

Kredyt Bank Group

Financial Results for 3Q 2009

Warsaw, November 13, 2009





- Highlights
- Analysis of results, Group
- Business lines, Bank
- Appendix



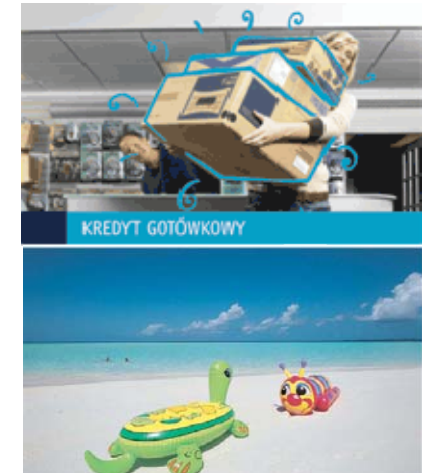
The increase of efficiency and security, solid operating income

- Operating profit (before provisions) in III Q 2009 equal to PLN 172 m (+25% vs IIQ 2009),
- C/I ratio (quarterly) at the level of **58,8%** in the III Q 2009 in comparison with 64,3% in the IIQ 2009 (**improvement by 5,5 pp**),
- CAR at the level of 11.36% as of the end of September 2009 in comparison with 10,78% as of the end of June 2009,
- Improvement of net fees and commissions income in III Q 2009 **by 11,5%** vs II Q 2009 (quarterly).



Sale activity in IIIQ 2009 – loans and deposits

- Third promotion campaign supporting the sale of cash loans using KB's network. The number of sold loans – 8.807, volume – PLN 111.930 ths. The new clients constituted 18,5% of the customers who bought the loans.
- Deposit products:
 - KO – Lokata Swobodna – 13.578 new accounts and record of Ekstrakonto sale in September
 - „Loyalty promotion” – increase of PLN saving accounts portfolio by PLN 2 bln (to the level of PLN 7 bln)



Lokata, która płaci za Twoje codzienne przyjemności.



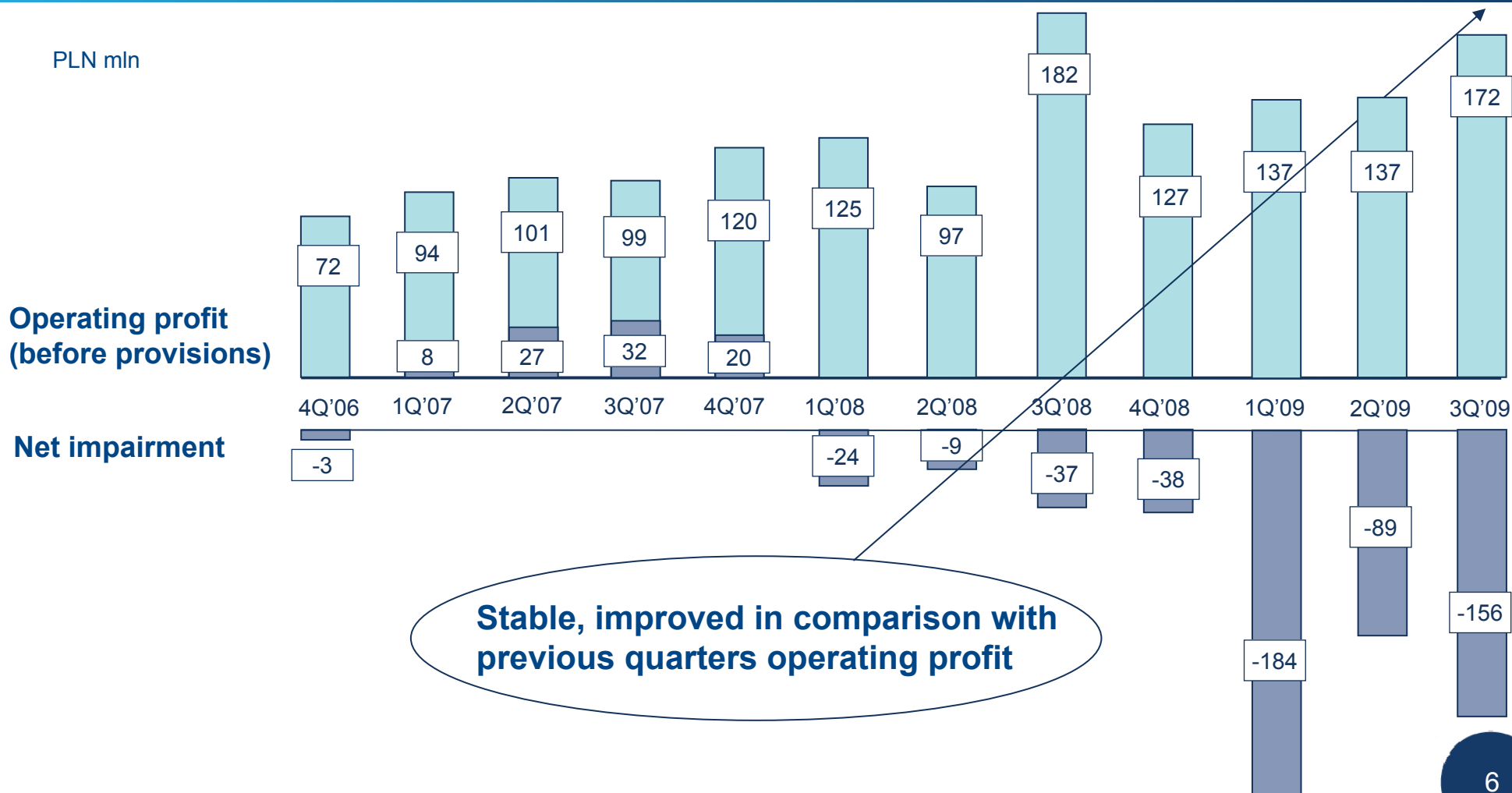
Sale activity in IIIQ 2009 – investment products

- Investment funds new sale market share (KBC TFI): August - 16%, September - 25%,
- Investment and insurance products – PLN 650 mln of funds acquired in the 3Q:
 - ✓ Open Investment Funds – acquired PLN 570 mln of funds
 - ✓ Koszyk Zysków – subscription VII-VIII (in the form of life insurance, based on capital guarantee fund, investment in the selected 27 companies – world leaders in the food sector)
 - ✓ Petro Inwestycja – on sale from September (in the form of life insurance, capital guarantee fund, investment in an index based on quotation of 6 kind of fuels)
 - ✓ KBC Dobry Bonus FIZ – on sale from September (capital guarantee fund, investment in the 30 selected international companies, interests up to 12%, which are paid during the course of the fund, after each accounting period)
 - ✓ Profit Plan – investment insurance (in the form of life insurance, investment based on 6 available strategies of KBC TFI funds and the money market)





Performance highlights





Financial highlights IIIQ 2009

	IIIQ 09	IIQ 09	IIIQ 08	IIIQ09- IIIQ08	Δ 09/08 %	
Loans (gross, PLN bln)	27,8	29,0	22,9	+4,9	+21,5%	▲
Deposits (PLN bln)	22,0	22,4	20,2	+1,8	+8,8%	▲
FTE (ths)	6,2	6,5	7,1	-0,9	-11,9%	▼
Branch network - KB	407	406	395	+12	+3,0%	▲
Branch network – Żagiel ¹	200	261	343	-143	-41,7%	▼

¹ Kredyt Punkty



Financial highlights IIIQ 2009 – P&L

	IIIQ 09	IIQ 09	IIIQ 08	IIIQ09- IIIQ08	Δ 09/08 %	
NII + NFC (PLN mln)	352,8	342,5	350,4	+2,4	+0,7%	▲
Gross operating income (PLN mln)	416,9	385,3	451,4	-34,5	-7,6%	▼
General administrative expenses (PLN mln)	-245,3	-247,9	-268,9	-23,6	-8,8%	▼
Operating profit (PLN mln)	171,6	137,4	182,5	-10,9	-6,0%	▼
Net impairment and provisions (PLN mln)	-156,4	-89,0	-37,0	-119,4	+322,3%	▼
Net profit (PLN mln)	10,4	40,6	115,5	-105,1	-91,0%	▼



Financial highlights IIIQ 2009 - indicators

	IIIQ 09	IIQ 09	IIIQ 08	IIIQ09- IIIQ08 pp	
Cost/Income (quarterly)	58,8%	64,3%	59,6%	-0,8pp	↓
ROE (YTD)	3,2%	7,8%	15,9%	-12,7pp	↓
Loans/Deposits	120,9%	124,7%	109,0%	+11,9pp	↑
Loans/Deposits (adjusted) ¹	78,5%	77,3%	87,7%	-9,2pp	↓
CAR	11,4%	10,8%	9,4%	+2,0pp	↑

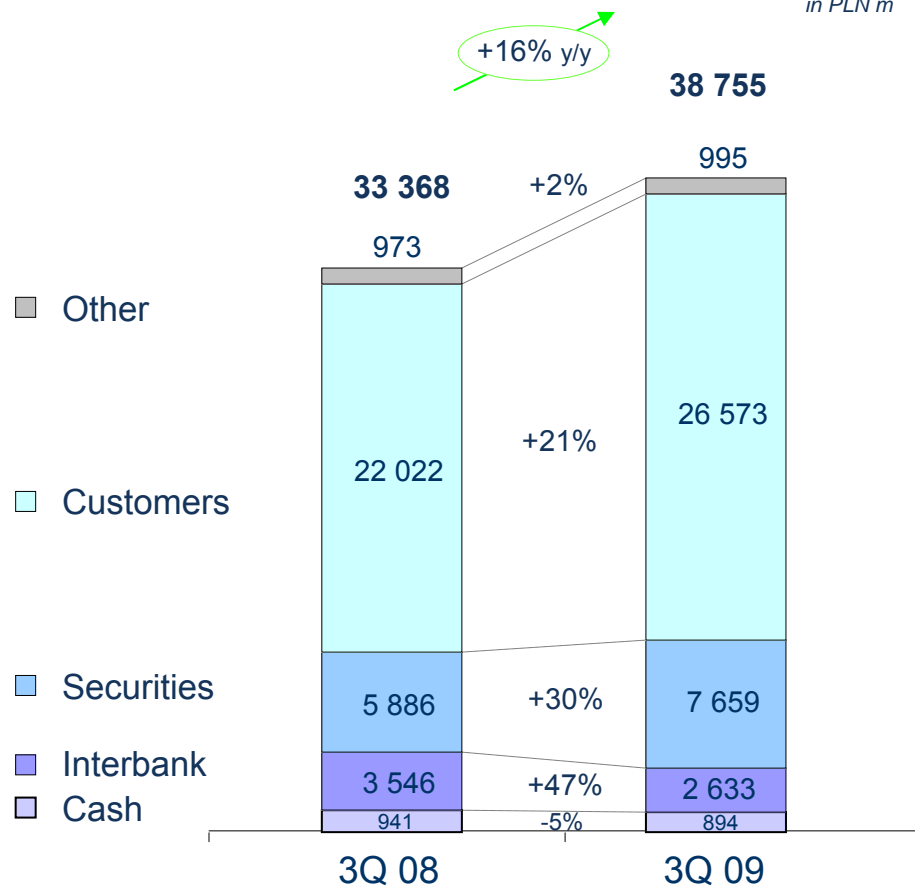
¹ Net customer loans excluding FX customer loans financed by KBC Group / customer deposits



Balance sheet breakdown

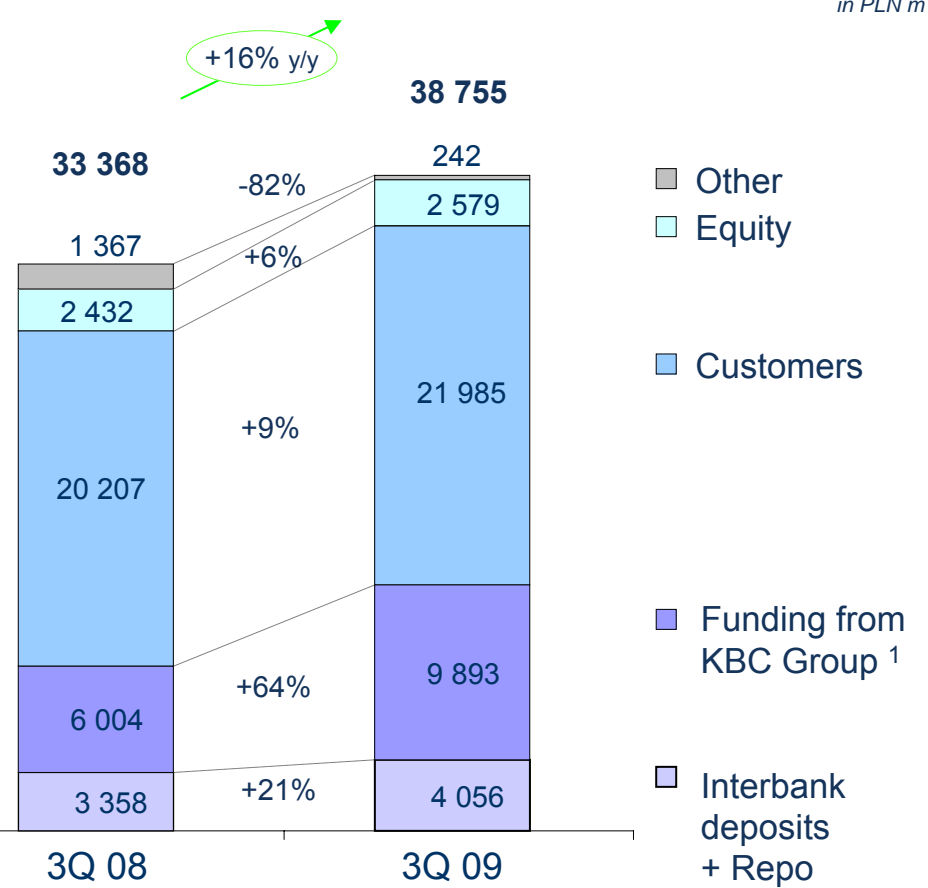
ASSETS

in PLN m



LIABILITIES & FUNDS

in PLN m

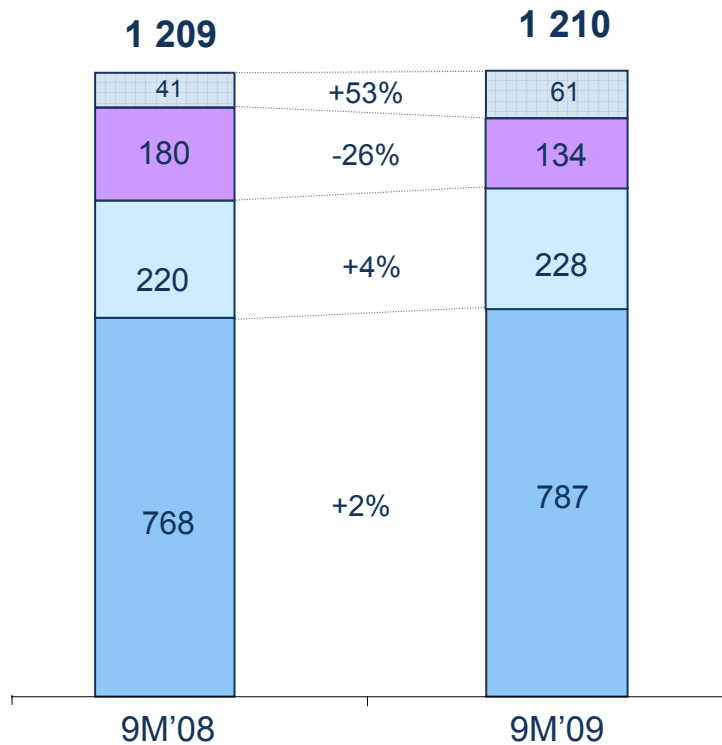


¹ Funding from KBC Group = loans and interbank deposits from KBC Group entities (FX and PLN)

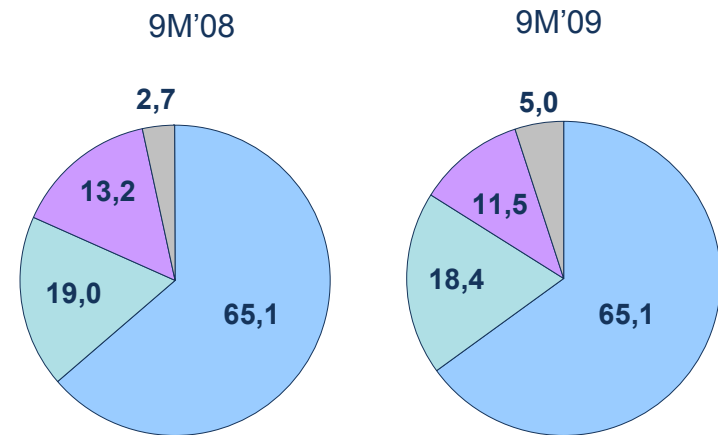


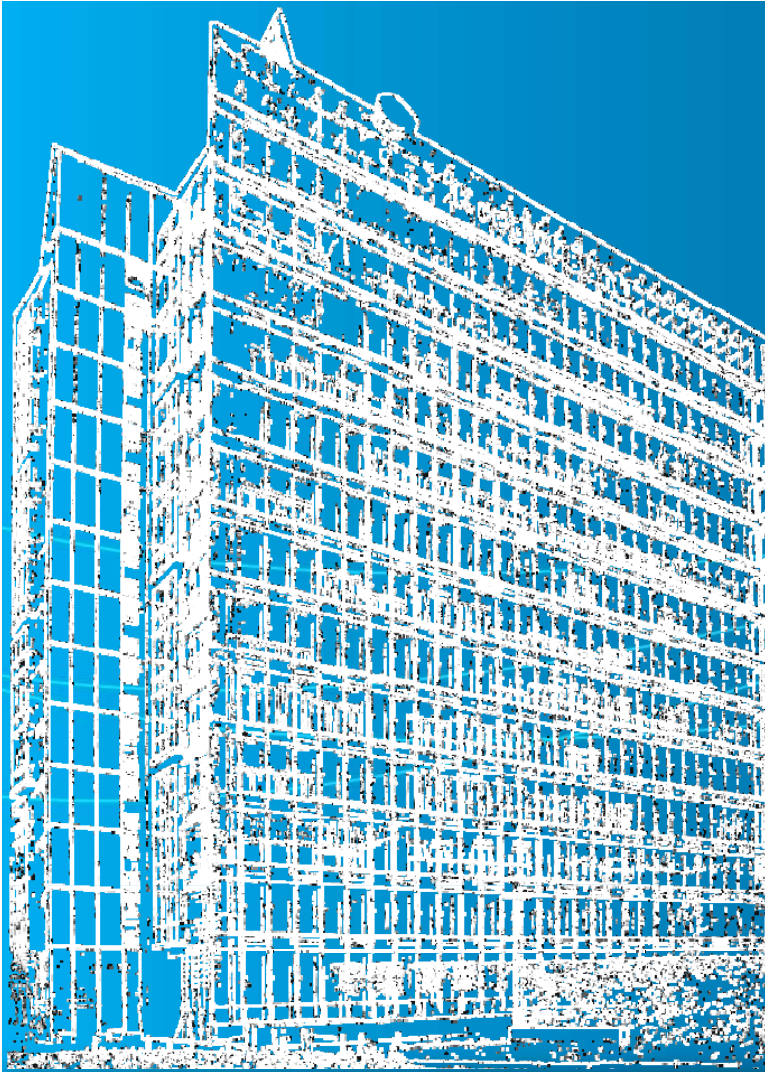
Gross operating income breakdown (cumulatively)

+0,1% *in PLN m*



- Other
- Net financial operations
- NFC
- NII





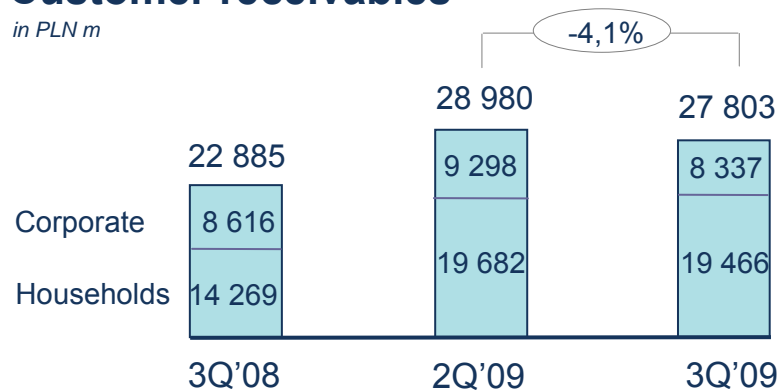
- Highlights
- Analysis of results, Group
- Business lines, Bank
- Appendix



Volumes

Customer receivables¹

in PLN m



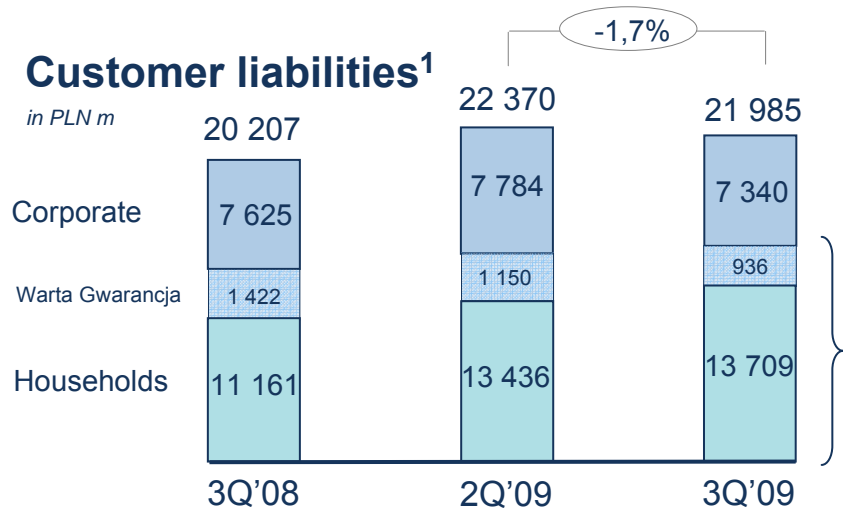
+21% y/y

-3% y/y

+36% y/y

Customer liabilities¹

in PLN m



+9% y/y

-4% y/y

+16% y/y

KB market share - loans²

	3Q'08	2Q'09	3Q'09
Total loans	4,1%	4,3%	4,1%
Households loans	4,5%	4,9%	4,8%
Corporate loans	3,5%	3,5%	3,1%

KB market share - deposits²

	3Q'08	2Q'09	3Q'09
Total deposits	3,7%	3,5%	3,5%
Households deposits ³	3,9%	3,8%	3,8%
Corporate deposits	3,4%	2,9%	2,9%

¹Receivables, liabilities gross, end of period, consolidated

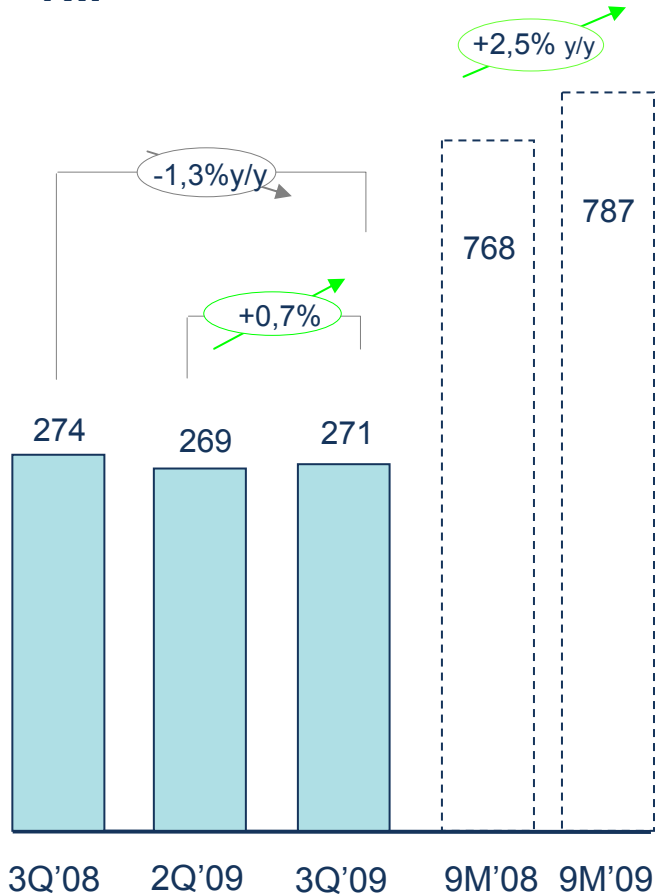
² NBP segmentation – residents only, bank statutory

³ combined with insurance linked deposit Warta Gwarancja

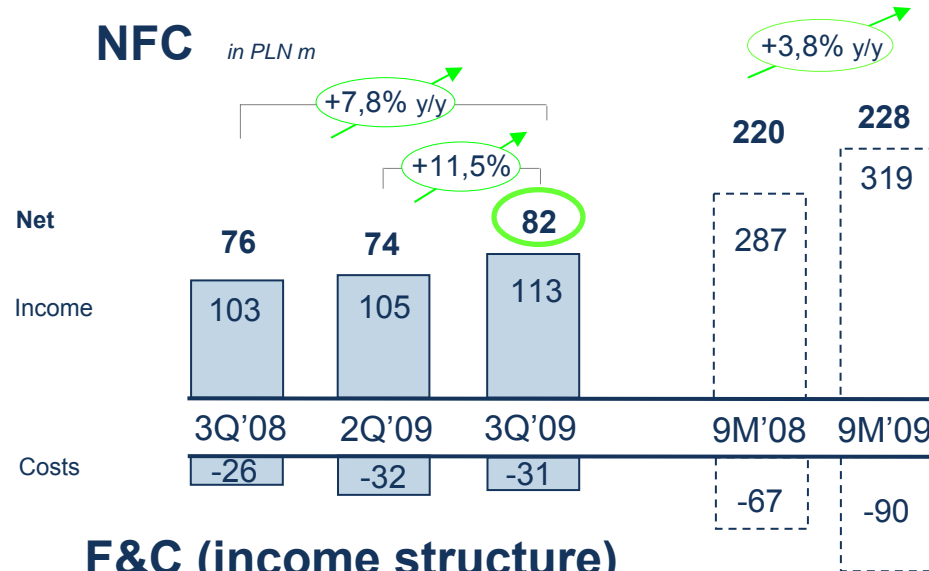


Net interest, net fees and commissions

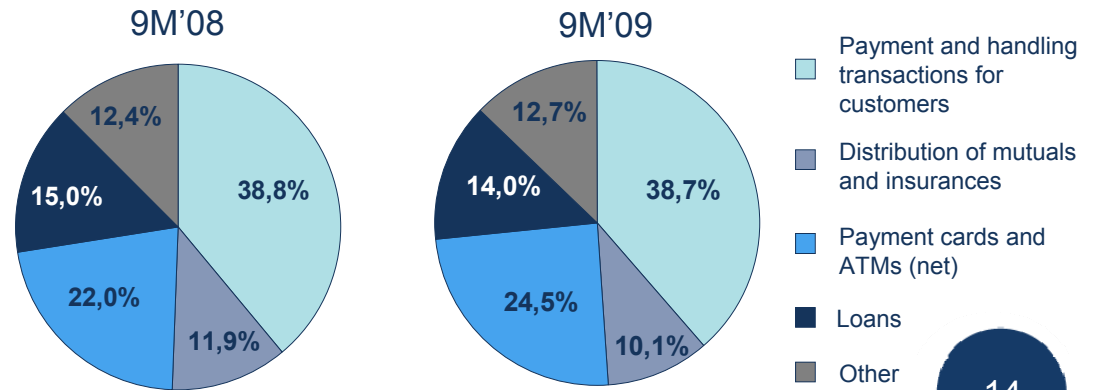
NII in PLN m



NFC in PLN m



F&C (income structure)





General administrative expenses

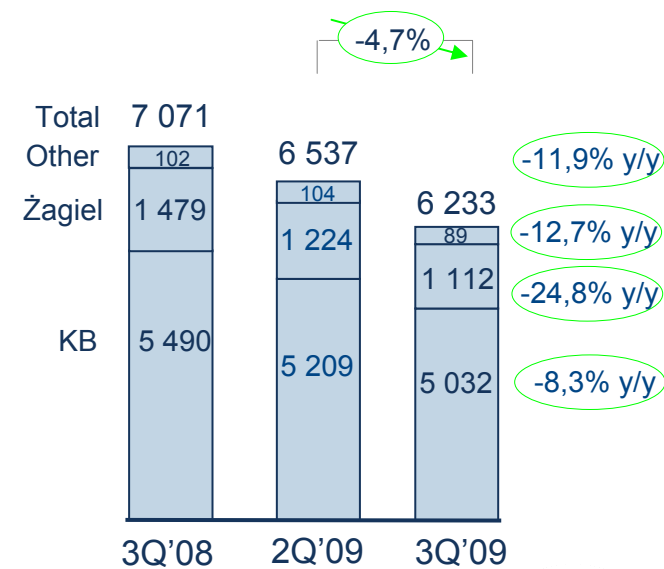
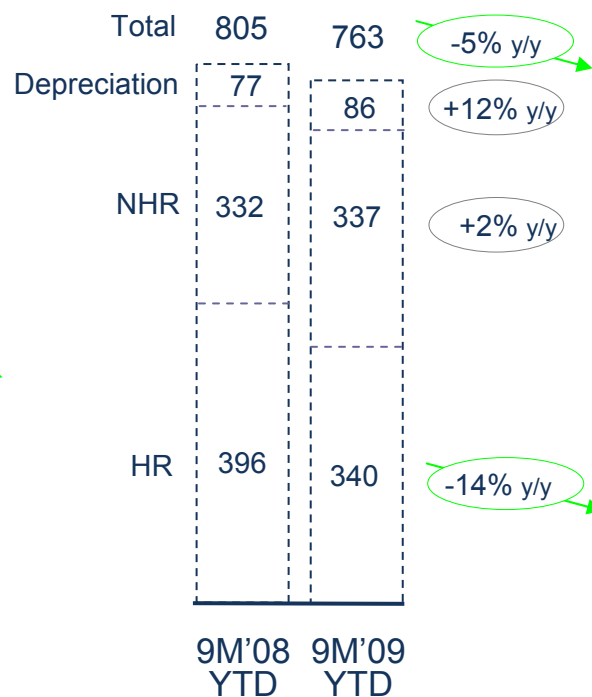
General administrative expenses in PLN m

FTEs

Quarterly



Cumulatively





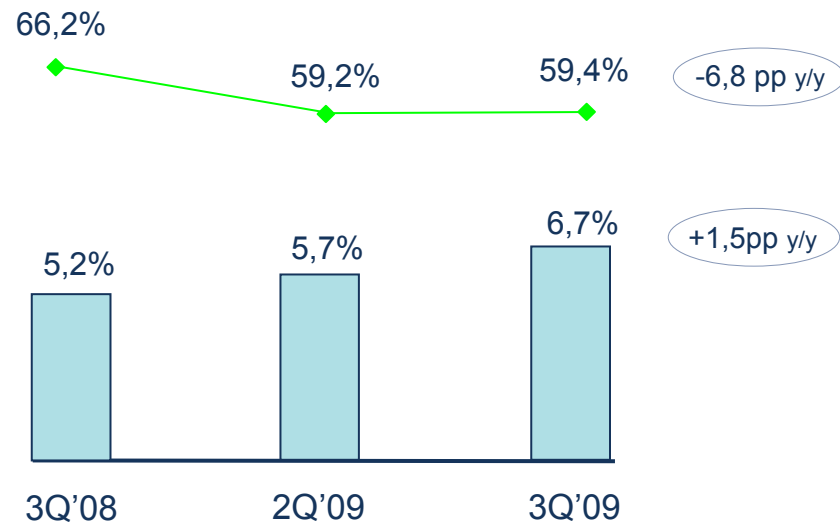
General administrative expenses - details

PLN mln	IIIQ 09	IIQ 09	IIIQ 08	IIIQ09- IIQ09	IIIQ09 / IIQ09	
HR costs:	109,1	105,9	125,3	+3,2	+3,0%	▲
Operating expenses including <small>inter alia:</small>	107,8	112,9	116,6	-5,1	-4,5%	▼
Marketing	2,0	4,4	5,8	-2,4	-54,3%	▼
Fees and taxes	23,2	24,7	21,5	-1,5	-5,9%	▼
Costs of buildings' rental and maintenance	37,6	38,5	32,5	-0,9	-2,5%	▼
Postal and telecommunication costs	13,8	14,7	15,4	-0,9	-6,3%	▼
Advisory costs	2,9	3,8	2,8	-0,9	-24,8%	▼



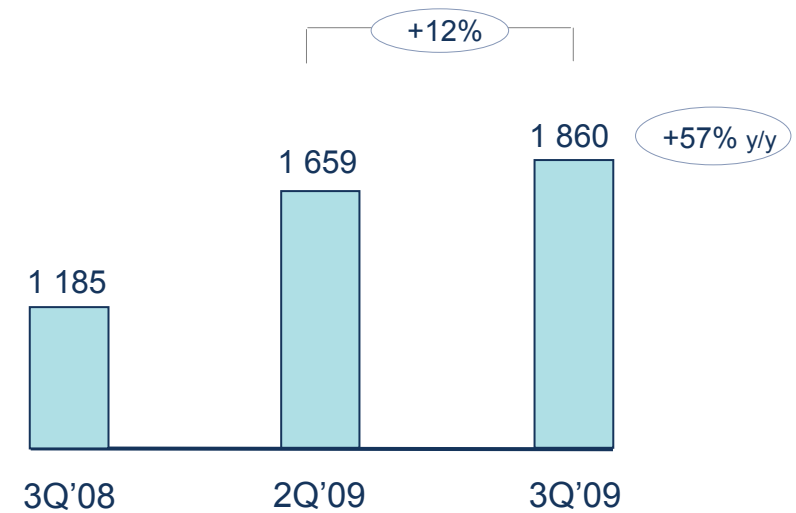
Loans quality

Impaired loans/gross loans¹, coverage ratio



Impaired loans - volume

in PLN m



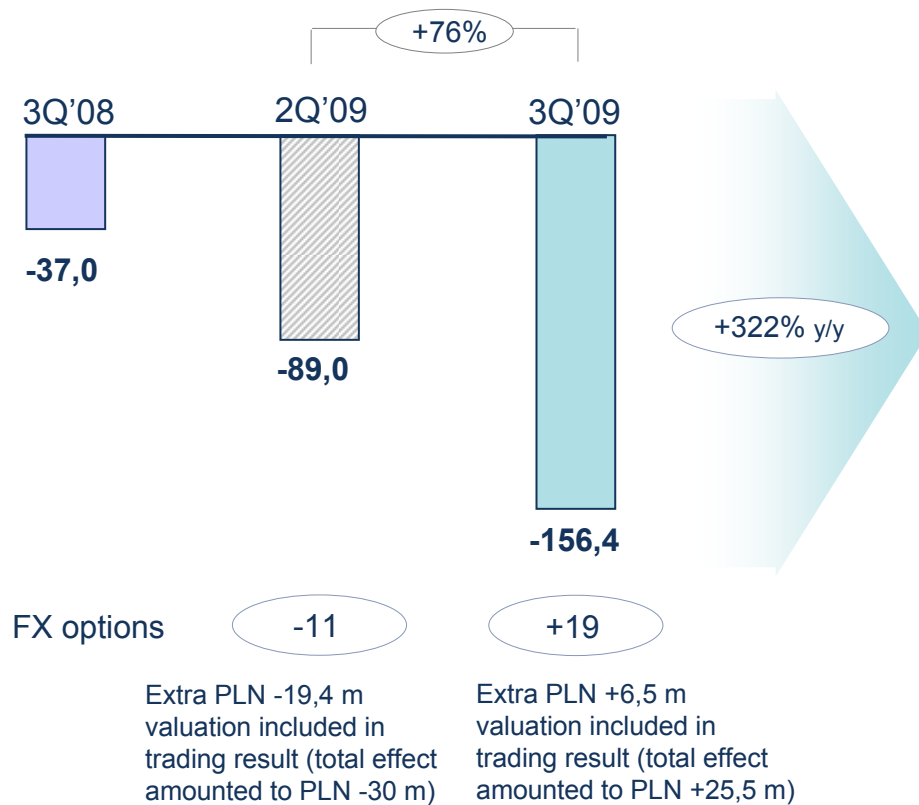
¹ On customer's portfolio basis, banks excluded



Net Impairment

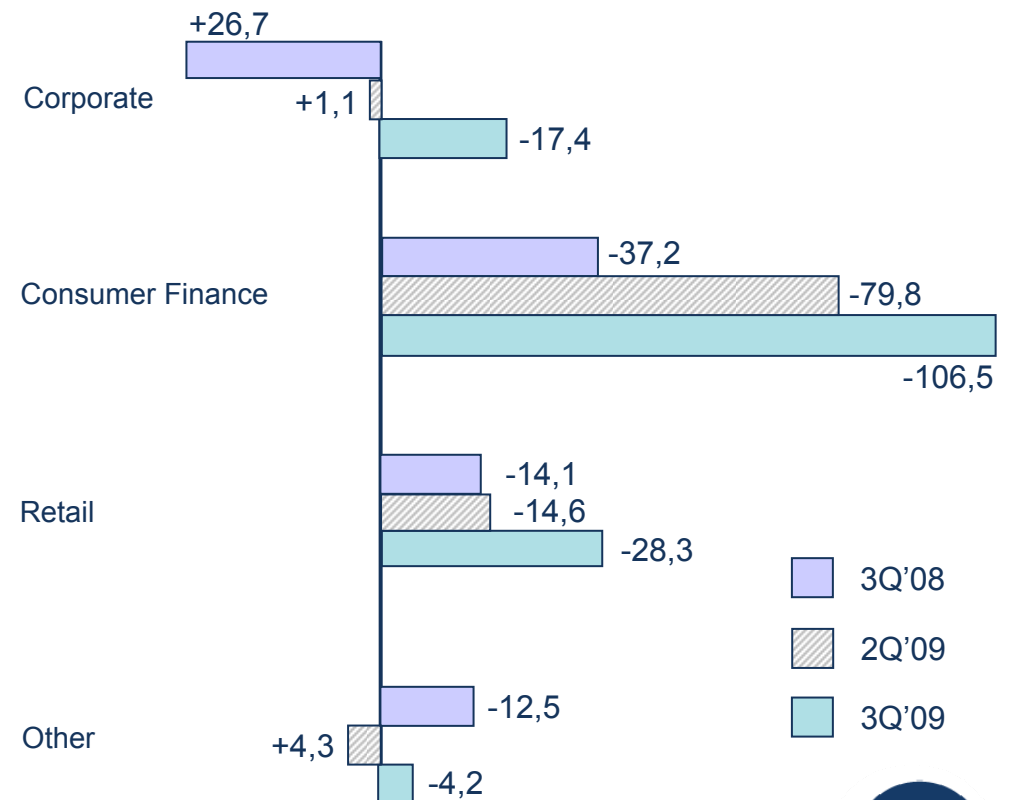
Net impairment *quarterly*

in PLN m



Net impairment – breakdown by segments

in PLN m



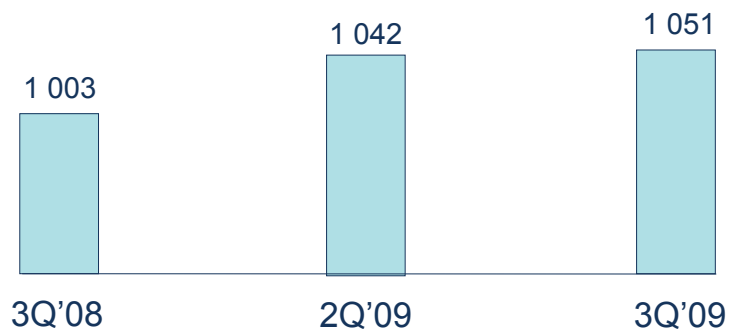


- Highlights
- Analysis of results, Group
- Business lines, Bank
- Appendix

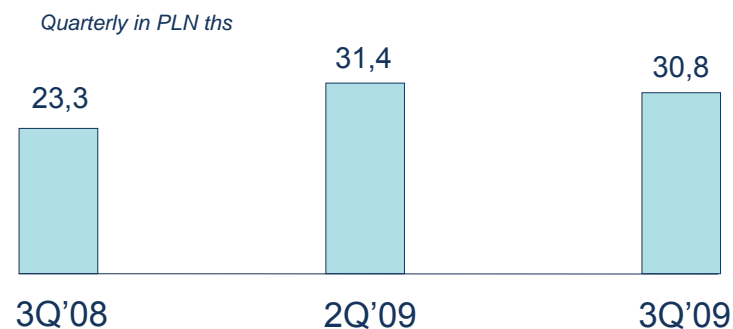


Retail banking and consumer finance performance

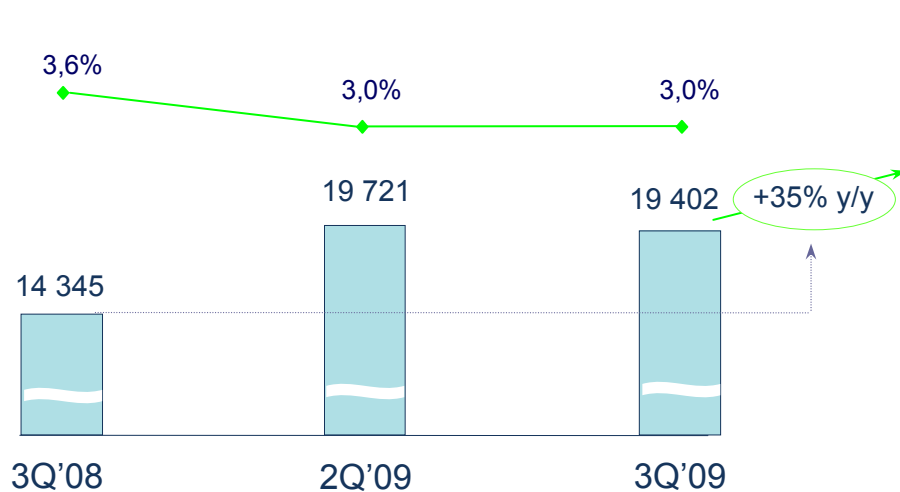
Number of clients *in ths*



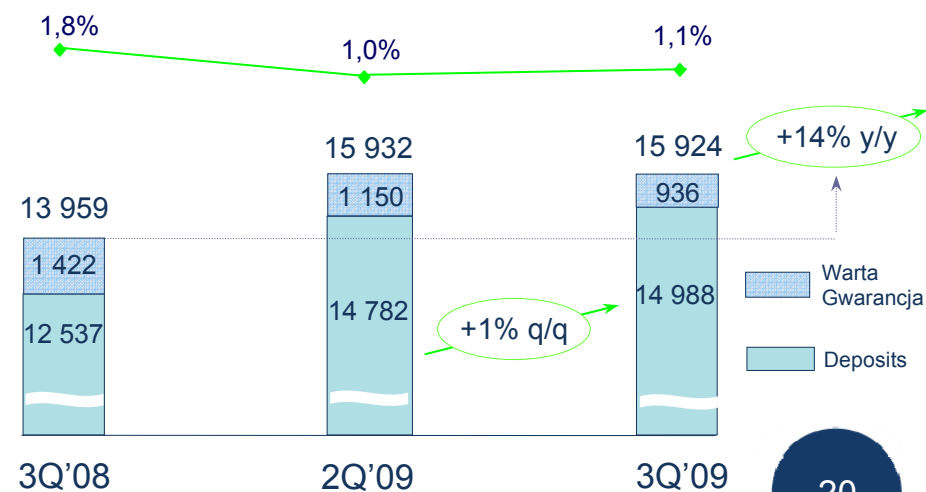
Customer business per client



Retail loans¹ *in PLN m* , Margin



Retail deposits¹ *in PLN m* , Margin

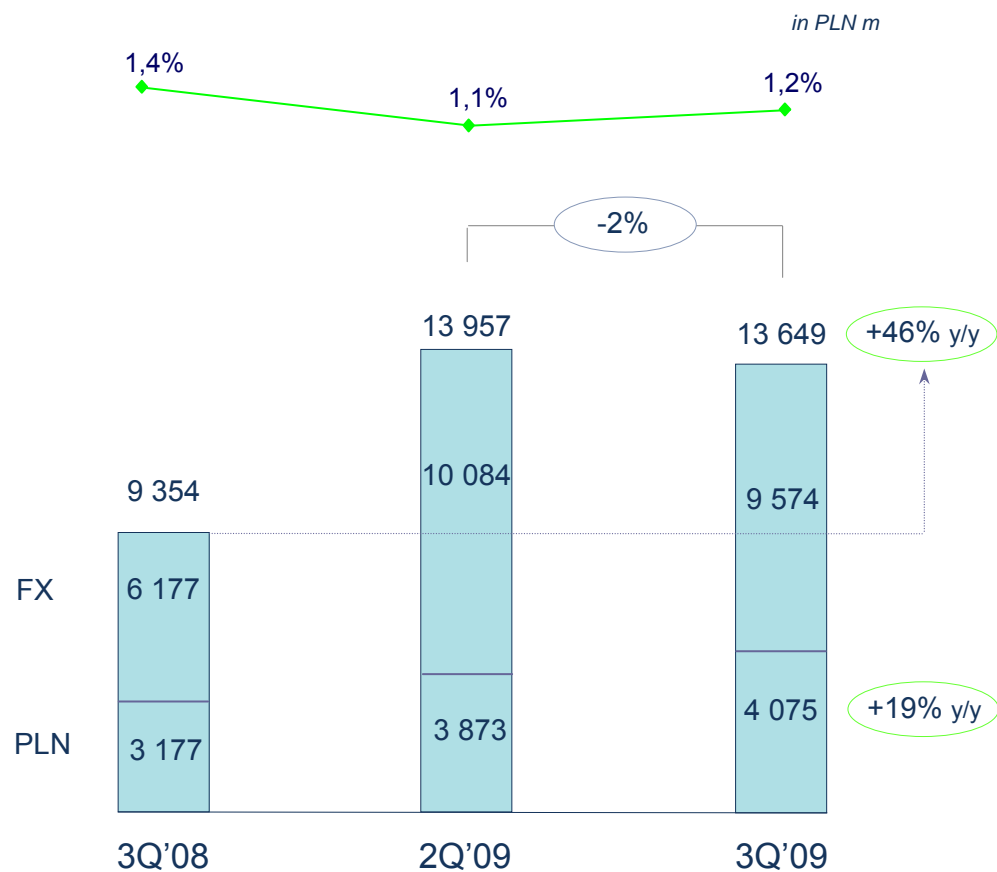


¹ Data according to the Bank's current internal segmentation.



Retail banking and consumer finance – mortgage loans

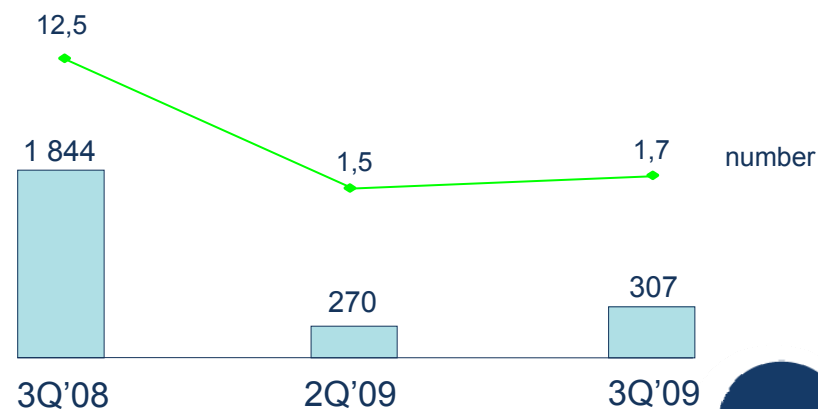
Mortgage loans – portfolio, margin



KB market share

	3Q'08	2Q'09	3Q'09
Total mortgage loans	6,1%	6,7%	6,5%
PLN	5,4%	5,9%	5,7%
FX	6,5%	7,0%	6,9%

Mortgage loans – quarterly sale

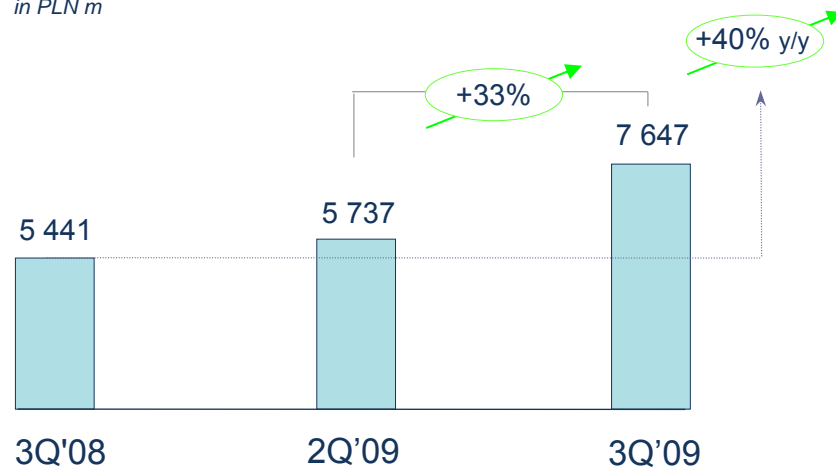




Retail banking and consumer finance – products

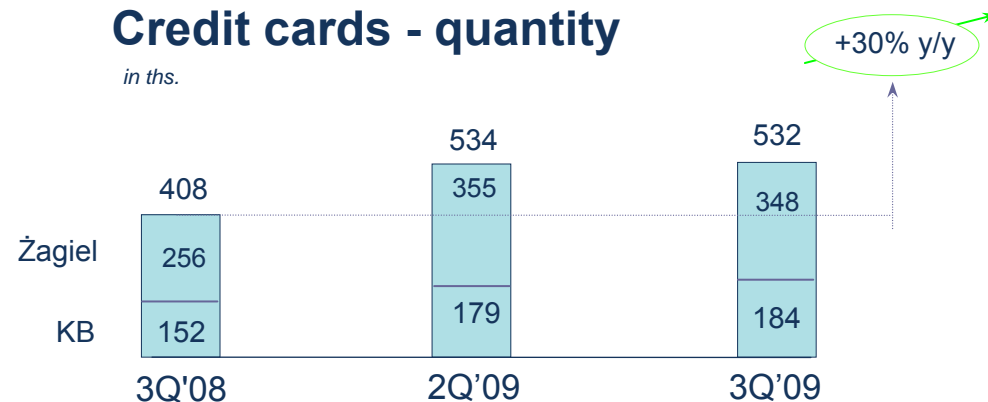
Saving accounts - volume

in PLN m



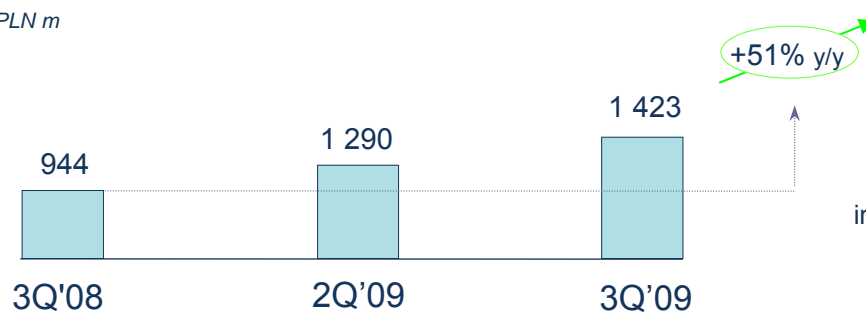
Credit cards - quantity

in ths.



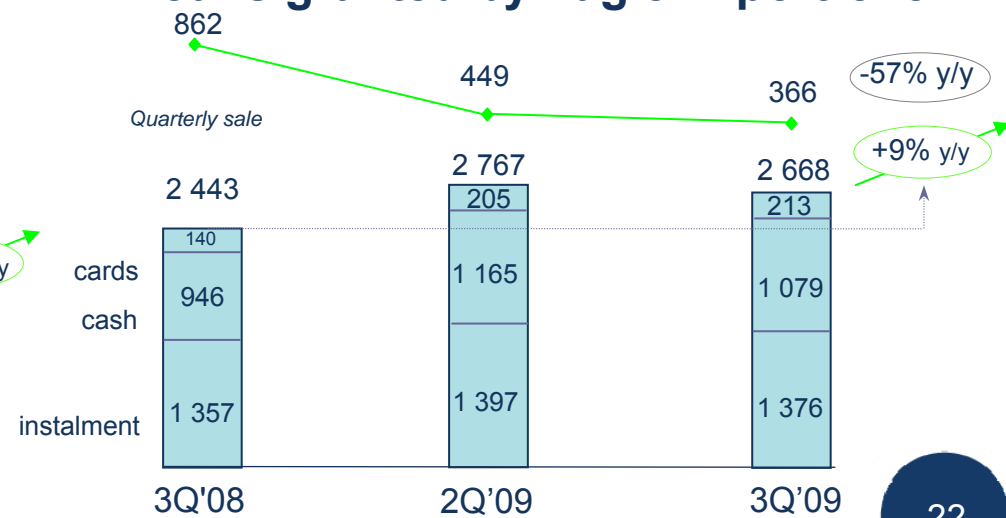
Cash loans & credit cards – bank's network

in PLN m



Loans granted by Żagiel – portfolio

in PLN m

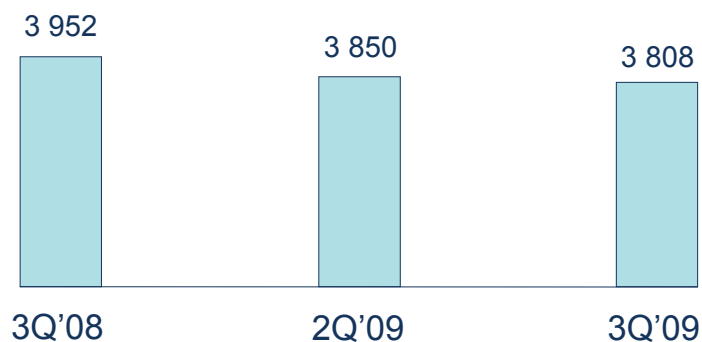


¹ portfolio by products split – estimation based on MIS



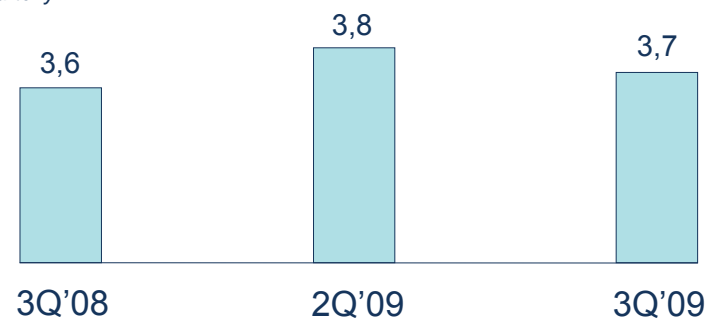
Corporate banking performance

Number of clients¹

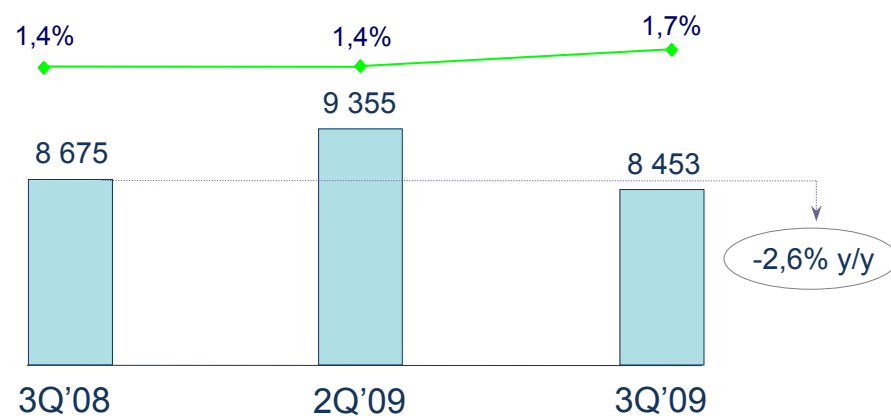


Customer business per client¹

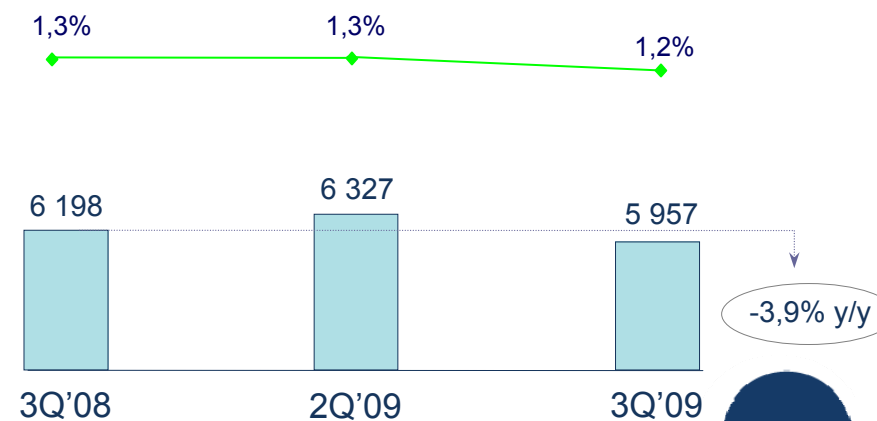
Quarterly in PLN m



Corporate loans¹ in PLN m, Margin



Corporate deposits¹ in PLN m, Margin



¹ Data according to the Bank's current internal segmentation, after resegmentation.



- Highlights
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- Appendix



Balance sheet

ASSETS

<i>(PLN mio)</i>	3Q'09	3Q'08	Δ mln	Δ %
Cash and balances with Central Bank	894	941	-47	-5%
Amounts due from banks and financial assets at fair value	2 633	3 546	-913	-26%
Loans to customers	26 573	22 022	4 551	+21%
Investments in securities	7 659	5 886	1 773	+30%
Tangible and intangible fixed assets	690	709	-19	-3%
Other assets	305	264	+41	+16%
Total Assets	38 755	33 368	5 387	+16%

LIABILITIES

<i>(PLN mio)</i>	3Q'09	3Q'08	Δ mln	Δ %
Amounts due to banks	12 440	8 489	3 951	+47%
Amounts due to customers	21 985	20 207	1 778	+9%
Repo transactions	695	1 638	-943	-58%
Total equity including current net profit	2 579	2 432	147	+6%
Subordinated liabilities	814	216	598	+278%
Other liabilities	242	387	-145	-37%
Total Equity and Liabilities	38 755	33 368	5 387	+16%



Income statement

Quarterly (PLN m)

	3Q'09	3Q'08	Δ mln	Δ %
Net interest income	271	274	-3	-1%
Net fee and commission income	82	76	6	+8%
Dividend, net trading income, profit (loss) from investment activities	42	82	-39	-48%
Other operating income and expenses	22	19	3	+13%
Gross operating income	417	451	-34	-8%
Total costs	-245	-269	24	-9%
Operating profit	172	182	-11	-6%
Net impairment charges for financial assets, other assets and provisions	-156	-37	-119	322%
Share of profits of associates	1	0	1	-
Profit before tax	16	145	-129	-89%
Income tax	-6	-30	24	-80%
Net profit	10	115	-105	-91%



Contact information

Investor Relations Office

E-mail: ir@kredytbank.pl

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