



Komerční banka, a.s. <http://www.kb.cz/en>
Prague 1, Na Příkopě 33, building identification number 969, Post Code 114 07
Identification No.: 45 31 70 54
incorporated in the Commercial Register maintained with the Municipal Court in Prague,
section B, insert 1360

January 27, 2012

Subordinated Loan Repayment

In compliance with the rules of Prague Stock Exchange part III Article 7 paragraph 6, c) and part V Article 6 paragraph 6, b) Komerční banka, a.s. (hereinafter the „KB“) publishes the following information.

On December 9, 2011, KB announced that the KB Board of Directors had approved an intention to exercise the option to repay the Subordinated Loan in amount of 6 bil. CZK (6 000 000 000 CZK). The Subordinated Loan was granted by the company which is the major shareholder of KB, Société Générale, S.A., at the end of 2006, with floating rate linked to one-month PRIBOR (Prague InterBank Offered Rate) and 10-year maturity. The Subordinated Loan was granted with the option for repayment after five years and then to any interest payment date which was made on a monthly basis.

The repayment of the Subordinated Loan which was part of the regulatory Tier 2 capital for the capital adequacy had been a subject to notification and negotiation with the Czech National Bank as a supervisory authority and of negotiation with defined international financial institutions as creditors of the KB. Since the result of all these negotiations was positive and KB has had a strong capital position **KB realized the repayment of the Subordinated Loan on January 27, 2012.**

KB Group shows a high level of capital adequacy on the consolidated basis of 16.0% as of September 30, 2011, of which the Subordinated Loan contribution was only 1.7%. After the repayment of the Subordinated Loan, KB Group has the capacity to develop its business activities aimed at clients' financing and servicing. At the same time KB Group capital adequacy level is more than sufficient in comparison with both the regulatory minimum and the expected increasing regulatory requirements resulting from the gradual implementation of the Basel 3 new rules.