

Ceska Sporitelna

1H 2003 IFRS Consolidated Results (Unaudited)

August 20, 2003

Outline

- **Summary** 3
- **1H 2003 Financial Results** 4
- **CS Loan Portfolio** 19
- **Appendix** 30

Summary

- **Net profit in 1H 2003 increased to CZK 3,385 m (i. e., by 13.0% from 1H 2002), largely driven by growth in net fee and commission income, release of general provisions and income from insurance business**
- **Net interest income adversely affected by low interest rate environment and the loss of anonymous passbooks**
- **ROE reached 22.6%; C/I ratio at 62.0%**
- **Retail mortgage loans increased by 20.3% to CZK 20.8 bn from YE2002**
- **Number of clients using Servis 24 (Telebanking & Internetbanking) rose by 34% to 523 thousands from YE2002**
- **CS well on track to meet its 2003 financial targets – net profit growth of 15-20%, ROE > 20% and C/I ratio between 60 to 62%**

1H 2003 IFRS Unaudited Consolidated Results

IFRS – International Financial Reporting Standards

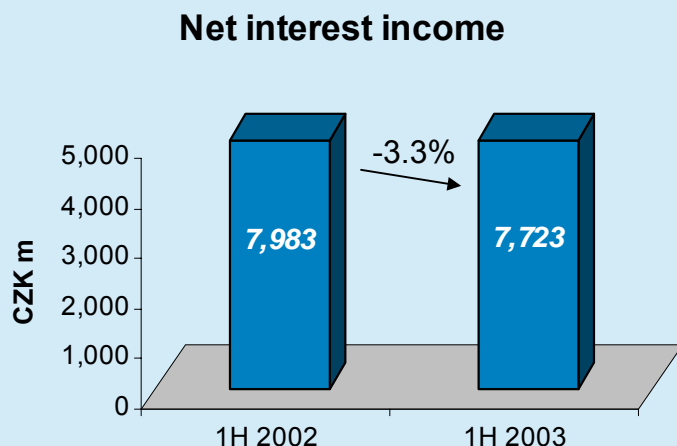
1H 2003 Group Profit & Loss Highlights

- **Operating Profit decreased by 3.9% in y-o-y comparison to CZK 4,594 m mainly due to interest rate cuts and the adverse impact on deposit NII**
- **Net Profit rose by 13.0% to CZK 3,385 m compared with 1H 2002**
- **ROE reached 22.6% (21.4% in 2002); ROA 1.3% (1.1 % in 2002)**
- **Net Interest Income decreased by 3.3% to CZK 7,723 m**
- **Net Fee and Commission Income grew by 13.9% to CZK 3,753 m**
- **General Administrative Expenses increased by 3.9% to CZK 7,504 m**
- **Cost/Income ratio at 62.0% (62.6% in 2002)**

Group Profit & Loss Statement

IFRS, Consolidated, CZK m	1H 2002	1H 2003	% Change
Net interest income	7,983	7,723	-3.3
Provisions on losses on loans and advances	-157	559	n/a
Net fee and commission income	3,296	3,753	13.9
Net profit/(loss) on financial operations	671	505	-24.7
General administrative expenses	-7,223	-7,504	3.9
Income from insurance business	54	117	116.7
Other operating income/(expenses)	-439	-153	n/a
Profit/(loss) before taxes	4,185	5,000	19.5
Income tax expense	-1,121	-1,532	36.7
Profit/(loss) after taxes	3,064	3,468	13.2
Minority interests	-69	-83	20.3
Net profit/(loss) for the year	2,995	3,385	13.0

Net Interest Income



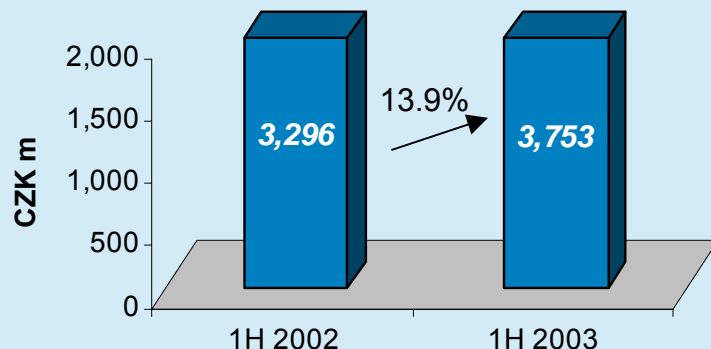
IFRS, Consolidated, CZK m	1H 2002	1H 2003	% Change
Interest income	13,419	11,564	-13.8
- from loans and advances to financial institutions	3,439	1,947	-43.4
- from loans and advances to customers	6,306	6,119	-3.0
- from debt securities and other fixed income securities	3,485	3,212	-7.8
- other interest income	189	286	51.3
Interest expense	-5,436	-3,841	-29.3
- from amounts owed to financial institutions	-548	-530	-3.3
- from amounts owed to customers	-4,432	-2,827	-36.2
- from bonds in issue	-158	-42	-73.4
- other interest expense	-298	-442	48.3

Main Drivers:

- Influence of lower interest rates (average repo rate down by 165 bps to 2.53%) in y-o-y comparison (estimated negative effect CZK 700 m) was offset to large extent by higher volumes of client deposits and loans
- Lower compensation for social loans in connection with their decline of CZK 1.5 bn in comparison with the first half of 2002 (negative impact of CZK 119 m)
- Anonymous passbooks conversion – outflow of deposits outside the CS Group and transfer to higher interest-bearing products within CS Group (negative influence approx. CZK 350 m)
- Non-interest bearing balances on anonymous passbooks (positive impact of approx. CZK 80 m)

Net Fee and Commission Income

Net fee and commission income



IFRS, Consolidated, CZK m	1H 2002	1H 2003	% Change
Fee and commission income	3,578	3,988	11.5
- from lending business	795	681	-14.3
- from payment transactions *	2,147	2,338	8.9
- from security business	192	253	31.8
- other	444	716	61.3
Fee and commission expense	-282	-236	-16.5
- from lending business	-3	-7	n/a
- from payment transactions	-70	-40	-42.9
- from security business	-8	-2	-75.0
- other	-201	-187	-7.2

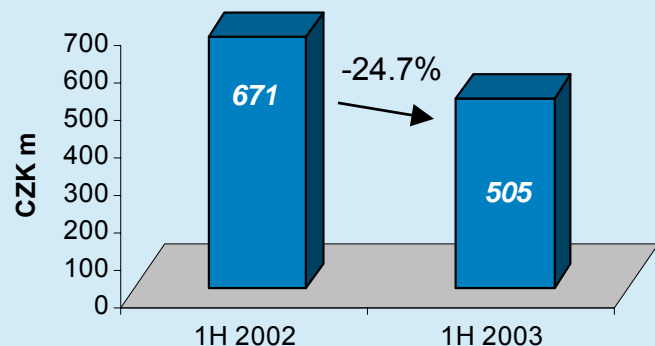
Main Drivers:

- Increased volume of payment transactions (positive impact of approx. CZK 140 m) and price changes in January 2003 (positive impact of approx. CZK 260 m)
- Increase of fees from security business caused mainly by increase of assets managed by daughter company IS CS by 51% compared to 1H 2002
- Higher fees collected by subsidiaries (mainly by building society)
- Lower fees from lending business because of total put option execution – missing incentive fees from ring-fenced assets in 1H 2003 (CZK 92 m)

* Figure for 1H 2002 is overstated by approx. CZK 207 m of fees from building society which are in 1H 2003 included in other fees. When adjusted for this influence the fees from payment transactions would increase by CZK 400 m, i.e. 20.5% (and increase of other fees would be 10% only)

Net Trading Result

Net profit on financial operations



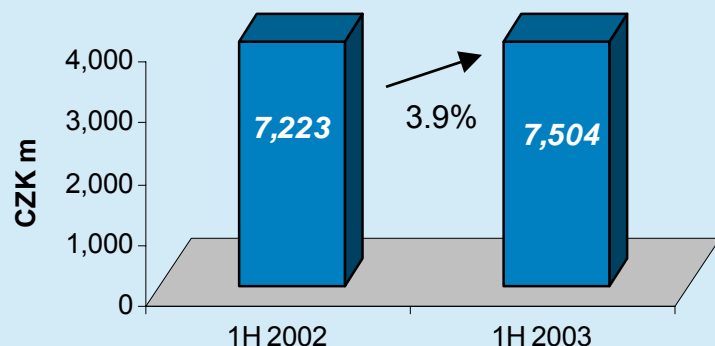
Main Drivers:

- Volatility at the capital markets
- Decrease of FX gains caused by exceptionally positive results in 1H 2002 and by methodological change in accounting for translation differences in securities portfolio of CS Pension Fund (before they were included in other operating result, currently in net trading result – negative impact of CZK 84 m)

IFRS, Consolidated, CZK m	1H 2002	1H 2003	% Change
Realised and unrealised profit on securities trading	115	222	93.0
Derivative instruments	41	-102	n/a
FX gains	523	366	-30.0
Other	-8	19	n/a

General Administrative Expenses

General administrative expenses



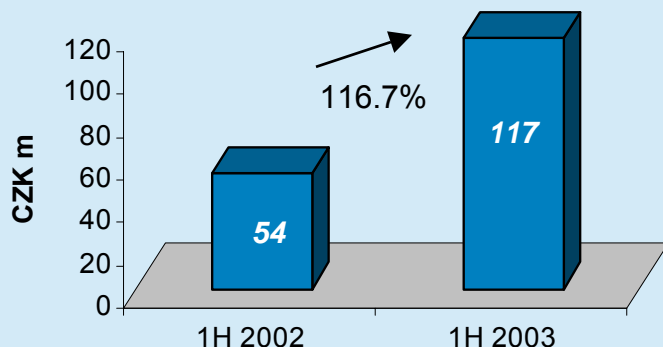
Main Drivers:

- Increase of base salaries on average by 9.6% plus related additional social and health insurance payments plus increased performance related bonuses together with stable staff number
- Continued expense management causing significant reduction in other administrative expenses, mainly in areas of electronic data processing, marketing and office space expenses
- 1H 2002 other administrative expenses were overvalued by accruals for sponsorship in amount of CZK 140 m which should be included in other operating result (taking this into account other administrative expenses would decrease only by 8.4%) (see slide 12)
- Higher depreciation as a result of needed investment activities in prior years

IFRS, Consolidated, CZK m	1H 2002	1H 2003	% Change
Personnel expenses	2,717	3,158	16.2
Other administrative expenses	3,270	2,866	-12.4
Depreciation	1,236	1,480	19.7

Income from Insurance Business

Income from insurance business



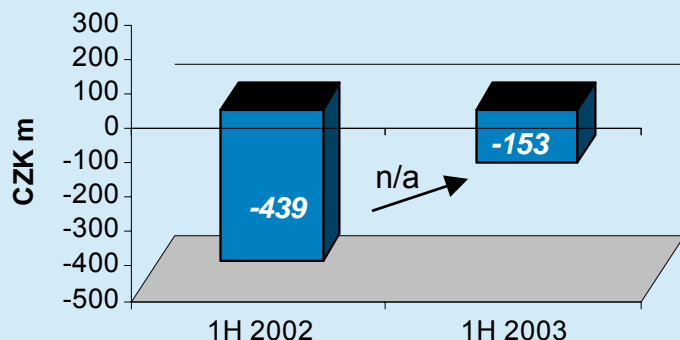
Main Drivers:

- Lower-than-expected sales dynamics in life insurance partly offset by non-life insurance products
- Number of new non-life insurance contracts increased by 14% compared with 1H 2002 mainly driven by insurance of corporate property
- Insurance company of CS is currently number 6 at life insurance market with market share of 7.4% and number 5 at non-life insurance market with market share of 5.5%

IFRS, Consolidated, CZK m	1H 2002	1H 2003	% Change
Net interest income	102	219	114.7%
Provisions on losses on loans and advances	-24	-13	-45.8%
Net fee and commission income	-12	-18	50.0%
Net trading result	0	-108	n/a
General administrative expenses	-318	-369	16.0%
Other operating income/(expenses)	306	406	32.7%
Profit before taxes	54	117	116.7%
Income tax expense	0	-41	n/a
Net profit for the year	54	76	40.7%

Other Operating Result

Other operating income/(expenses)



Main Drivers:

- Positive development of market evaluation of AFS securities in connection with decrease of interest rates
- Higher contribution into Deposit Insurance Fund connected with growing amount of client deposits
- Other expenses in 1H 2002 should be increased by CZK 140 m of accruals for sponsorship which were included in other administrative expenses (see slide 10)

IFRS, Consolidated, CZK m	1H 2002	1H 2003	% Change
Other operating income	201	416	107.0
- other income	201	416	107.0
Other operating expenses	-519	-897	72.8
- Deposit Insurance Fund contribution	-189	-196	3.7
- other expenses	-330	-701	112.4
Income/(expenses) from AFS securities	-121	328	n/a

1H 2003 Group Balance Sheet Highlights

- Total assets increased by 7.3% YTD to CZK 557.4 bn
- Gross loans to clients (exl. CKA) rose by 4.6% from 31/12/2002 to CZK 157.8 bn
- Amounts owed to customers grew by 7.6% to CZK 433.8 bn, total client funds under CS Group management rose by 8.6% to CZK 481.0 bn
- Balance of deposits on anonymous passbooks at the end of 1H 2003 was CZK 11.1 bn
- Increase of issued bonds by 61.1% YTD to CZK 11.5 bn in connection with mortgage bond issue
- Group capital adequacy according to BIS reached 15.8 %

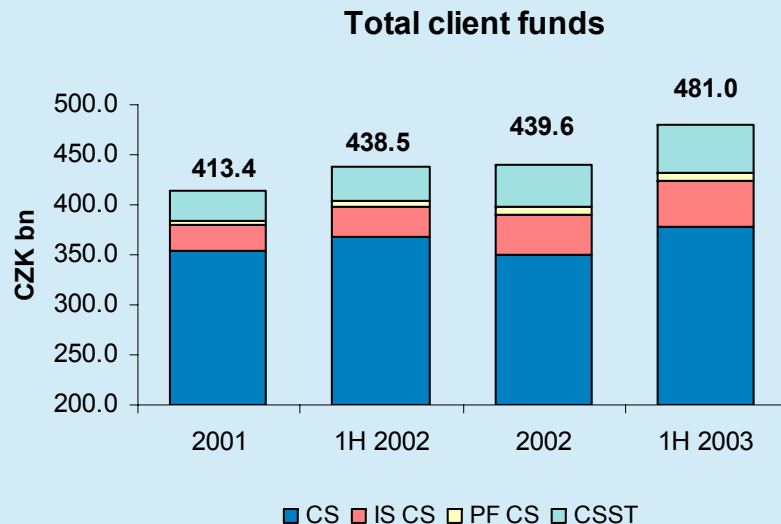
Group Balance Sheet (1/2)

IFRS, Consolidated, CZK m	31/12/02	30/6/03	% Change
Total Assets	519,691	557,431	7.3
Cash and balances with the ČNB	22,261	19,033	-14.5
Loans and advances to financial institutions	128,782	147,837	14.8
Loans to Czech Consolidation Agency	38,264	37,994	-0.7
Loans and advances to customers	150,899	157,769	4.6
Provision for losses on loans and advances	-18,895	-17,798	-5.8
Trading securities	22,903	44,109	92.6
Securities available for sale	32,507	24,453	-24.8
Investment securities	102,641	105,033	2.3
- treasury bills and listed debts securities	91,140	97,274	6.7
- other	11,501	7,759	-32.5
Other assets	40,329	39,001	-3.3

Group Balance Sheet (2/2)

IFRS, Consolidated, CZK m	31/12/02	30/6/03	% Change
Total Liabilities and Shareholders' Equity	519,691	557,431	7.3
Amounts owed to financial institutions	31,858	28,338	-11.0
Amounts owed to customers	403,035	433,839	7.6
Bonds in issue	7,143	11,509	61.1
Subordinated debt	5,500	5,500	0.0
Other liabilities	41,193	46,851	13.7
Minority interests	1,131	1,217	7.6
Shareholders' equity	29,831	30,177	1.2

Total Client Funds under CS Group Management



Main Drivers:

- Increase of total client funds under management by 8.6% YTD (9.7% y-o-y)
- Asset management company (IS CS) recorded the highest increase of client funds under management, i.e. 16% YTD (51% y-o-y)
- Positive result can be seen also in case of building society (CSST) – increase of client funds by 7% YTD (38% y-o-y)
- Change in structure of client funds in favour of daughter companies in the second half of 2002 connected with increasing client demand for higher yielding investments and anonymous passbooks conversion

IFRS, in CZK bn	2001	1H 2002	2002	1H 2003
CS - parent bank	354.4	367.1	350.8	378.5
IS CS - asset management company	24.7	30.6	39.7	46.1
PF CS - pension fund	5.0	5.9	7.0	8.0
CSST - building society	29.3	34.9	42.1	48.4
Total	413.4	438.5	439.6	481.0

Capital Adequacy

CNB Capital Adequacy

Parent Bank, CZK m	31/12/00	31/12/01	31/12/02	30/6/03
Tier I capital	15,447	20,184	22,583	22,091
Tier I + Tier II capital	21,298	26,244	25,506	28,733
Capital requirement A (to RWA)	11,713	12,641	14,112	14,345
Capital requirement B (to market risks)	1,542	1,302	1,481	2,326

Capital adequacy Tier I ratio	9.3%	11.6%	11.6%	10.6%
Capital adequacy Tier I+II ratio	12.9%	15.1%	13.1%	13.8%

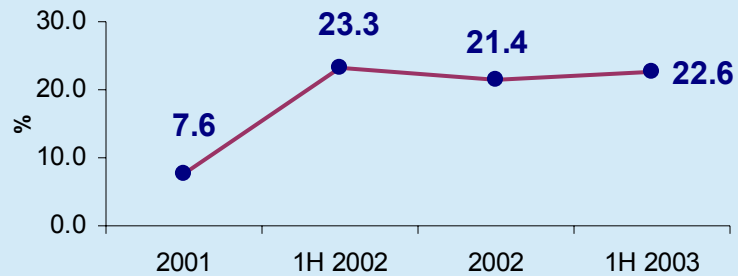
BIS Capital Adequacy

CS Group, CZK m	31/12/00	31/12/01	31/12/02	30/6/03
Tier I Capital	23,678	25,525	30,947	31,381
Tier I+II Capital	29,761	31,650	36,447	36,881
Risk Weighted Assets	166,450	175,782	201,813	202,963
Capital requirement to market risks	1,542	1,302	1,481	2,326

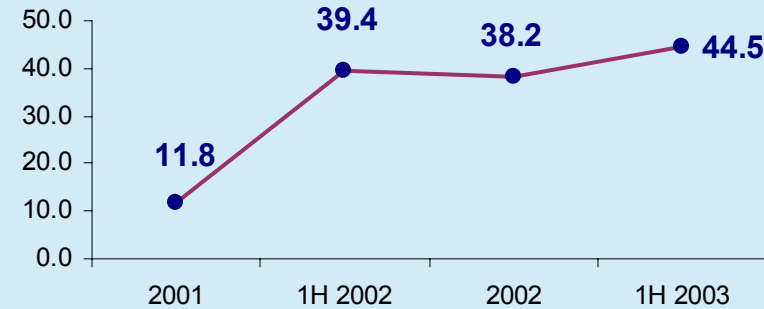
Capital adequacy Tier I ratio	12.7%	13.3%	14.0%	13.5%
Capital adequacy Tier I+II ratio	16.0%	16.5%	16.5%	15.8%

Financial Ratios Development

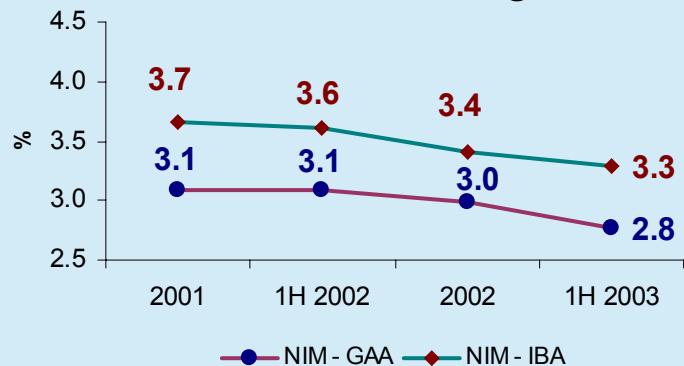
ROE



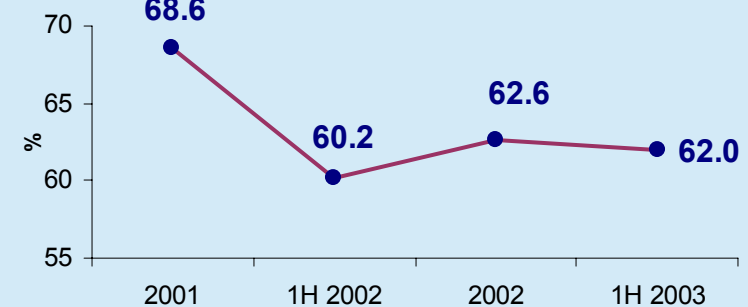
Earnings per Share



Net Interest Margin



Cost / Income Ratio



GAA = Gross average assets
IBA = Average interest bearing assets

CS Loan Portfolio

1H 2003

Unconsolidated (IFRS)

Portfolio Highlights 1H 2003

➤ Portfolio growth

⇒ Loan growth accelerated in 2Q compared to 1Q

- Overall + CZK 6.5 bn (+ 3.8%) YTD / + CZK 1.5 bn (+ 0.9%) YTD in 1Q

- Good bank + CZK 7.7 bn YTD (+ 12.3% p.a.) / + CZK 1.5 bn (+ 1.2%) in 1Q

⇒ Key drivers

- Corporates + CZK 5.1 bn (+ 7.7%) YTD

- Retail mortgage + CZK 3.5 bn (+ 20.3%) YTD

➤ Portfolio quality continues to improve

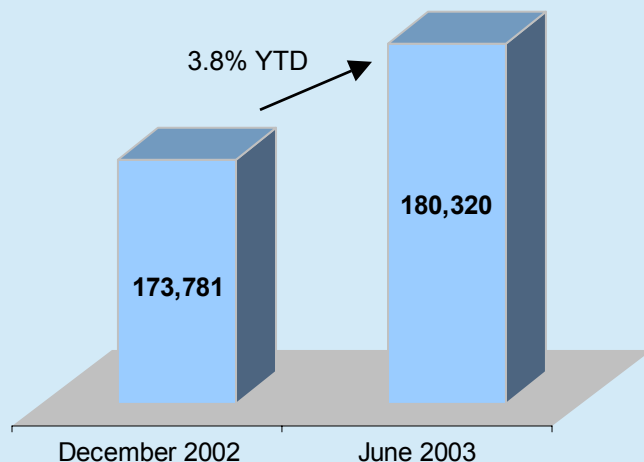
⇒ Share of classified loans decreased to 11.1% (14.6% at YE2002)

⇒ Share of high risk loans decreased to 8.4% (9.5% at YE2002)

➤ Bad bank sale will be seen in 3Q figures

Structure and Development of Loan Portfolio (YTD)

Overall portfolio increased + CZK 6.5 bn YTD



- + CZK 5.1 bn YTD growth of Corporate portfolio
- + CZK 2.6 bn YTD growth of Retail portfolio
 - ⇒ + CZK 3.5 bn YTD Retail mortgage (Private individuals + Micro corporate)
 - ⇒ - CZK 0.8 bn YTD slowed down by social loans
- - CZK 0.9 bn YTD decrease of Bad bank

	31.12.2002		30.6.2003		Growth Rate	
	CZK m	%	CZK m	%	CZK m	YTD
Good bank	125,354	72.1%	133,049	73.8%	7,694	6.1%
Corporate	65,847	37.9%	70,934	39.3%	5,087	7.7%
Retail	59,508	34.2%	62,115	34.4%	2,607	4.4%
CKA	38,264	22.0%	37,994	21.1%	-270	-0.7%
Bad Bank	10,163	5.8%	9,277	5.1%	-886	-8.7%
Total (GB + CKA + BB)	173,781	100.0%	180,320	100.0%	6,539	3.8%

Structure and Development of Loan Portfolio (YTY)

	30.06.2002		30.06.2003		YTY Growth Rate	
	CZK m	%	CZK m	%	CZK m	in %
Good bank	116,752	69.4%	133,049	73.8%	16,297	14.0%
- Large Corporates	38,888	23.1%	40,547	22.5%	1,659	4.3%
- SMEs	24,828	14.8%	27,209	15.1%	2,381	9.6%
- Municipals	6,533	3.9%	6,972	3.9%	439	6.7%
- Mortgages	16,194	9.6%	26,449	14.7%	10,255	63.3%
- Private individuals	21,131	12.6%	24,241	13.4%	3,109	14.7%
- Social loans	9,178	5.5%	7,632	4.2%	-1,546	-16.8%
CKA	35,459	21.1%	37,994	21.1%	2,536	7.2%
Bad Bank	15,930	9.5%	9,277	5.1%	-6,653	-41.8%
Total (GB + CKA + BB)	168,140	100.0%	180,320	100.0%	12,180	7.2%

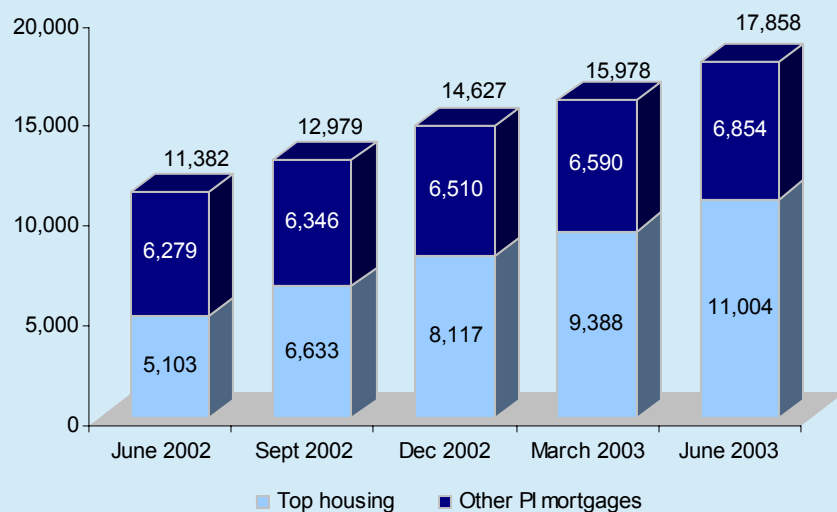
➤ YTY growth of Good bank portfolio + CZK 16.3 bn driven by

- ⇒ Mortgage loans + CZK 10.3 bn
- ⇒ Private individuals + CZK 3.1 bn
- ⇒ SMEs + CZK 2.4 bn

Retail Mortgage – Private Individuals

PI mortgages + CZK 3.2 bn (+ 22.1%) YTD

PI mortgage development (outstanding in CZK m)



in CZK m	31.12.2002		30.6.2003	
	Exposure	Share	Exposure	Share
Total	14,627	100.0%	17,858	100.0%
Classified loans (CNB 2 - 5)	267	1.8%	209	1.2%
High risk loans (CNB 3 - 5)	117	0.8%	132	0.7%

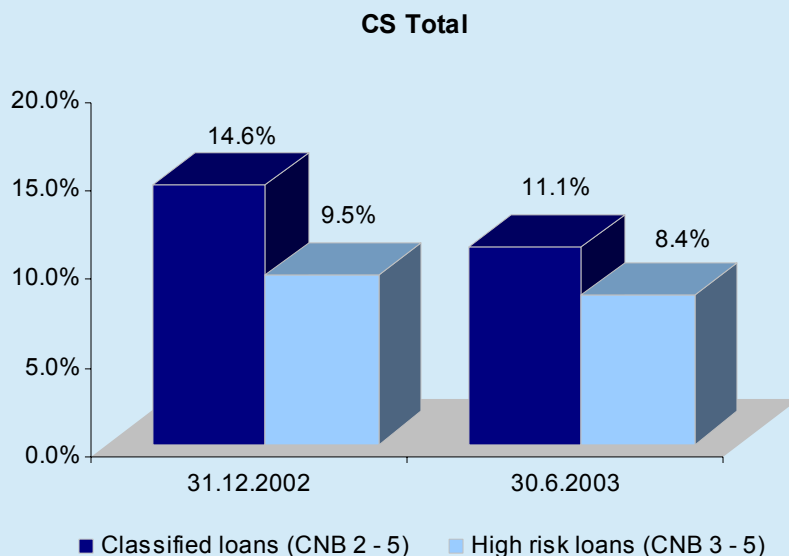
- **Key product TOP housing**
 - ⇒ YTD growth + CZK 2.9 bn (+ 35.6%)
 - ⇒ Share in PI mortgage portfolio increased from 58.8% (YE2002) to 61.6%
- **Market share of PI mortgages* 27.7% (27.5% YE2002)**
- **Purpose**
 - ⇒ 46% purchase (43% YE2002)
 - ⇒ 41% building (43% YE2002)
 - ⇒ 13% reconstruction (14% YE2002)
- **Portfolio quality stable**
 - ⇒ Classified loans improved
 - ⇒ High risk stable
- **Average residual maturity 13.8Y (without YTD changes)**

*Source: Ministerstvo pro místní rozvoj (Ministry of Regional Development)

Loan Portfolio Quality

CS Total Portfolio

Portfolio quality continues to improve



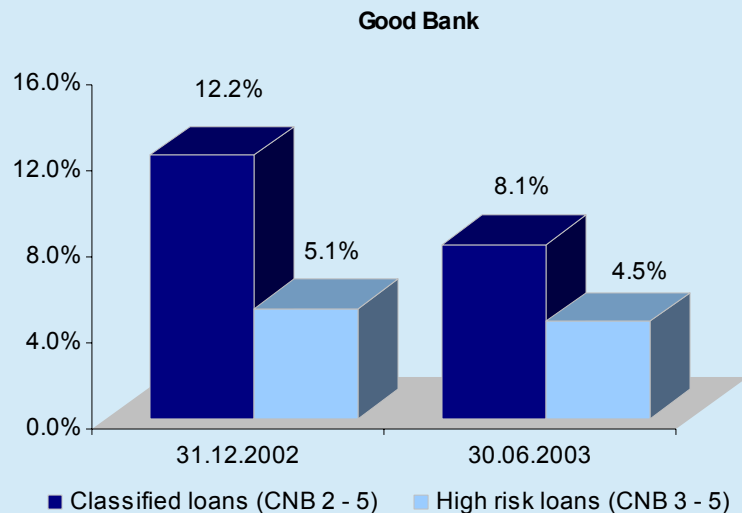
- Quality of ČS total influenced by changes both in Good bank and Bad bank (Ring fenced assets)
- Classified loans decreased - CZK 5.4 bn YTD
 - ⇒ Influenced mainly by improvement of watched loans from YE2002 (CZK 2.3 bn refers to technical upgrade of state risk client in January 2003)
- High risk loans decreased - CZK 1.3 bn YTD
 - ⇒ Transfer of part of residual ring fenced assets into CKA
 - ⇒ Successful cash recoveries of high risk outstandings

in CZK m	31.12.2002		30.6.2003	
	Exposure	Share	Exposure	Share
CS total	173,781	100.0%	180,320	100.0%
Classified loans (CNB 2 - 5)	25,426	14.6%	20,000	11.1%
High risk loans (CNB 3 - 5)	16,519	9.5%	15,225	8.4%

Loan Portfolio Quality

Good Bank Portfolio

Quality improvement within portfolio growth



➤ **Classified loans decreased**
- CZK 4.5 bn YTD

⇒ Driven by improvement of watched loans from YE2002 (migration into CNB1 during 1H2003)

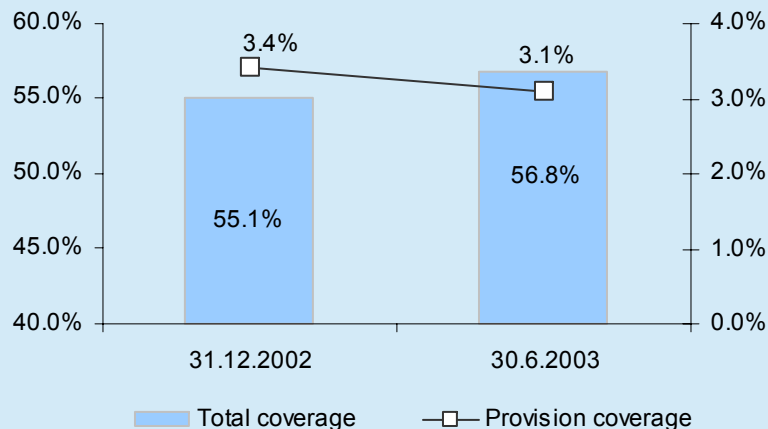
➤ **High risk loans decreased**
- CZK 0.4 bn YTD

⇒ Driven by cash recoveries of high risk loans

in CZK m	31.12.2002		30.6.2003	
	Exposure	Share	Exposure	Share
Good Bank total	125,354	100.0%	133,049	100.0%
Classified loans (CNB 2 - 5)	15,263	12.2%	10,724	8.1%
High risk loans (CNB 3 - 5)	6,356	5.1%	5,951	4.5%

Asset Protection of Good Bank

Coverage of classified and high risk loans strengthened



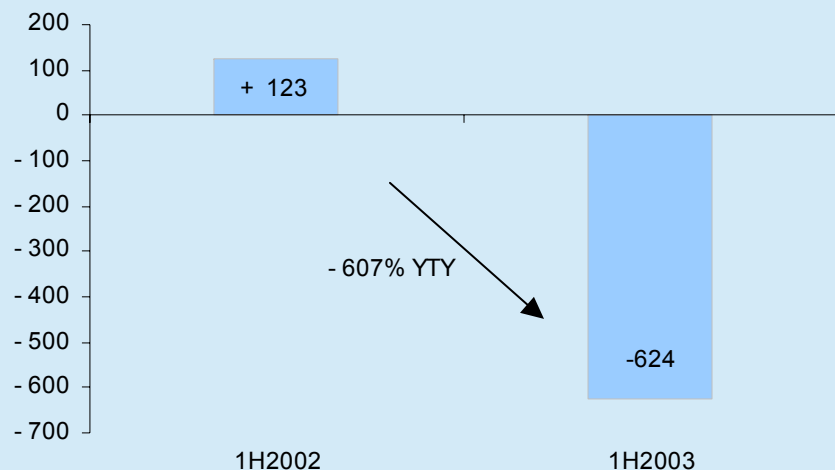
- **Total coverage (collateral + provisions) of portfolio strengthened up YTD from 55.1% to 56.8%**
- **Classified loans**
 - ⇒ Total coverage 101.6% (89.0% YE2002)
 - ⇒ Provision coverage 38.3% (27.6% YE2002)
- **High risk loans**
 - ⇒ Total coverage 123.9% (104.5% YE2002)
 - ⇒ Provision coverage 64.4% (61.8% YE2002)

		30.6.2003			
		Exposure	Collateral	Provisions*	Cover Ratio
Good Bank Total		133,049	71,441	4,112	3.1%
CNB Classification	Standard	122,325	64,661	0	0.0%
	Watch	4,773	3,239	280	5.9%
	Non Standard	2,508	1,695	721	28.8%
	Doubtful	987	549	657	66.6%
	Loss	2,457	1,297	2,455	99.9%
Classified loans		10,724	6,781	4,112	38.3%
High risk loans		5,951	3,542	3,833	64.4%

* specific provisions only

Provision Creation for Credit Risk

Reserves and provision creation in CZK m, IFRS



➤ Provision release of - CZK 624 m YTD (CS only) significantly influenced by recoveries and releases of General reserves:

⇒ SP Creation	+ CZK 810 m
⇒ SP Recoveries	- CZK 587 m
⇒ GR release	- CZK 837 m
⇒ IFRS correction	- CZK 9 m

TOTAL - CZK 624 m

Subsidiaries	+ CZK 64 m
Group	- CZK 559 m

Note: SP – specific provision
GR – general reserves

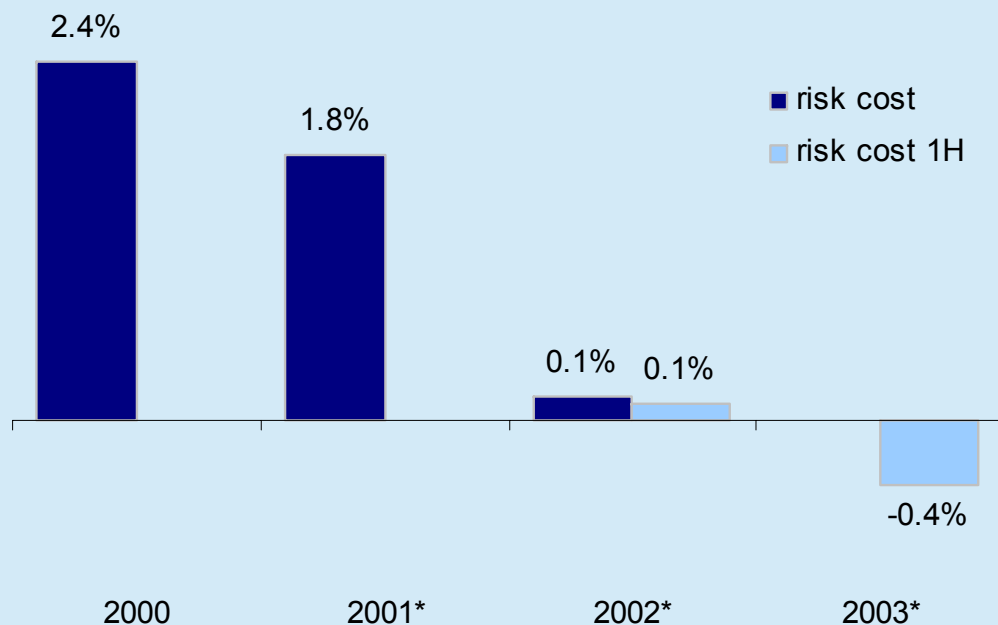
in CZK m, IFRS	Specific provisions	General reserves*	Reserves* and provisions
Balance 1.1.2003	12,491	6,054	18,545
+Creation	+ 810	- 837	- 27
-Recovery	- 587	0	- 587
-Use (write off)	- 315	- 100	- 415
+Adjustment	- 52	0	- 52
Balance 30.6.2003	12,346	5,117	17,463

*including reserves to guarantees (off balance) CZK 683 m as per 12/02 and 6/03
note: (+) creation, (-) release

Credit Risk Cost Development

CS Total

Risk cost development



* without CKA

➤ Risk costs of customer loan portfolio (without CKA) - 0.4% in 1H 2003

➤ Risk costs by segments

⇒ Corporate 0.0%

⇒ Retail + 0.2%

Bad Bank Sale Impact in Portfolio Structure

pro forma 30.6.2003

BBL pro forma

	31.12.2002		30.6.2003		30.6.2003	
	CZK m	%	CZK m	%	CZK m	%
Good bank	125,354	72.1%	133,049	73.8%	132,268	76.7%
Corporate total	65,847	37.9%	70,934	39.3%	70,780	41.1%
Retail total	59,508	34.2%	62,115	34.4%	61,488	35.7%
CKA	38,264	22.0%	37,994	21.1%	37,994	22.0%
Bad Bank	10,163	5.8%	9,277	5.1%	2,136	1.2%
Total (GB + CKA + BB)	173,781	100.0%	180,320	100.0%	172,398	100.0%

➤ **Bad bank sale CZK 12,190 m (as per 06/2003)**

- ⇒ CZK 7,922 m on balance
- ⇒ CZK 4,268 m off balance

➤ **Number of loans which are subject of sale is 20,817 (as per 06/2003)**

➤ **Bad bank sale (as per 06/2003) will influence structure of portfolio balance (CZK 7.9 bn) as follows:**

- ⇒ Bad bank - CZK 7.1 bn
- ⇒ Private individuals - CZK 0.6 bn
- ⇒ Corporates - CZK 0.2 bn

Appendix

Macroeconomic Framework

	1999	2000	2001	2002	2003f	2004f
Real GDP (growth y/y %)	0.5	3.3	3.1	2.0	2.5	3.5
Household Consumption (growth y/y %)	1.9	2.3	3.8	3.9	3.5	3.5
Fixed Capital Formation (growth y/y %)	-1.0	5.3	5.5	0.6	1.5	3.0
Nominal Wages (growth y/y %)	8.2	6.6	8.5	7.3	6.0	7.0
Retail sales (average growth y/y %)	3.0	4.7	4.3	2.7	4.0	3.5
Industrial production (average growth y/y %)	-3.1	5.1	6.8	4.9	6.0	5.5
CPI (year-end%)	2.5	4.0	4.1	0.6	2.5	2.7
Unemployment (year-end%)	9.4	8.8	8.9	9.8	10.5	9.0
Exports (USD bn)	26.3	29.1	33.4	38.2	43.3	50.0
Imports (USD bn)	28.2	32.2	36.4	40.5	46.1	52.6
Trade balance (% of GDP)	-3.4	-6.2	-5.4	-3.3	-3.6	-3.0
Foreign direct investment (USD bn; cum.)	16.9	21.8	27.5	35.9	38.9	42.9
Current account balance (% of GDP)	-2.7	-5.3	-5.7	-5.3	-5.5	-5.0
Govt. budget balance (% of GDP)	-1.6	-2.4	-3.1	-2.4	-5.7	-4.6
Central bank intervention rate (year-end)	5.3	5.3	4.8	2.8	2.5	3.5
Short term interest rate (3 months; average)	6.7	5.3	5.1	3.5	2.5	3.2
Long term interest rate (10 years; average)	7.8	7.0	6.4	4.9	4.3	4.8
Loc. Curr./USD average	35.1	38.6	38.0	32.7	29.2	28.0
Loc. Curr./USD year-end	35.8	38.7	35.6	30.4	27.6	27.7
Loc. Curr./EUR average	36.9	35.6	34.1	30.8	31.5	30.6
Loc. Curr./EUR year-end	36.2	34.9	31.7	31.5	30.6	29.7

Bold figures represent the final data.

CS Market Shares Development

according to CNB statistic	31.12.2001	31.12.2002	30.6.2003
Total Assets	18.6%	18.7%	20.2%
Loans to Customers	12.0%	18.4%	18.8%
Interbank Loans	11.5%	5.8%	8.3%
Primary Deposits	25.0%	20.2%	23.2%
Retail Deposits	32.5%	27.9%	28.4%
Retail Loans	31.7%	30.9%	28.9%
Mortgages	21.9%	27.6%	29.4%
Retail Mortgages	24.3%	29.0%	29.6%
ATM	50.0%	41.5%	42.2%
Payment Cards	47.4%	44.6%	41.7%

Structure of Loan Portfolio

	31.12.2002		30.6.2003		Growth Rate	
	CZK m	%	CZK m	%	CZK m	YTD
1. Good bank	125,354	72.1%	133,049	73.8%	7,694	6.1%
1.1 Corporate Total	65,847	37.9%	70,934	39.3%	5,087	7.7%
- Large Corporate	37,294	21.5%	40,547	22.5%	3,253	8.7%
- Medium Corporate	20,466	11.8%	21,591	12.0%	1,125	5.5%
- Municipals	3,241	1.9%	3,158	1.8%	-82	-2.5%
- Mortgage Corporate	4,846	2.8%	5,638	3.1%	792	16.3%
1.2 Retail Total	59,508	34.2%	62,115	34.4%	2,607	4.4%
- Private individuals	24,406	14.0%	24,241	13.4%	-165	-0.7%
- Social loans	8,478	4.9%	7,632	4.2%	-846	-10.0%
- MSEs	5,299	3.0%	5,618	3.1%	319	6.0%
- Municipals	4,026	2.3%	3,814	2.1%	-212	-5.3%
- Mortgages	17,299	10.0%	20,811	11.5%	3,512	20.3%
2. CKA	38,264	22.0%	37,994	21.1%	-270	-0.7%
3. Bad Bank	10,163	5.8%	9,277	5.1%	-886	-8.7%
3.1 Ring fencing	1,952	1.1%	1,066	0.6%	-886	-45.4%
3.2 100% provisioned items	8,211	4.7%	8,211	4.6%	0	0.0%
Total (GB + CKA + BB)	173,781	100.0%	180,320	100.0%	6,539	3.8%

- Part of Ring fenced assets has been transferred into CKA in 1H2003 (concerns clients which were not for technical reasons assigned in total put Y2002)

Key Ratios of Loan Portfolio Quality

KEY RATIOS	CS total		Good bank	
	12/2002	06/2003	12/2002	06/2003
Ceska sporitelna - loans to customers				
<i>Share of High Risk Loans *</i>	9.5%	8.4%	5.1%	4.5%
<i>Share of Non Performing Loans **</i>	6.5%	6.6%	2.5%	2.8%
<i>Provisions ***/Total loans</i>	10.7%	9.7%	8.2%	6.9%
<i>Provisioning ***/Non Performing Loans</i>	164.7%	147.6%	328.3%	250.9%

*defined as CNB 3-5 clasification

**more than 90 days overdue in payments

***specific & general reserves

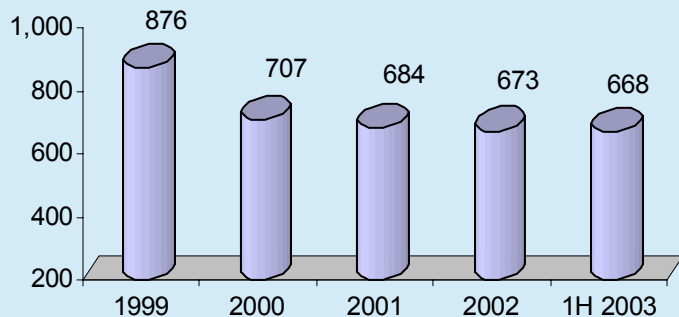
- **Share of high risk loans declined**
- **Growth of NPL share driven by one CNB 5 client (CZK 0.4 bn, fully provisioned in Y2002)**
- **Decrease of provision coverage influenced by general provisions releases and loan growth**

Restructuring Charge

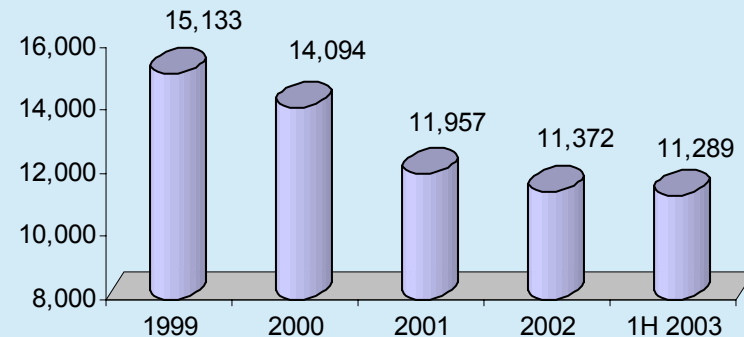
CZK m	Balance as of 1. 1. 2003	Usage	Release	Creation	Balance as of 30.6. 2003
Closing branches	58	-1	0	0	57
Software changes	113	-113	0	0	0
Moving out of buildings early	45	0	0	0	45
Laying off employees	172	-47	0	0	125
Sale of unused property	256	-1	0	0	255
Total	644	-162	0	0	482

Business Indicators

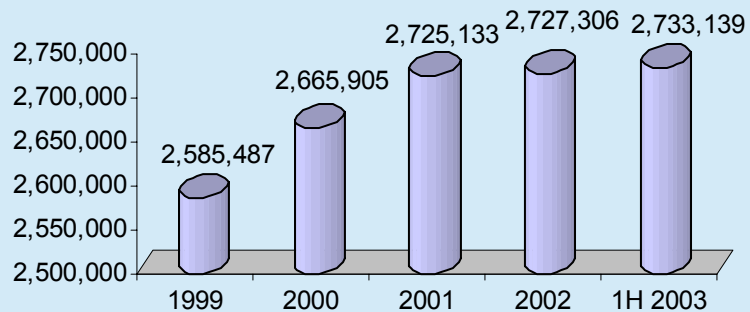
Number of Branches



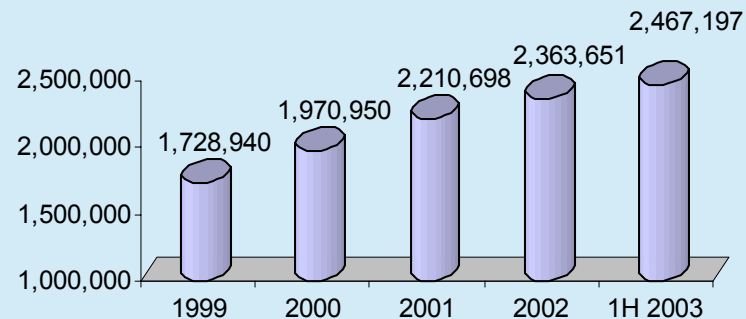
Number of Employees



Number of Sporožiro Current Accounts



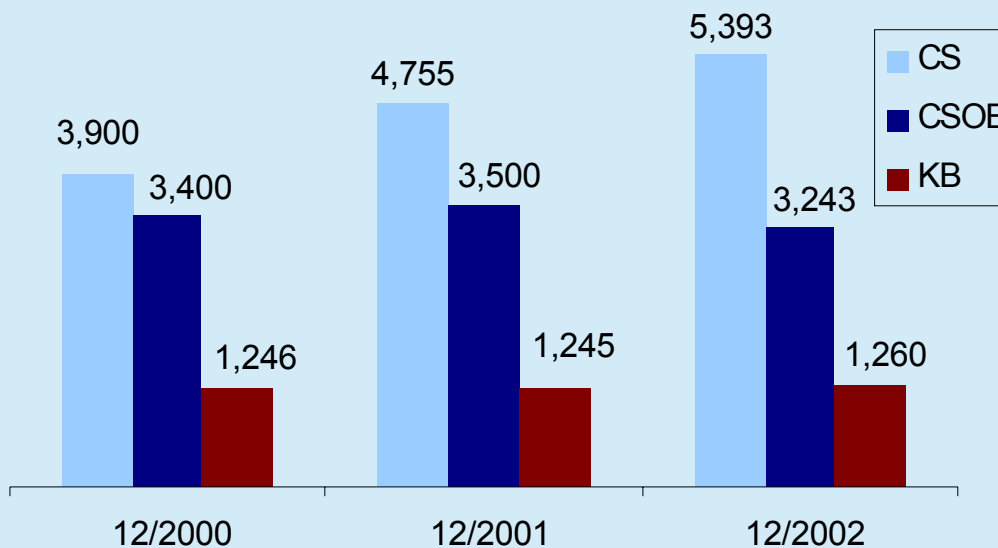
Number of Issued Payment Cards



Client Base

	XII/2001	VI/2002	XII/2002	VI/2003
CS Financial group	4,754,847	4,969,722	5,393,492	5,488,384
Ceska sporitelna	4,037,721	4,126,267	4,539,886	4,623,130
Subsidiary companies	717,126	843,455	853,606	865,254

Number of Clients

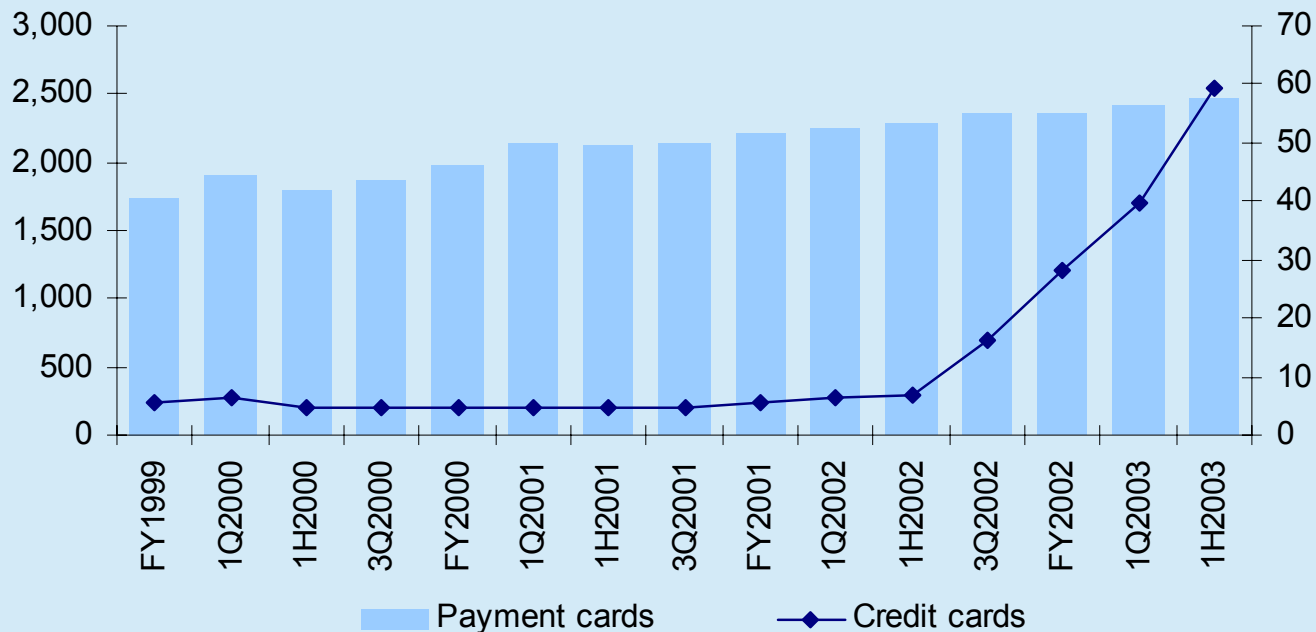


Payment cards

	1996	1997	1998	1999	2000	2001	2002	1H2003
Debit cards	891,894	1,079,822	1,335,048	1,723,481	1,966,218	2,205,480	2,335,600	2,407,663
Credit cards	9	557	3,217	5,459	4,732 *)	5,387	28,051	59,534
Total payment cards	891,903	1,080,379	1,338,265	1,728,940	1,970,950	2,210,867	2,363,651	2,467,197

*) In May 2000 database was cleaned up from invalid credit cards

Development of Credit Cards
(in thousands)



Net Profit of Selected Subsidiaries

IFRS, CZK m	1H 2002	1H 2003	% Change
Stavební spořitelna ČS - Building Society	116	126	8.6%
Investiční společnost ČS - Asset Management	-50	7	n. a.
Leasing ČS - Leasing	62	39	-37.1%
Penzijní fond ČS - Pension Fund*	10	198	n. a.
Pojišťovna ČS - Insurance Company	54	76	40.7%
Factoring ČS - Factoring	8	12	50.0%

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

*According to the Supplementary pension insurance Act min. 85% of Czech Accounting Standards (CAS) net profit of pension fund is distributed to clients. Penzijní fond CS made CAS profit for 1H 2003 in the amount of CZK 148 m (CZK 124 m in 1H 2002).

Ratings of CS and EB

Ceska sporitelna

Rating Agency	Long-term	Short-term	Individual	Support	Financial Strenght	Outlook
Fitch	A-	F2	C/D	1		stable
Moody's	A2	Prime - 1			D+	stable
Standard & Poor's	BBB-	A3				stable

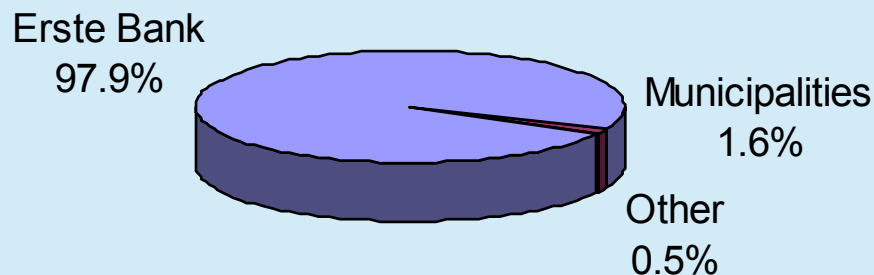
Erste Bank

Rating Agency	Long-term	Short-term	Individual	Support	Financial Strenght	Outlook
Fitch	A	F1	C	1		stable
Moody's	A1	Prime-1			C+	stable
Standard & Poor's		A2				stable

Shareholder Structure

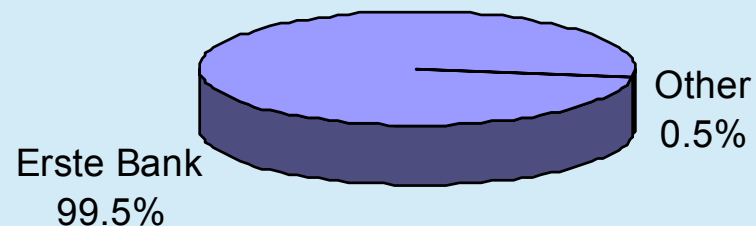
Shareholder structure

Jun 30, 2003



Voting Rights Structure

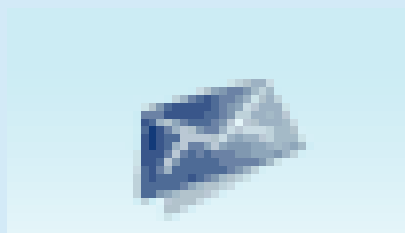
Jun 30, 2003



Development of % share of Erste Bank in Ceska sporitelna

date	15.8.2000	31.12.2000	31.12.2001	31.12.2002	30.6.2003
change of % share	52.1%	52.6%	52.2%	93.6%	97.9%

Investor Relations Contacts



Ceska Sporitelna

Olbrachtova 1929/62

140 00 Prague 4

Hana Urbanova

Head of Investor Relations

Tel.: +420-261-073-185

E-mail: hurbanova@csas.cz

Fax: +420-26107-3164

Internet: www.csas.cz

P.O.B. 838; 113 98 Prague 1

Jarmila Vankova

IR Officer

Tel : +420-261-074-386

E-mail: jarmvankova@csas.cz

E-mail: csas@csas.cz

Reuters: SPOPsp.PR