change
Total Assets	728,393	793,985	9.0
Cash and balances with the CNB	23,152	17,124	-26.0
Loans and advances to credit institutions	73,179	129,989	77.6
Loans to Czech Consolidation Agency	5,000	5,000	0.0
Loans and advances to customers	324,105	341,554	5.4
Risk provisions for loans and advances	-6,339	-6,684	5.4
Trading assets	45,315	43,620	-3.7
Financial assets - Fair value	21,737	24,025	10.5
Financial assets - Available for sale	39,836	36,951	-7.2
Financial assets - Held to maturity	141,429	135,327	-4.3
Assets - insurance companies	13,878	14,894	7.3
Other assets	47,101	52,185	10.8

Group Balance Sheet

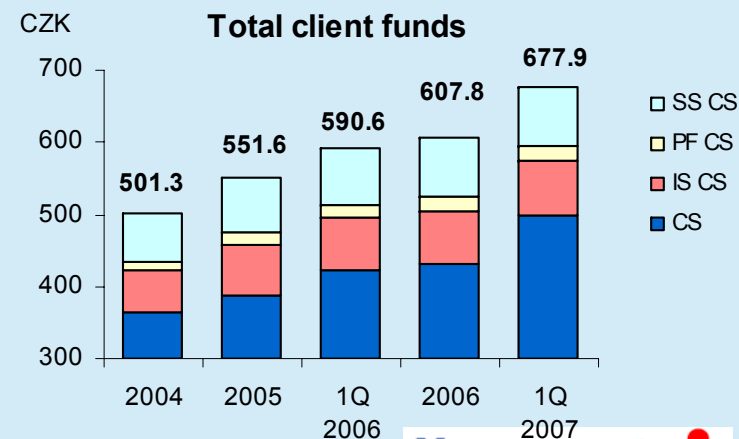
Liabilities and Shareholders' Equity

<i>IFRS, Consolidated, CZK m</i>	31/12/06	31/03/07	% Change
Total Liabilities and Shareholders' Equity	728,393	793,985	9.0
Amounts owed to credit institutions	46,361	36,966	-20.3
Amounts owed to customers	537,486	606,709	12.9
Debts evidenced by certificates	34,408	37,737	9.7
Trading liabilities	12,154	13,248	9.0
Subordinated capital	5,886	5,800	-1.5
Other liabilities	42,236	40,721	-3.6
Minority interests	1,268	1,569	23.7
Shareholders' equity	48,594	51,235	5.4

Total Client Funds under CS Group Management

- Client funds under management grew by CZK 70.1 bn (or 11.5% YTD) to CZK 677.9 bn
- Funds managed by subsidiaries representing 26.5% of total client funds increased by 1.6% since YE 2006
 - » Pension Fund recorded 5.7% YTD growth in assets (28.6% YTY)
 - » Assets in mutual funds managed by CS investment company (ISCS) grew by 1.9% in 1Q 2006 (1.7% YTY)
 - » Building society (SSCS) reported 0.4% increase in customer deposits (7.8% increase YTY)
- Client deposits in parent bank grew by CZK 67.2 bn or by 15.6% in 1Q 2007 (17.8% YTY); low margin deposits from public sector grew by CZK 57.0 bn (thereof repo operations by CZK 49.3 bn) deposits from private individuals rose by CZK 10.0 bn
 - » 63% of deposits are repayable on demand

<i>IFRS, in CZK bn</i>	2004	2005	1Q 2006	2006	1Q 2007
CS - parent bank	362.9	387.3	422.5	430.7	497.9
IS CS - investment company	59.0	71.6	74.2	74.1	75.5
PF CS - pension fund	12.0	15.1	15.8	19.2	20.3
SS CS - building society	67.4	77.6	78.1	83.8	84.2
Total	501.3	551.6	590.6	607.8	677.9



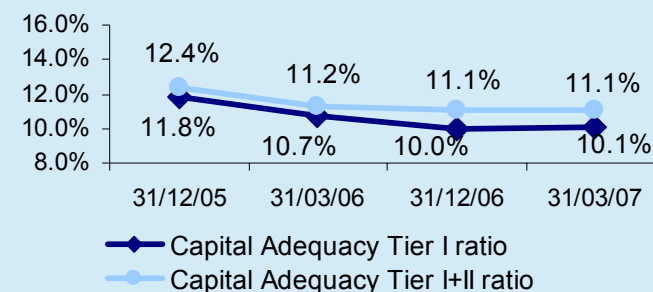
Capital Adequacy (BIS)

- Capital adequacy ratios remained flat since YE 2006 as the capital grew at the same pace as the risk weighted assets
 - » RWA rose by 5.7% YTD, Tier I capital increased by 6.4% and total capital by 5.6%
- Growth of Tier I capital was caused mainly by higher retained earnings from 2006
- Tier II capital was strengthened by second issue of subordinated debt in the amount of CZK 3 bn (issued in October 2006)

BIS Capital Adequacy

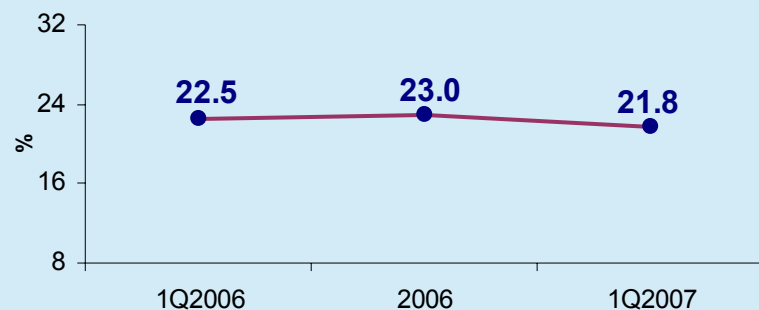
CS Group, CZK m	31/12/05	31/03/06	31/12/06	31/03/07
Tier I Capital	43,312	41,383	44,888	47,778
Tier I+II Capital	45,429	43,435	49,625	52,415
Risk Weighted Assets	349,494	368,806	421,153	445,279
Capital requirement to market risks	1,426	1,412	2,184	2,093
Capital Adequacy Tier I ratio	11.8%	10.7%	10.0%	10.1%
Capital Adequacy Tier I+II ratio	12.4%	11.2%	11.1%	11.1%

Capital Adequacy Development
(according to BIS)

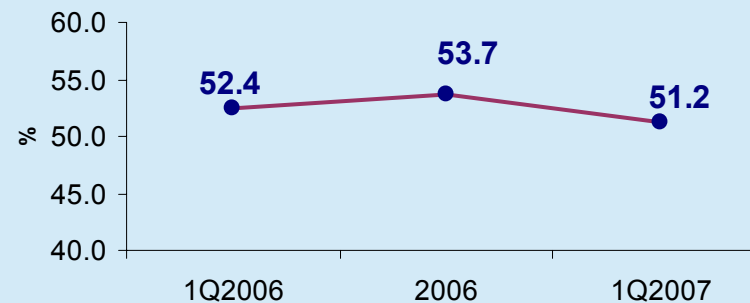


Financial Ratios Development

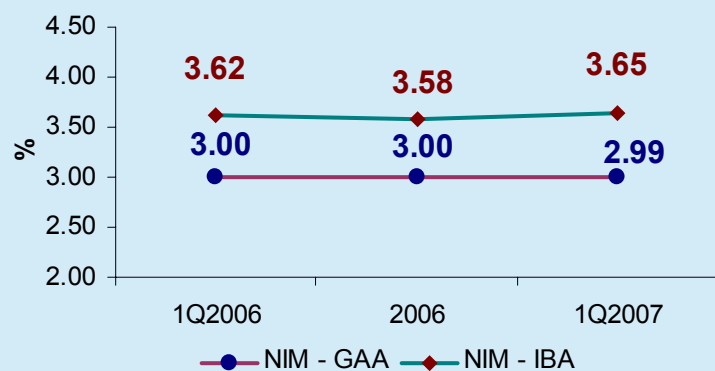
ROE



Cost / Income Ratio



Net Interest Margin *

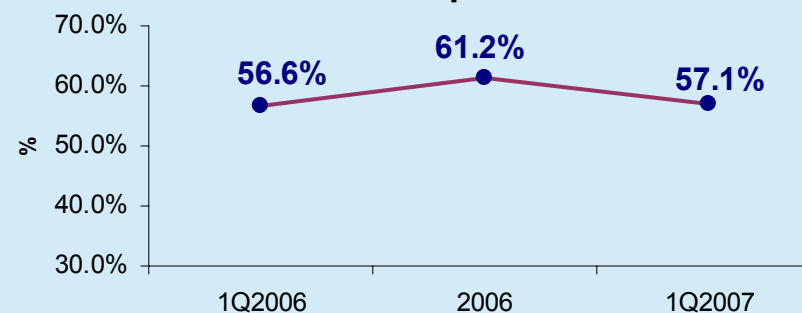


GAA = Gross average assets

IBA = Average interest bearing assets

* NIM calculation reflects changes in B/S (caused changes in interest earning assets)

Loans* to Deposits Ratio



* Loans include Loans and advances to customers and Loans to CKA

***Loans to Customers
as of 31st March 2007***

Consolidated (IFRS)

Loan Portfolio Highlights

CS Group in 1Q 2007

➤ Significant loan growth continues

- » Loans to customers increased by CZK 17.4 bn or 5.4%¹⁾ YTD
 - ⇒ 62% stronger growth than in 1Q 2006 (10.7 bn YTD)
- » The main driver remains Mortgage, real estate and housing loans, growing by CZK 9.7 bn YTD
 - ⇒ Of which Bank CZK 8.3 bn and Stavebni sporitelna CZK 1.4 bn
 - ⇒ Their share in consolidated loan portfolio¹⁾ increased to 43.8% (38.8% in 1Q 2006)
- » Year on year growth reached CZK 63.0 bn or 22.6%

➤ 1Q 2007 achieved record breaking growth in

- » Private Mortgages CZK 6.5 bn YTD (CZK 4.2 bn in 1Q 2006)
- » Large Corporates CZK 4.8 bn YTD (CZK 2.8 bn in 1Q 2006)
- » Medium corporates CZK 2.3 bn YTD (CZK 1.2 bn in 1Q 2006)
- » Stavebni sporitelna CZK 1.4 bn YTD (CZK 0.8 bn in 1Q 2006)
- » Consumer lending CZK 1.2 bn YTD, which overcame traditional seasonal stagnation of 1Q

➤ Loan quality remains satisfactory

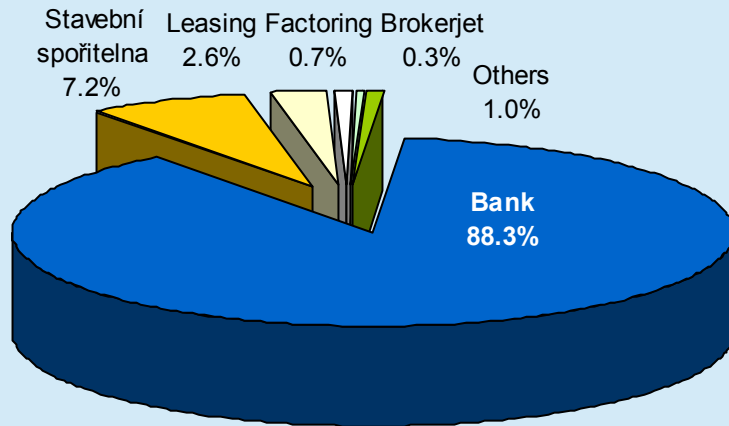
- » Share of non performing loans remains stable against YE 2006 (CS Bank 1.6%, Stavebni sporitelna 0.9%)

¹⁾ excluding CKA

Loan Portfolio Structure and Development

CS Group / Loans to Customers Overview

As per 31.3.2007



➤ Share of subsidiaries on consolidated loan portfolio 11.7% remains stable compared to YE 2006

➤ Stavební spořitelna

» Loan growth CZK 1.4 bn (5.7%) YTD almost doubled compared to 1Q 2006

➤ Leasing

» Loans increased by CZK 0.3 bn (3.5%) YTD, which is above underlying growth of 1Q 2006 (CZK 0.2 bn)

» Year-on-year growth reached + 30.1%

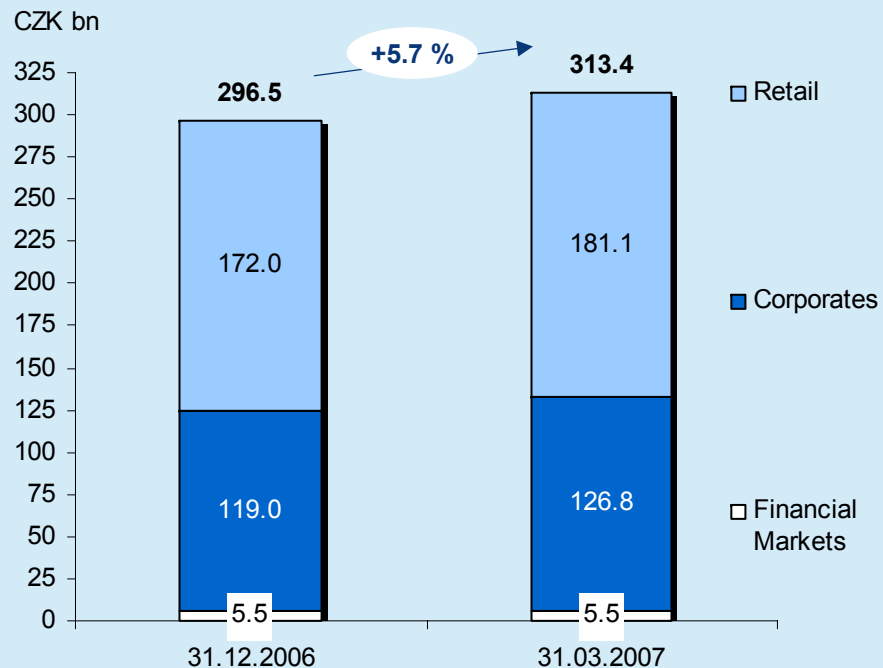
➤ Factoring

» Loan portfolio decline affected by seasonality (factoring business usually drops in 1Q)

in CZK m, IFRS	31/12/2006	31/03/2007	Change	
I. ČS Bank	296,498	313,410	16,912	5.7%
↳ of which ČKA	5,000	5,000	0	0.0%
II.1. Stavební spořitelna ČS	24,151	25,519	1,368	5.7%
II.2. Leasing ČS, S-AutoLeasing & S-AutoÚvě	8,729	9,032	303	3.5%
II.3. Factoring ČS	2,442	1,867	-575	-23.5%
II.4. Brokerjet ČS	884	795	-89	-10.1%
II.5. Other subsidiaries	3,226	5,086	1,859	57.6%
III. Consolidation items	-6,826	-9,155	n.a.	n.a.
Loans excl. ČKA (consolidated)	324,105	341,554	17,449	5.4%
Total Loans (consolidated)	329,105	346,554	17,449	5.3%

Loan Portfolio Structure and Development

CS Bank / Loans Growth by Segments



➤ Corporate and Retail loans increased by record CZK 16.9 bn or 5.8% YTD

- » Retail growth CZK 9.1 bn YTD is 75% higher than in 1Q 2006 (CZK 5.2 bn)
- » Corporate growth CZK 7.7 bn is 42.6% above the growth of 1Q 2006 (CZK 5.4 bn)

➤ Main drivers of the growth

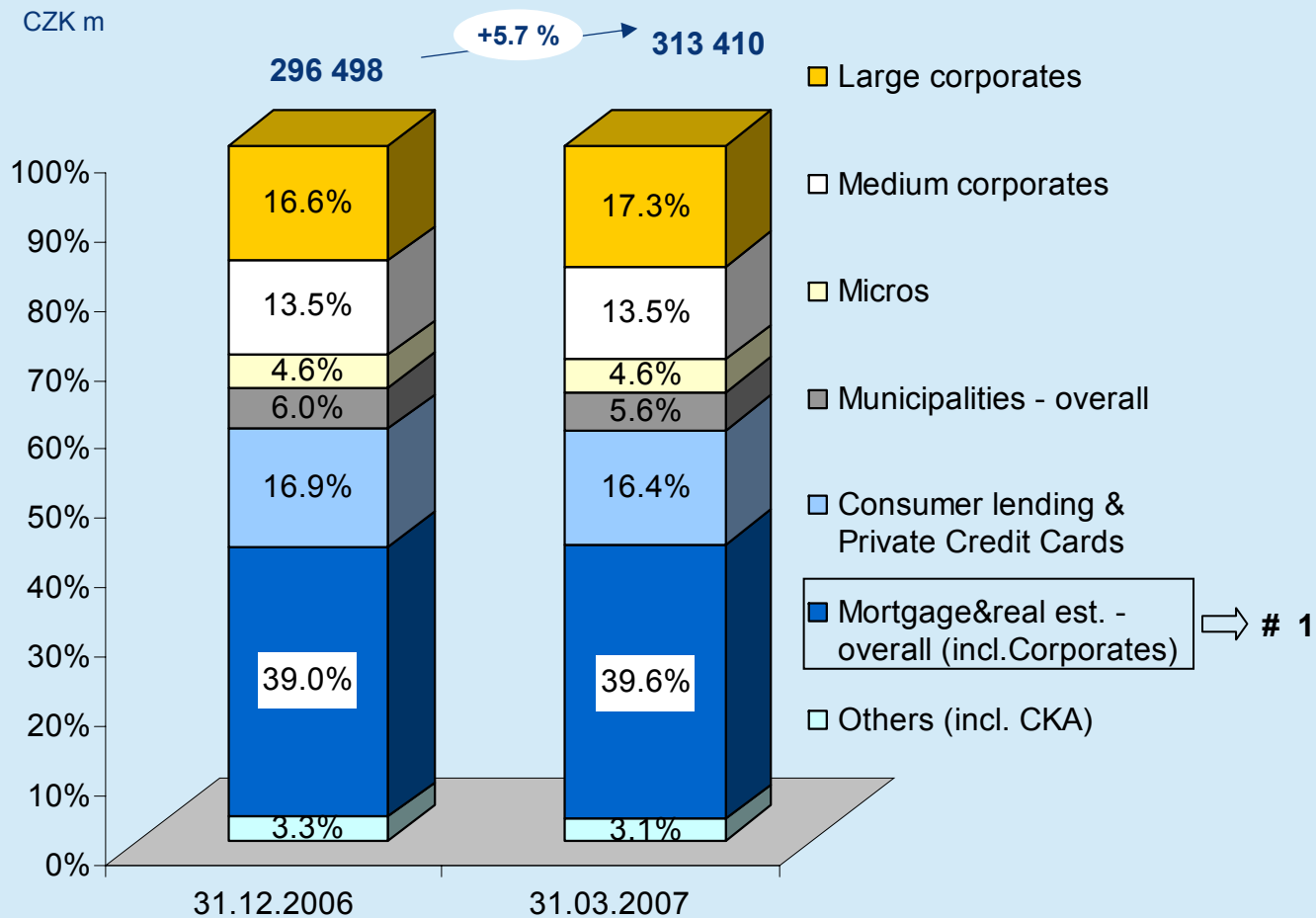
- » Retail Mortgages¹⁾ CZK 7.9 bn (8.1%) YTD
- » Large corporates CZK 4.8 bn (9.8%) YTD
- » Medium corporates CZK 2.3 bn (5.8%) YTD
- » Consumer lending CZK 1.2 bn (2.5%) YTD

in CZK m, IFRS	31.12.2006		31.03.2007		1Q 2007 YTD	
	Outstand.	Share	Outstand.	Share	Outstand.	Rate
I. CORPORATE & RETAIL (1+2)	290,972	98.1%	307,879	98.2%	16,907	5.8%
1. CORPORATES	119,010	40.1%	126,786	40.5%	7,777	6.5%
2. RETAIL	171,962	58.0%	181,093	57.8%	9,131	5.3%
II. FINANCIAL MARKETS	5,526	1.9%	5,531	1.8%	5	0.1%
LOANS TO CUSTOMERS	296,498	100.0%	313,410	100.0%	16,912	5.7%

¹⁾ Private and commercial

Loan Portfolio Structure and Development

CS Bank / Loan Structure by Segments



➤ **Share of Mortgage & Real Estate loans continues to increase**

➤ **Share of Large Corporates up by 70 bps YTD**

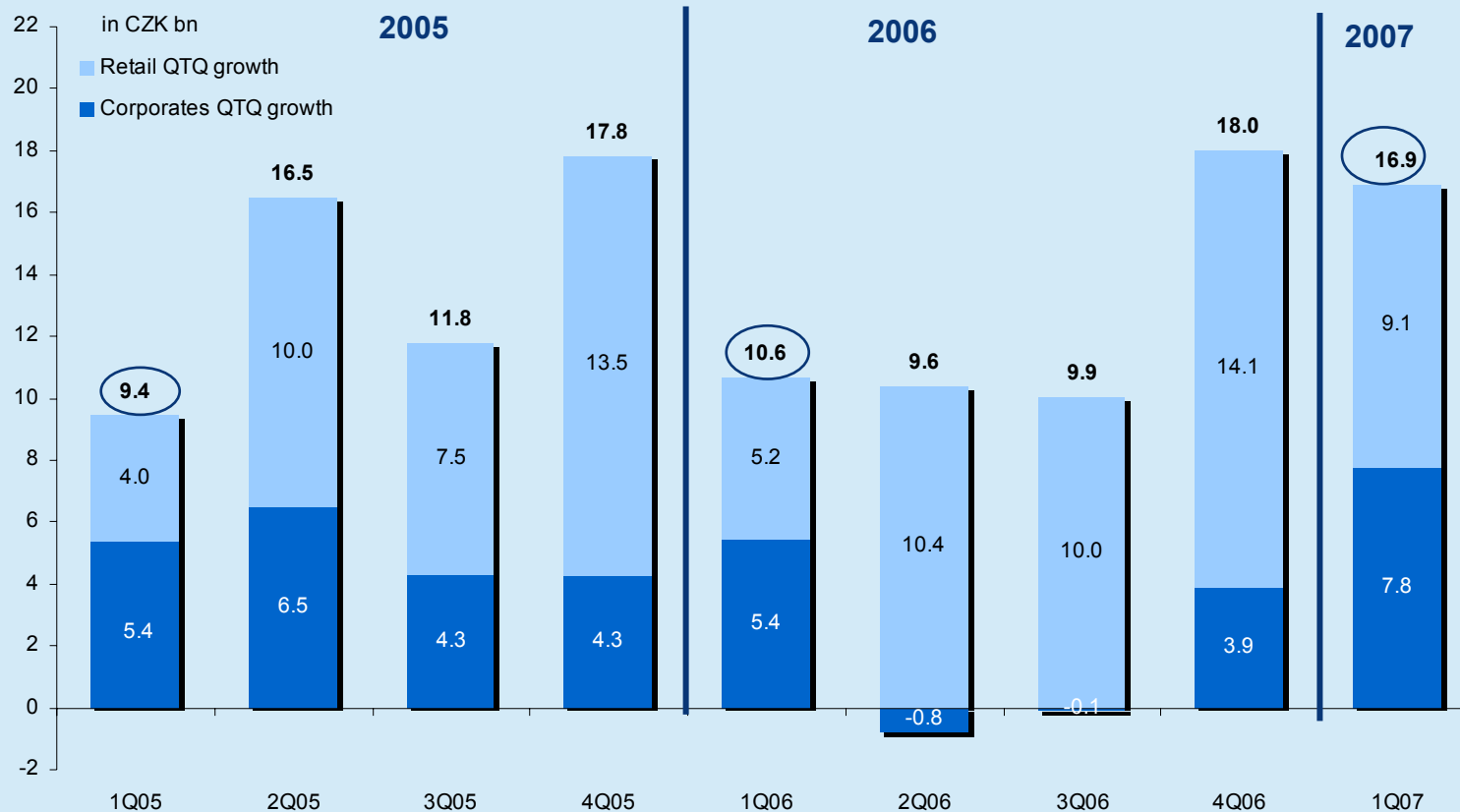
» Driven by new exposures, mainly in syndicated loans, revolving and overdrafts

➤ **Share of Medium and Micro Corporates 18.1% remains stable**

» In spite of strong loan growth CZK 3.0 bn YTD

Loan Portfolio Structure and Development

CS Bank / Seasonality in Loan Growth (QTQ)



➤ **Quarterly growth CZK 16.9 bn is the best 1Q result ever**

» Supported by record breaking growth both in Retail and Corporates

➤ **Retail**

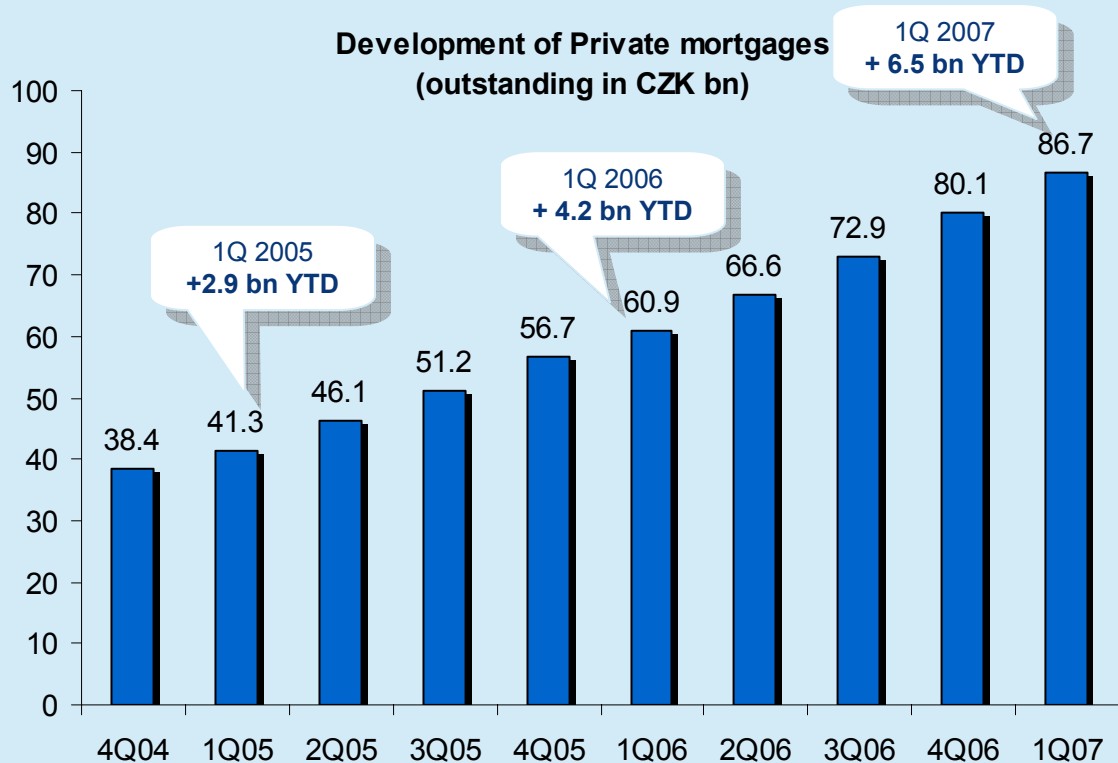
» Driven by Mortgage and Consumer lending

➤ **Corporates**

» Driven by Large and Medium Corporates

Loan Portfolio Structure and Development

CS Bank / Private Individuals (PI) Mortgages



- **Strong mortgage growth continues**
 - » Increase in 1Q 2007 reached CZK 6.5 bn (8.1%) YTD
 - » That is by 55% above the growth in 1Q 2006

- **66.2% of mortgages goes to property purchase (62% 1Q 2006)**
 - » For loans granted in 1Q 2007 this share is even higher (88%)
 - » Remaining 25.8% of mortgages are spent on house construction and 8.0% on reconstruction

- **Average maturity of loan contracts increased to 19.6 years (18.1 years in 1Q 2006)**

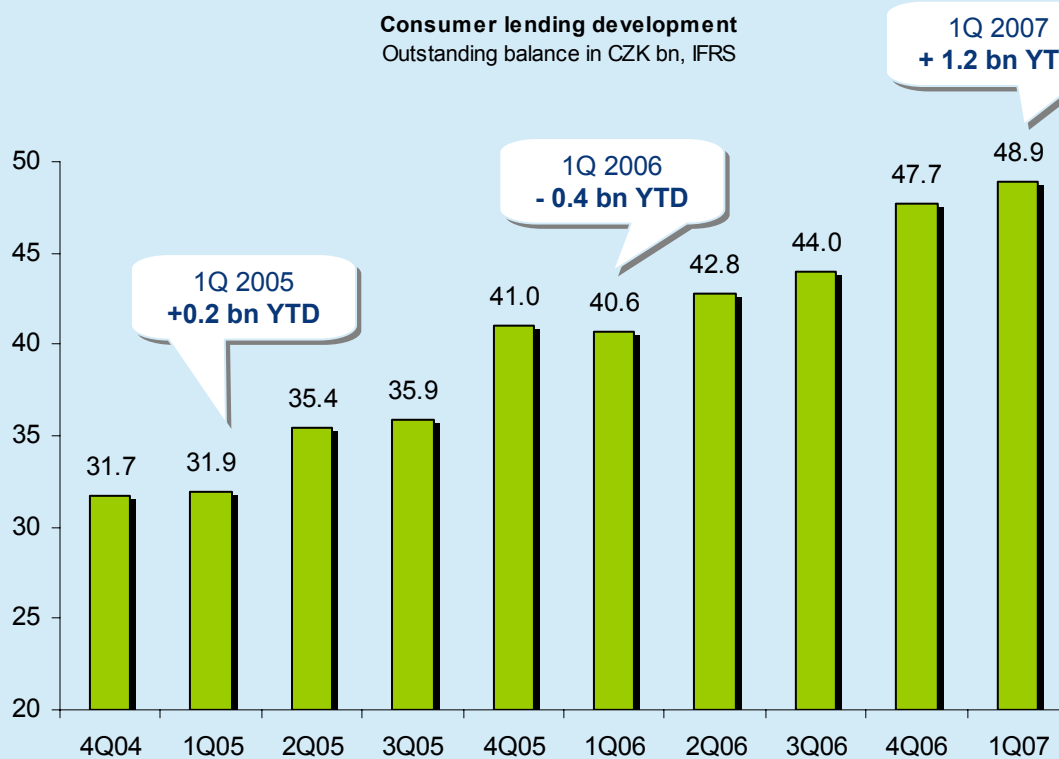
in CZK m, IFRS	31/12/2006		31.03.2007	
	Outstand.	Share	Outstand.	Share
Private mortgages total	80,147	100.0%	86,664	100.0%
Of which in Default	910	1.1%	1,036	1.2%
Of which NPL (defaults > 90 d. overdue)	642	0.80%	660	0.76%

- **Loan quality measured by NPLs remains stable**
 - » Only slight increase in NPL volume by CZK 18m
 - » In relative terms slightly improved (decline by -4 bps YTD)

Loan Portfolio Structure and Development

CS Bank / Consumer Lending

Consumer lending development
Outstanding balance in CZK bn, IFRS



➤ **Record 1Q growth of CZK 1.2 bn (2.5%) YTD driven by Cash loans**

» Breaks the seasonality pattern of 1Q stagnation

➤ **Non performing loans influenced by seasonality**

» Share of NPLs usually increases in 1Q

» The increase in 1Q 2007 is at the same level as in 1Q 2006 (+20 bps)

» The share of NPLs reduced from 5.5% in 1Q 2006 by 110 bps to 4.4%

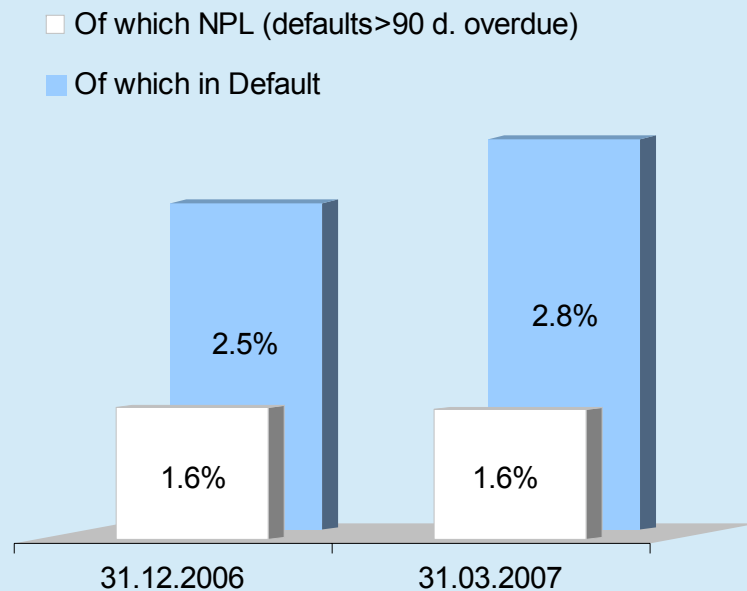
in CZK m, IFRS	31/12/2006		31/03/2007	
	Outstand.	Share	Outstand.	Share
Consumer lending total	47,708	100.0%	48,885	100.0%
Of which in Default	2,350	4.9%	2,597	5.3%
Of which NPL (defaults>90 d. overdue)	1,998	4.2%	2,169	4.4%

NOTE: consumer lending does not include credit cards

Loan Portfolio Quality

Overall Bank

Quality of Loans to Customers



in CZK m, IFRS	31.12.2006		31.03.2007	
	Outstanding	Share	Outstanding	Share
Loans to customers total*	296,498	100.0%	313,410	100.0%
Of which in Default	7,483	2.5%	8,839	2.8%
Of which NPL (defaults > 90 d. overdue)	4,784	1.6%	5,022	1.6%

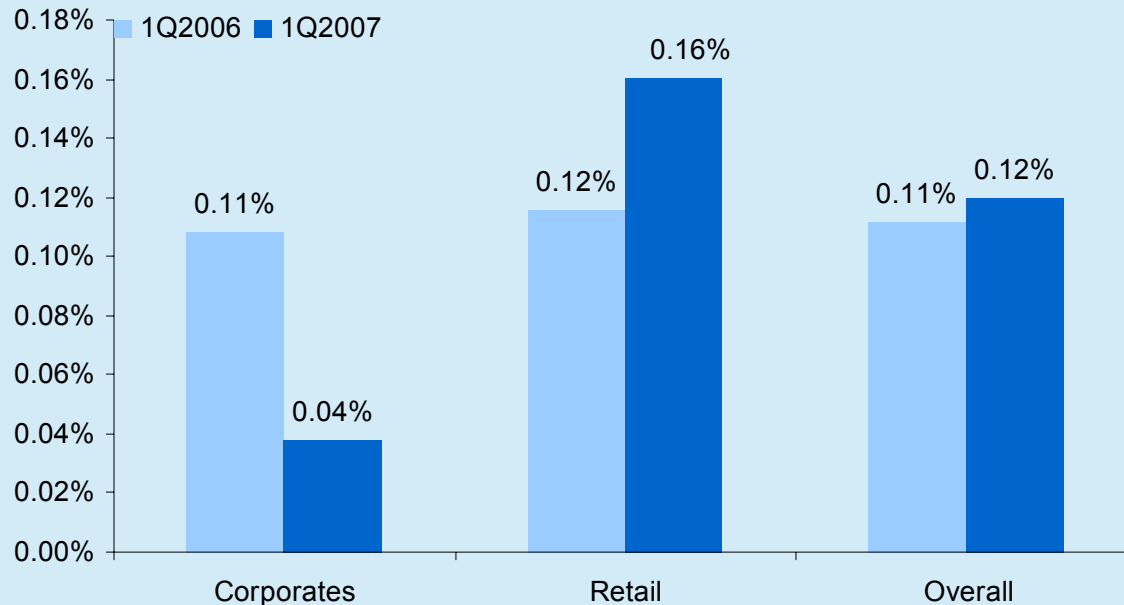
* incl. CKA

- **Share of non performing loans remains stable compared to year end 2006**
 - » Absolute increase of CZK 238 m YTD influenced by consumer lending, which recorded strong loan growth in previous years
- **Share of defaulted loans increased due tightening of internal rating policy**

Provision Creation

CS Bank / Risk Costs Development

Risk Costs development



- **Corporate Risk costs 0.04% YTD (0.11% in 1Q 2006)**
 - » Positively influenced by low payment defaults in Medium Corporates
- **Retail Risk costs 0.16% YTD (0.12% in 1Q 2006)**
 - » Moderate increase +4 bps in line with the fast growing retail portfolio
 - » Driven by Consumer lending

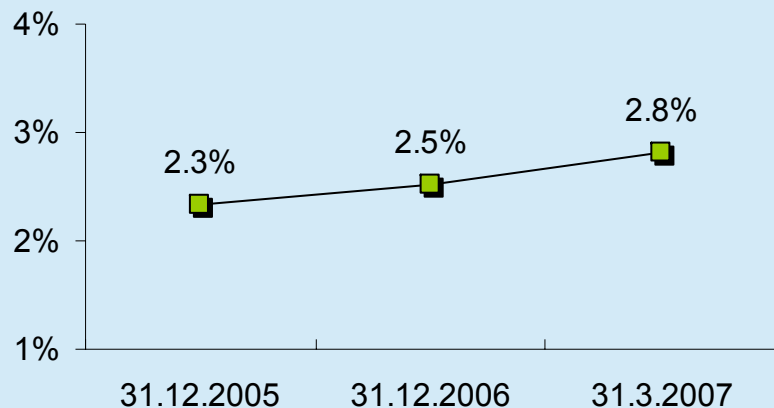
Notes:

Creation(+), release(-)

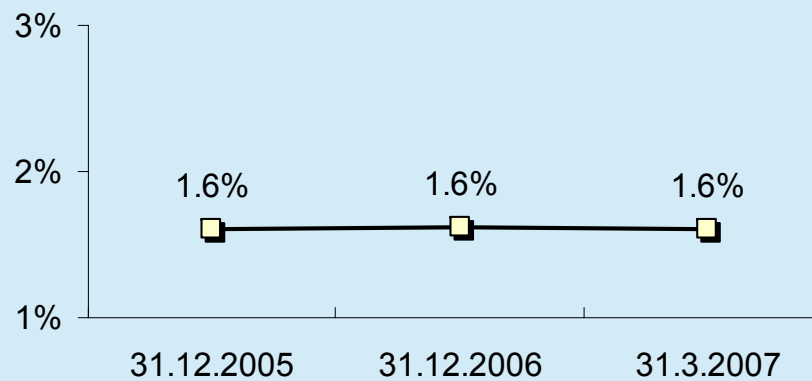
Overall risk costs relate to Customer loan portfolio excluding CKA

Key Ratios of Loan Portfolio Quality

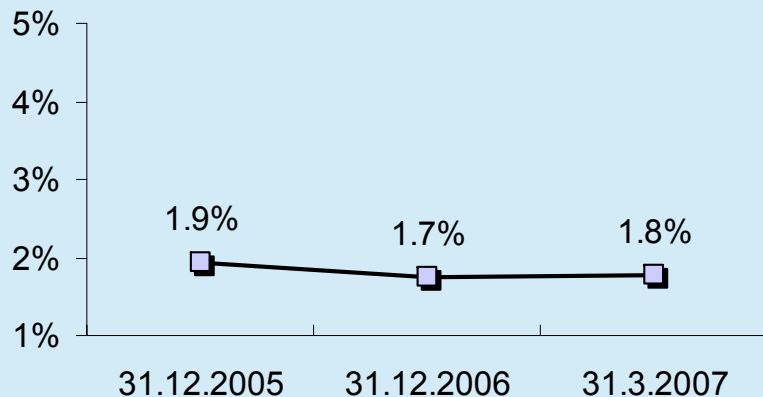
Defaulted loans share



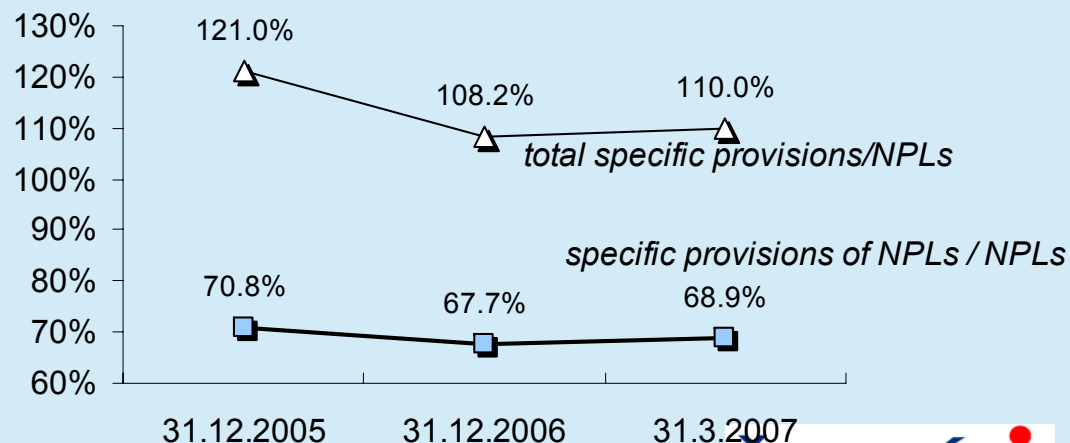
Non performing loans share



Loan loss reserves to Total loans



NPL coverage by Specific provisions



Outlook for 2007

Financial Targets for 2007

» **Net Profit Growth**

Target
15% - 20%

» **ROE**

> 20%

» **Cost/Income Ratio**

< 53%

» **Loans/Deposits Ratio**

60% – 65%*

* Change in target: deposits growing faster than expected

First Choice Bank Quarterly Update

What is First Choice Bank?

First Choice Bank is a strategic program designed to bring customer focus as a top priority in all products, services and processes in Ceska sporitelna. First Choice Bank will enable Ceska sporitelna to become the most dynamic and the most respected bank in the Czech Republic by the end of 2008. The program comprises a series of specific actions that are driven both top-down as well as bottom-up. The list of so far 64 actions will be extended in the course of time.

First Choice Bank

– Second CS Transformation

Initiative to make banking easier

- » A wide range of actions and activities has been identified to enable Česká spořitelna to become the Czech Republic's most respected and dynamic bank
- » Corporate culture effort has been launched to develop more professional and more confident staff.

Seven building blocks

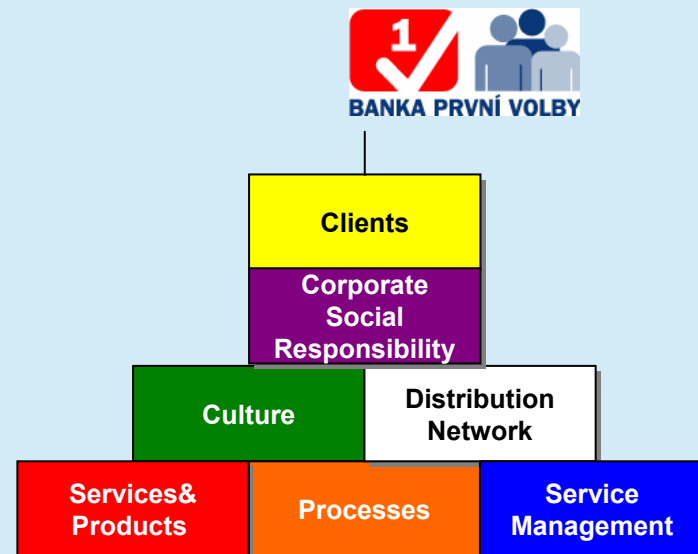
- » Each of them comprising a number of steps/actions targeted to improve product offering, service quality and corporate culture.

Investments at normal levels (06-08)

- » Branch renovations CZK 1.50 – 1.75 bn
- » Community grants CZK 0.15 – 0.30 bn
- » Training CZK 0.30 – 0.50 bn
- » IT & projects CZK 5.40 – 6.60 bn

Positive financial impact in 2007

- » Annual net profit growth 15% instead of 10%
- » Revenues: 3% above normal growth
- » Expenses: 1% above normal growth



GOAL		Current	Date
1m	Credit cards	483,000	4Q/08
140,000	Mortgages*	120,000	4Q/08
1.3 m	SERVIS 24 unique Users	1.1 m	2Q/08
100 new per year	ATMs	1,090	4Q/08
6,500	SME Clients	5,000	4Q/08
250,000	Micro Business Clients	170,000	3Q/08
2.5	Cross-sell	2.4	4Q/08

*Including building society

Milestones Achieved in 1Q 2007

- ✓ 75 client quality specialists at the largest branches
- ✓ First Round of Town Hall Meetings completed
- ✓ Instrument for setting up portfolios for small investors in Service 24
- ✓ Mail delivery of debit cards (customer choice)
- ✓ Limit on potential loss from card theft of CZK 4,500
- ✓ Simplified and comprehensible list of rates for clients
- ✓ Expansion of Business 24 services for Micro Businesses and SMEs
- ✓ Regular publication of client satisfaction index
- ✓ Regular measuring of employee satisfaction

Milestones (next three months)

Q2 2007

- ✓ Annual Ombudsman Report
- ✓ Important telephone numbers available in all branches
- ✓ 3 private banking centres (Prague, Brno, Ostrava)
- ✓ Real estate funds for small investors

Future 2007 Deliverables

- Better maintenance of branch offices to ensure maximum comfort and service for clients
- Renovation of 100 branches
- Independent debt advice centre
- Guide to financial services/banking for clients free of charge
- 100 new ATM machines annually (including replacements)
- Past bank statements in 3 days (passbooks and universal savings account)

Appendix

Macroeconomic Environment in CR

- **Czech economy continues in strong growth pattern**
 - » Real GDP increased by 6.1% in 2006 (EU25 average at 2.6%; annual growth)
- **Central Bank 2W repo rate at 2.50% since 27 September 2006**
 - » CNB made first hike in 2006 in July (by 25 bps to 2.25%)
 - » 2W repo rate at 2.00% as of 31 March 2006
- **Inflation increased to 2.5% in 2006 from 1.9% (in 2005)**
 - » Measured as increase in average annual consumer price indices (CPI)
- **Share of current account balance of GDP reached -3.0% in 4Q 2006**
- **Unemployment at 7.3% in March 2007 (8.1% on average in 2006)**
- **Real wages grew by 4.6% in 4Q 2006**
- **Volume of housing loans to GDP at around 19% and consumer loans to GDP at 3% (2006)**

Macroeconomic Framework

YEARLY (average)	2001	2002	2003	2004	2005	2006E	2006	2007F	2008F	
							<i>last actual data</i>			
Demand and Supply										
GDP (real %)	2.5	1.9	3.6	4.2	6.1	6.1	4Q	5.8	4.2	4.8
Household consumption (real %)	2.3	2.2	6.0	2.6	2.8	4.6	4Q	5.4	5.5	2.5
Investments (real %)	6.5	5.2	0.5	4.8	1.3	7.3	4Q	7.6	5.7	3.6
Export (real %)	11.5	2.1	7.2	20.9	10.7	14.6	4Q	17.4	12.0	9.1
Import (real %)	13.2	5.0	7.9	18.1	5.0	14.2	4Q	18.1	9.8	8.7
Industry output (real %)	6.8	1.9	5.5	9.6	6.6	10.0	4Q	7.7	6.0	5.4
Retail (%)	4.4	3.0	4.9	2.4	4.0	6.4	4Q	6.6	6.4	3.5
State finance										
State balance (% GDP)	-2.8	-1.9	-4.2	-3.4	-1.9	-3.0	4Q	-3.0	-3.8	-3.5
State debt (% GDP)	14.7	16.1	19.1	21.3	23.3	25.0	4Q	25.0	27.4	29.4
Labor market										
Unemployment rate (%) ¹	(8,6)	(9,2)	(9,9)	9.4	8.9	8.1	4Q	7.3	7.5	7.2
Nominal wages (%)	8.7	7.3	6.6	6.7	5.5	6.5	4Q	6.2	5.7	5.7
Real wages (%)	3.8	5.4	6.5	3.8	3.5	3.8	4Q	4.6	3.1	2.3
External relations										
Trade balance (CZK bn)	-117	-71	-70	-26	39	47	4Q	8	72	59
Current account (CZK bn)	-124	-136	-161	-167	-63	-151	4Q	-54	-146	-156
Current account (% HDP)	-5.4	-5.6	-6.2	-5.2	-1.4	-4.0	4Q	-6.0	-3.5	-2.7
Prices										
CPI inflation (%)	4.7	1.8	0.1	2.8	1.9	2.5	4Q	1.5	2.5	3.3
PPI inflation (%)	3.0	-0.5	-0.3	5.7	3.0	1.6	4Q	2.2	1.4	2.5
Monetary conditions										
CZK/EUR	34.1	30.8	31.9	31.9	29.8	28.4	4Q	28.1	27.6	26.7
CZK/USD	38.0	32.7	28.2	25.7	24.0	22.6	4Q	21.8	20.4	21.1
2W repo rate (%)	5.1	3.6	2.3	2.2	2.0	2.2	4Q	2.5	2.7	3.3
3M PRIBOR (%)	5.2	3.5	2.3	2.4	2.0	2.3	4Q	2.6	2.7	3.4
12M PRIBOR (%)	5.3	3.6	2.3	2.7	2.1	2.6	4Q	3.0	3.0	3.5

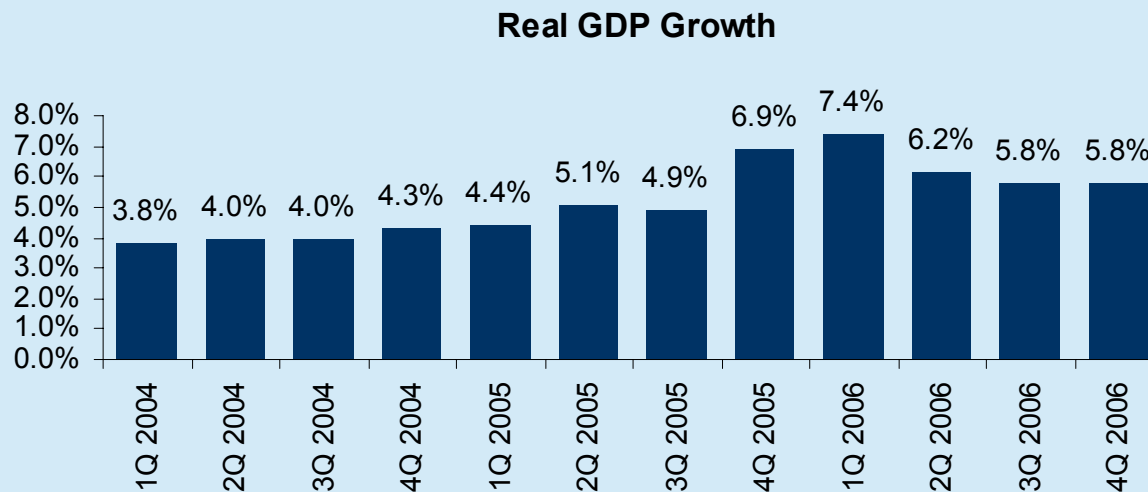
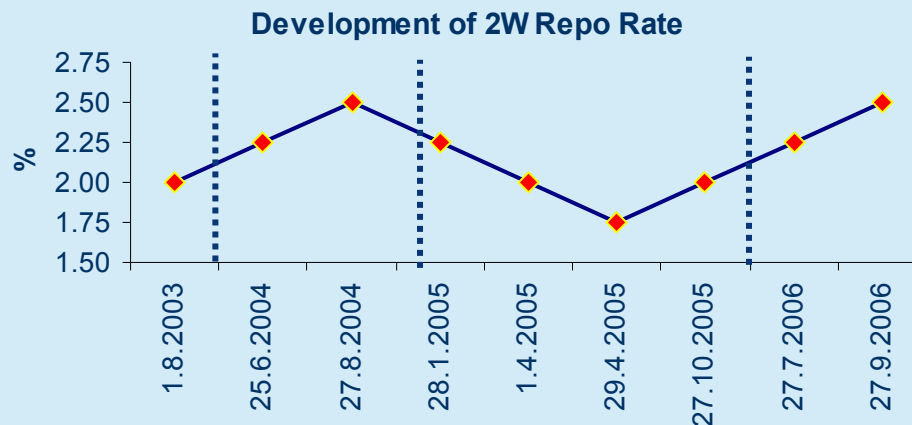
Notes:

Unless otherwise stated, the annual or quarterly averages are presented.

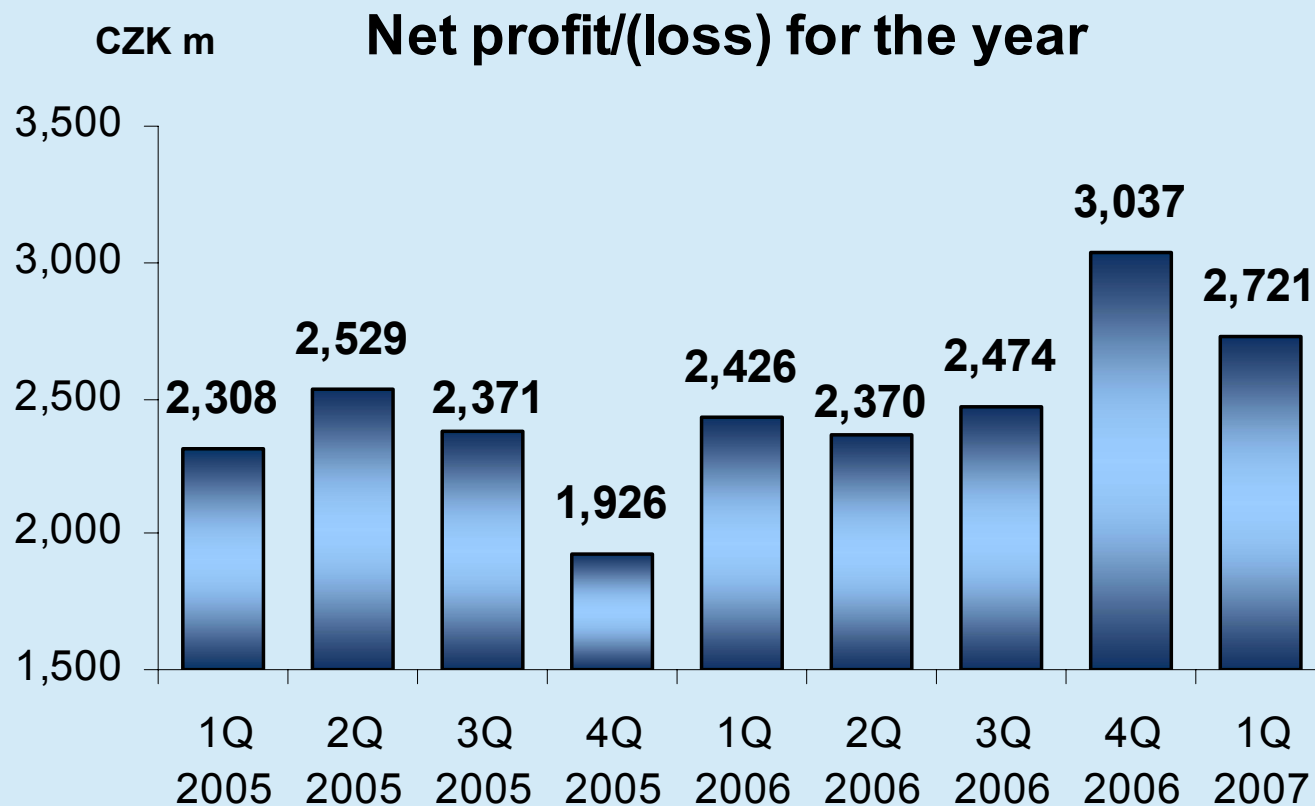
¹ The unemployment rate before 2004 is calculated using the registered unemployment rate, starting in 2004 using the ILO methodology.

Bold figures represent final data

2W Repo Rate and Real GDP Growth



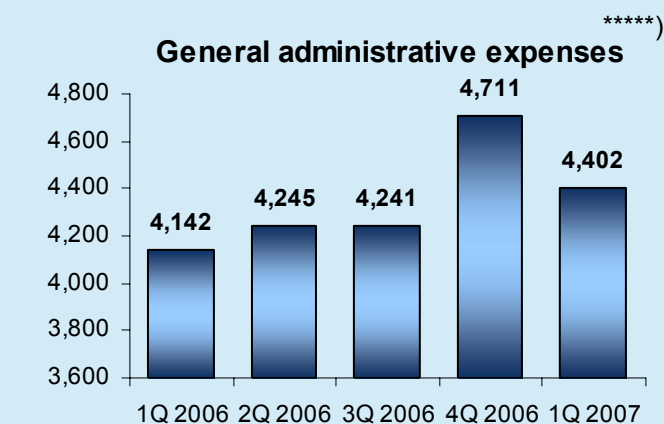
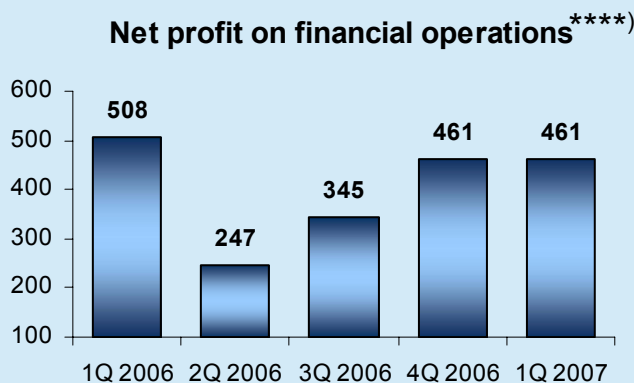
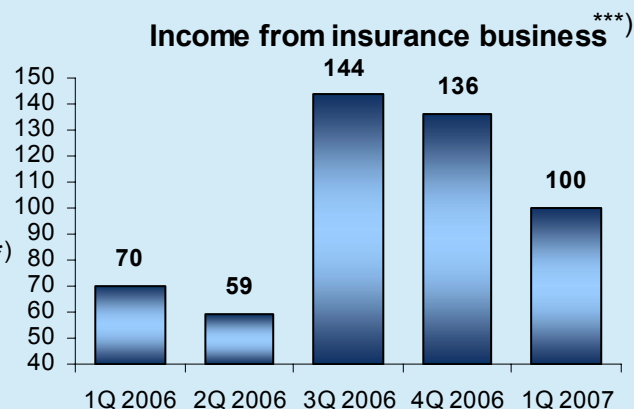
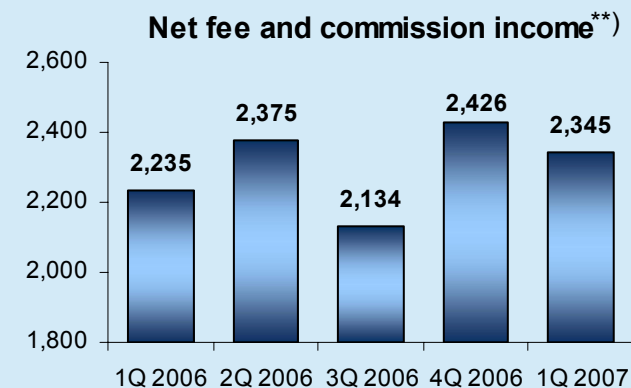
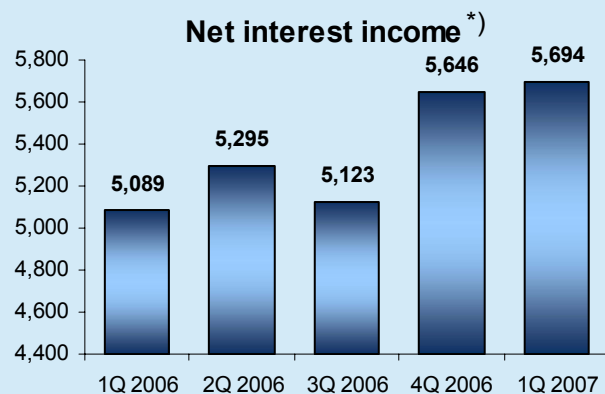
Quarterly Development of Net Profit



Group Profit & Loss Statement

Quarter on Quarter Development

in CZK m



^{*)} NII in 4Q06 and 1Q07 increased mainly due to higher interest rates, received dividends and income from lending & derivatives

^{**)} Development in 2Q and 4Q 2006 influenced by growing business with securities and seasonal fees from building society (esp. in 4Q)

^{***)} Insurance income rose extraordinary in 3-4Q 2006 due to excellent business and underwriting results and improved result from financial placement

^{****)} Drop in 2Q 2006 caused mainly by negative results from securities trading due to unsettled markets, especially in emerging economies

^{*****)} Main growth drivers in administrative expenses in 4Q 2006 were personnel expenses (bonuses) and expenses connected with CS and Group projects

Capital Adequacy

CNB Capital Adequacy

Parent Bank, CZK m	31/12/05	31/03/06	31/12/06	31/03/07
Tier I capital	27,260	32,707	32,331	37,102
Tier I + Tier II capital	28,176	33,617	35,956	40,630
Capital requirement A (to RWA)	24,489	25,993	28,952	30,521
Capital requirement B (to market risks)	1,426	1,412	2,121	2,093

Capital adequacy Tier I ratio	8.4%	9.5%	8.3%	9.1%
Capital adequacy Tier I+II ratio	8.7%	9.8%	9.3%	10.0%

BIS Capital Adequacy

CS Group, CZK m	31/12/05	31/03/06	31/12/06	31/03/07
Tier I Capital	43,312	41,383	44,888	47,778
Tier I+II Capital	45,429	43,435	49,625	52,415
Risk Weighted Assets	349,494	368,806	421,153	445,279
Capital requirement to market risks	1,426	1,412	2,184	2,093

Capital Adequacy Tier I ratio	11.8%	10.7%	10.0%	10.1%
Capital Adequacy Tier I+II ratio	12.4%	11.2%	11.1%	11.1%

Structure of Bank Loan Portfolio

in CZK m, unconsolidated, IFRS	31.12.2006		31.03.2007		1Q 2007 YTD		1Q 2007 YTY	
	Outstand.	Share	Outstand.	Share	Outstand.	Rate	Outstand.	Rate
I. CORPORATE & RETAIL (1+2)	290,972	98.1%	307,879	98.2%	16,907	5.8%	54,447	21.5%
1. CORPORATES	119,010	40.1%	126,786	40.5%	7,777	6.5%	10,833	9.3%
Large Corporates	49,337	16.6%	54,184	17.3%	4,847	9.8%	-2,321	-4.1%
Medium Corporates (SMEs)	40,141	13.5%	42,465	13.5%	2,325	5.8%	7,349	20.9%
Corp. Mortgage&Real Estate	18,891	6.4%	19,326	6.2%	435	2.3%	4,166	27.5%
Municipalities	10,641	3.6%	10,811	3.4%	170	1.6%	1,639	17.9%
2. RETAIL	171,962	58.0%	181,093	57.8%	9,131	5.3%	43,614	31.7%
Private Credit cards	2,509	0.8%	2,525	0.8%	16	0.6%	440	21.1%
Consumer lending	47,708	16.1%	48,885	15.6%	1,178	2.5%	8,245	20.3%
Private social	4,229	1.4%	4,050	1.3%	-179	-4.2%	-659	-14.0%
Private mortgages	80,147	27.0%	86,664	27.7%	6,517	8.1%	25,786	42.4%
Micro corporates (MSEs)	13,606	4.6%	14,304	4.6%	697	5.1%	2,943	25.9%
Commercial mortgages	16,650	5.6%	17,986	5.7%	1,336	8.0%	6,057	50.8%
Small municipalities	7,113	2.4%	6,678	2.1%	-434	-6.1%	803	13.7%
II. FINANCIAL MARKETS	5,526	1.9%	5,531	1.8%	5	0.1%	-12,114	-68.7%
LOANS TO CUSTOMERS	296,498	100.0%	313,410	100.0%	16,912	5.7%	42,333	15.6%

subtotals

RETAIL MORTGAGES	96,797	32.6%	104,650	33.4%	7,853	8.1%	31,844	43.7%
OVERALL MORTG.&REAL EST.	115,688	39.0%	123,976	39.6%	8,288	7.2%	36,009	40.9%
CONS. LENDING + CRED.CARDS	50,217	16.9%	51,410	16.4%	1,194	2.4%	8,685	20.3%

CS Market Shares Development

<i>According to CNB Statistics*</i>	31.12.2003	31.12.2004	31.12.2005	31.12.2006	31.3.2007	change
Total Assets **	21.4%	21.6%	22.2%	22.4%	22.9%	↑
Loans to Customers **	21.6%	22.7%	23.7%	22.7%	23.0%	↑
Interbank Loans	7.5%	11.0%	12.3%	11.2%	9.7%	↘
Primary Deposits **	25.5%	25.4%	24.8%	25.1%	26.2%	↑
Retail Deposits **	33.4%	32.8%	32.6%	32.7%	32.7%	
Retail Loans **	30.9%	31.8%	32.1%	31.6%	31.7%	↑
Mortgages	30.1%	33.7%	34.6%	35.0%	35.1%	↑
Retail Mortgages	29.1%	32.2%	31.5%	32.5%	32.7%	↑
Assets under Management in Funds Total	34.3%	37.4%	35.7%	33.4%	33.5%	↑
ATM (#)	40.0%	37.9%	37.2%	35.2%	35.2% ***	
Payment Cards (#)	40.4%	40.2%	41.8%	41.3%	41.3% ***	

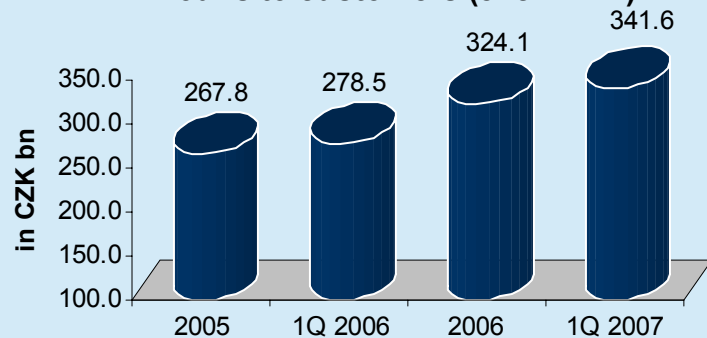
* Excluding non-bank financial service providers, e.g., Cetelem, Provident Financial, etc.

** Change in calculation - building savings assets, deposits and loans are now included in relevant item

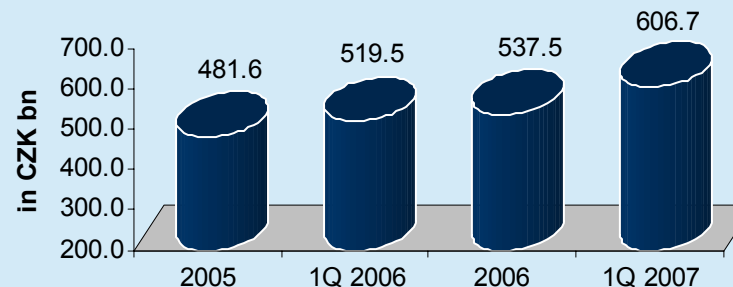
*** Data as of 31.12.2006

Business Indicators

Loans to customers (excl. CKA)

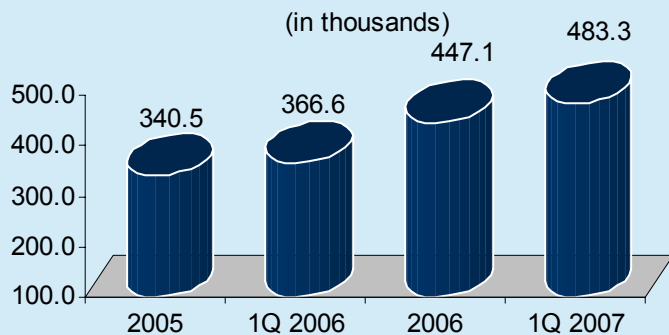


Amounts owed to customers

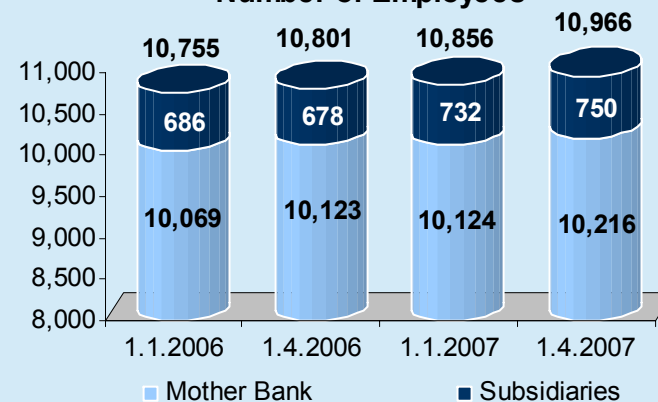


Number of Issued Credit Cards

(in thousands)



Number of Employees



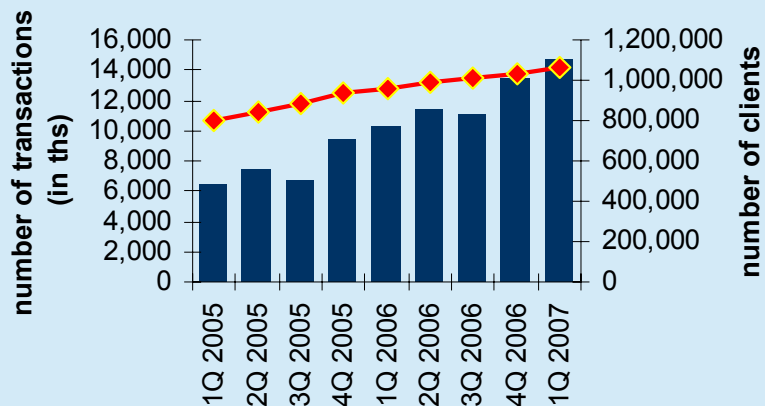
Remote Distribution Channels

No. of clients*	31.12.2004	31.12.2005	31.12.2006	31.3.2007
Homebanking	19,446	16,716	11,708	8,533
Servis 24 - Telephone, Internet and GSM banking; Business 24**	765,280	932,168	1,033,198	1,061,887
Total	784,726	948,884	1,044,906	1,070,420

*Clients who have S24 Telebanking, S24 Internet banking and S24 GSM services are counted only once

** Since 2007 new methodology, contain number of active users, historic data restated

**Development in Servis 24 and Business 24
(Telephone & Internet banking & GSM)**

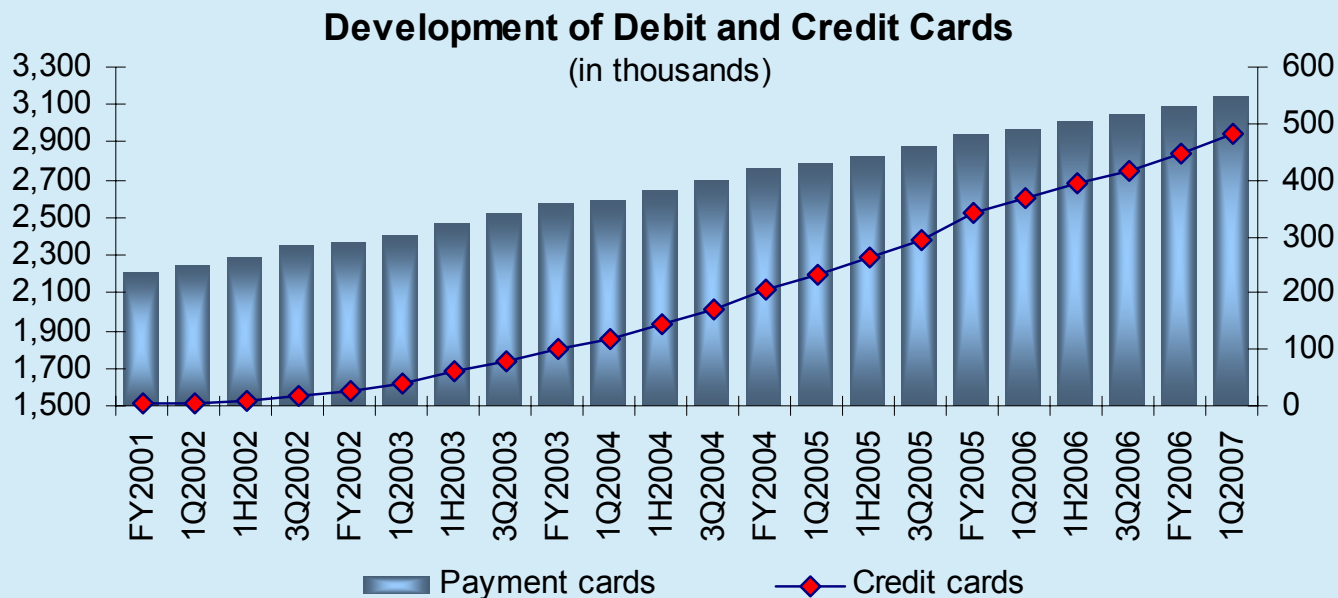


- Number of remote distribution channels' users up by 2.8 % (YTD)
- Servis 24 and Business 24 acquired almost 29 thousand new clients in 1Q 2007
- Number of transactions via Servis 24 and Business 24 grew by 44.1% in 1Q 2007 compared to 1Q 2006

Payment Cards

	2001	2002	2003	2004	2005	2006	1Q 2007
Debit cards	2,205,480	2,335,600	2,475,397	2,553,922	2,601,333	2,648,525	2,652,795
Credit cards	5,387	28,051	101,155	204,585	340,510	447,089	483,258
Total payment cards	2,210,867	2,363,651	2,576,552	2,758,507	2,941,843	3,095,614	3,136,053

*) In May 2000 database was cleaned in order to eliminate unused credit cards



Net Profit of Selected Subsidiaries

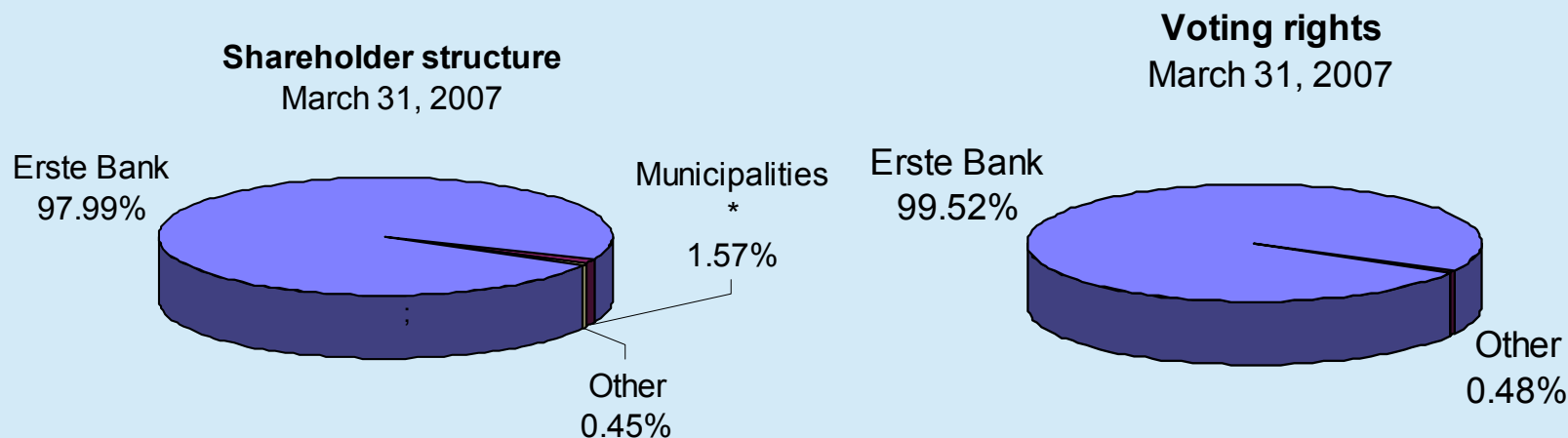
<i>IFRS, CZK m</i>	1Q 2006	1Q 2007	% Change
Stavební spořitelna CS - Building Society	142	215	51.4
Investiční společnost CS - Investment Company	31	27	-12.9
Leasing CS and S-Autoleasing - Leasing	12	9	-25.0
Penzijní fond CS - Pension Fund*	162	190	17.3
Pojišťovna CS - Insurance Company	55	76	38.2
Factoring CS - Factoring	6	6	0.0

Note: Does not take into consideration fees paid to Bank by subsidiaries for services rendered.

* According to the Supplementary Pension Insurance Act, a minimum 85% of net profit must be distributed among clients

- **Net profit of Investicni spolecnost CS decreased by 12.9% due to higher operating expenses in 1Q 2007**
- **Decrease in net profit of CS Leasing companies was mainly attributed to drop in NII caused by lower leasing margins due to relatively high proportion of corporate leasing**

Shareholder Structure

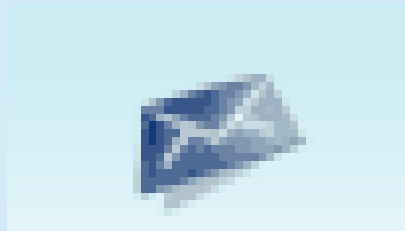


* includes also other entities

Development of % share of Erste Bank in Ceska sporitelna

date	15.8.2000	31.12.2000	31.12.2002	31.12.2003	31.12.2005	31.03.2007
Total EB share	52.1%	52.6%	93.6%	98.0%	98.0%	98.0%

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