



**KREDYT BANK'S CONSOLIDATED FINANCIAL  
RESULTS FOR Q3 2007**

**Warsaw, November 9, 2007**

# AGENDA

1. FINANCIAL RESULTS
2. RETAIL BUSINESS LINE
3. CORPORATE BUSINESS LINE
4. APPENDIX

	3Q'07	ch y/y	ch y/y*	Q3'07	Q2'07	Q3'06	Q3'07/ Q3'06
<b>Net Profit (PLN mln)</b>	<b>281</b>	<b>-27%</b>	<b>+10%</b>	<b>99</b>	<b>100</b>	<b>90</b>	<b>+10%</b>
<b>ROE**</b>	<b>17%</b>	<b>-8pp</b>	<b>0pp</b>	<b>18%</b>	<b>19%</b>	<b>14%</b>	<b>+4pp</b>
<b>Cost/Income</b>	<b>69%</b>	<b>+4pp</b>	<b>-6pp</b>	<b>69%</b>	<b>70%</b>	<b>77%</b>	<b>-8pp</b>

\* Net income from sale of receivables in 2006 excluded.

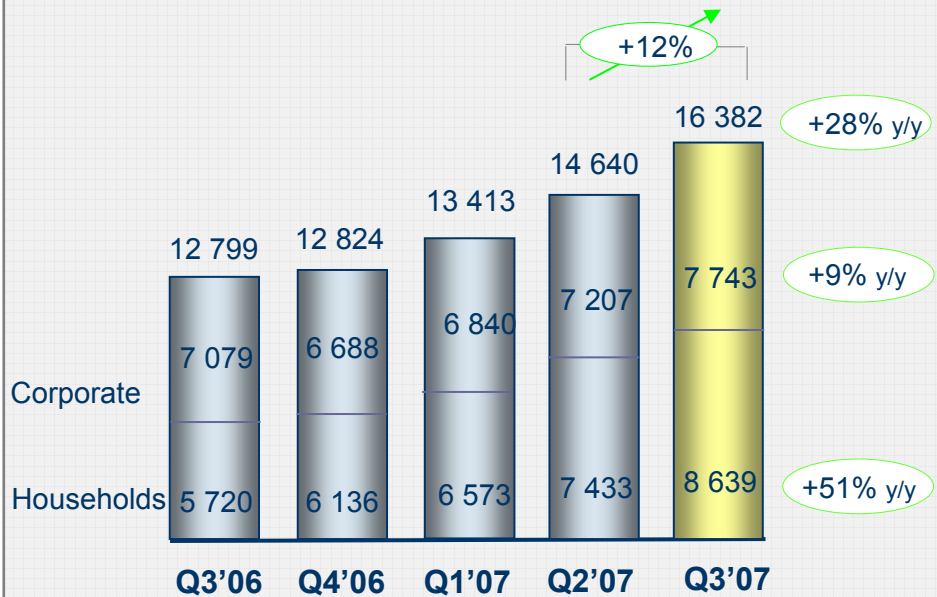
\*\*Net profit annualised

## KEY FEATURES FOR Q3'07

- **KB Group 3 quarter 2007 net profit is PLN 99 mln with ROE at 18% (comparable to Q2'07). Net operating profit increased by 22% compared to Q3'06 and by 3% compared to Q2'07. Notable YoY core revenue growth (+10% NII, +15% NFC) due to general acceleration in assets growth .**
- **Total assets grew by 22,9% y/y and by 14,3% q/q. Customer loans increased by 38,9% y/y and by 13,1% q/q thanks to mortgages and corporate loans.**
- **Low cost of provisioning coupled with portfolio quality improvement. Q3'07 impaired loans/total loans: 8,9% vs 10,6% at 30.06.2007 and 13,5% at 31.12.2006.**
- **Year-to-3Q CIR was at 68,8% (lower than year ago excluding 2006 windfall profits). Under the 120-Project the Bank opened so far 50 new branches (this brought total number of units to 367 at the end of Sept.). Growing sales network causes 5,7% Y/Y cost increase.**

- **Mortgage loans - PLN 1 093 mln, (-12% vs. Q2'07, + 107% compared to Q3'06)**
- **Credit cards - 175 thousands as of September-end (11% more than Q2'07-end and +68% compared to Q3'06-end)**
- **Instalment loans – PLN 435 mln (+9% vs. Q2'07, +12% vs. Q3'06), portfolio amounts to PLN 1 236 mln as at 30.09.2007**
- **Cash loans - PLN 237mln (+17% vs. Q2'07, +744% vs. Q3'06), portfolio amounts to PLN 612 mln as at 30.09.2007**

Customer Credits<sup>1</sup> (PLN mln)



KB market share<sup>2</sup>

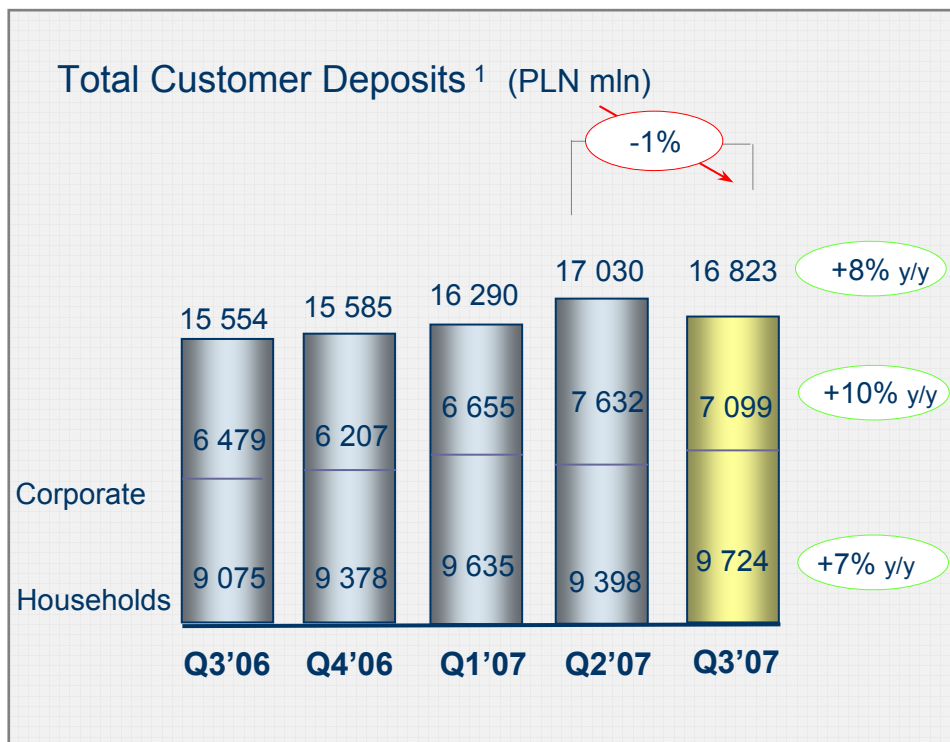
	Q3'06	Q2'07	Q3'07
<b>Total Loans</b>	<b>3,78%</b>	<b>3,57%</b>	<b>3,71%</b>
<b>Households Loans</b>	<b>3,38%</b>	<b>3,43%</b>	<b>3,63%</b>
<b>Corporate Loans</b>	<b>4,19%</b>	<b>3,71%</b>	<b>3,81%</b>

Source: NBP

Third quarter 2007 confirmed an upward trend of mortgage driven and corporate driven loan growth.

<sup>1</sup> Bank only, gross EOP, according to NBP segmentation

<sup>2</sup> Comparable data for KB and banking sector – domestic residents only



KB market share<sup>2</sup>

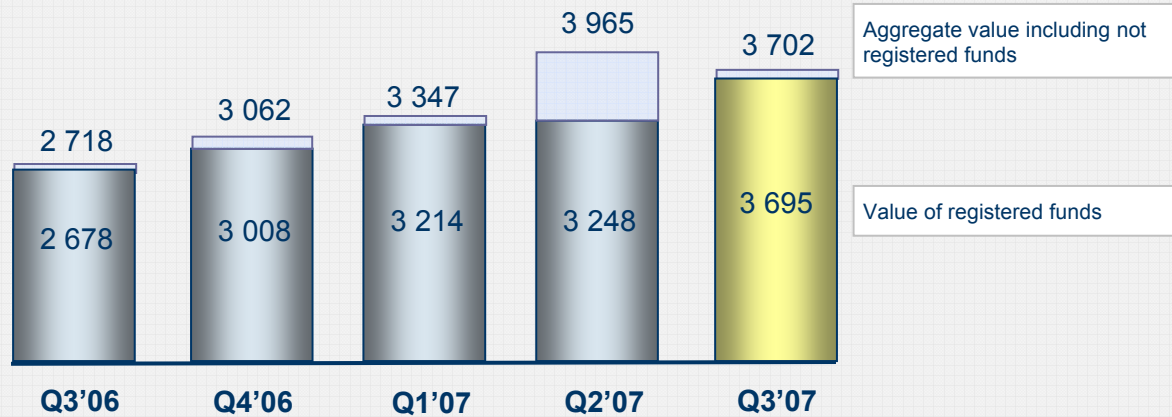
	Q3'06	Q2'07	Q3'07
Total Deposits	3,80%	3,78%	3,60%
Households Deposits	3,92%	3,92%	3,92%
Corporate Deposits	3,64%	3,63%	3,24%

Source: NBP

<sup>1</sup> Bank only, eop, according to NBP segmentation

<sup>2</sup> Comparable data for KB and banking sector – domestic residents only

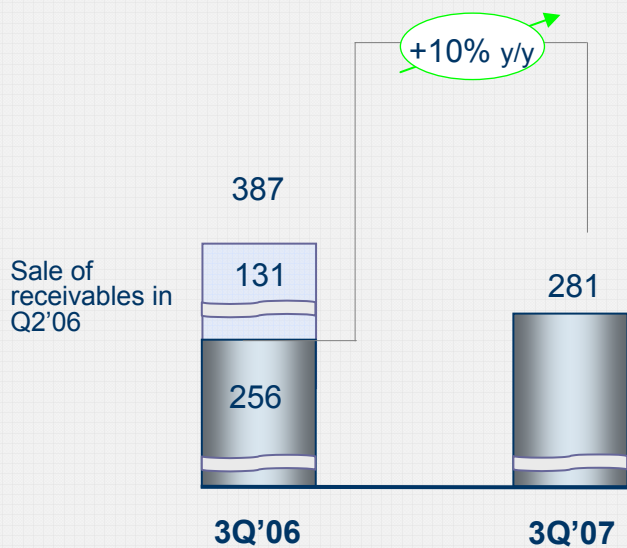
Mutuals' + Insurance Capital Funds' volume change<sup>1</sup> (PLN mln)



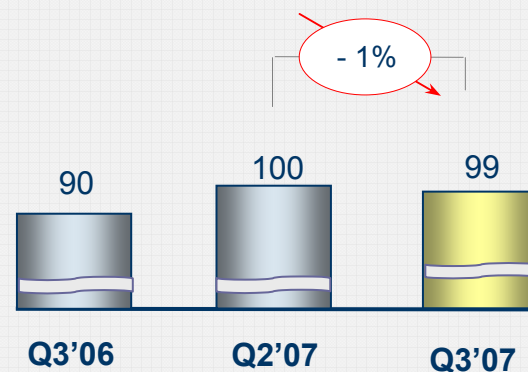
<sup>1</sup> Volume of investment funds and insurance capital funds collected through KB network



(cumulative in PLN mln)



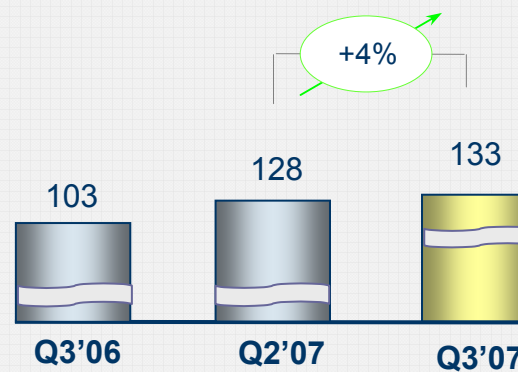
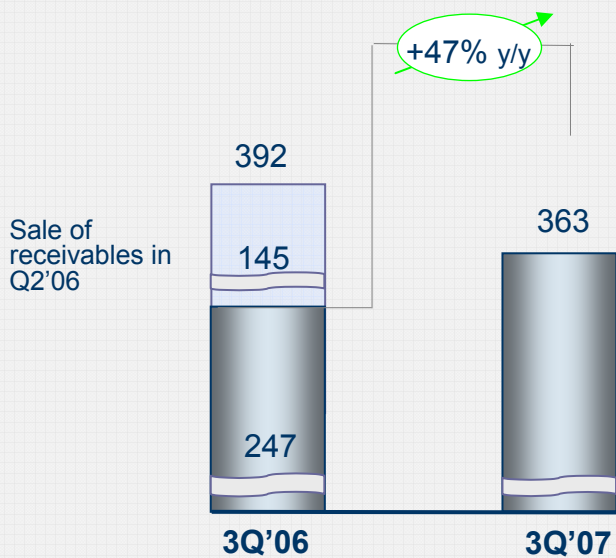
(quarterly in PLN mln)



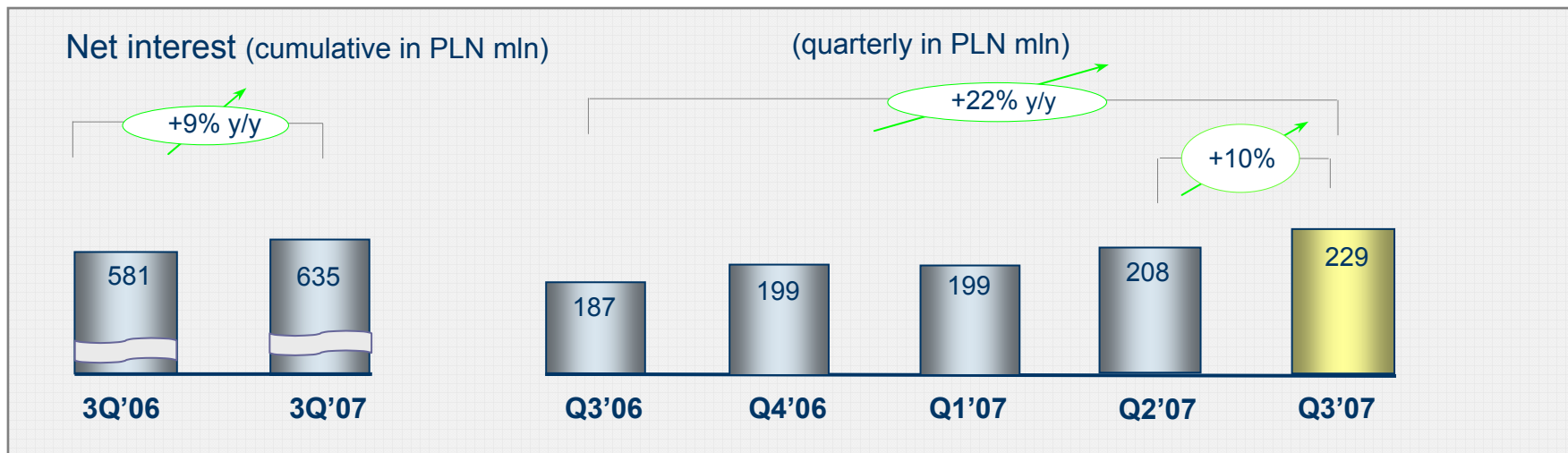
3Q'07 net result grew by 10% y/y in comparison with 3Q'06 adjusted result. A slight decrease in Q/Q net profit came from higher tax paid in Q3'07.

(cumulative in PLN mln)

(quarterly in PLN mln)

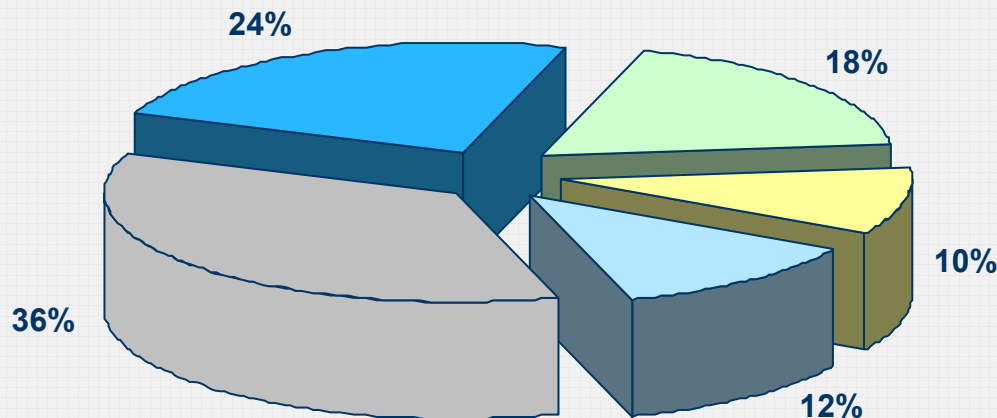


# PERFORMANCE OF NET INTEREST AND COMMISSIONS

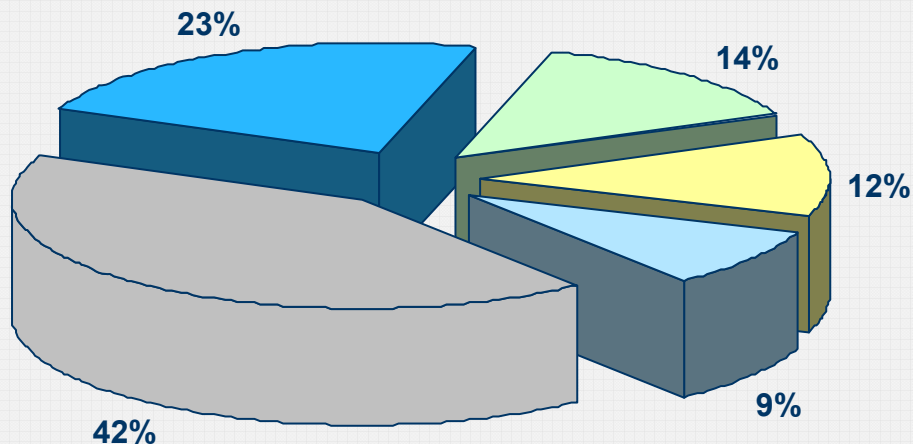


# FEES AND COMMISSION INCOME STRUCTURE

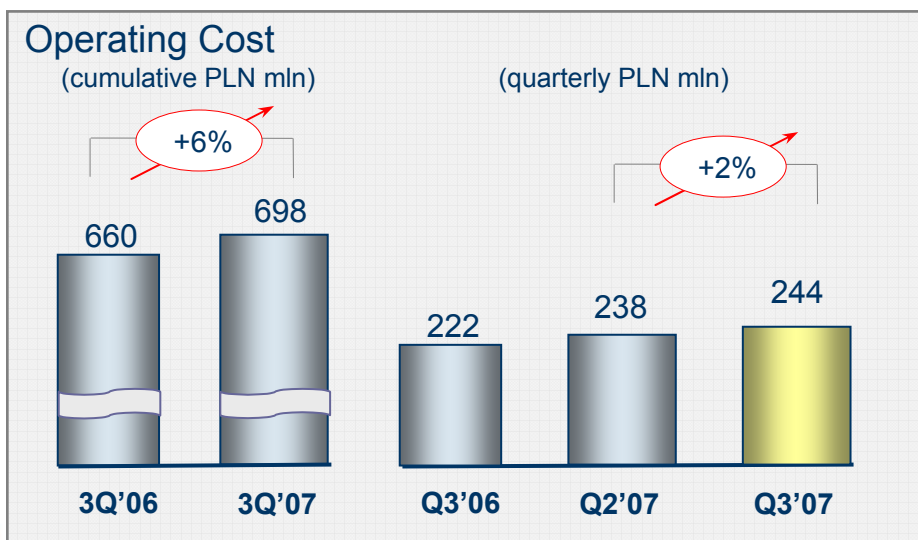
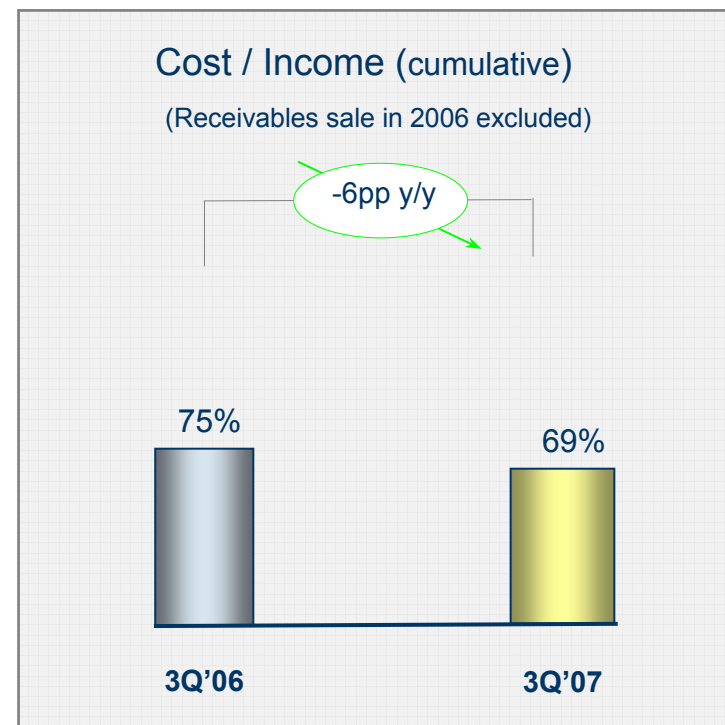
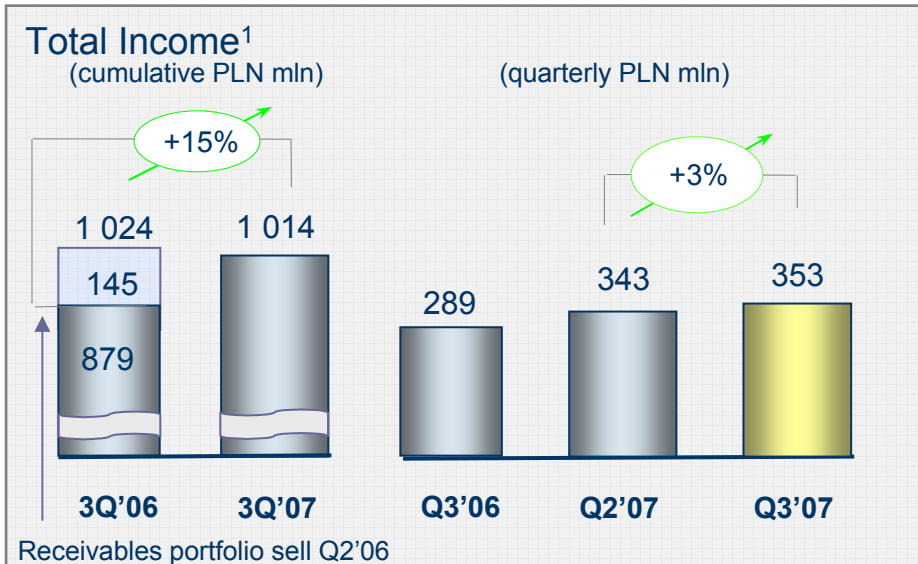
3Q'07



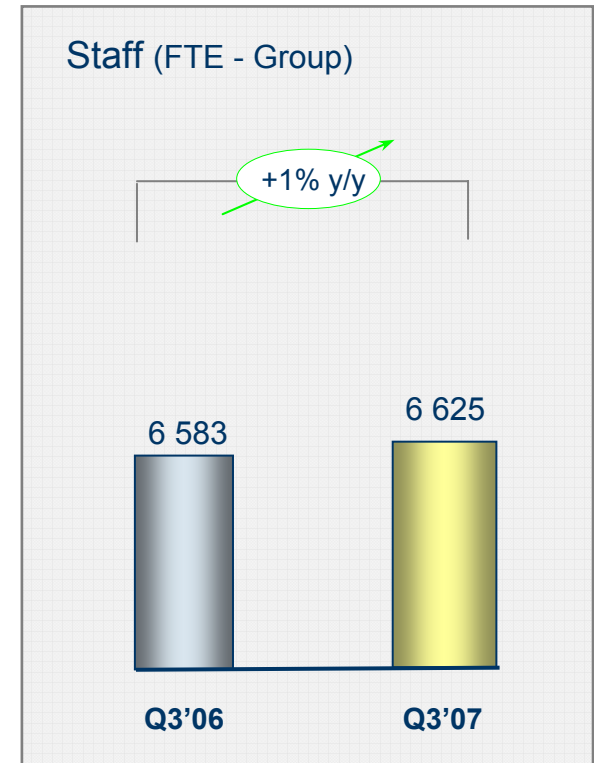
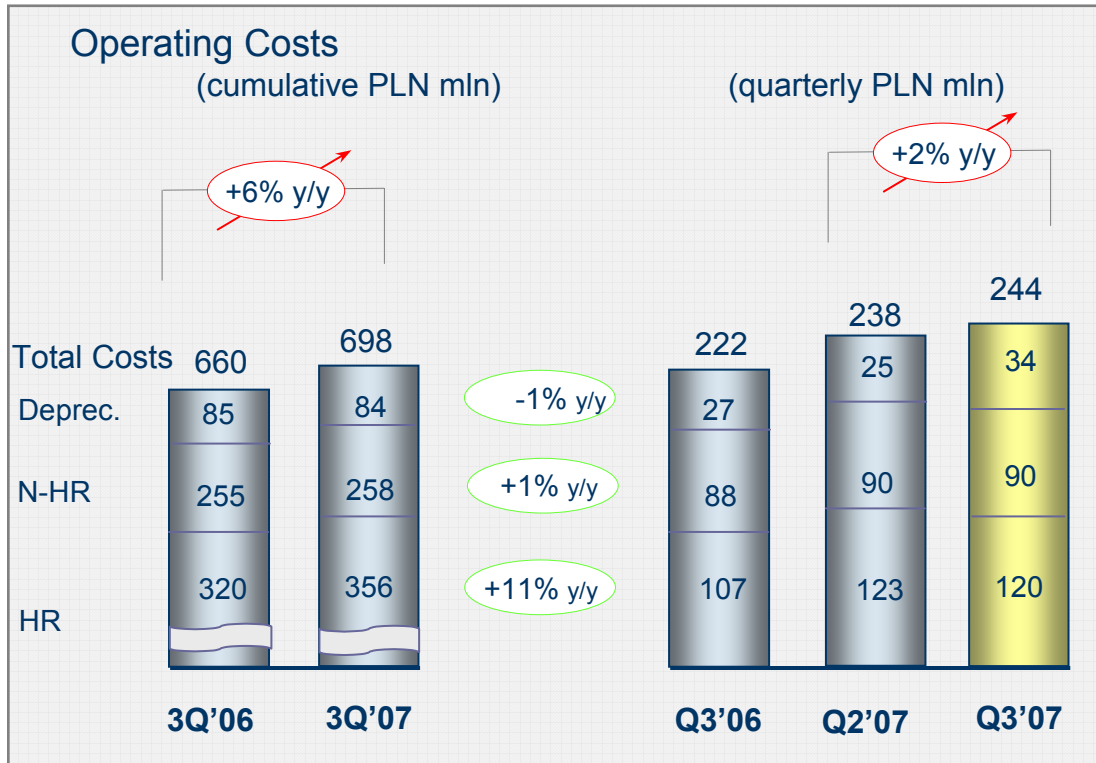
3Q'06



- Fees and commissions on deposit-related transactions with customers
- Fees and commissions due for the servicing of payment cards and ATM's
- Commission on distribution of investment and insurance products
- Fees and commissions on loans
- Other



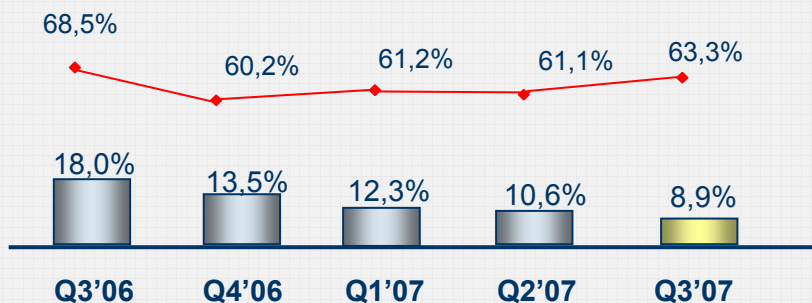
<sup>1</sup> Net interest income+fees and commissions+dividend+net trading income+profit/loss from investment activities+other operating



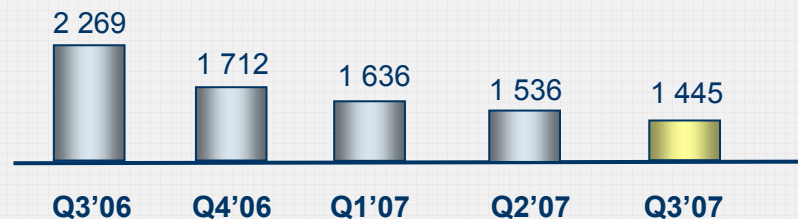
# CAPITAL ADEQUACY RATIO



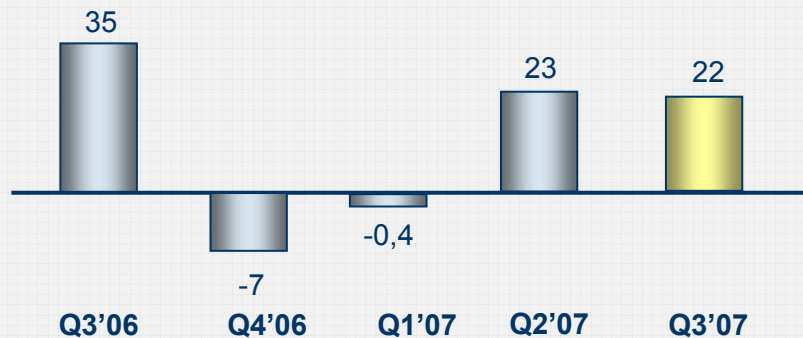
Impaired Loans/ Gross Loans<sup>1</sup>; Coverage ratio



Impaired Loans - eop volume (PLN mln)



Reversed impairment losses (PLN mln)

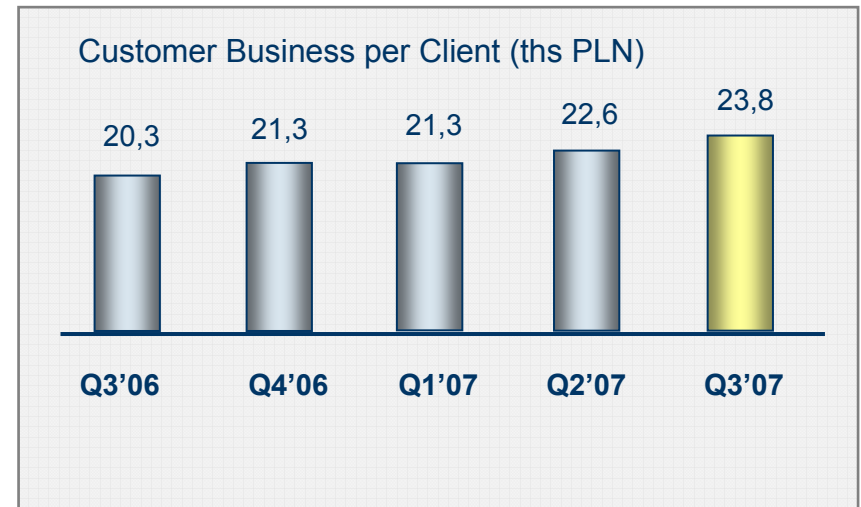


<sup>1</sup> On customer's portfolio basis, w/o banks

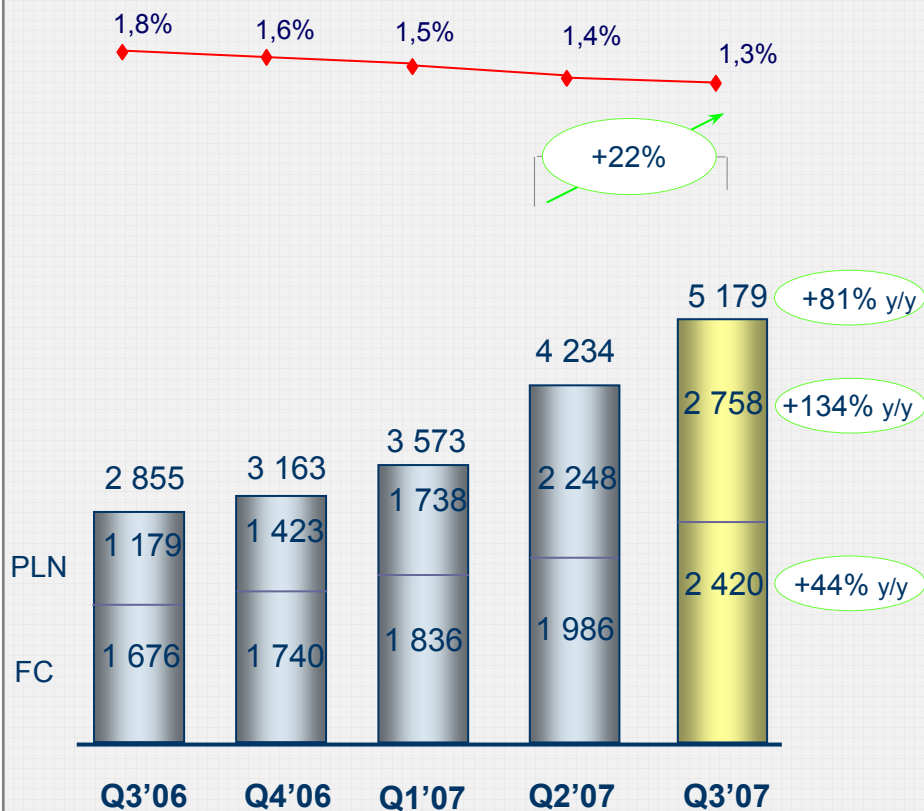


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Housing Loans (eop PLN mln), margin<sup>1</sup>



KB market share<sup>2</sup>

	Q3'06	Q2'07	Q3'07
Total Mortgage Loans	4,07%	4,44%	4,79%
PLN	5,02%	5,71%	5,94%
FC	3,59%	3,54%	3,92%

Source: NBP

Housing Loans – quart. sale (PLN mln) number



<sup>1</sup> Margin calculated on performing portfolio

<sup>2</sup> Comparable data for KB and banking sector – domestic residents only

Żagiel – Consumer Finance (eop, PLN mln)



Żagiel – quarterly sale (PLN mln)



Instalment Loans Żagiel – portfolio (eop, PLN mln)

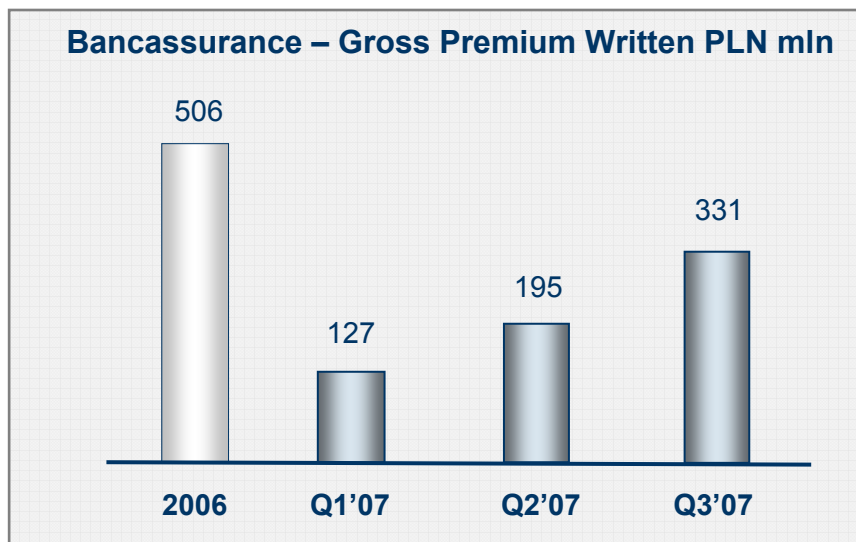
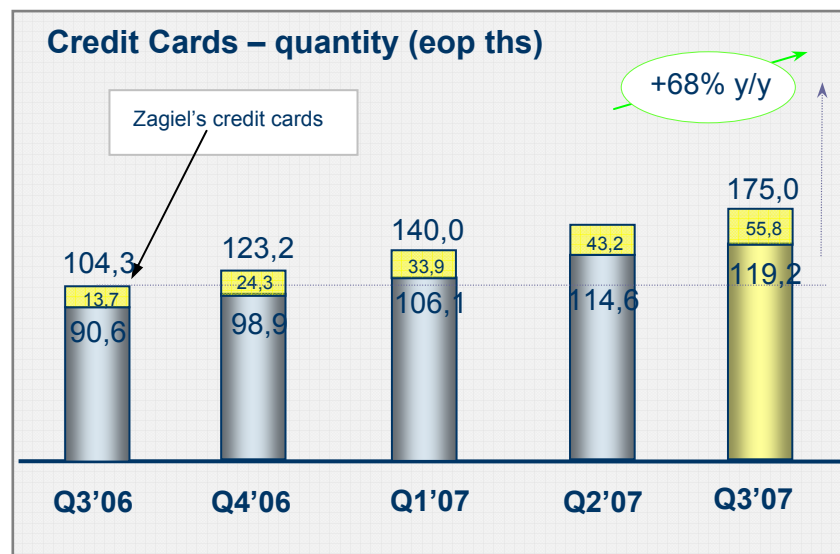
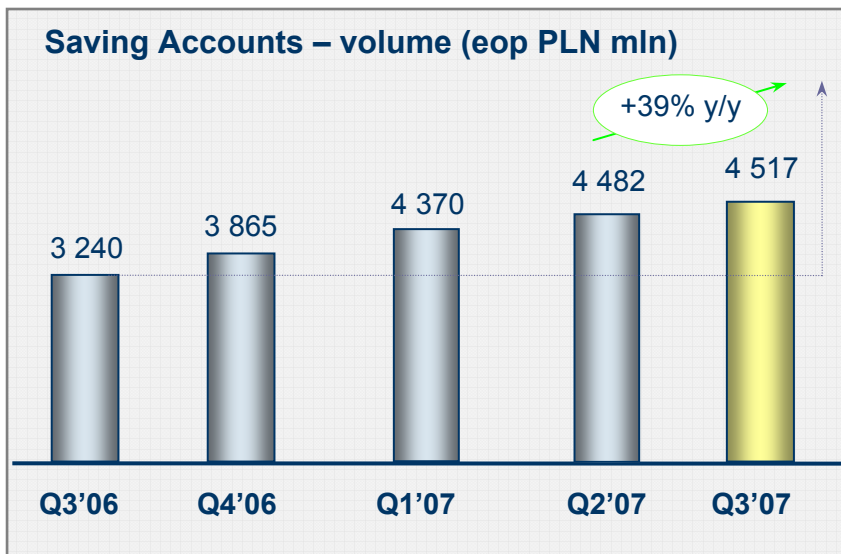


Cash Loans Żagiel - portfolio (eop, PLN mln)



Cash Loans KB network -portfolio (eop, PLN mln)





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### Number of clients



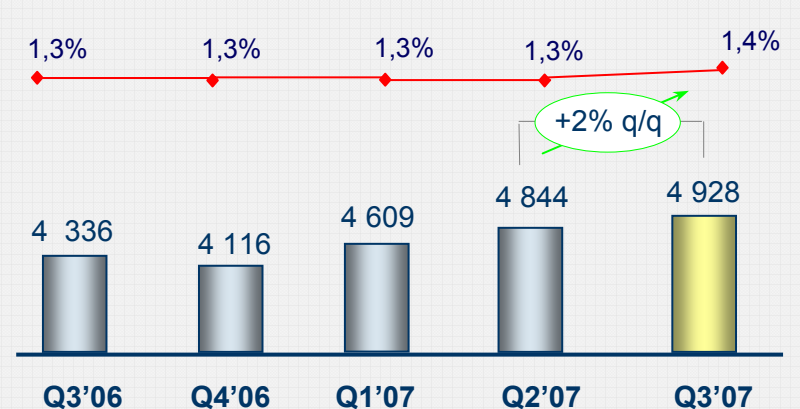
### Customer Business per client (mln PLN)



### Credits<sup>1</sup> – (eop, mln PLN); margins



### Deposits – (eop, PLN mln); margins





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## ASSETS

<i>(PLN mln.)</i>	3Q'07	3Q'06	change
Cash and balances with Central Bank	974	418	+133%
Amounts due from banks and financial assets at fair value	4 880	3 229	+51%
Loans to customers	15 281	11 002	+39%
Investments in securities	5 500	6 987	-21%
Tangible and intangible fixed assets	448	529	-15%
Other assets	526	295	+78%
<b>Total Assets</b>	<b>27 609</b>	<b>22 459</b>	<b>+23%</b>

## LIABILITIES

<i>(PLN mln.)</i>	3Q'07	3Q'06	change
Amounts due to banks	6 836	2 653	+158%
Amounts due to customers	16 964	15 605	+9%
Repo transactions	769	1 524	-50%
Total equity including current net profit	2 220	1 992	+11%
Subordinated liabilities	416	438	-5%
Other liabilities	405	246	+65%
<b>Total Equity and Liabilities</b>	<b>27 609</b>	<b>22 459</b>	<b>+23%</b>

# INCOME STATEMENT

<i>(PLN mln)</i>	<b>Q3'07</b>	<b>Q3'06</b>	<b>Y/Y ch</b>
Net interest income	229	187	22%
Net fee and commission income	70	69	1%
Dividend, net trading income, profit (loss) from investment activities	40	37	8%
Other operating income and expenses	15	-4	-
Total income	353	289	22%
Total costs	244	222	10%
Operating profit	109	67	63%
Net impairment charges for financial assets, other assets and provisions	22	35	-37%
Share of profits of associates	2	1	100%
Profit before tax	133	103	29%
Income tax	-33	-12	175%
Net profit	99	90	10%