



KB Group financial results after I quarter of 2006



**Razem
możemy
więcej**



Warsaw, 27 April, 2006

AGENDA

1. SUSTAINED PERFORMANCE
2. RETAIL DIVISION ACTIVITY
3. APPENDIX

	Q1'06	Q1'05	Q/Q ch.
Net Profit (PLN mln)	88	94	-6%
Operating Profit (PLN mln)	85	68	+25%
ROE	19%	23%	-4 pp
CIR	72%	76%	-4 pp

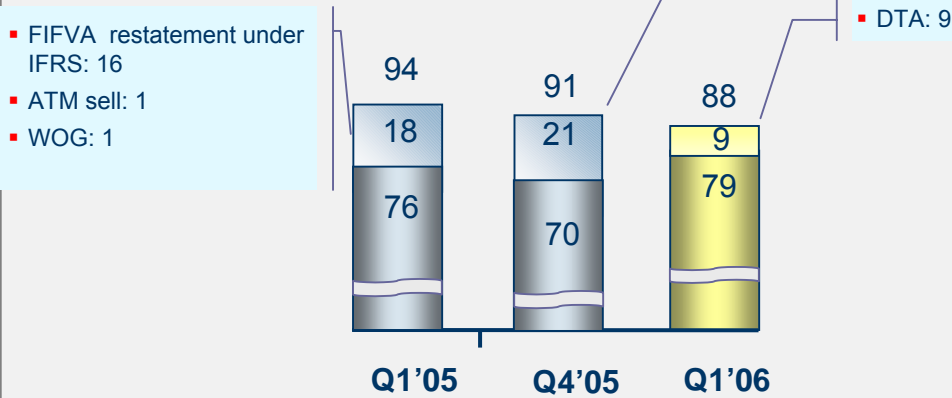
KB Group reported PLN 88 mln net profit (YTD) with ROE at 19% (without non-recurring items); Operational profit grew by 25% y/y.

Continuous improvement of the C/I ratio (-4 pp y/y) after Q1 2006 at 72 %;

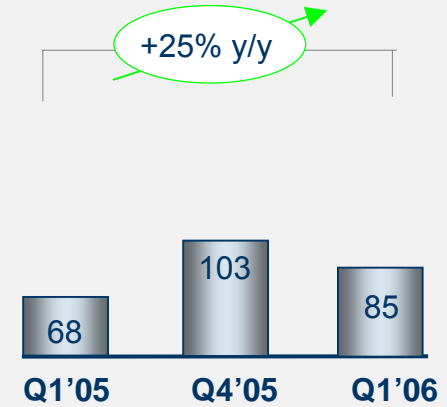
Low cost of risk and improvement in portfolio quality. 1Q'06 EOP NPL ratio 27,2% (down 1,3 pp. q/q and -2,8 pp. y/y) The scheduled transaction of selling a portion of receivables portfolio would reduce the ratio to around 20,6%.

Bank passed a motion on KB's dividend payment for 2005 (of PLN 0.22 gross per share; PLN 59.8 m. in total), subject to Banking Supervision Commission approval concerning the completion of the Restructuring Program.





Net Profit (PLN mln)

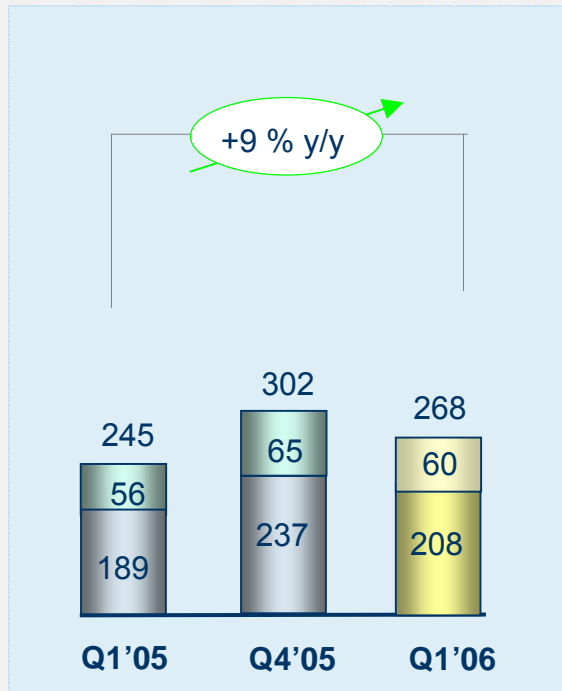


Operating Profit¹ (PLN mln)

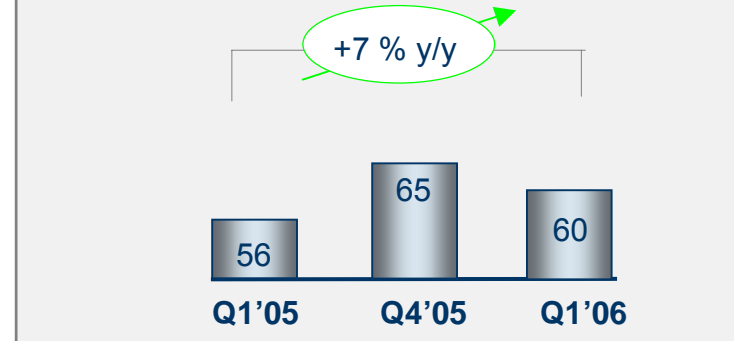


NII + Net F&C (PLN mln)

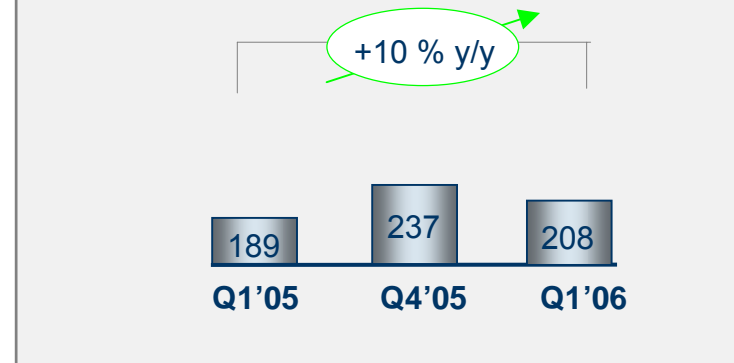
-  NII
-  F&C
-  NII
-  F&C



Fees and Commissions (PLN mln)



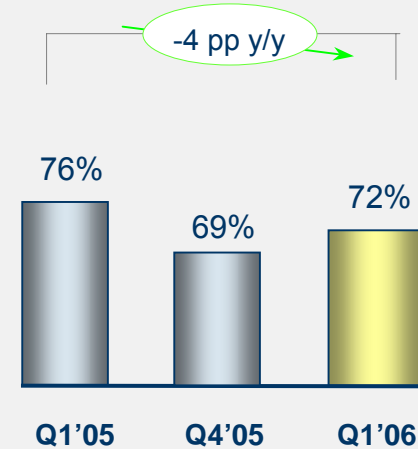
Net Interest Income (PLN mln)



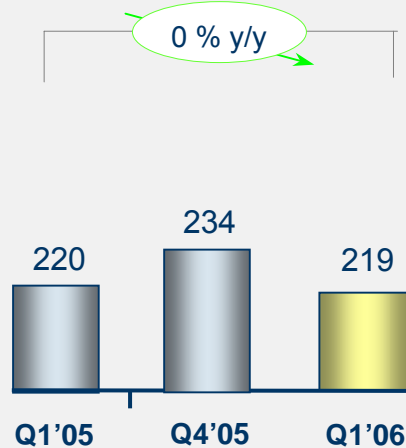
Net Total Income¹ - quarterly



Cost / Income ratio (quart.)

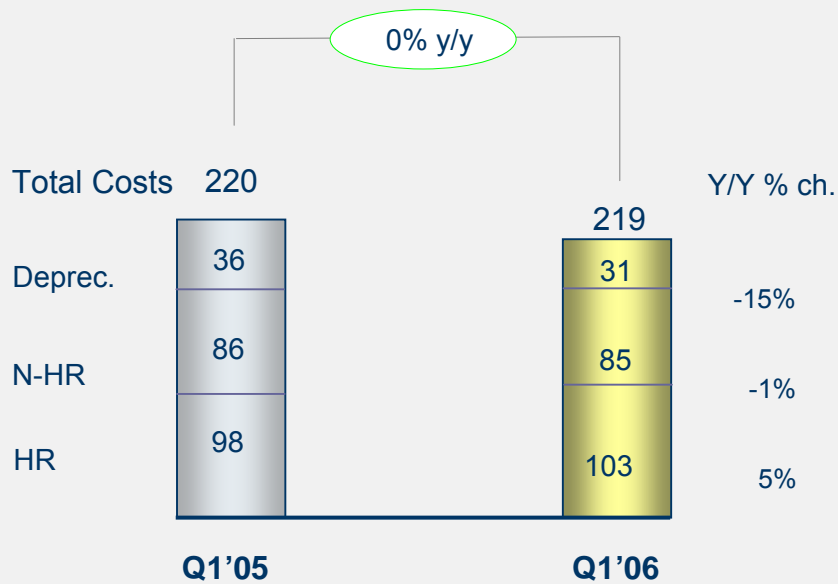


Operating Cost (quart.)



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

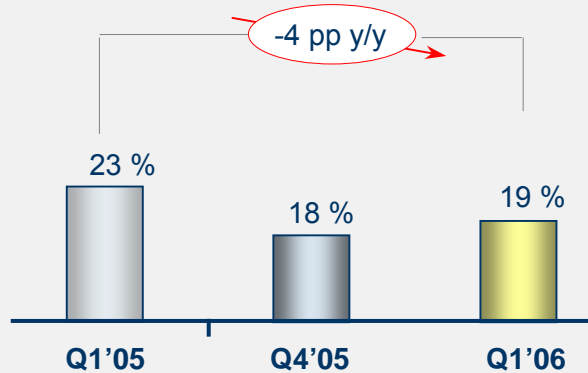
Operating Costs (PLN mln)



Staff (FTE - Group)



ROE



Capital Adequacy Ratio



The Bank will submit to the General Assembly a motion re. dividend payout for the fiscal year of 2005 of PLN 0.22 gross per share, provided that the Banking Supervision Commission approves the completion by the Bank of its Restructuring Program. The total proposed dividend equals to PLN 59.8 m.

Total Customer Loans¹ (PLN mln)



KB market share

	Q1'05	Q4'05	Q1'06
Total Loans	5,1%	4,1%	4,1%
Households Loans	4,3%	3,8%	3,7%
Corporate Loans	5,7%	4,4%	4,4%

¹ according to NBP segmentation

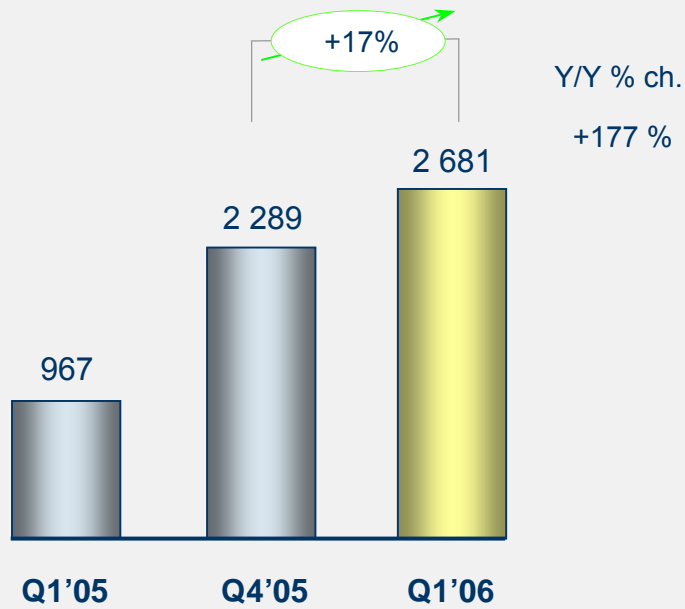
Total Customer Deposits¹ (PLN mln)



KB market share

	Q1'05	Q4'05	Q1'06
Total Deposits	4,0%	3,8%	3,7%
Households Deposits	4,1%	3,9%	3,8%
Corporate Deposits	3,8%	3,6%	3,5%

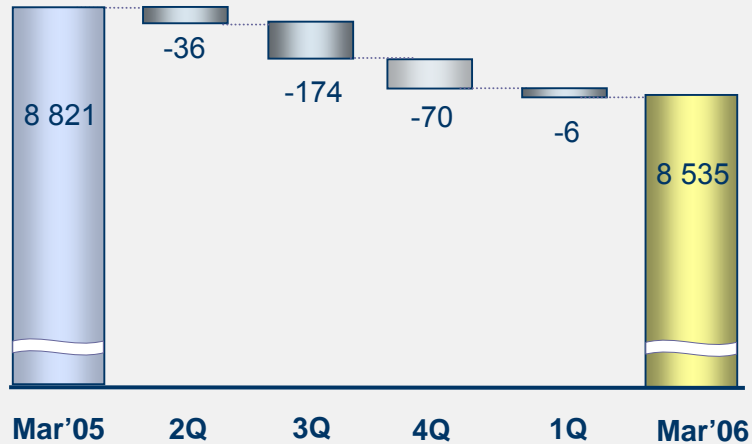
AUM volume¹ (PLN mln)



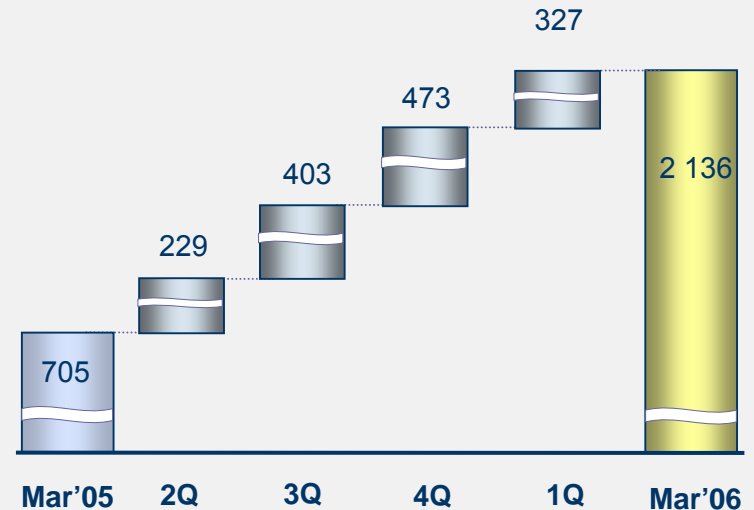
KB market share

	Q1'05	Q4'05	Q1'06
Investment funds	2,4%	3,8%	3,7%

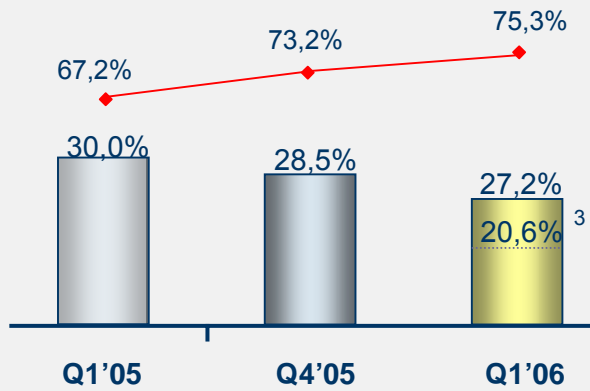
Households Deposits quart. Volume ch. (PLN mln)



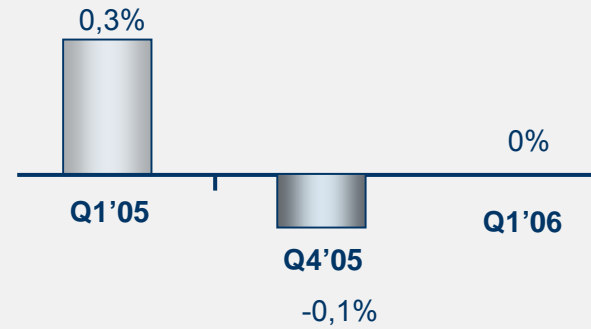
Mutuals quart. Volume ch.¹ (PLN mln)



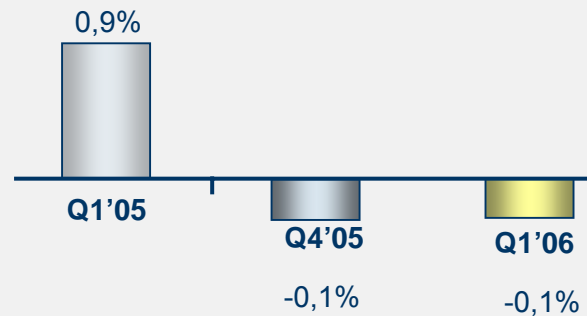
NPL ratio¹; Coverage ratio



Impairment² / ARWA



Cost of Risk²



¹ on the basis on customers' portfolio, w/w banks

² on cumulated basis

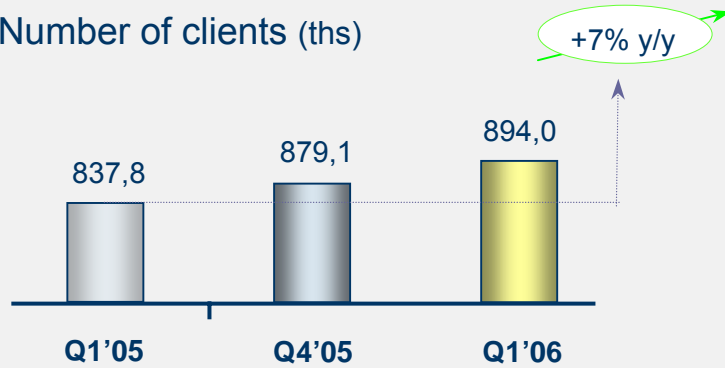
³ given the part of receivables portfolio to be sold

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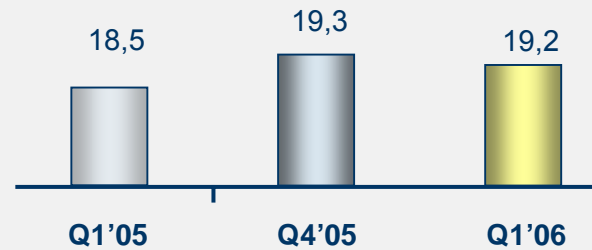
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RETAIL – QUANTITY PARAMETERS (1)

Number of clients (ths)



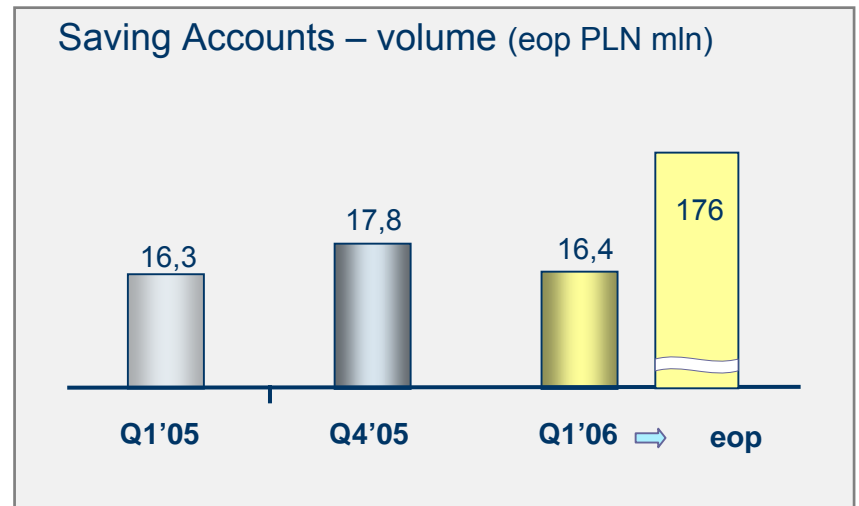
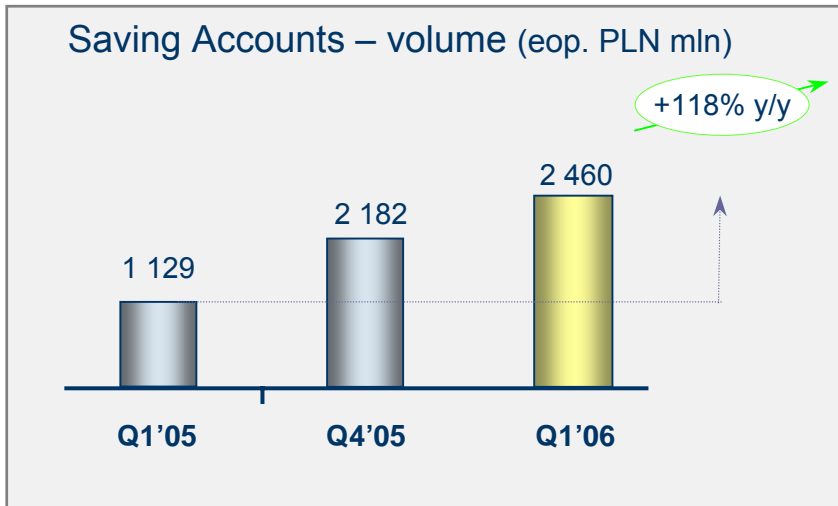
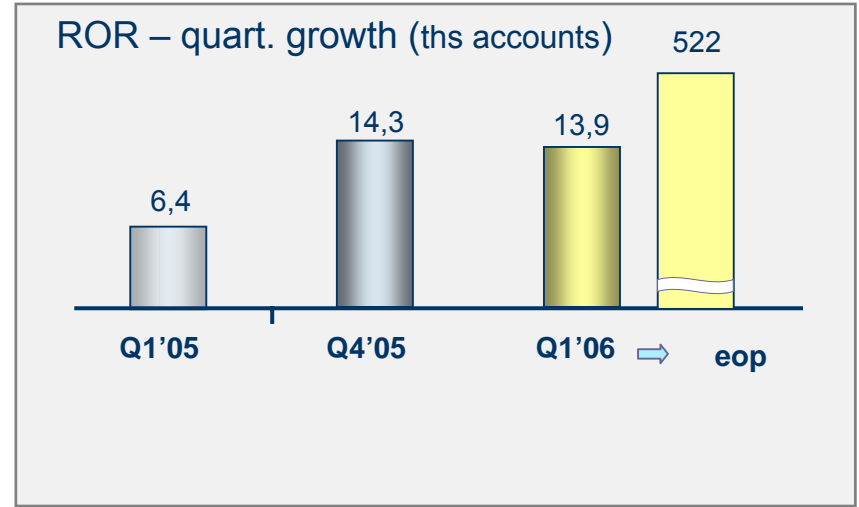
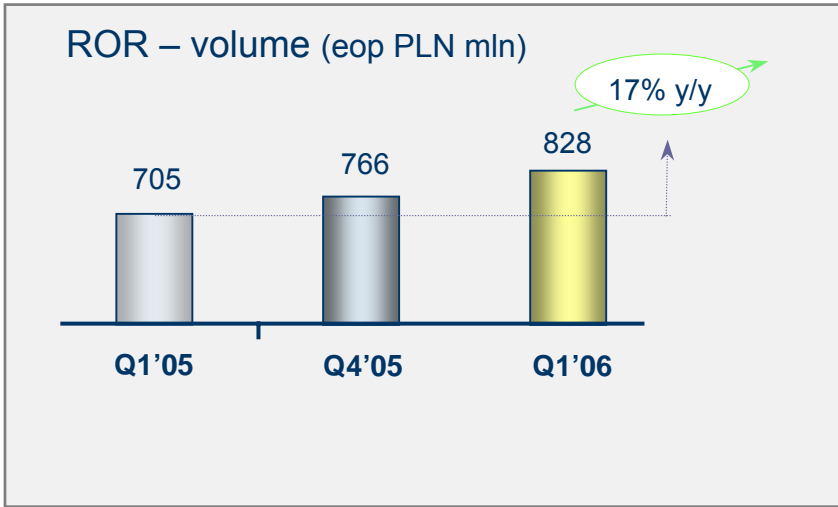
Customer Business per Client (ths PLN)



Client numbers change

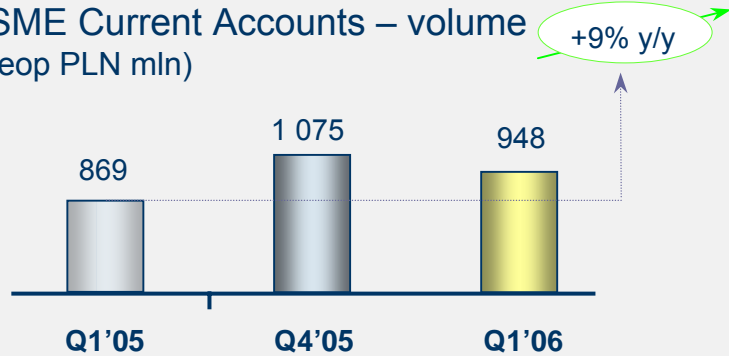
	Q1'06/ Q4'05	Q1'06/ Q1'05
Mass	+13 174	+49 910
Affluent	+13	+43
Private Banking	+24	+134
SME	+1 704	+6 154

RETAIL – QUANTITY PARAMETRES (2)

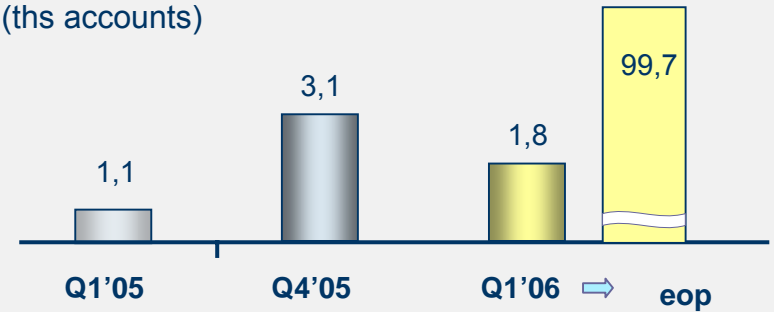


RETAIL – QUANTITY PARAMETERS (3)

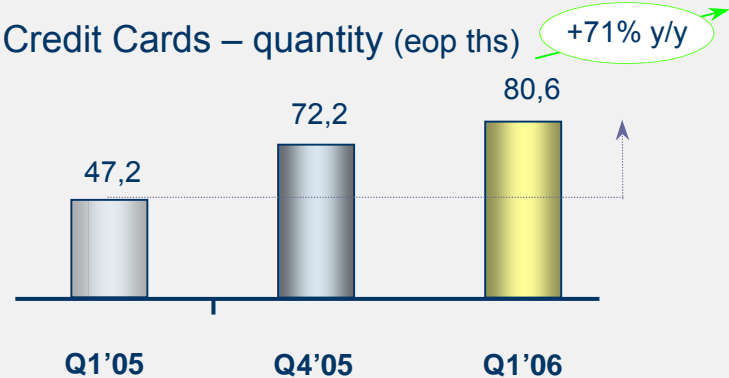
SME Current Accounts – volume (eop PLN mln)



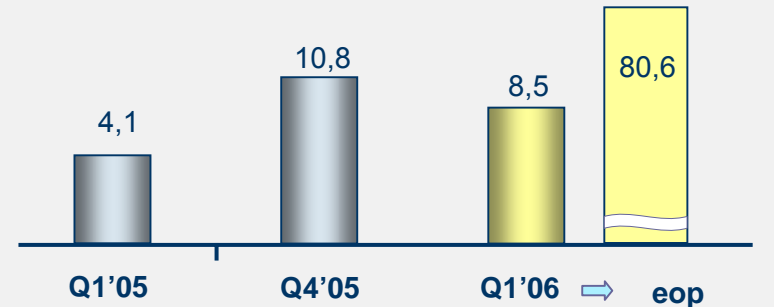
SME Current Accounts – quart. Growth (ths accounts)



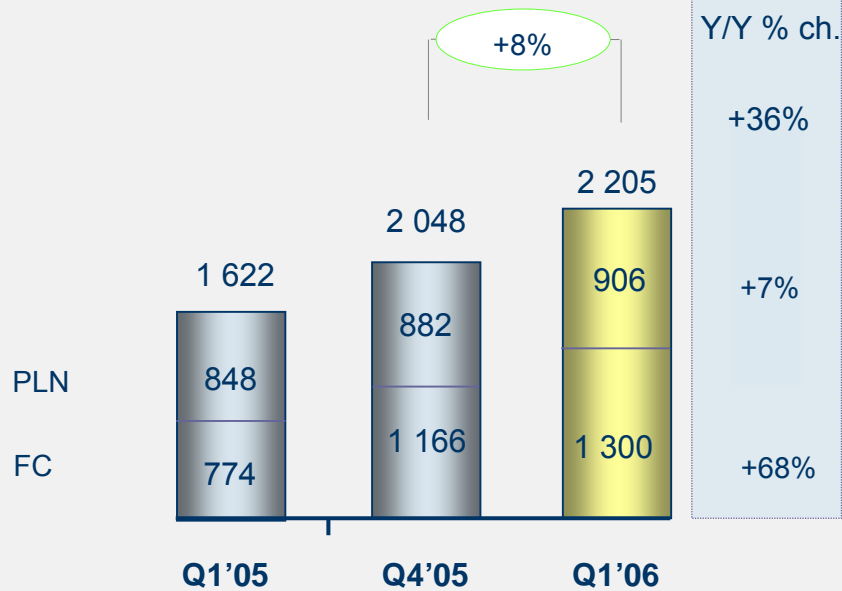
Credit Cards – quantity (eop ths)



Credit Cards – quart.growth (ths)



Housing Loans (eop PLN mln)

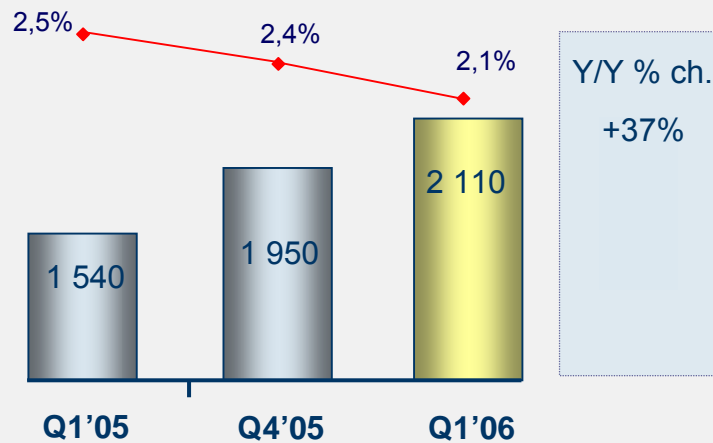


KB market share

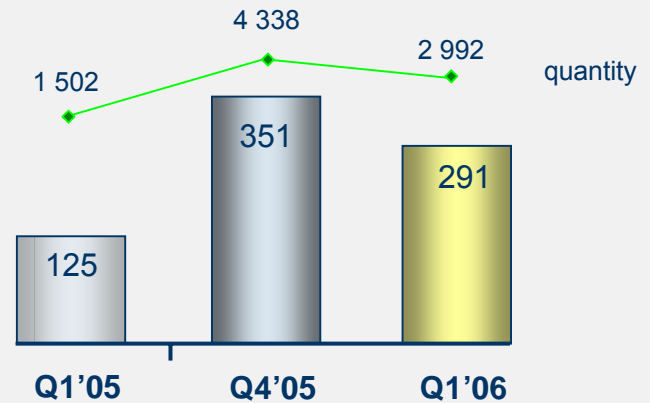
	Mar'05	Dec'05	Mar'06
Total Loans	4,3%	4,1%	4,0%
PLN	5,4%	4,8%	4,7%
FC	3,5%	3,6%	3,6%

RETAIL - PERFORMANCE (1)

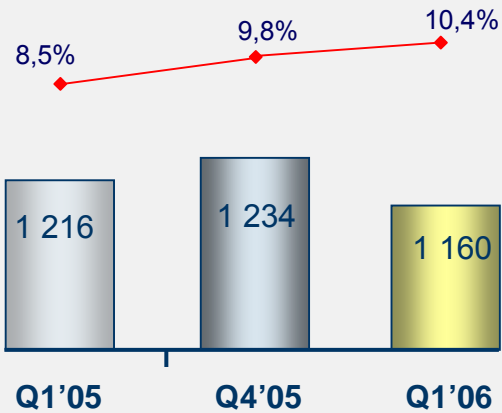
Mortgages - performing – (PLN mln); margins



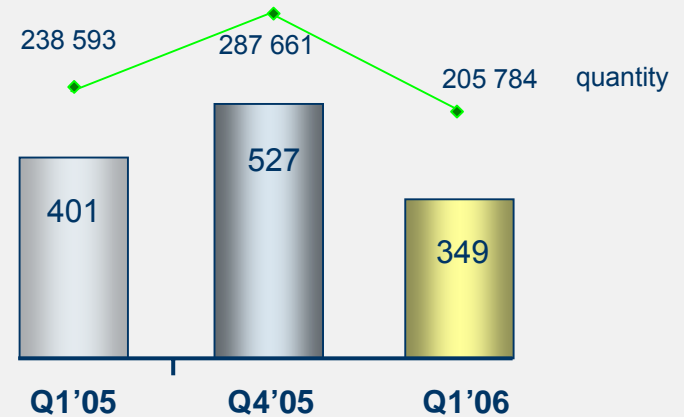
Mortgages – quart. sell (PLN mln)



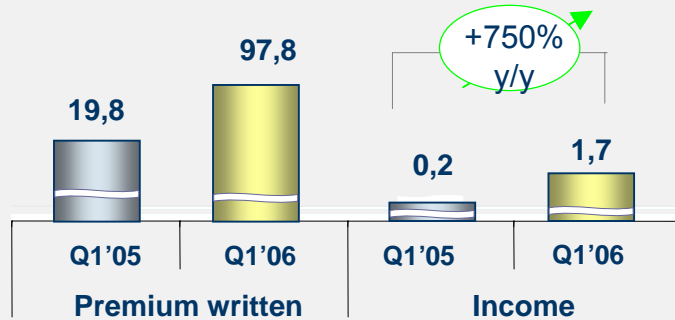
Żagiel Loans¹ – Consumer lending (PLN mln); margins



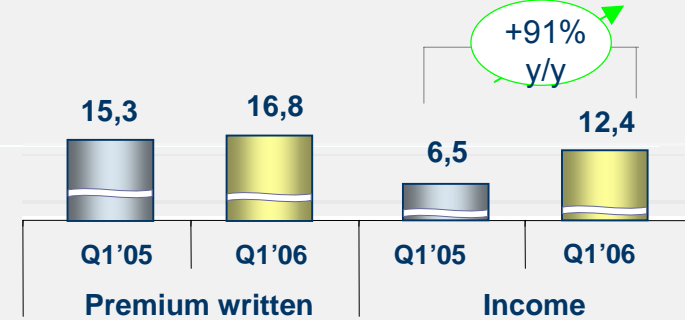
Żagiel – quart. sell (PLN mln)



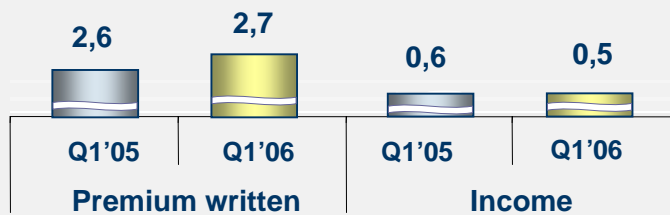
Saving & Investment products (PLN mln)



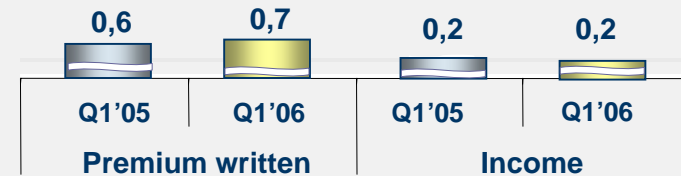
Linked insurances (PLN mln)



Plugged – in insurances (PLN mln)



Stand alone products (PLN mln)



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Income statement

<i>(PLN mln)</i>	Q1'06	Q1'05	Q/Q ch
Net interest income	208	173	20%
Net fee and commission income	60	72	-17%
Dividend, net trading income, profit (loss) from investment activities	29	39	-26%
Other operating income and expenses	7	4	75%
Total income	304	288	6%
General and administrative expenses	-219	-220	0%
Operating profit	85	68	25%
Net impairment charges for financial assets, other assets and provisions	-4	29	-
Share of profit of associates	0	0	-
Profit before tax	81	97	-16%
Income tax	7	-4	-
Net profit	88	94	-6%

¹ Total income minus General and administrative expenses