



KB GROUP FINANCIAL RESULTS FOR I Q 2007

Warsaw, 26 April, 2007

AGENDA

1. FINANCIAL RESULTS
2. RETAIL DIVISION ACTIVITY
3. CORPORATE DIVISION ACTIVITY
4. APPENDIX

FINANCIAL HIGHLIGHTS

| | 1Q07 | 1Q06 | ch. Y/Y | 4Q06 |
|-------------------------------|------|------|---------|------|
| Net Profit (PLN mln) | 82 | 88 | -7% | 81 |
| Gross Profit (PLN mln) | 103 | 81 | 27% | 69 |
| GOI | 318 | 304 | 5% | 346 |
| ROE | 15% | 19% | -4pp | 7% |
| Cost/Income | 68% | 72% | -4% | 78% |

KEY FEATURES FOR Q1 2007

- **KB Group reported PLN 82 mln net profit with ROE at 15%. Total Income grew by 5% y/y. The main driver was trading income as well as net fee and commission income.**
- **Proposed KB's dividend for 2006 - PLN 0.37 gross per share; PLN 100.5 m. in total)**
- **Progress in effectiveness – Cost/Income at 68% (down 4 pp. yoy) affected by revenue side (+5% y/y) and cost side as well (-1% y/y)**
- **Positive changes in balance sheet – total assets showed 8% increase y/y supported by strong growth of both net loans (up 23% y/y) and deposits (up 13% y/y)**
- **Low cost of risk and improvement in portfolio quality. 1Q'07 impaired loans ratio 12.3% (down 1.2 pp. q/q and –15.2 pp. y/y)**
- **Strategic products sale for Q1'07 :**
 - **Housing loans - PLN 532 mln up, (+ 83% compared to Q1'06)**
 - **Credit cards - 19.1k over Q1'07 (80% higher than for equivalent period '06), 140k as of March-end (14% more than Q4'06-end and +74% compared to Q1'06-end)**
 - **Investment funds (AUM) – growth - PLN 206 mln.**

Total Customer Loans¹ (PLN mln)



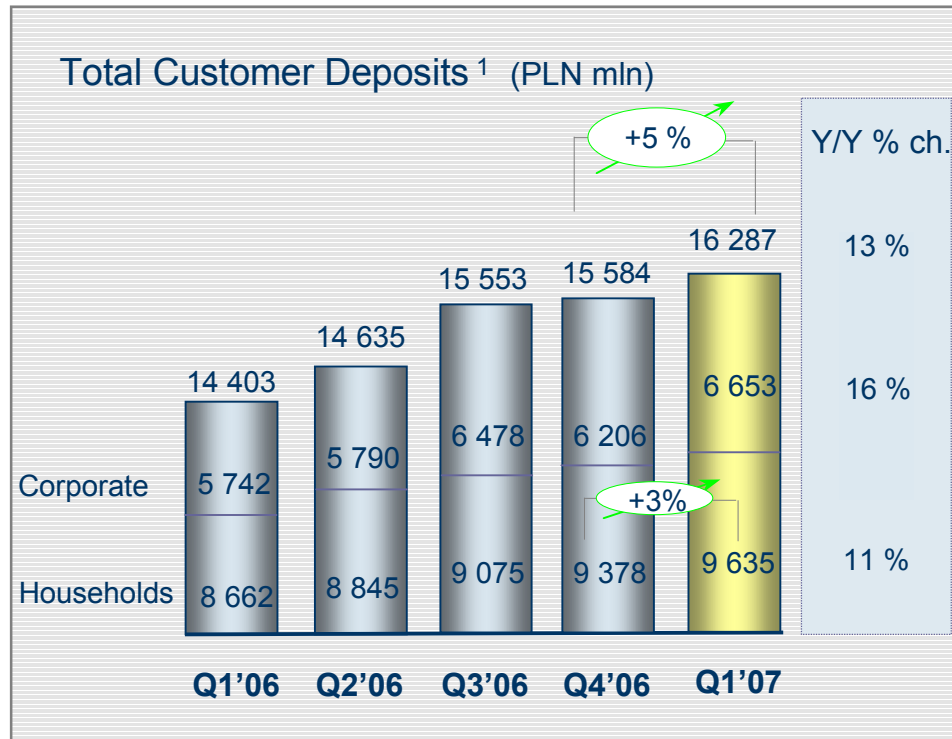
KB market share²

| | Q1'06 | Q4'06 | Q1'07 |
|-------------------------|-------------|-------------|-------------|
| Total Loans | 4,1% | 3,6% | 3,5% |
| Households Loans | 3,7% | 3,4% | 3,3% |
| Corporate Loans | 4,4% | 3,8% | 3,7% |

Increase of customer loan portfolio (thanks to growth of corporate loans and mortgages) has been mitigated by narrowing impaired loan portfolio.

¹ Bank only, eop, according to NBP segmentation

² Comparable data for KB and banking sector – domestic residents only



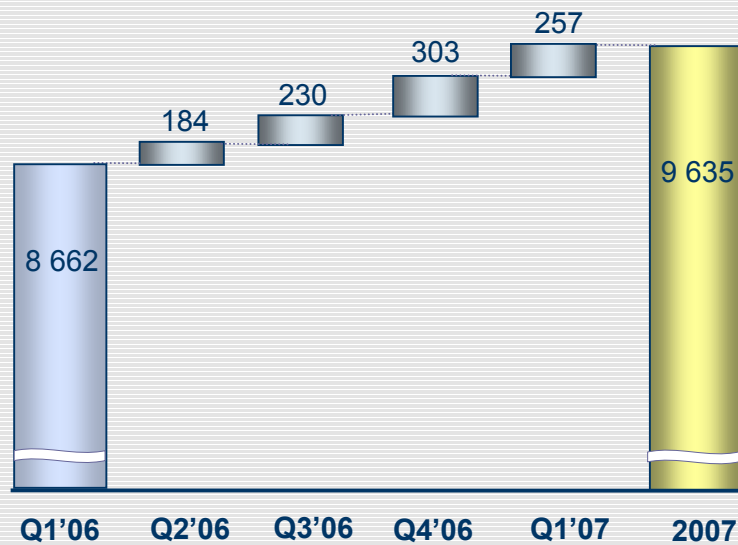
KB market share²

| | Q1'06 | Q4'06 | Q1'07 |
|----------------------------|-------|-------|-------|
| Total Deposits | 3,7% | 3,6% | 3,6% |
| Households Deposits | 3,8% | 3,9% | 3,9% |
| Corporate Deposits | 3,5% | 3,2% | 3,2% |

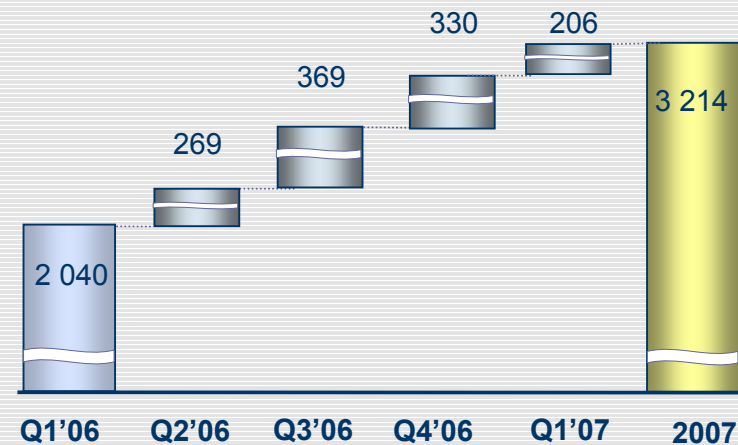
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Households Deposits quart. Volume ch. (PLN mln)

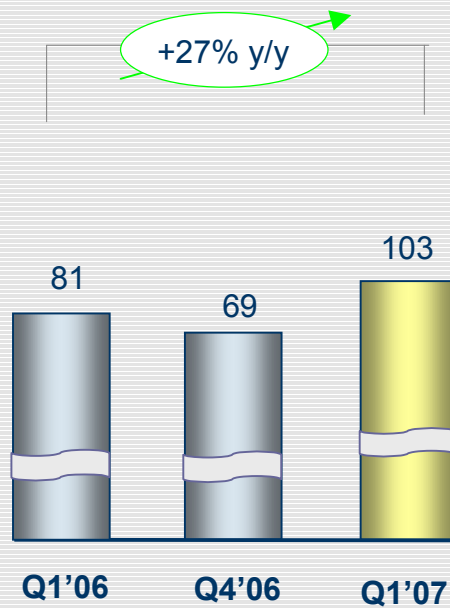


Mutuals quart. volume ch.¹ (PLN mln)

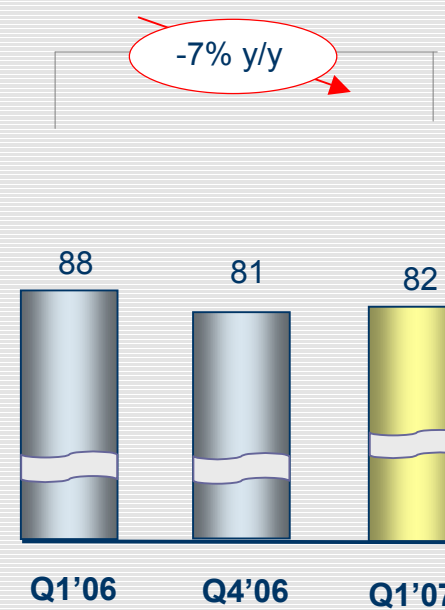


GROSS AND NET RESULT GENERATED IN 1Q2007

Gross Profit (quarterly in PLN mln)

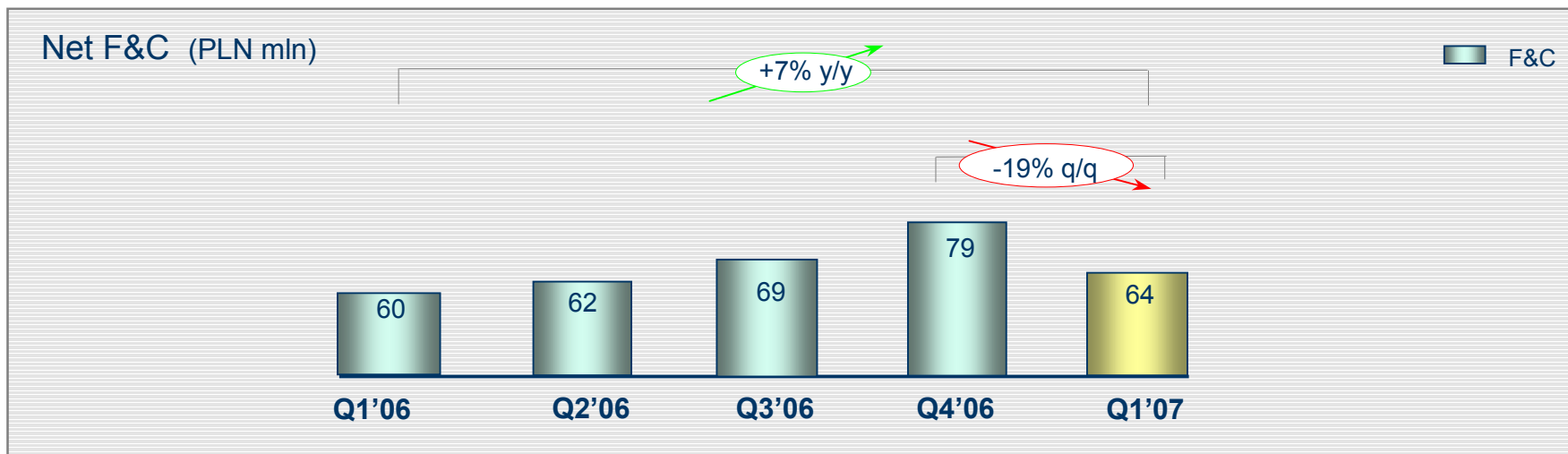
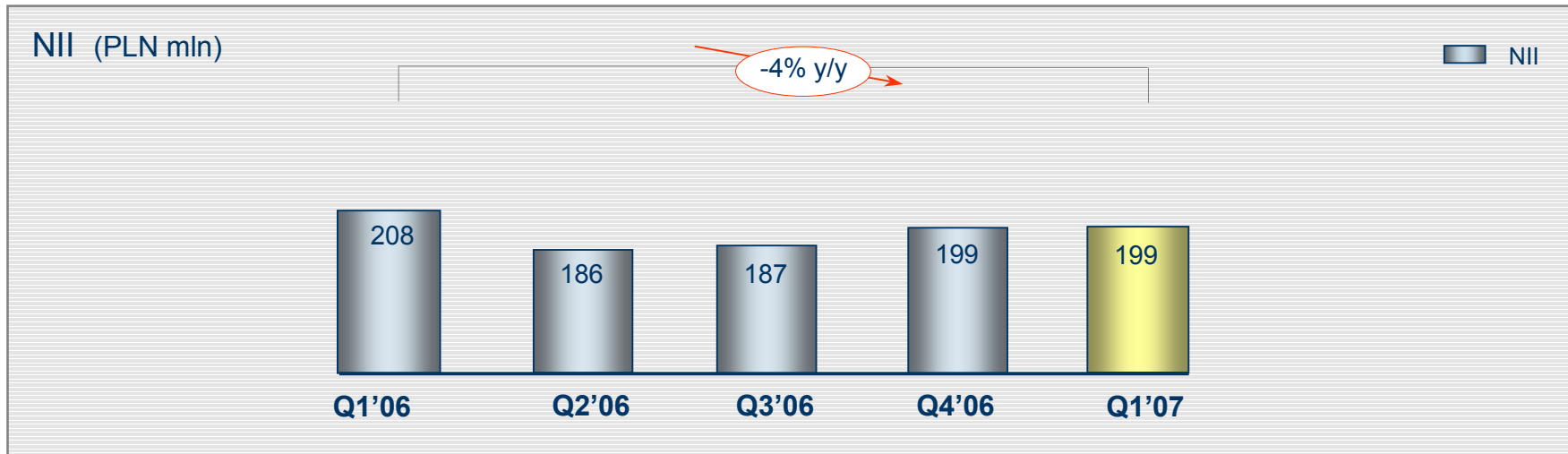


Net Profit (quarterly in PLN mln)



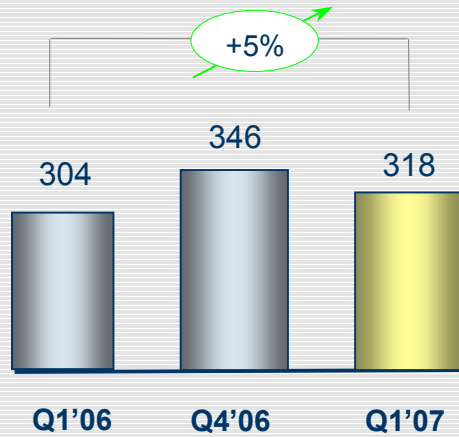
Contrary to Q1'06 and Q4'06 in Q1'07 KB Group reported normal tax burden (amounted to –PLN 21 m), which decreased bottom line.

PERFORMANCE OF NET INTEREST AND COMMISSIONS

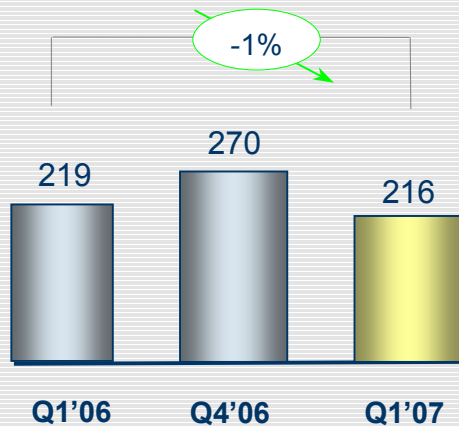


COST / INCOME

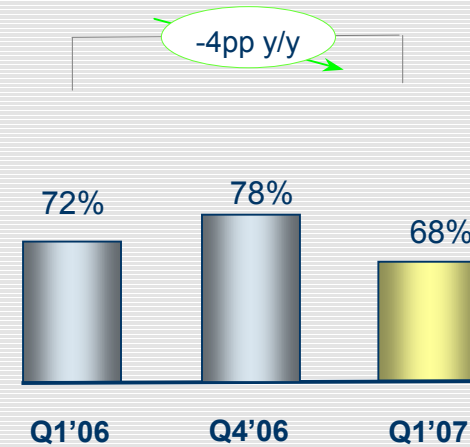
Total Income¹ (PLN mln) - quarterly



Operating Cost (PLN mln) - quarterly



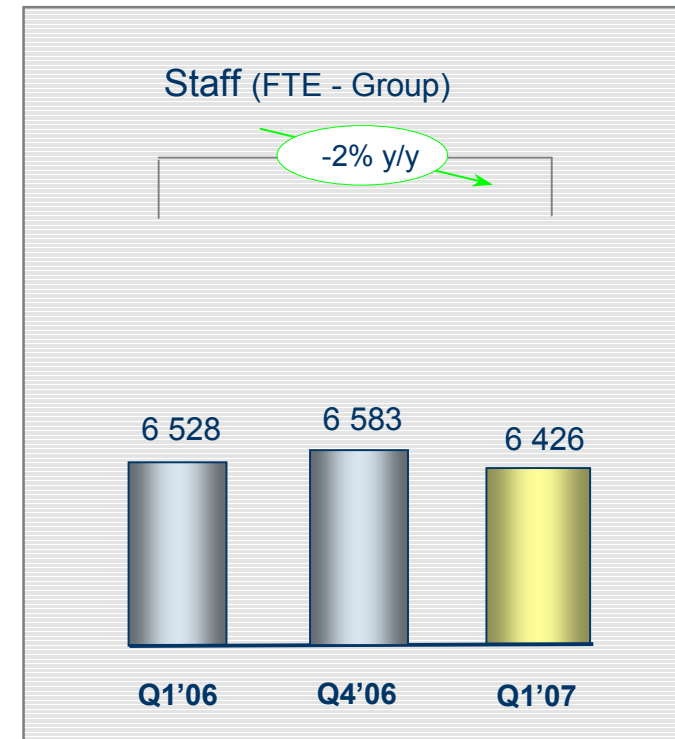
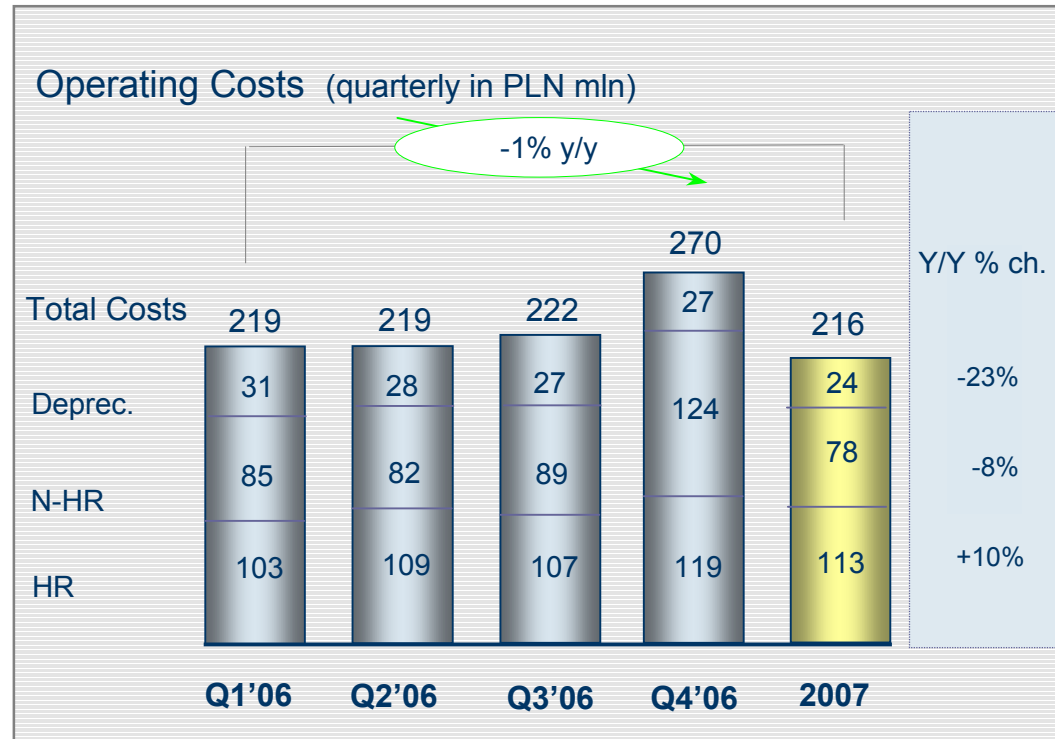
Cost / Income (quarterly)

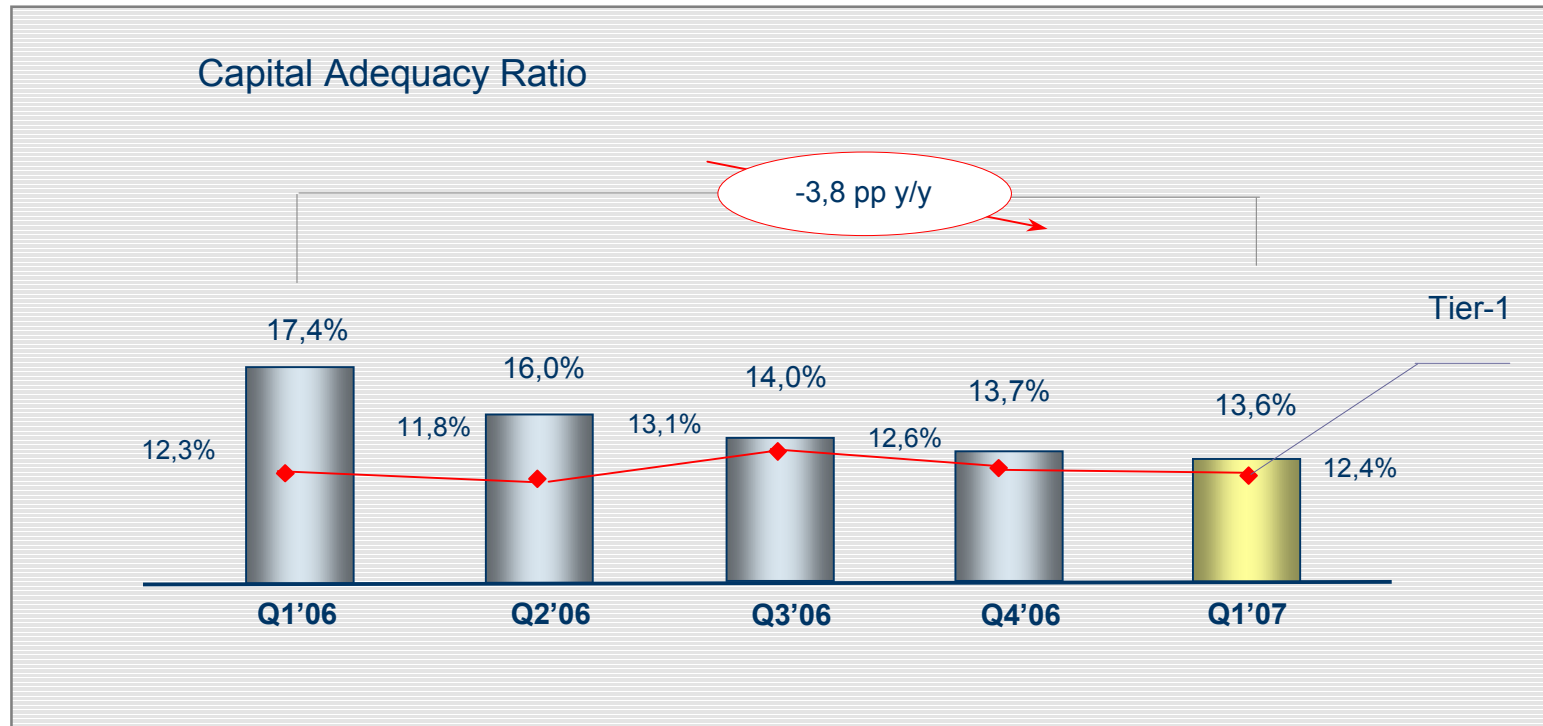


¹ Net interest income+F&C+dividend+net trading income+profit/loss from investment activities+other operating income/expenses

Source: KB Group Q1'07 consolidated financial statement

OPERATING COSTS

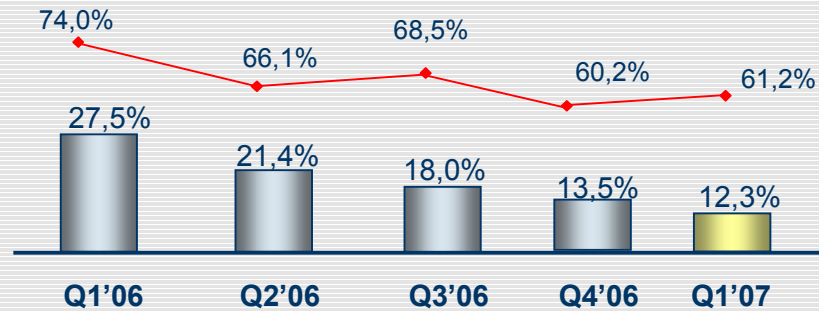




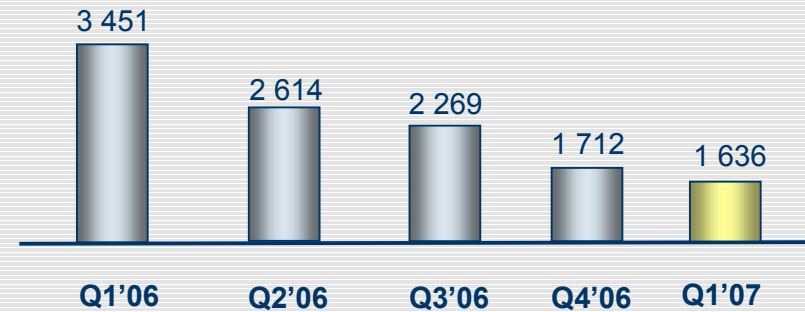
CAR remains at safe level far beyond minimum (8%) despite RWA growth driven by loan acceleration and dividend (for 2006) deduction from the capital.

LOAN QUALITY

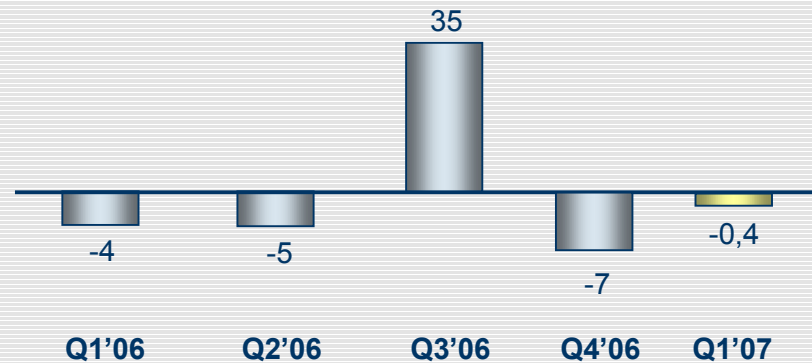
Impaired Loans/ Gross Loans¹; Coverage ratio



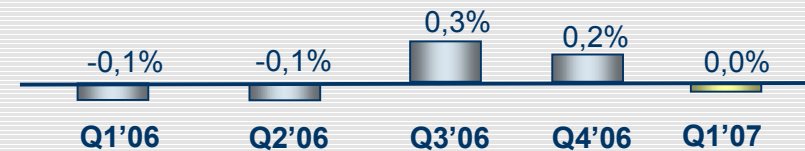
Impaired Loans - eop volume (PLN mln)



Net Impairment (PLN mln)



Cost of Risk ²



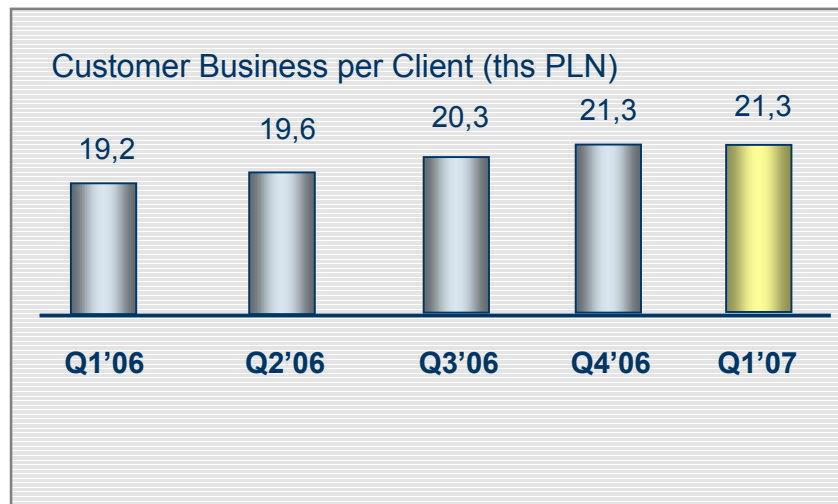
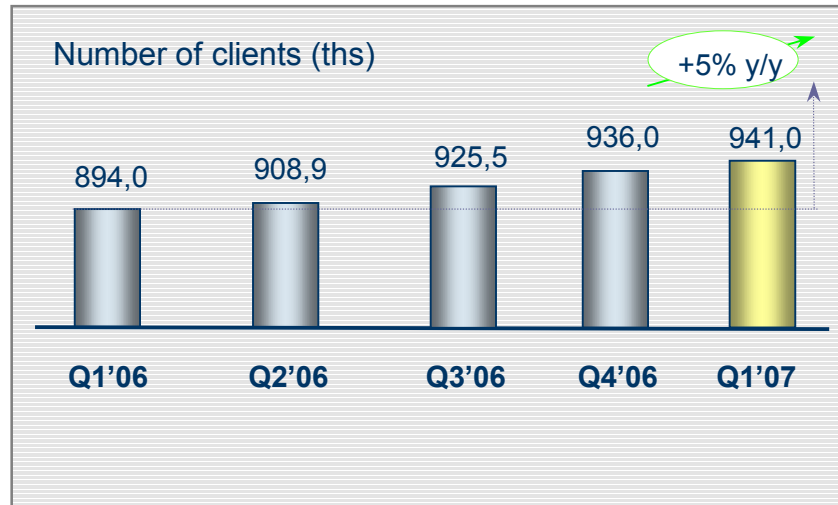
¹ On customer's portfolio basis, w/o banks

² Net Impairment/average outstanding loan amount

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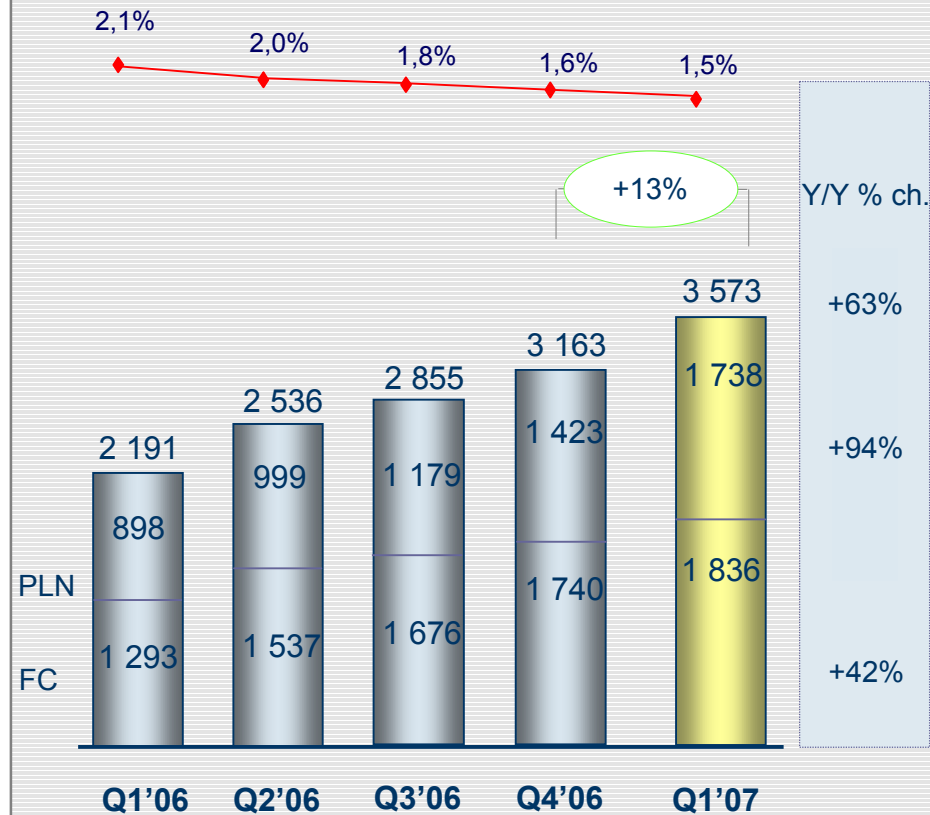
RETAIL – QUANTITY PARAMETERS



Client number change

| | Q1'07/ Q4'06 | Q1'07/ Q1'06 |
|-----------------|-----------------|-----------------|
| Mass | +6 064 | +44 524 |
| Affluent | +708 | +880 |
| Private Banking | +725 | +799 |
| SME | -2 474 | +715 |

Housing Loans (eop PLN mln), margin¹



KB market share²

| | Q1'06 | Q4'06 | Q1'07 |
|---------------------|-------|-------|-------|
| Total Housing Loans | 4,0% | 4,1% | 4,2% |
| PLN | 4,7% | 5,1% | 5,4% |
| FC | 3,6% | 3,5% | 3,4% |

Housing Loans – quart. sale (PLN mln) quantity

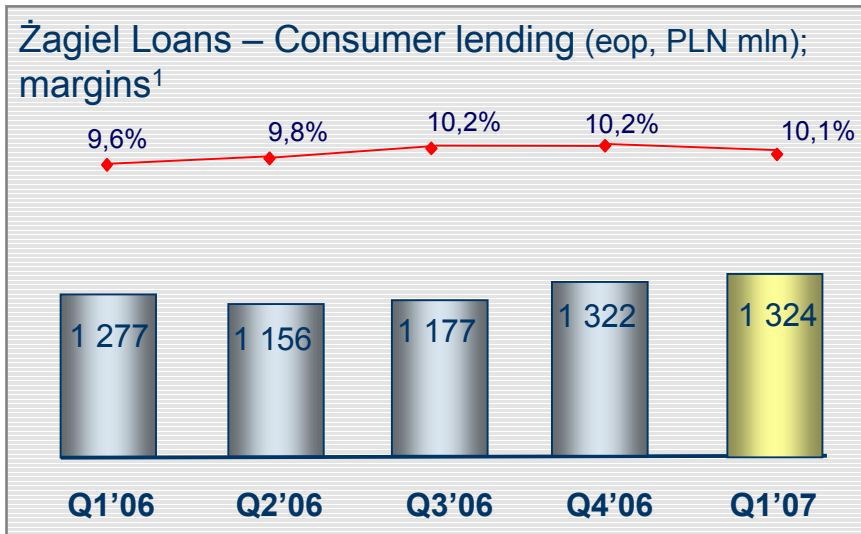


¹ Margin calculated on performing portfolio

² Comparable data for KB and banking sector – domestic residents only

Source: KB Group Q1'07 consolidated financial statement, KBWebis, NBP

RETAIL – CONSUMER LOANS PORTFOLIO (1)



¹ Margins calculated on performing portfolio (KB only)

RETAIL – CONSUMER LOANS PORTFOLIO (2)

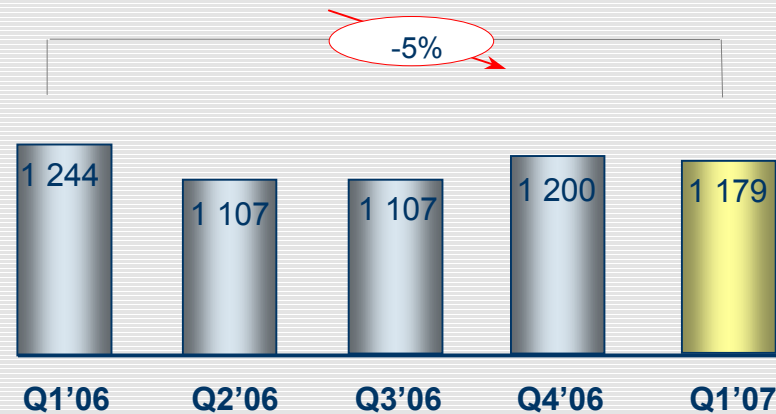
Cash Loans - volume¹ (PLN mln)

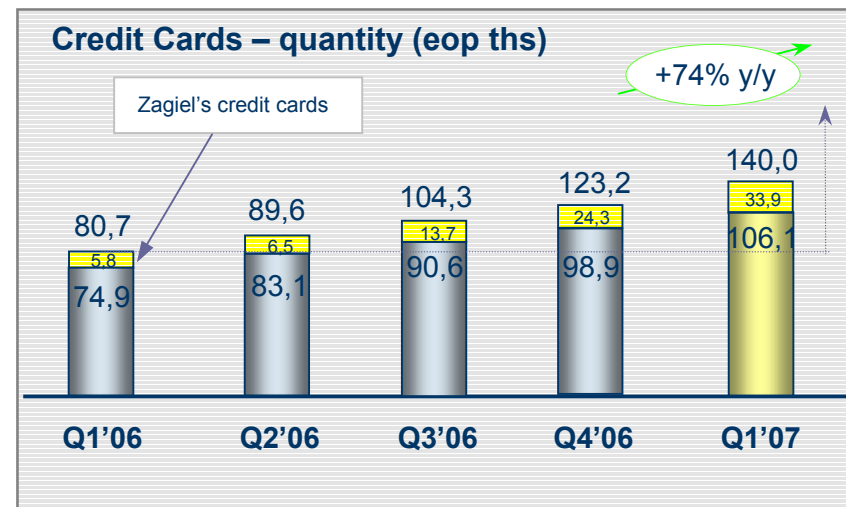
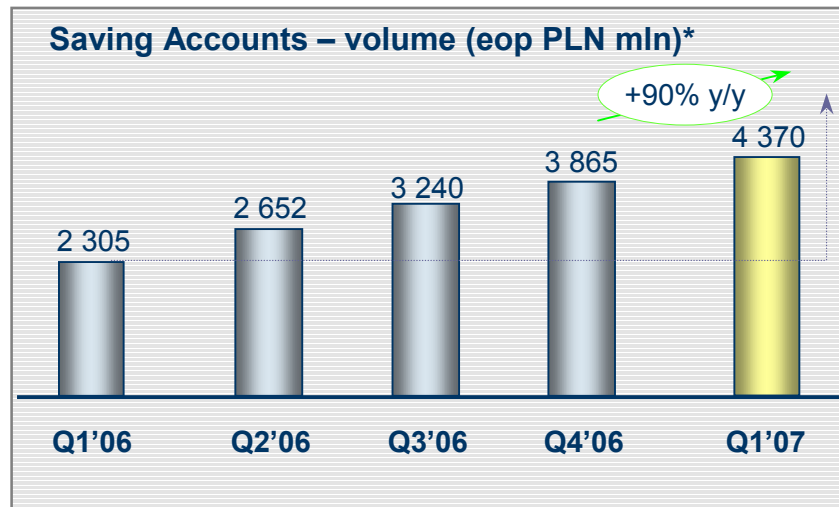
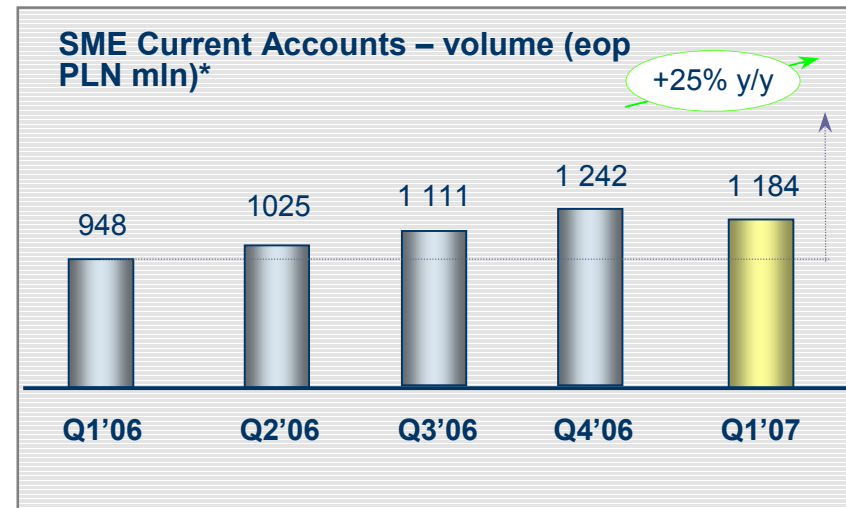
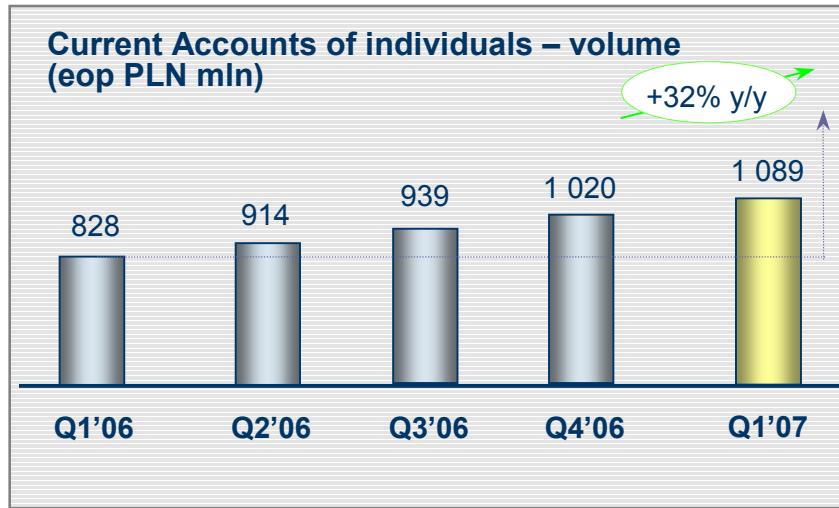


Credit Cards - volume¹ (PLN mln)



Instalments Loans - volume¹ (PLN mln)



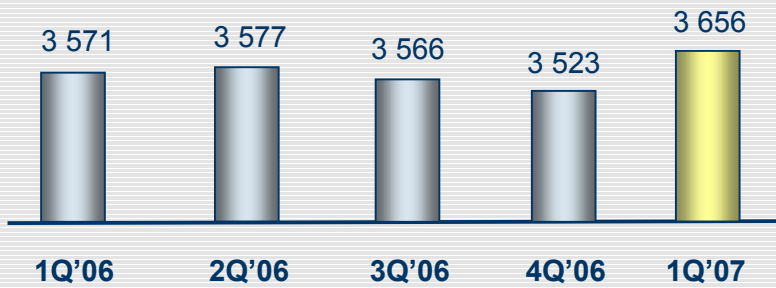


* PLN and FX

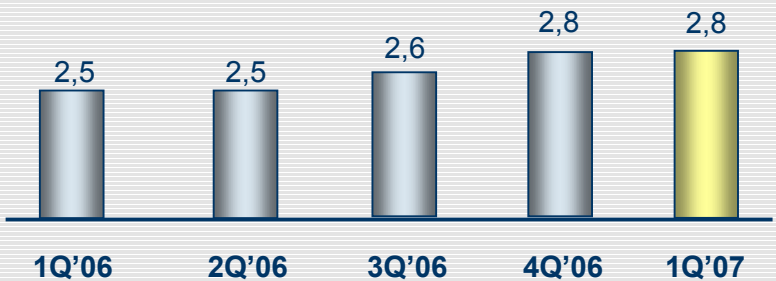
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Number of clients



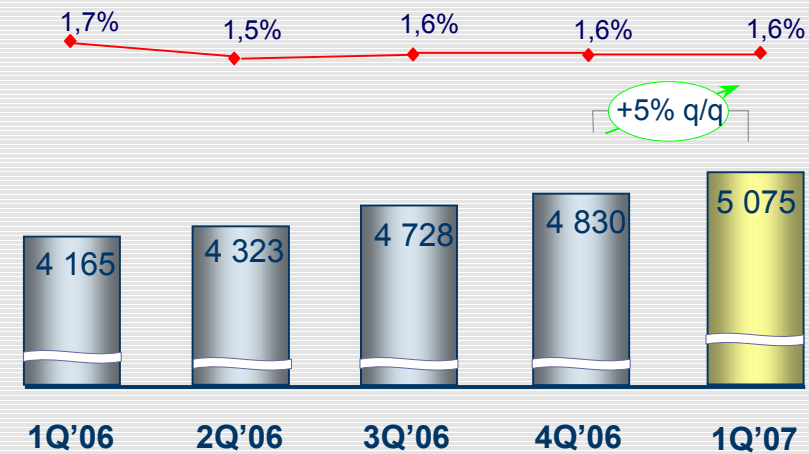
Customer Business per client (mln PLN)



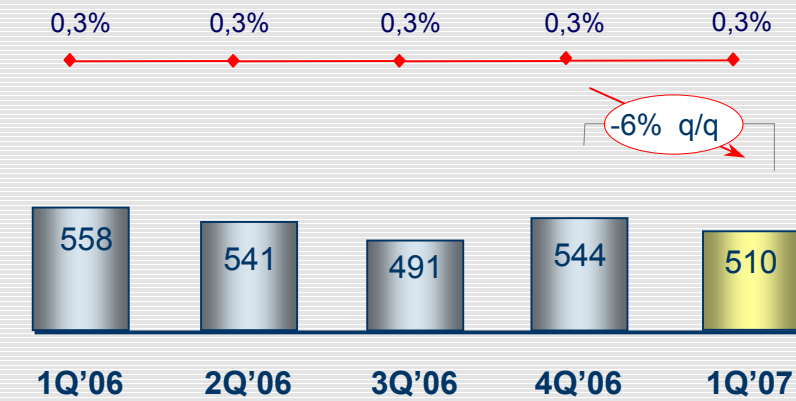
Client number change

| | 1Q'07/ 4Q'06 | 1Q'07/ 1Q'06 |
|----------------------------------|-----------------|-----------------|
| Corporate | 95 | 101 |
| Government and Local Authorities | 38 | -16 |

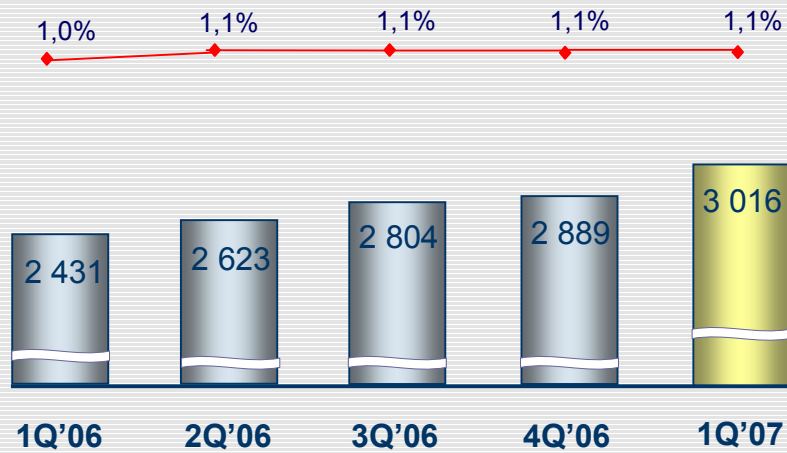
Corporate loans¹ – (eop, mln PLN); margins



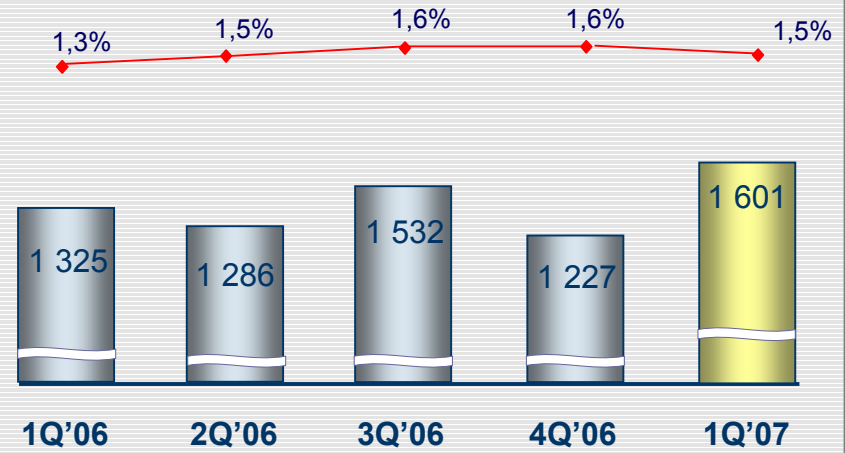
Government and Local Authorities loans¹ – (eop, mln PLN); margins



Corporate deposits – (eop, PLN mln); margins



General Government deposits – (eop, PLN mln); margins



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ASSETS

| <i>(PLN mln.)</i> | 1Q'07 | 1Q'06 | change |
|---|---------------|---------------|------------|
| Cash and balances with Central Bank | 655 | 426 | +54% |
| Amounts due from banks and financial assets at fair value | 2 231 | 2 569 | -13% |
| Loans to customers | 12 191 | 9 926 | +23% |
| Investments in securities | 5 645 | 6 331 | -11% |
| Tangible fixed and intangible assets | 650 | 526 | +24% |
| Other assets | 336 | 300 | +12% |
| Total Assets | 21 708 | 20 077 | +8% |

LIABILITIES AND FUNDS

| <i>(PLN mln.)</i> | 1Q'07 | 1Q'06 | change |
|---|---------------|---------------|------------|
| Amounts due to banks and held-for-trading financial liabilities | 2 335 | 2 498 | -7% |
| Amounts due to customers | 16 261 | 14 386 | +13% |
| Repo transactions | 6 | 642 | -99% |
| Total equity including current net profit | 2 171 | 1 775 | +22% |
| Subordinated liabilities | 426 | 433 | -2% |
| Other liabilities | 509 | 343 | +48% |
| Total Equity and Liabilities | 21 708 | 20 077 | +8% |

INCOME STATEMENT

| <i>(PLN mln)</i> | Q1'07 | Q1'06 | Y/Y ch |
|--|--------------|--------------|---------------|
| Net interest income | 199 | 208 | -4% |
| Net fee and commission income | 64 | 60 | +6% |
| Dividend, net trading income, profit (loss) from investment activities | 39 | 29 | +34% |
| Result on the receivables portfolio sell | 8 | - | |
| Other operating income and expenses | 8 | 7 | +14% |
| Total income | 318 | 304 | 5% |
| Total costs | 216 | 219 | -1% |
| Operating profit | 102 | 85 | +20% |
| Net impairment charges for financial assets, other assets and provisions | 0 | -4 | -91% |
| Share of profit of associates | 0 | 0 | - |
| Profit before tax | 103 | 81 | +26% |
| Income tax | -21 | 7 | - |
| Net profit | 82 | 88 | -7% |

Source: KB Group Q1'07 consolidated financial statement