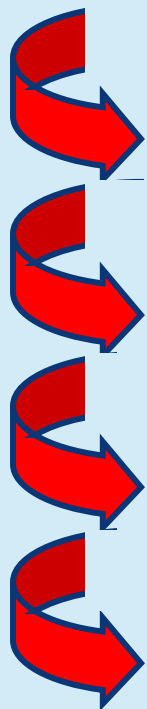


Ceska Sporitelna

1H 2004 IFRS Consolidated Results (Unaudited)

17 August 2004

Outline



1H 2004 Highlights **3**

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1H 2004 Highlights

Macroeconomic Environment in CR

- **Central bank increased 2W repo rate by 25 bps to 2.25% in June; further increase of 25 bps is generally expected before yearend**
- **Inflation in June 2004 increased to 2.9% from 1.0% (YE 2003)**
- **Unemployment at 9.9% in 1H 2004; Prague is approximately 4% while Moravskoslezsky region is approximately 15%**
- **Real GDP growth 3.1% at 1Q 2004**
- **Volume of mortgage loans to GDP at 4.7% (1Q 2004)**
- **Home ownership in CR at 47% (last census in 2001)**
- **Share of current account balance of GDP reached - 6.8% for 1Q 2004**

First Half Year 2004

Business Highlights

- **CS opened 7 Mortgage Centres, the first in the Czech Republic and in June launched a new web site dedicated to housing**
- **Accelerated loan growth – mainly mortgages (40% market share in new mortgage lending in 1H 2004) and SME loans**
- **Number of issued Credit cards increased to 145 ths and outstanding credit reached CZK 1 bn**
- **Number of Internetbanking users increased by 6% from 2003; SERVIS 24 became the most attractive financial product of 2004 in the Golden Crown Contest**
- **Having won the tender, CS administers the European Commission's Account for the Czech Republic since May 2004**
- **CS will cooperate with EIB to Support Infrastructure Projects**
- **Rating agencies Fitch and Moody's upgraded CS individual and financial strength ratings, respectively**

1H 2004 IFRS Consolidated Results (Unaudited)

IFRS – International Financial Reporting Standards

Overview

Two Developments

- **CS sold to Kooperativa its non-life insurance business. This one-time, non-repeatable strategic action substantially increased profits in 1H 2004 and positions CS to concentrate on the life insurance business.**
- **Despite the low interest rate environment, CS is demonstrating revenue growth reflecting increased penetration of financial products in the consumer, business, government, and not-for-profit sectors.**

Group Profit & Loss Statement

Highlights

- **Operating Profit increased by 23.2% to CZK 5,661 m compared to 1H 2003**
- **Net Profit rose by 29.7% to CZK 4,391 m compared with 1H 2003 (including one-time income from sale of non-life insurance business)**
- **ROE reached 25.7% (22.6% in 1H 2003); ROA achieved 1.6% (1.3 % in 1H 2003)**
- **Net Interest Income increased by 8.4% to CZK 8,370 m**
- **Net Fee and Commission Income grew by 10.2% to CZK 4,135 m**
- **Net Profit on Financial Operations rose by 63.2% to CZK 824 m**
- **General Administrative Expenses increased modestly by 3.6%**
- **Cost/Income ratio improved to 57.9% (62.0% in 1H 2003)**

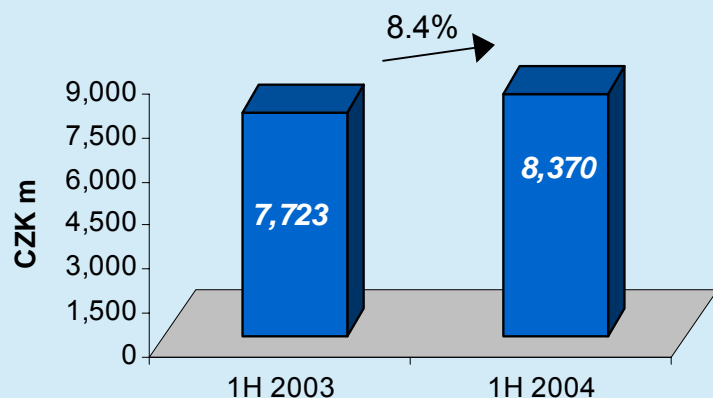
Group Profit & Loss Statement

IFRS, Consolidated, CZK m	1H 2003	1H 2004	% Change
Net interest income	7,723	8,370	8.4
Provisions on losses on loans and advances	559	-399	n/a
Net fee and commission income	3,753	4,135	10.2
Net profit/(loss) on financial operations	505	824	63.2
General administrative expenses	-7,504	-7,777	3.6
Income from insurance business	117	109	-6.8
Other operating income/(expenses)	-153	2,249	n/a
Profit/(loss) before taxes	5,000	7,511	50.2
Income tax expense	-1,532	-2,108	37.6
Profit/(loss) after taxes	3,468	5,403	55.8
Minority interests	-83	-1,012	n/a
Net profit/(loss) for the year	3,385	4,391	29.7
Operating income	12,098	13,438	11.1
Operating expenses	-7,504	-7,777	3.6
Operating result	4,594	5,661	23.2
Cost / Income Ratio (%)	62.0%	57.9%	
ROE (%)	22.6%	25.7%	

Group Profit & Loss Statement

Net Interest Income

Net Interest Income (NII) continues to grow despite low interest rates; interest rate hike at the end of June not yet visible



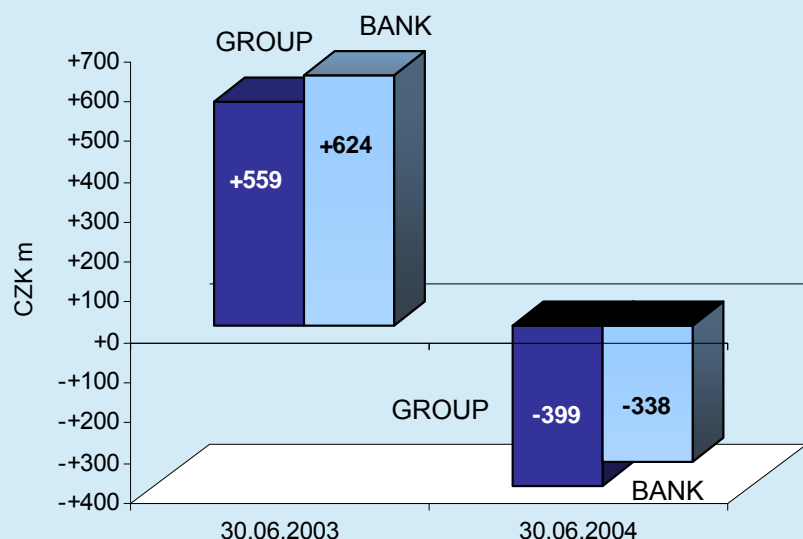
Main Drivers:

- Negative influence of generally lower market interest rates was largely offset by higher volumes of client loans and deposits; 25 bps interest rate hike in late June had minimal impact (estimated impact for second half of 2004 CZK 100 m)
- Decline in interest expenses influenced by redemption of subordinated debt in December 2003 (positive impact to NII of approx. CZK 103 m)
- Non-interest bearing balances on anonymous passbooks (CZK 7.1 bn at the end of Jun 2004) favourably influenced NII by CZK 80 m
- NII from credit cards reached CZK 68 m

IFRS, Consolidated, CZK m	1H 2003	1H 2004	% Change
Interest income	11,564	11,369	-1.7
- from loans and advances to financial institutions	1,947	1,345	-30.9
- from loans and advances to customers	6,119	6,377	4.2
- from debt securities and other fixed income securities	3,212	3,425	6.6
- other interest income	286	222	-22.4
Interest expense	-3,841	-3,000	-21.9
- from amounts owed to financial institutions	-530	-483	-8.9
- from amounts owed to customers	-2,827	-2,252	-20.3
- from bonds in issue	-42	-47	11.9
- other interest expense	-442	-218	-50.7

Group & Bank Provision Creation

Almost CZK 400 m in Net Provision Created



Main Drivers:

➤ Total Net Provision Created in 1H04

⇒ Bank - CZK 338.2 m

⇒ Subsidiaries - CZK 60.6 m

⇒ TOTAL - CZK 398.8 m

➤ No material release of general provisions expected for FY 2004

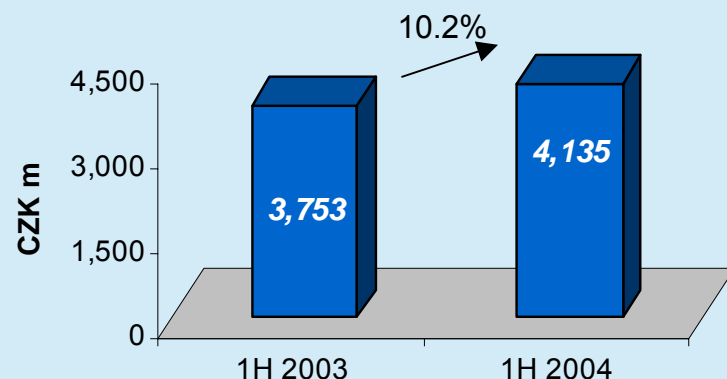
ČS Bank Loan loss reserves (B/S in CZK m, IFRS)	Specific provisions	General provisions	Total provisions
Balance 01.01.2004	4,571	3,186	7,756
Creation (+)/Release (-)	+655	-33	+622
Recovery	-280	0	-280
Write offs	-333	-21	-354
Balance neutral effects	20	0	20
IFRS correction	-4	0	-4
Balance 30.06.2004	4,632	3,132	7,764

Creation (-) / Release (+)

Group Profit & Loss Statement

Net Fee and Commission Income

Net Fee and Commission Income recorded double digit growth in Y-on-Y comparison



Main Drivers:

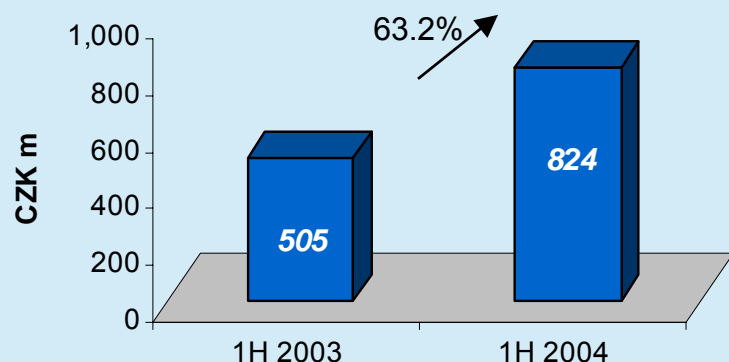
- Continuing positive development in volume of payment transactions and price changes in selected fee effective from 1 March 2004
- Accelerating lending business - mainly mortgage loans (19.3% increase of loans to customers in Y-on-Y comparison; excl. CKA) with positive impact of CZK 123 m
- Higher fees from card business (positive impact of approx. CZK 92 m)
- Increase of fees from security business caused mainly by increase of assets managed by CS Group (mainly by ISCS)

IFRS, Consolidated, CZK m	1H 2003	1H 2004	% Change
Fee and commission income	3,988	4,385	10.0
- from lending business	681	816	19.8
- from payment transactions	2,338	2,487	6.4
- from security business	253	291	15.0
- other	716	791	10.5
Fee and commission expense	-235	-250	6.4
- from lending business	-7	-18	n/a
- from payment transactions	-40	-19	-52.5
- from security business	-3	-8	166.7
- other	-185	-205	10.8

Group Profit & Loss Statement

Net Profit on Financial Operations

Trading capabilities continue to show good results



Main Drivers:

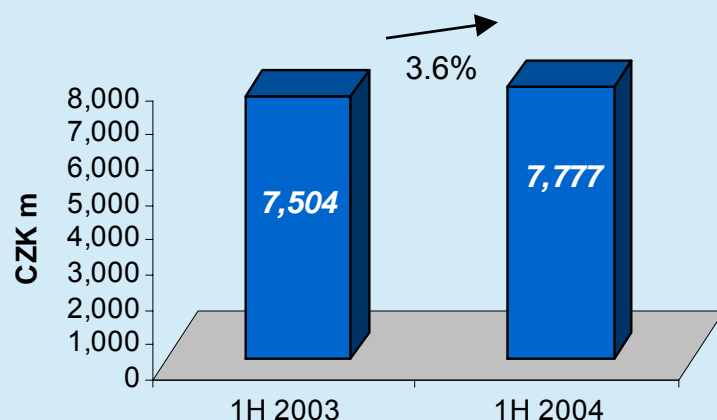
- Growing sales volumes and market share in FX and interest rate (IR) hedging products
- Volatility of FX rates in CEE region helped trading results
- Correct positioning on interest rates development supported bonds and IR derivatives trading result

IFRS, Consolidated, CZK m	1H 2003	1H 2004	% Change
Realised and unrealised profit on securities trading	222	119	-46.4
Derivative instruments	-101	130	n/a
FX gains	365	484	32.6
Other	19	91	378.9

Group Profit & Loss Statement

General Administrative Expenses

General Administrative Expenses growing slightly faster than inflation



Main Drivers:

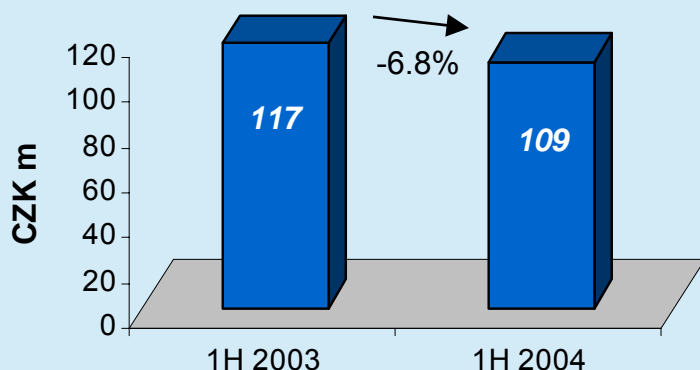
- Higher personnel expenses due to annual base salary increase at the beginning of 2004 (estimated net impact of CZK 101 m) and higher performance related bonuses and severance payments in connection with staff reduction (CZK 15.9 m)
- Staff reductions are on target for 2004
- Increase of other administrative expenses results mainly from changes in VAT legislation, effective as of the beginning of 2004, and slight increase of advertising and marketing expenditures

IFRS, Consolidated, CZK m	1H 2003	1H 2004	% Change
Personnel expenses	3,158	3,301	4.5
Other administrative expenses	2,866	3,054	6.6
Depreciation	1,480	1,422	-3.9

Group Profit & Loss Statement

Income from Insurance Business

Insurance business influenced by sale of non-life business



Main Drivers:

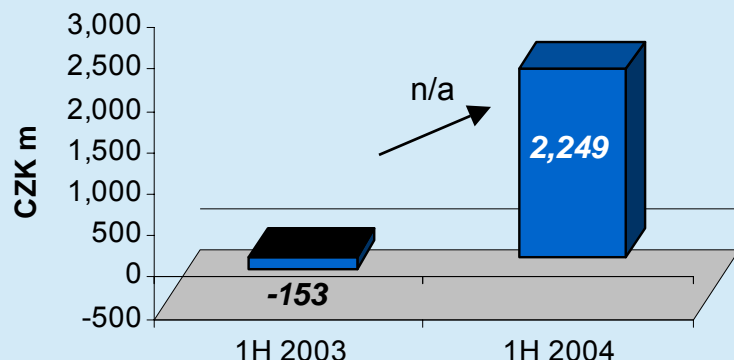
- 1H2003 includes net income from non-life insurance business (CZK 52 m); purely life insurance income grew by 67.7% (YTY)
- Transfer/sale of non-life insurance business to Kooperativa was realised on 2 Jan 2004
- Total written life insurance premiums increased by 48% (YTY) to almost CZK 2.0 bn

- Net investment and interest income slightly increased by 3.5%
- Claims incurred decreased by 55.9% to CZK 293 m
- Operating expenses decreased by 10.7% to CZK 284 m mainly due to lower level of commissions paid to sales channels (higher expenses expected in next quarters)

Group Profit & Loss Statement

Other Operating Income / (Expenses)

Other Operating Result driven by income from sale of non-life insurance business



Main Drivers:

- Positive impact from sale of non-life insurance business in amount of CZK 2.9 bn (before tax and minority interests)
- Lower market evaluation of AFS portfolios of the parent bank and its subsidiary Penzijni fond CS (unfavourable impact of CZK 384 m)
- Higher contribution into Deposit Insurance Fund resulting from growing client deposits and increase of mandatory contribution rate for bank from 0.1% to 0.2% and for building society from 0.05% to 0.1% at the beginning of 2004 (unfavourable impact of CZK 178 m)

IFRS, Consolidated, CZK m	1H 2003	1H 2004	% Change
Other operating income	416	497	19.5
- income from real estate	2	46	n/a
- other income	414	451	8.9
Other operating expenses	-897	-1,091	21.6
- Deposit Insurance Fund contribution	-196	-374	90.8
- expenses from real estate	0	-15	n/a
- other expenses	-701	-702	0.1
Income/(expenses) from AFS securities	328	-56	n/a
Income from sale of non-life insurance business	x	2,899	n/a

Group Balance Sheet

Highlights*

- **Total assets increased by 4.1% YTD to CZK 576.8 bn**
- **Gross loans to clients (excl. CKA) increased by 5.6% to CZK 188.2 bn**
- **Amounts owed to customers grew by 3.4% to CZK 443.2 bn; total client funds under CS Group management rose by 5.2% to CZK 498.9 bn**
- **Balance of deposits on anonymous passbooks at the end of June 2004 was CZK 7.1 bn (almost 95% reduction since Nov 2001)**
- **Increase of issued bonds by 39.5% YTD to CZK 22.3 bn as a result of mortgage bond issue**
- **Group capital adequacy (BIS) at 13.5%, well above regulatory requirements**

* *Comparison with 31/12/2003*

Group Balance Sheet

Assets

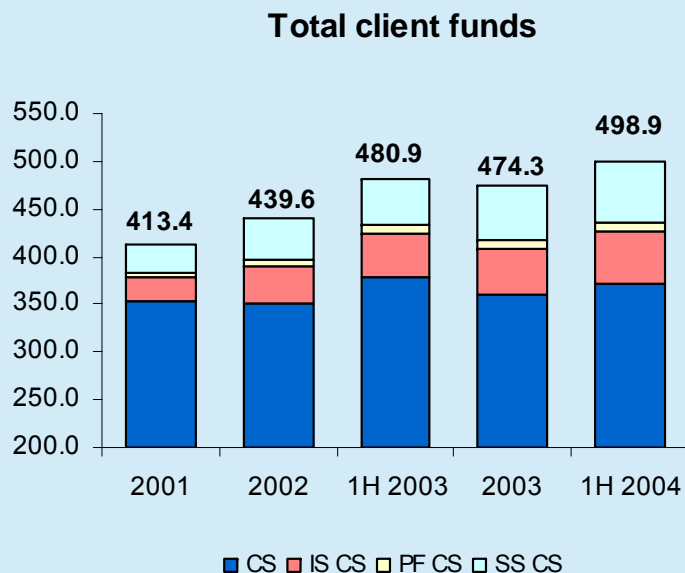
IFRS, Consolidated, CZK m	31.12.03	30.06.04	% Change
Total Assets	554,048	576,787	4.1
Cash and balances with the CNB	22,713	18,705	-17.6
Loans and advances to financial institutions	82,121	97,004	18.1
Loans to Czech Consolidation Agency	36,744	36,744	0.0
Loans and advances to customers	178,159	188,158	5.6
Provision for losses on loans and advances	-9,025	-9,089	0.7
Trading securities	53,168	36,680	-31.0
Securities available for sale	27,343	38,909	42.3
Investment securities	122,887	134,930	9.8
- treasury bills and listed debts securities	112,175	121,953	8.7
- other	10,712	12,977	21.1
Fixed assets	20,596	19,529	-5.2
Other assets	19,342	15,217	-21.3

Group Balance Sheet

Liabilities and Shareholders' Equity

IFRS, Consolidated, CZK m	31.12.03	30.06.04	% Change
Total Liabilities and Shareholders' Equity	554,048	576,787	4.1
Amounts owed to financial institutions	29,641	33,188	12.0
Amounts owed to customers	428,572	443,185	3.4
Bonds in issue	16,017	22,343	39.5
Other liabilities	44,020	41,764	-5.1
Minority interests	1,390	2,286	64.5
Shareholders' equity	34,408	34,021	-1.1

Total Client Funds under CS Group Management



Main Drivers:

- More than 25% of client funds managed by daughter companies
- Increase of total client funds under management by 5.2% YTD to CZK 498.9 bn
- Pension fund (PFCS) recorded the highest increase of client funds under management by 33.8% YTY (16.3% YTD)
- Positive result can be seen also in building society (SSCS) – increase of client funds by 29.8% YTY (11.8% YTD) and investment company (ISCS) – increase of client funds by 17.6% YTY (12.2% YTD)
- Deposit growth negatively influenced by run-off in anonymous passbooks

IFRS, in CZK bn	2001	2002	1H 2003	2003	1H 2004
CS - parent bank	354.4	350.8	378.5	360.7	371.3
IS CS - asset management company	24.7	39.7	46.1	48.3	54.2
PF CS - pension fund	5.0	7.0	8.0	9.2	10.7
SS CS - building society	29.3	42.1	48.3	56.1	62.7
Total	413.4	439.6	480.9	474.3	498.9

Capital Adequacy

CNB Capital Adequacy

Parent Bank, CZK m	31/12/01	31/12/02	31/12/03	30/06/04
Tier I capital	20,184	22,583	21,910	24,516
Tier I + Tier II capital	26,244	24,926	22,115	23,912
Capital requirement A (to RWA)	12,641	14,035	15,664	17,829
Capital requirement B (to market risks)	1,302	1,481	1,539	1,439

Capital adequacy Tier I ratio	11.6%	11.6%	10.2%	10.2%
Capital adequacy Tier I+II ratio	15.1%	12.9%	10.3%	9.9%

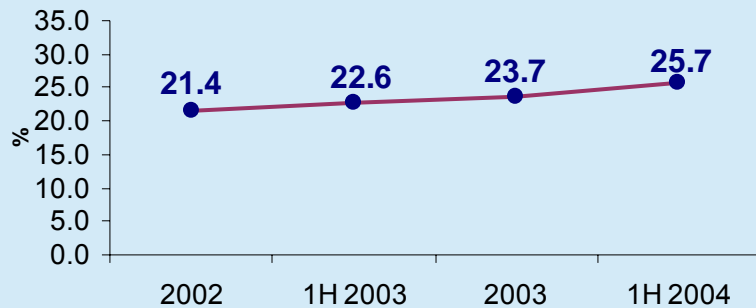
BIS Capital Adequacy

CS Group, CZK m	31/12/01	31/12/02	31/12/03	30/06/04
Tier I Capital	25,525	30,947	35,787	36,296
Tier I+II Capital	31,650	36,375	35,588	36,148
Risk Weighted Assets	175,782	201,813	224,332	250,348
Capital requirement to market risks	1,302	1,481	1,539	1,439

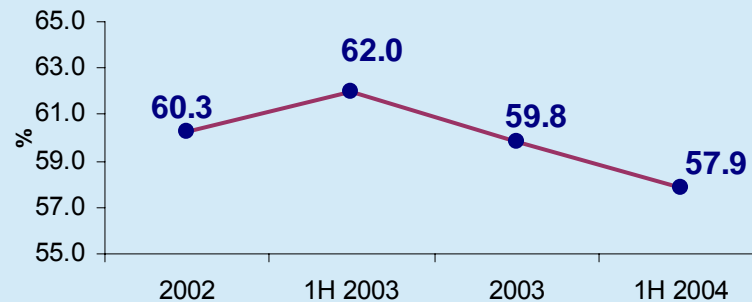
Capital adequacy Tier I ratio	13.3%	14.0%	14.7%	13.5%
Capital adequacy Tier I+II ratio	16.5%	16.5%	14.6%	13.5%

Financial Ratios Development

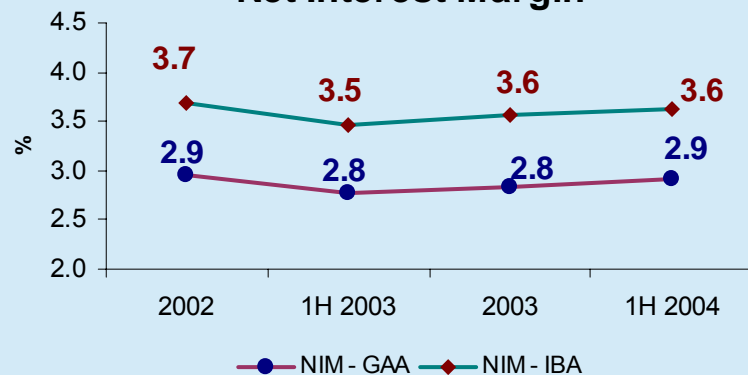
ROE



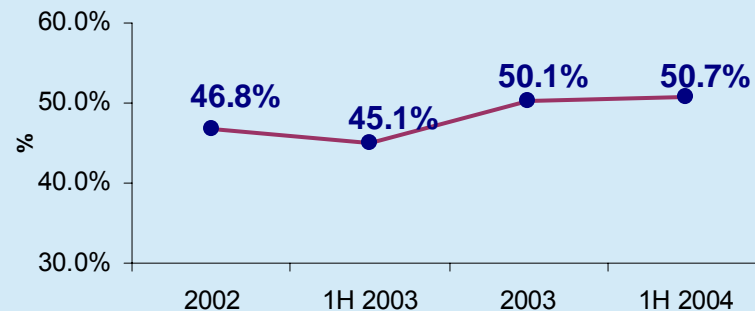
Cost / Income Ratio



Net Interest Margin



Loans* to Deposits Ratio



GAA = Gross average assets
 IBA = Average interest bearing assets

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

Loans to Customers
CS Group 1H 2004
(IFRS)

Group Portfolio Highlights 1H 2004

Consolidated

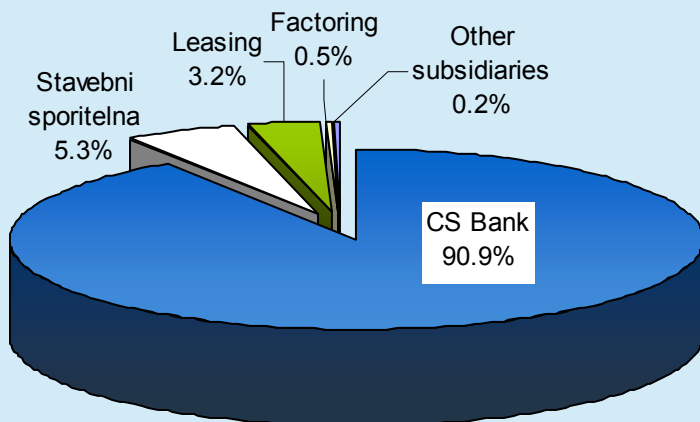
- **Loan growth is + CZK 10.0 bn^{*)} (+4.7%) YTD**
- **SME loans increased + CZK 3.9 bn (+13.9%) YTD (Bank only)**
- **Strong loan growth in Retail + CZK 7.8 bn (+10.8%) YTD; 1H03 growth was + CZK 2.6 bn (Bank only)**
- **Growth leader was Private Mortgages + CZK 7.2 bn (+30.9%) YTD**
- **Overall mortgage & real estate lending reached CZK 57.5 bn, which is 25.5% of Group portfolio (including SSCS)**
- **Improving Loan Quality recognised with rating upgrades (Moody's from D+ to C-, Fitch from C/D to C)**

^{*)} including CKA

Group Customer Loan Structure

Loans to Customers (Consolidated)

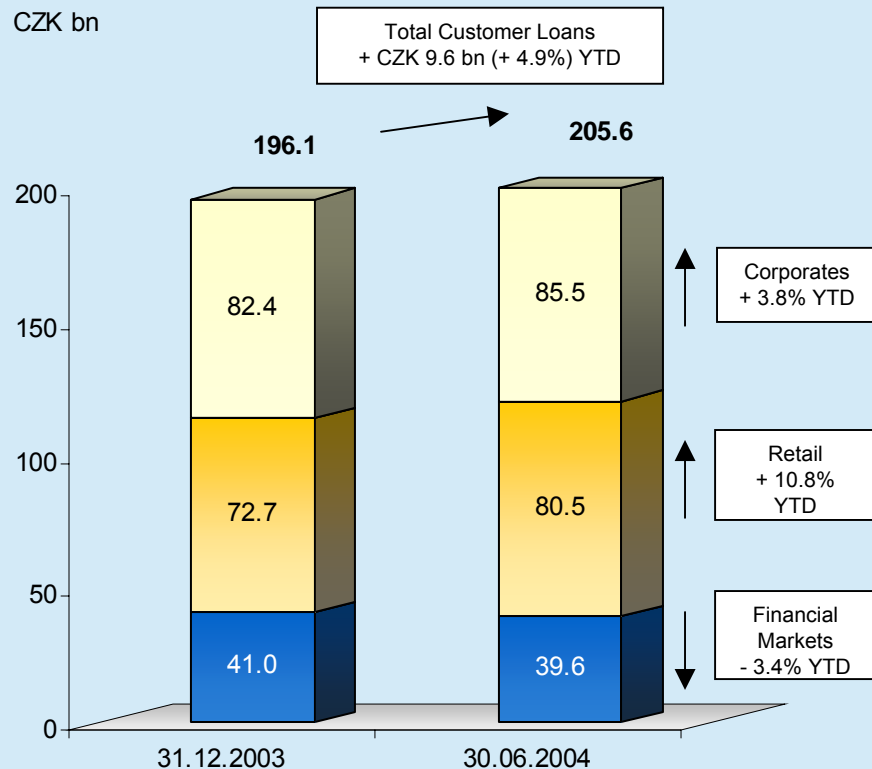
Structure of consolidated portfolio in 1H04



- CS Bank share of 90.9% almost unchanged (91.0% at YE 03)
- Stavebni sporitelna CS strong loan growth increased to 5.3% share (4.9% at YE03)

in CZK m, IFRS	31.12.2003	30.6.2004	Growth rate (YTD)	
CS bank	196,060	205,644	9,584	4.9%
↳ of which CKA	36,744	36,744	0	0.0%
Stavebni sporitelna CS	10,483	12,022	1,540	14.7%
Leasing CS	7,341	7,206	-135	-1.8%
Factoring CS	1,170	1,092	-78	-6.7%
Other subsidiaries	422	377	-45	-10.8%
Consolidation items	-573	-1,440	-	-
Customers Loans excl. CKA	178,158	188,157	9,999	5.6%
Customers Loans	214,903	224,902	9,999	4.7%

Bank Portfolio Structure and Development Overview



- **Corporates: YTD growth + CZK 3.1 bn mainly driven by Medium corporates (+ CZK 3.0 bn)**
- **Retail: YTD increase + CZK 7.8 bn influenced by**
 - ⇒ accelerating
 - ⇒ + CZK 8.1 bn mortgage lending¹⁾ (+ CZK 3.5 bn in 1H03) + CZK 0.3 bn (+ 5.0%) Micro Corporates
 - ⇒ + CZK 0.9 bn Micro enterprises (+ CZK 0.3 bn in 1H03)
 - ⇒ slow down
 - ⇒ - CZK 0.7 bn Social loans repayments
 - ⇒ - CZK 0.5 bn balances decline on overdraft accounts (regular seasonal decline in first half-year)
- **Financial Markets: YTD decrease - CZK 1.4 bn (-4.4%) due to repayment of short term loan provided to Financial institution (- CZK 1.5 bn YTD)**

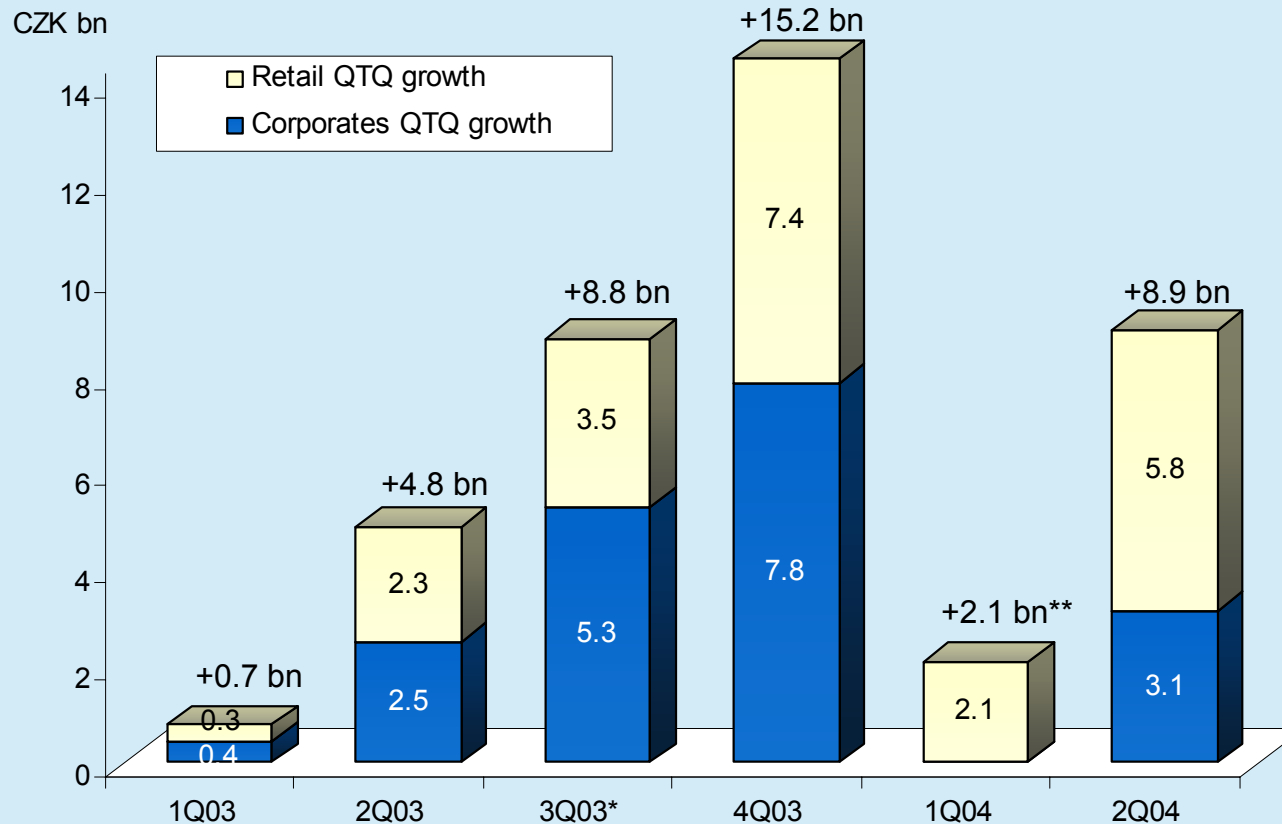
in CZK m, unconsolidated, IFRS	31.12.2003		30.06.2004		YTD Growth	
	Outstanding	Share	Outstanding	Share	Outstanding	Rate
Corporates	82,383	42.0%	85,508	41.6%	3,125	3.8%
Retail	72,692	37.1%	80,525	39.2%	7,834	10.8%
Financial markets	40,985	20.9%	39,611	19.3%	-1,374	-3.4%
Total Loans to Customers	196,060	100.0%	205,644	100.0%	9,584	4.9%

Note: Modification of Segments Reporting implemented as of Y04 beginning

1) Retail mortgage = mortgage loans to private individuals, MSEs and small municipalities

Bank Portfolio Structure and Development

Seasonality in Underlying Corporate and Retail Loan Growth



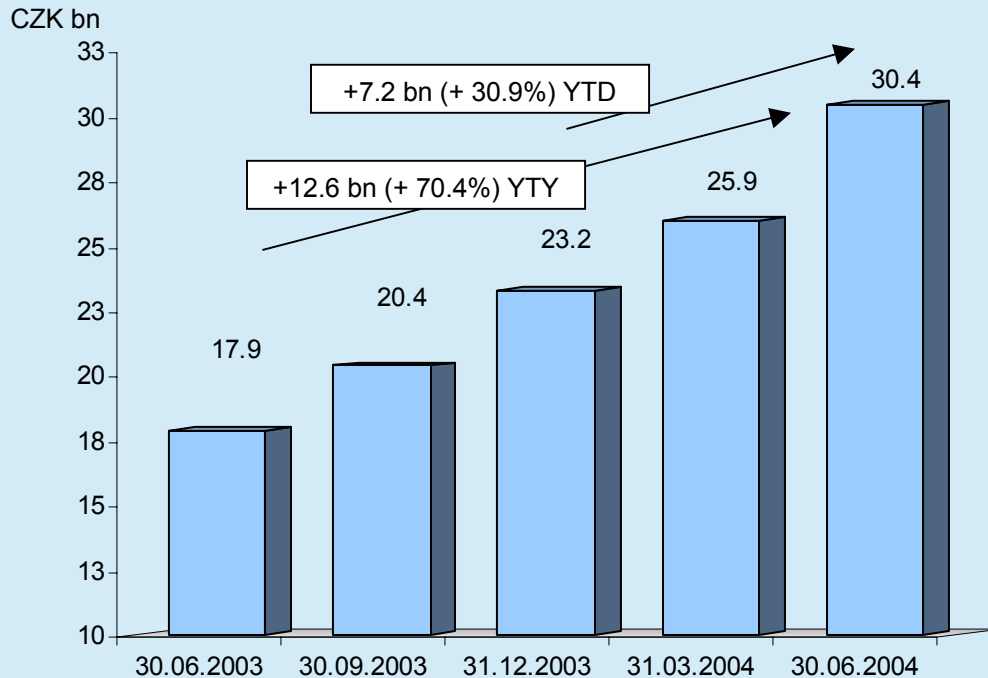
* 3Q03 underlying growth (excluding BB sale - CZK 8.0 bn)

** Corporate portfolio in 1Q04 influenced by prepayment of one project finance loan (- CZK 1.2 bn)

Bank Portfolio Structure and Development

Private Individuals Mortgages

Continuing acceleration of growth

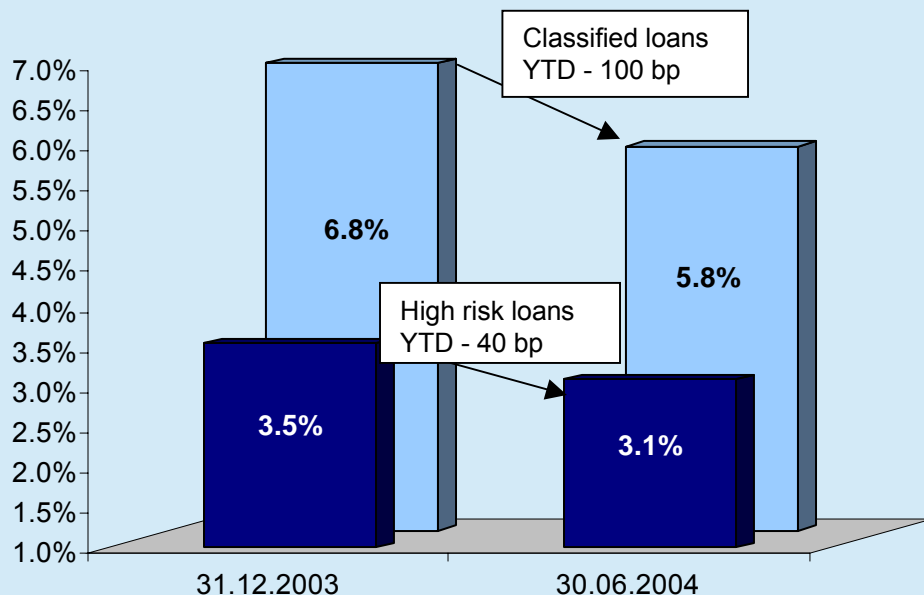


- YTD growth + CZK 7.2 bn more than double compared to 1H03 (+ CZK 3.2 bn in 1H03)
- Growth in 2Q04 (+ CZK 4.5 bn) significantly above the average of previous quarters (+ CZK 2.2 bn QTD average in Y03)
- Purchase of real estate is the main and constantly growing purpose of Mortgage lending
 - ⇒ 52% purchase (46% 1H03)
 - ⇒ 37% building (41% 1H03)
 - ⇒ 11% reconstruction (13% 1H03)
- Portfolio quality improved not only in relative terms (classified loans share YTD -50 bp) but also in absolute terms (classified loans YTD - CZK 51 m)
- Average contracted maturity extended to 16.6Y due to new loans (16.2Y at YE03)
- CS is the largest mortgage bank at the Czech market

in CZK m, IFRS	31.12.2003		31.06.2004	
	Outstand.	Share	Outstand.	Share
Total PI mortgage	23,234	100.0%	30,425	100.0%
Classified mortgages (CNB2-5)	318	1.4%	267	0.9%
High risk mortgages (CNB3-5)	146	0.6%	167	0.5%

Bank Loan Portfolio Quality

Noticeable improvement of Loan quality



➤ Classified loans:

⇒ - CZK 1.5 bn YTD mainly due to clients upgrading

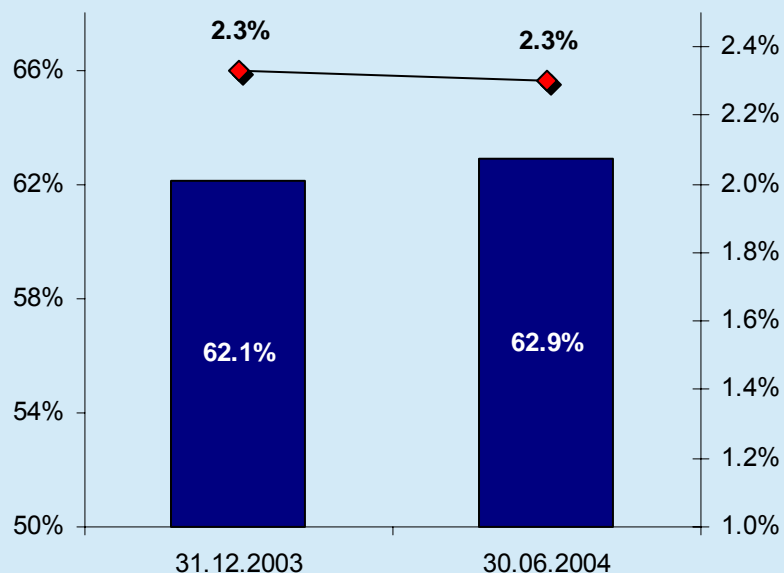
➤ High risk loans:

⇒ - CZK 0.6 bn YTD influenced above all by recoveries and write offs

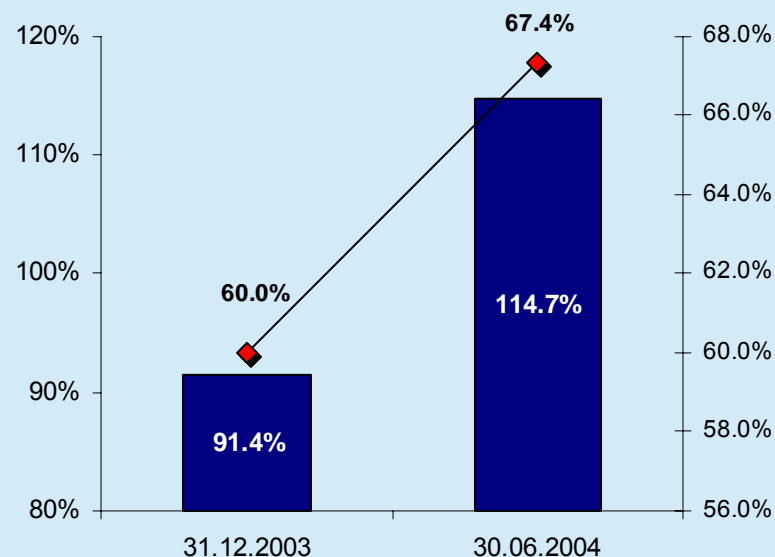
in CZK m, unconsolidated, IFRS	31.12.2003		30.06.2004	
	Outstanding	Share	Outstanding	Share
Loans to customers	196,060	100.0%	205,644	100.0%
Classified loans (CNB2-5)	13,332	6.8%	11,860	5.8%
High risk loans(CNB3-5)	6,936	3.5%	6,350	3.1%

Bank Customer Portfolio Protection

Total loans coverage



High risk loans coverage



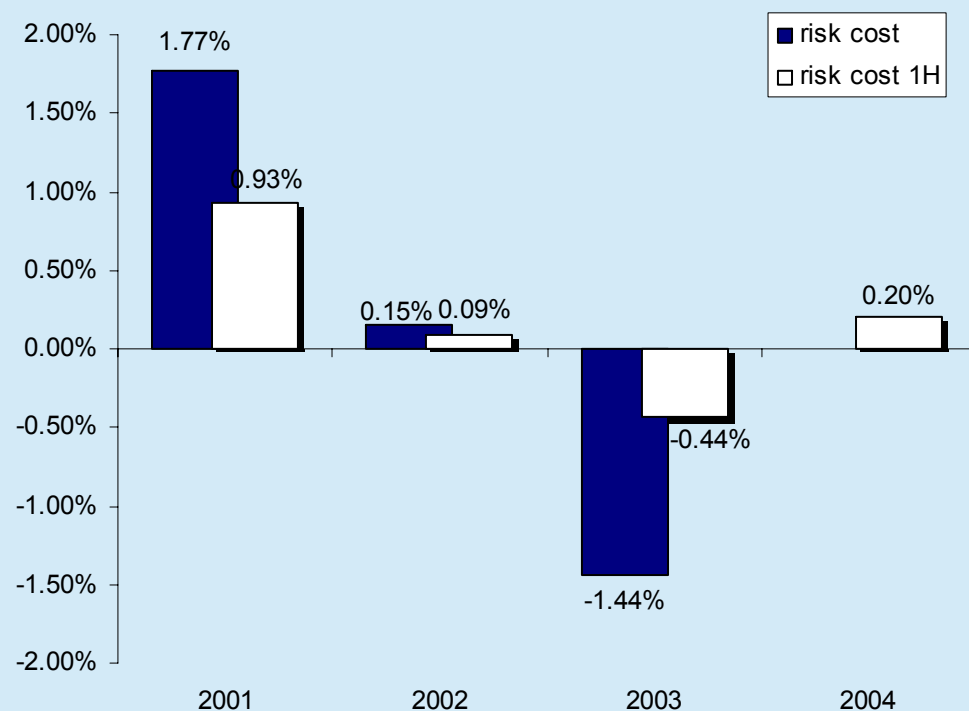
- Total Portfolio coverage ratios remain without significant YTD changes
- High Risk Loans coverage ratios strengthened YTD (specific provision coverage driven by statistical effect)

Total coverage ratio = (collateral + specific provisions) / total loans outstanding

Total coverage ratio for high risk loans* = (collateral for high risk loans + specific provisions for high risk loans) / amount of high risk loans

* High risk loans classified as CNB 3-5

Bank Credit Risk Cost Development



- Risk costs profile is normalizing
- Overall Risk costs +0.20% YTD (+0.40% p.a.)
 - ⇒ Corporates +0.11% YTD (+0.0% YTD 1H03)
 - ⇒ Retail +0.34% YTD (+0.19% YTD 1H03)

Note: Risk costs relate to Customer Loan Portfolio excluding CKA

Underlying Provision Creation Development

CZK m, IFRS	1H03 (YTD)	1H04 (YTD)	Difference (1H04-1H03)
1. SPECIFIC PROVISIONS CREATION	+214	+371	+157
1.1. Creation (+) / Release (-)	+810	+655	-155
1.2. Recovery	-587	-280	+307
1.3. IFRS correction	-9	-4	+5
2. GENERAL PROVISIONS RELEASE	-837	-33	+804
3. NET CREATION (+) / RELEASE (-)	-623	+338	+961

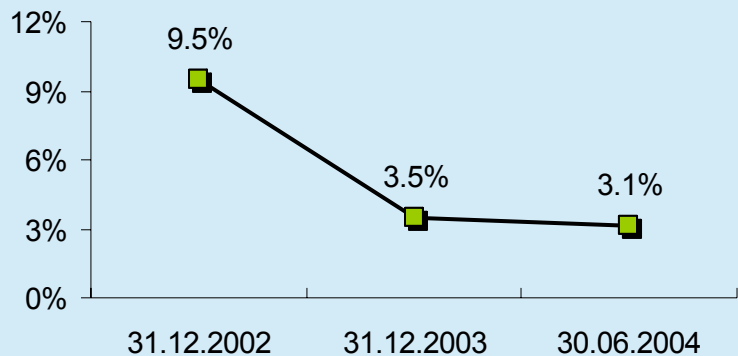
➤ **Underlying provision creation reduced by –19.2% YTY**

⇒ **Net creation of Specific provisions increased due to lower recoveries**

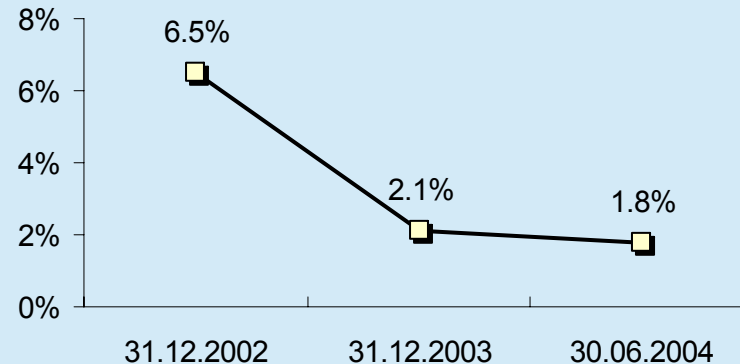
⇒ **Lower recoveries are the result of Bad bank sale/ improved portfolio quality**

Bank Key Ratios of Loan Portfolio Quality

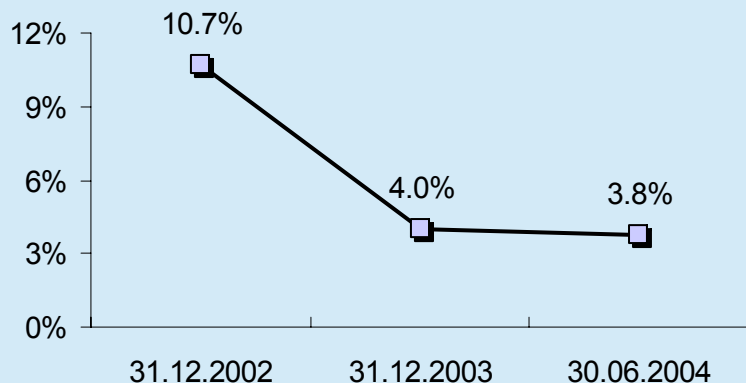
High risk loans share



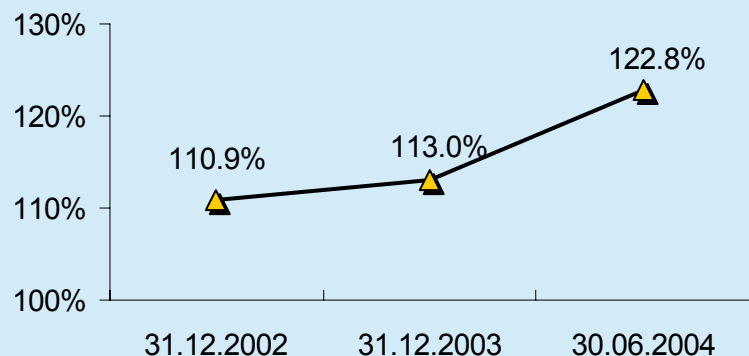
Non performing loans share



Loan loss reserves to Total loans



Specific provisions to Non performing loans



Note: 1. Headline coverage of NPL by Specific provisions = total specific provisions / non performing loans
 2. CNB coverage of NPL by Specific provisions = specific provisions of non performing loans / non performing loans
 3. Non performing loans = loans overdue more than 90 days

Appendix

P&L and Balance Sheet Statements in EUR

Exchange rate P&L

30.6.2003 CZK/EUR 31.59

30.6.2004 CZK/EUR 32.44

Exchange rate BS

31.12.2003 CZK/EUR 32.41

30.6.2004 CZK/EUR 31.76

IFRS, Consolidated, EUR m	1H 2003	1H 2004
Net interest income	244.5	258.0
Provisions on losses on loans and advances	17.7	-12.3
Net fee and commission income	118.8	127.5
Net profit/(loss) on financial operations	16.0	25.4
General administrative expenses	-237.5	-239.7
Income from insurance business	3.7	3.4
Other operating income/(expenses)	-4.8	69.3
Profit/(loss) before taxes	158.3	231.5
Income tax expense	-48.5	-65.0
Profit/(loss) after taxes	109.8	166.6
Minority interests	-2.6	-31.2
Net profit/(loss) for the year	107.1	135.4

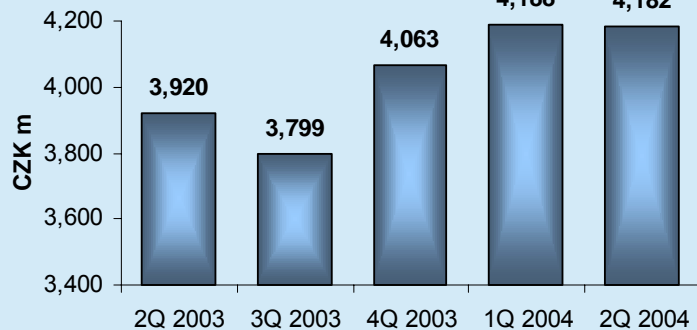
IFRS, Consolidated, EUR m	31/12/03	30/06/04
Total Assets	17,095	18,164
Cash and balances with the CNB	701	589
Loans and advances to financial institutions	2,534	3,055
Loans to Czech Consolidation Agency	1,134	1,157
Loans and advances to customers	5,497	5,925
Provision for losses on loans and advances	-278	-286
Trading securities	1,640	1,155
Securities available for sale	844	1,225
Investment securities	3,792	4,249
- treasury bills and listed debts securities	3,461	3,840
- other	331	409
Fixed assets	635	615
Other assets	597	479

IFRS, Consolidated, EUR m	31/12/03	30/06/04
Total Liabilities and Shareholders' Equity	17,095	18,164
Amounts owed to financial institutions	915	1,045
Amounts owed to customers	13,223	13,956
Bonds in issue	494	704
Other liabilities	1,358	1,315
Minority interests	43	72
Shareholders' equity	1,062	1,071

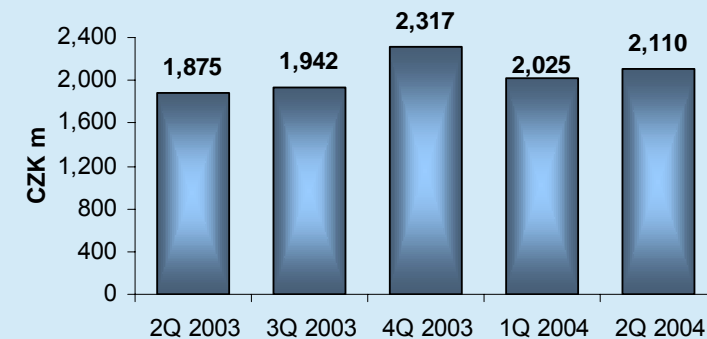
Group Profit & Loss Statement

Quarter on Quarter Development

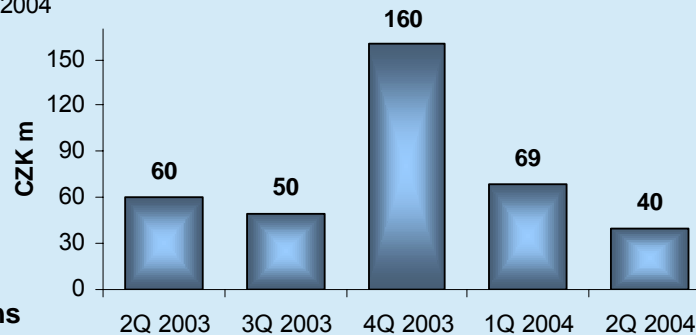
Net interest income



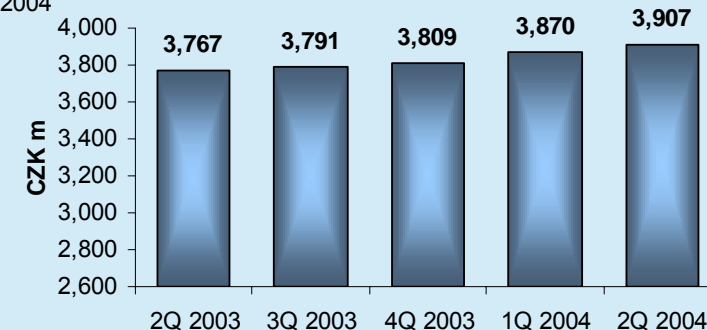
Net fee and commission income



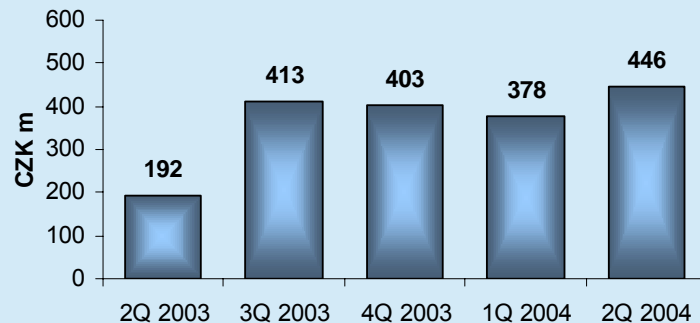
Income from insurance business



General administrative expenses

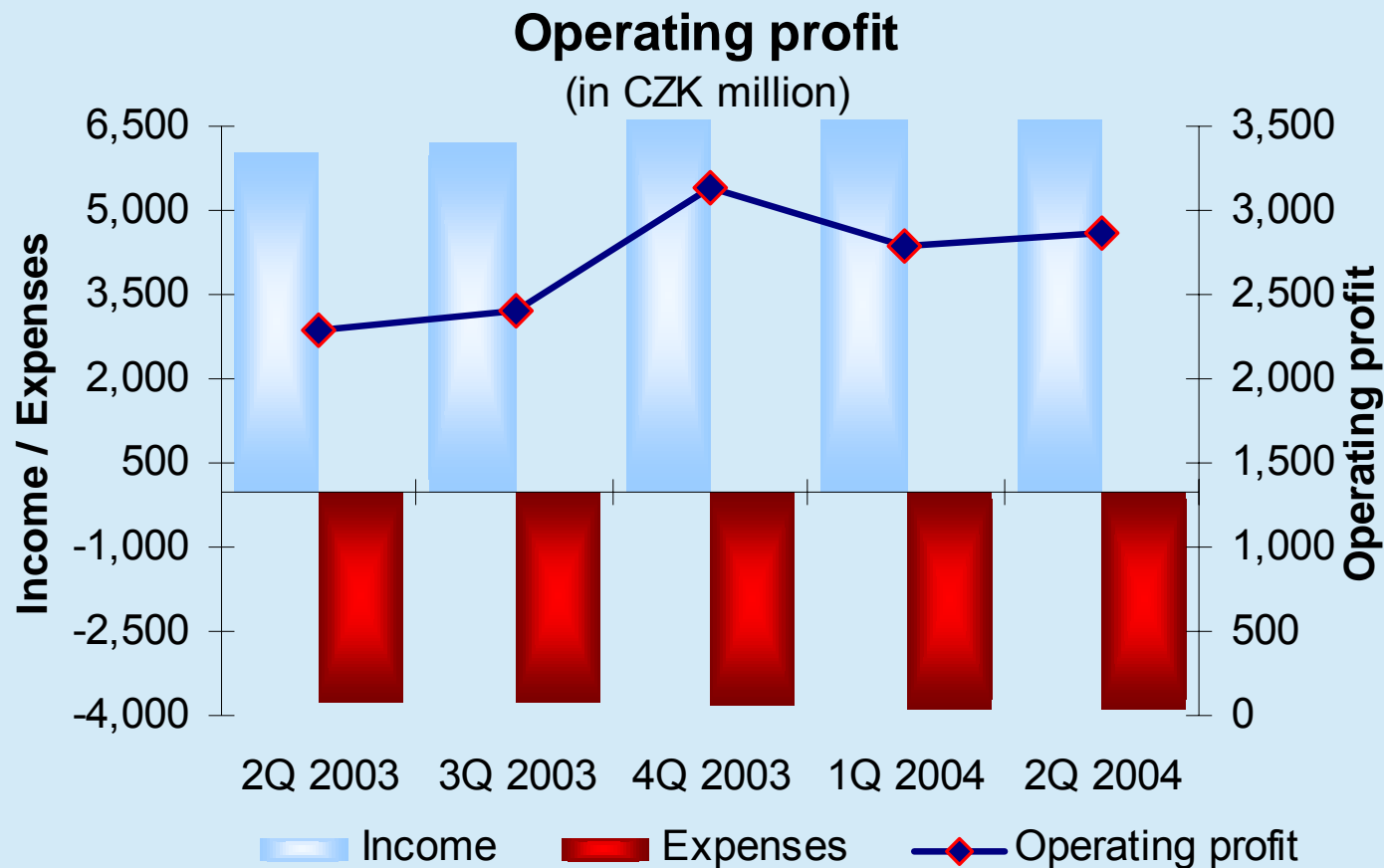


Net profit/(loss) on financial operations



Operating Profit

Quarter on Quarter Development



Macroeconomic Framework

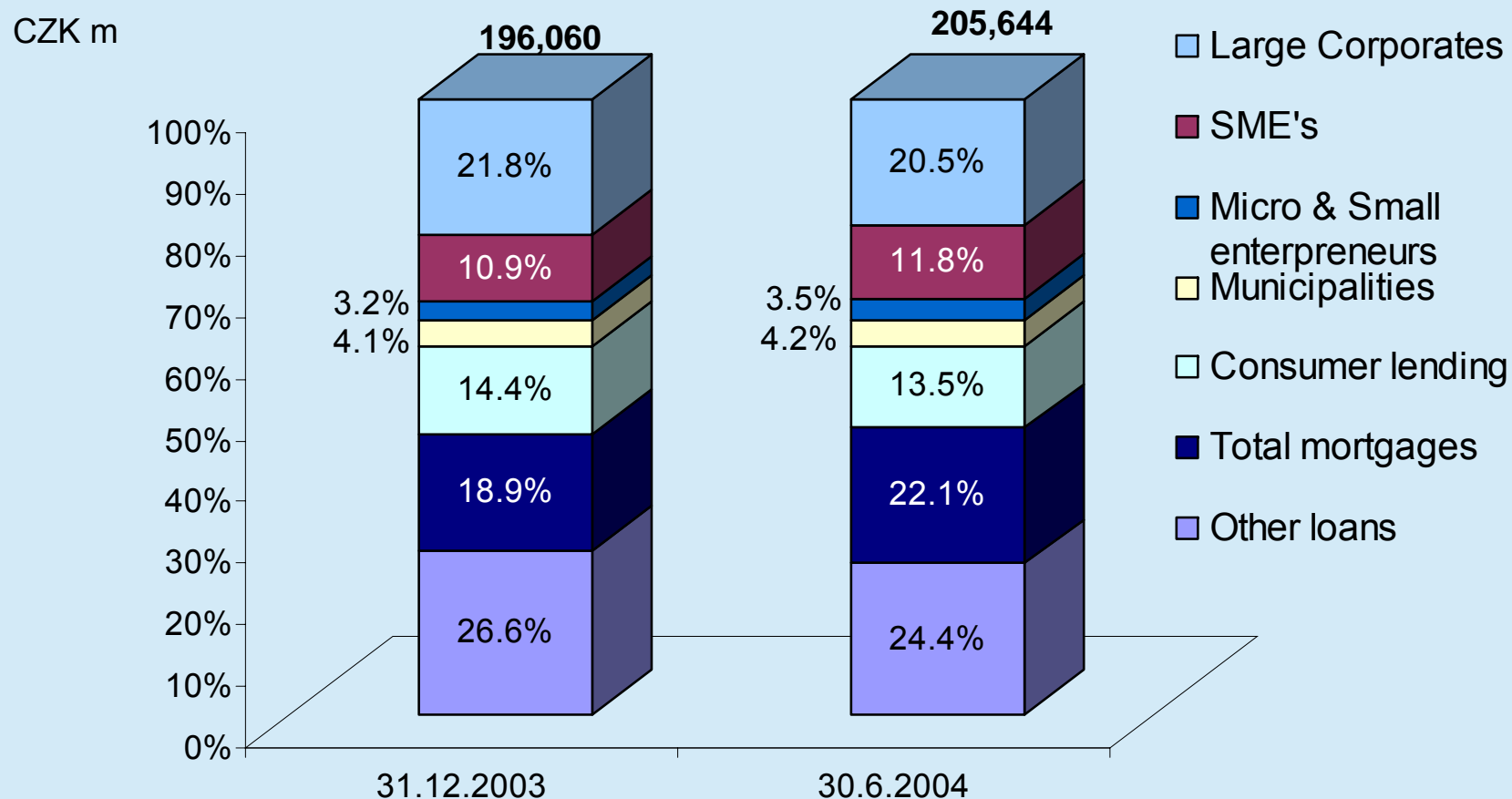
	2000	2001	2002	2003	2004f	2005f
Real GDP (growth y/y %)	3.9	2.6	1.5	3.1	3.5	4.0
Household Consumption (growth y/y %)	2.9	2.8	2.7	4.9	3.5	3.7
Fixed Capital Formation (growth y/y %)	4.9	5.4	3.4	7.4	5.5	4.0
Nominal Wages (growth y/y %)	6.6	8.5	8.2	6.8	7.0	7.5
Retail sales (average growth y/y %)	4.7	4.3	2.7	5.0	3.5	4.5
Industrial production (average growth y/y %)	5.4	6.5	4.8	5.8	7.5	7.0
CPI (year-end%)	4.0	4.1	0.6	1.0	3.2	3.0
Unemployment (year-end%)	8.8	8.9	9.8	10.3	10.0	9.0
Exports (USD bn)	29.1	33.4	38.5	48.7	61.1	73.4
Imports (USD bn)	32.2	36.4	40.7	51.3	63.4	75.1
Trade balance (% of GDP)	-5.6	-5.0	-3.0	-2.7	-2.2	-1.6
Foreign direct investment (USD bn; cum.)	21.8	27.5	35.8	38.0	41.0	46.2
Current account balance (% of GDP)	-4.9	-5.4	-5.6	-6.2	-6.4	-5.5
Govt. budget balance (% of GDP)	-2.4	-2.9	-1.9	-4.2	-4.9	-3.9
Central bank intervention rate (year-end)	5.25	4.75	2.75	2.00	2.50	3.25
Short term interest rate (3 months; average)	5.3	5.1	3.5	2.2	2.4	3.2
Long term interest rate (10 years; average)	7.0	6.4	4.9	4.2	5.1	5.5
Loc. Curr./USD average	38.6	38.0	32.7	28.0	26.4	26.7
Loc. Curr./USD year-end	38.7	35.6	30.4	25.7	26.9	26.4
Loc. Curr./EUR average	35.6	34.1	30.8	31.9	32.2	31.5
Loc. Curr./EUR year-end	34.9	31.7	31.5	32.3	31.7	31.1

Bold figures represent the final data.

CS Market Shares Development

according to CNB statistics	31.12.2001	31.12.2002	31.12.2003	30.6.2004	change
Total Assets	18.6%	18.7%	19.0%	18.8%	↘
Loans to Customers	12.0%	18.4%	19.5%	20.1%	↑
Interbank Loans	11.5%	5.8%	7.5%	9.6%	↑
Primary Deposits	25.0%	20.2%	21.0%	20.6%	↘
Retail Deposits	32.5%	27.9%	27.5%	26.8%	↘
Retail Loans	31.7%	30.9%	26.4%	26.2%	↘
Mortgages	21.9%	27.6%	30.1%	32.4%	↑
Retail Mortgages	24.3%	29.0%	29.1%	31.4%	↑
ATM	50.0%	41.5%	40.0%	38.8%	↘
Payment Cards	47.4%	44.6%	40.4%	39.8%	↘

Structure of Bank Loan Portfolio Overview



Structure of Bank Loan Portfolio

in CZK m, unconsolidated, IFRS	30.06.2003		31.12.2003		30.06.2004		YTD Growth		YTY Growth	
	Outstand.	Share	Outstand.	Share	Outstand.	Share	Outstand.	Rate	Outstand.	Rate
1. Corporates	75,030	41.6%	82,383	42.0%	85,508	41.6%	3,125	3.8%	10,478	14.0%
1.1. Large Corporates	40,485*	22.5%	42,705	21.8%	42,063	20.5%	-643	-1.5%	1,577	3.9%
1.2. Medium Corporates	18,637	10.3%	21,366	10.9%	24,336	11.8%	2,971	13.9%	5,699	30.6%
1.3. Corporate Mortgage	8,930	5.0%	10,278	5.2%	10,514	5.1%	237	2.3%	1,584	17.7%
1.4. Municipalities	6,978	3.9%	8,035	4.1%	8,595	4.2%	560	7.0%	1,617	23.2%
2. Retail	64,005	35.5%	72,692	37.1%	80,525	39.2%	7,834	10.8%	16,520	25.8%
2.1. Private cards	345	0.2%	772	0.4%	1,002	0.5%	231	29.9%	658	191.0%
2.2. Consumer credit	23,846	13.2%	27,513	14.0%	26,760	13.0%	-753	-2.7%	2,914	12.2%
2.3. Private social	7,632	4.2%	7,085	3.6%	6,383	3.1%	-702	-9.9%	-1,249	-16.4%
2.4. Private mortgages	17,858	9.9%	23,234	11.9%	30,425	14.8%	7,191	30.9%	12,567	70.4%
2.5. Micro corporates	7,507*	4.2%	6,321	3.2%	7,205	3.5%	884	14.0%	-303	-4.0%
2.6. Commercial mortgages	3,004	1.7%	3,616	1.8%	4,498	2.2%	882	24.4%	1,494	49.7%
2.7. Public sector entities	3,814	2.1%	4,152	2.1%	4,252	2.1%	101	2.4%	439	11.5%
3. Financial markets**	41,284	22.9%	40,985	20.9%	39,611	19.3%	-1,374	-3.4%	-1,674	-4.1%
Total Loans to Customers	180,320	100.0%	196,060	100.0%	205,644	100.0%	9,584	4.9%	25,324	14.0%

* including corporate/retail Bad bank (Ring fenced + Bad bank sale assets) in total amount CZK 9.3 bn

** including CKA

Note: Modification of Segments Reporting implemented as of Y04 beginning

Typical Mortgage

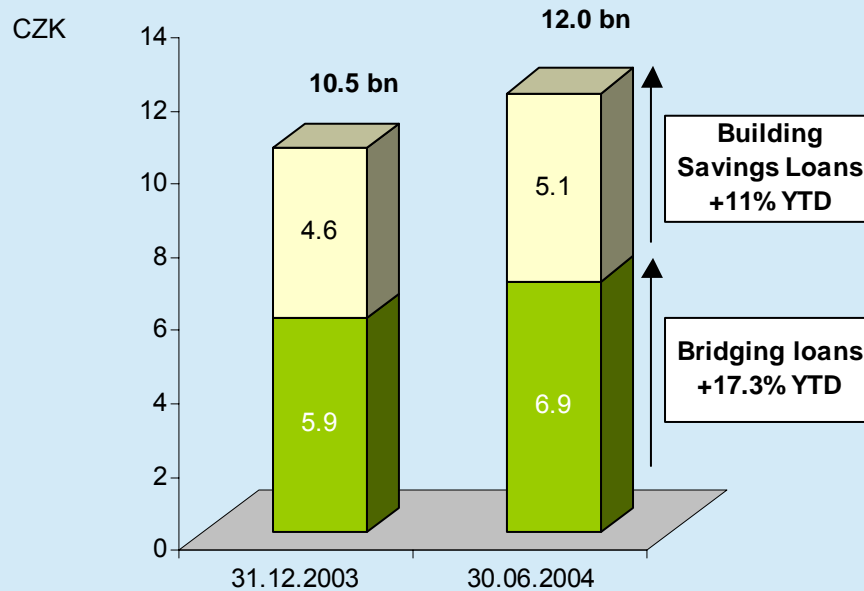
Private individuals

- **Average loan amount :** **1,093,673 CZK/34,436 EUR**
- **Average maturity:** **16.6 years**
- **Loan to Value ratio:** **48.8%**
- **Purpose:** **purchasing / construction of family house/
flat for own living**
- **Interest rate:** **4.99% fixed for 5 year; 4.39% fixed for 3 years**
- **Up front fee:** **0.9% from the loan value**
(min. CZK 9,500 – max. CZK 25,000)
- **Account maintenance fee:** **150 CZK/5 EUR monthly**
- **Instalment*):** **8,004 CZK /252 EUR; 7,652 CZK/241 EUR**

**) average monthly salary per person in the Czech Republic is 16,917 CZK/533 EUR*

Stavebni sporitelna CS - Building Society

Loans to Customers



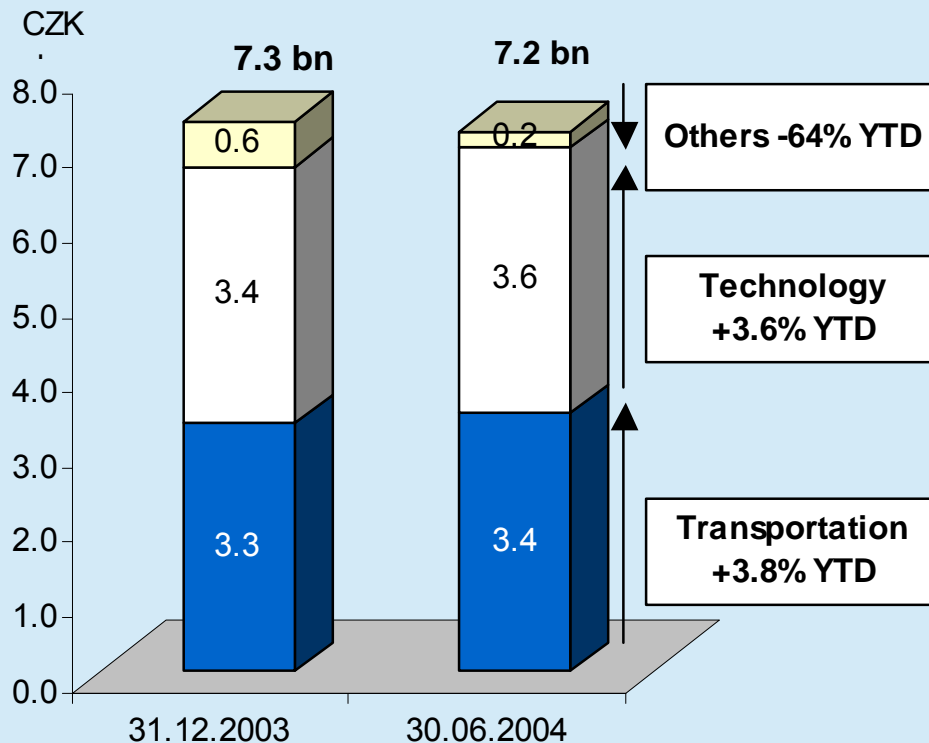
- Significant YTD growth + CZK 1.5 bn (+ CZK 1.0 bn YTD in 1H03)
- Bridging Loans share in portfolio 57.1% continues to increase (51.7% in 1H03)
- Average Bridging Loan CZK 209 ths (189 ths in 1H03)
- Satisfactory loan quality:
 - ⇒ classified loans share of 2.3% is under market average (3.2%*)
 - ⇒ NPLs share 1.1% remain stable

in CZK m, IFRS unconsolidated	31.12.2003		30.6.2004		YTD Growth	
	Outstanding	in %	Outstanding	in %	Outstanding	Rate
Bridging Loans	5,853	55.8%	6,864	57.2%	1,011	17.3%
Building savings Loans	4,630	44.2%	5,139	42.8%	510	11.0%
Total Loans to Customers	10,482	100.0%	12,004	100.0%	1,521	14.5%

* source Asociace Stavebních Spřitelena (Association of Building Societies) 1Q04

Leasing CS

Loans to Customers



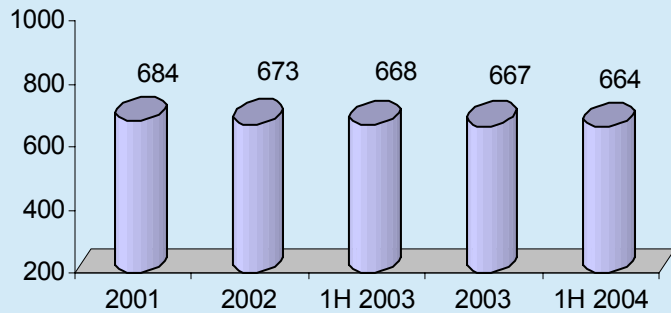
➤ **Portfolio stagnation influenced by general development on leasing market* and by new business targets of Leasing CS:**

- ⇒ withdrawing from installment loans (in the graph included in decreasing product group Others)
- ⇒ focus on Car&Transportation leases and Technologies (YTD increase above 3%)

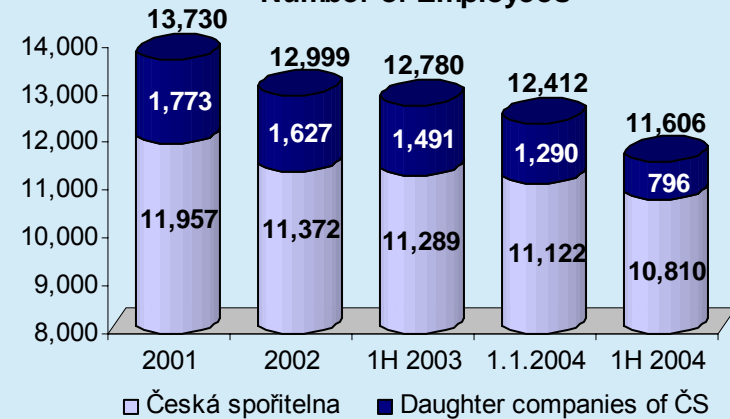
*New leasing deals decreased YTY -12.3% (source: Asociace leasingových Společností - Association of Leasing companies 1Q04)

Business Indicators

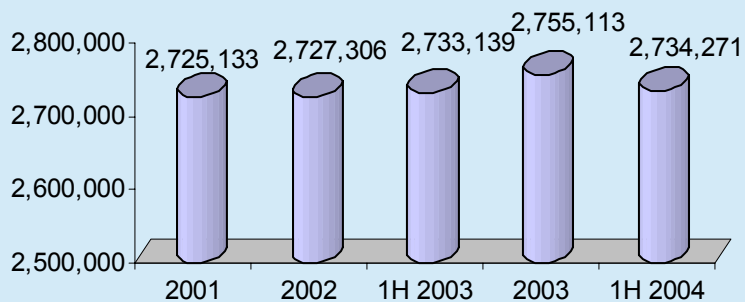
Number of Branches



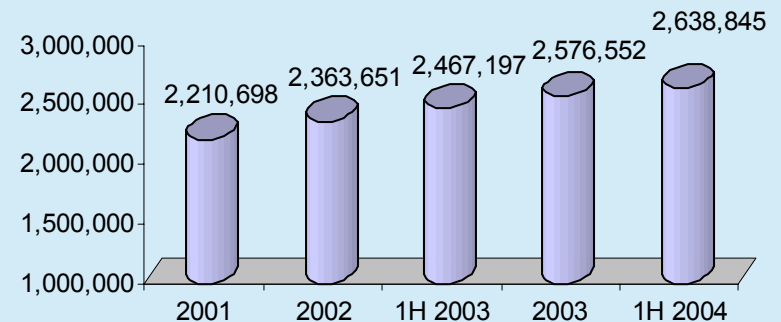
Number of Employees



Number of Sporožiro Current Accounts



Number of Issued Payment Cards



Alternative Distribution Channels

No. of clients*	31.12.2001	31.12.2002	31.12.2003	30.6.2004
GSM banking	19,415	64,811	81,615	94,189
Homebanking	13,436	19,639	20,369	20,251
Servis 24 Telebanking & Internetbanking	39,754	373,889	677,926	718,680
Sporotel (phone banking)	374,897	0	0	0
Internet, w@p and fax banking	9,569	0	0	0
Total	457,071	458,339	779,910	833,120

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

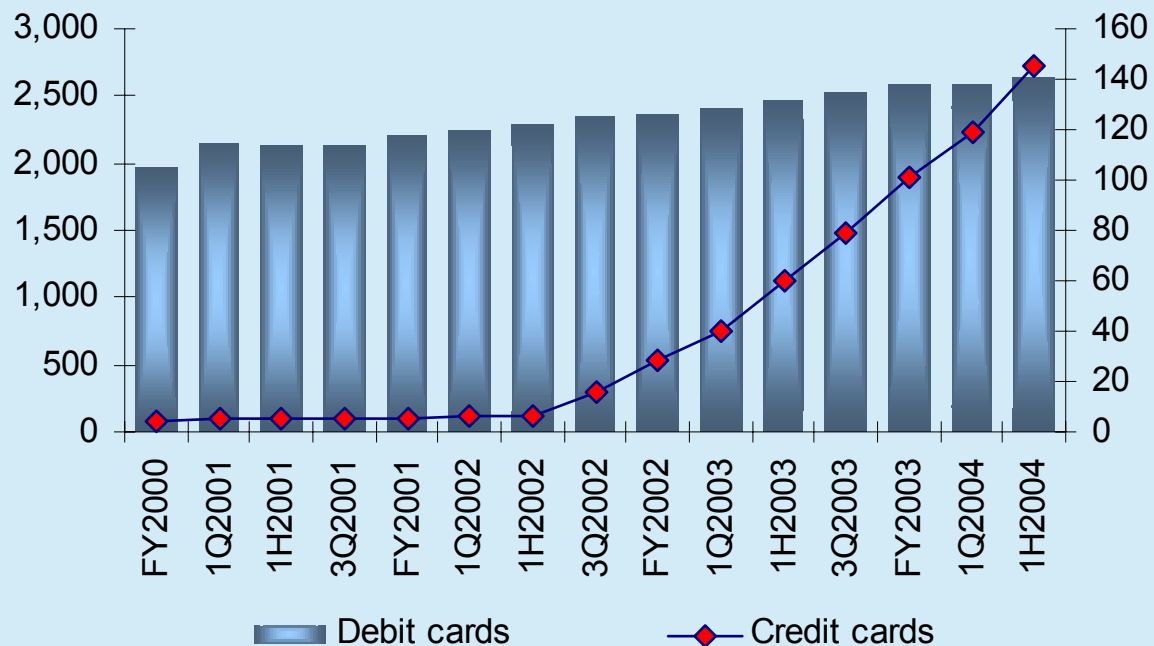
Payment Cards

	2000	2001	2002	2003	1H2004
Debit cards	1,966,218	2,205,480	2,335,600	2,475,397	2,493,845
Credit cards	4,732 *)	5,387	28,051	101,155	145,000
Total payment cards	1,970,950	2,210,867	2,363,651	2,576,552	2,638,845

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

Development of Debit and Credit Cards

(in thousands)



Net Profit of Selected Subsidiaries

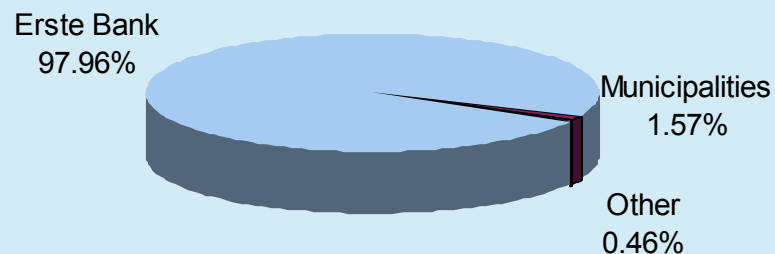
IFRS, CZK m	1H 2003	1H 2004	% Change
Stavební spořitelna CS - Building Society	126	123	-2.4
Investiční společnost CS - Asset Management	7	18	n/a
Leasing CS - Leasing	39	50	28.2
Penzijní fond CS - Pension Fund*	198	42	-78.8
Pojišťovna CS - Insurance Company	76	2,172	n/a
Factoring CS - Factoring	12	8	-33.3

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

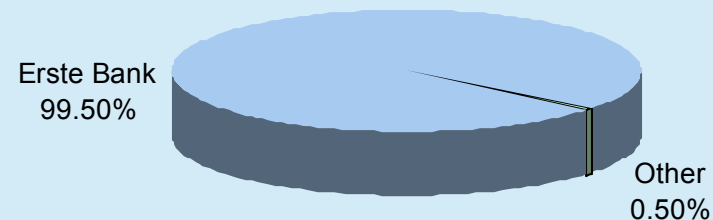
*According to the Supplementary pension insurance Act min. 85% of Czech Accounting Standards (CAS) net profit of pension fund is distributed to clients. Penzijni fond CS made CAS profit for 1H 2004 in the amount of CZK 123.5 m (CZK 148.3 m in 1H 2003).

Shareholder Structure

Shareholder structure
Jun 30, 2004



Voting Rights Structure
Jun 30, 2004



Development of Erste Bank ownership in Ceska sporitelna

date	15.08.2000	31.12.2000	31.12.2001	31.12.2002	31.12.2003	30.06.2004
change of % share	52.07%	52.62%	52.15%	93.62%	97.96%	97.96%

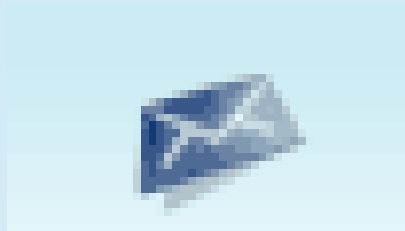
Rating of Ceska sporitelna

Rating Agency	Long-term	Short-term	Individual	Support	Financial Strength	Outlook	Update
Fitch	A-	F2	C	1		stable	01/07/2004
Moody's	A2	Prime - 1			C-	stable	13/07/2004
Standard & Poor's	BBB	A2				positive	05/09/2003

2004 Highlights:

- Fitch Ratings increased individual rating of Ceska sporitelna from C/D to C
- Moody's upgraded CS financial strength rating from D+ to C-
- Both rating actions reflect mainly completion of CS loan portfolio restructuring and enhancement of risk management but also successful business expansion and strengthening of CS franchise which improve the Bank's revenue generation capacity.

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