



Sale of non-performing loans blocks

Investors' day, May 2005

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Česká konsolidační agentura (hereinafter “ČKA”) together with companies Česká finanční, s.r.o. (hereinafter “Česká finanční” and “ČF”) and Konpo, s.r.o. (hereinafter “KONPO”) intend to announce five parallel public tenders for the sale of non-performing loans blocks from their assets in the upcoming period.

The purpose of this presentation is to:

- Present ČKA, Česká finanční and KONPO
- Provide principal information on time schedule of business activity termination of ČKA, Česká finanční and KONPO
- Acquaint potential investors with principal economical and legal characteristics of individual blocks
- Provide in advance information on an overall transaction concept, parameters of public tender terms and preliminary time schedule
- Explain selected legal aspects of contractual documentation

Česká konsolidační agentura (Janovského 438/2, 170 06 Praha 7, Czech Republic)

- Universal successor of Konsolidační banka Praha, s.p.ú. (“KOB”)
- Established on the basis of the special act no. 239/2001 Coll., approved in September 1, 2001; ČKA is a state agency, all liabilities are guaranteed by the state
- According to the law, ČKA will be dissolved effective December 31, 2007 without liquidation – ČKA’s legal successor will be the state, represented by the Ministry of Finance, to which all ČKA’s rights and liabilities will pass upon dissolution
- ČKA’s activity:
 - Implementation of governmental resolutions
 - Realization of assets through the sale of capital participations, individual assignments of receivables, sale of non-performing loans blocks, sale of collaterals)
 - Other enforcement (actions, bankruptcy proceedings, executions and liquidation)
 - Restructuring of business companies as set down by the government decisions – Programs Exit and Rozvaha
- The total nominal value of assumed assets acquired by ČKA/KOB reached CZK 576.46 bn and purchased price amounted to CZK 520.34 bn
- As of March 31, 2005 ČKA reported receivables towards 4 767 debtors in total nominal value of CZK 128.7 bn
- Total assets amounted to nominal value of CZK 115 bn as of March 31, 2005

Česká finanční, s.r.o. (V Jámě 1263/6, 111 21 Praha 1, Czech Republic)

- Česká finanční is a 100% subsidiary of ČKA
- Česká finanční was responsible for:
 - Technical realization of a Czech banking sector reinforcement program for small and medium size banks stipulated in a governmental resolution no. 539 from 16 October 1996 – so called „stabilization program“
 - Realization of a so called „consolidation program“ announced by Czech national bank in connection with the consolidation of the banking sector by a smaller bank merger
- Česká finanční main course of business is in particular receivables portfolio management, legal collection of receivables, receivables disposal (individual and blocks disposals), collateral disposal and management, management and disposal of capital participation and securities
- The total purchase price of assets (receivables and securities) acquired by Česká finanční amounted to CZK 49.2 bn (consolidation program incl. Agrobanka - CZK 34.5 bn; stabilization program – CZK 14.7 bn)
- As of March 31, 2005 Česká finanční reported receivables towards 297 debtors in total nominal value of CZK 14.1 bn
- Total assets amounted to nominal value of CZK 7.5 bn as of March 31, 2005

Konpo, s.r.o. (Na Příkopě 390/3, 111 21 Praha 1, Czech Republic)

- KONPO is 100% subsidiary of ČKA
- Established on the basis of a special contract on transfer of a non-performing loans from Komerční banka, a.s. („KB“); KB's assets assumption on the basis of governmental resolution no. 187 from February 16, 2000
- KONPO's activity:
 - Administrative and management services both for individuals and corporations
 - Real estate activity
- The total nominal value of assumed assets from KB amounted to CZK 57.7 bn (5 062 loan accounts from 1 638 debtors)
- The KONPO's total assets amounted to CZK 37.5 bn at the time of takeover of assets from KB
- As of March 31, 2005 KONPO reported receivables towards 1 019 debtors in total nominal value of CZK 39 bn
- Total assets amounted to nominal value of CZK 21.6 bn as of March 31, 2005

Principal Overview

Blocks' Formation Strategy

ČKA blocks

- Time horizon of execution (bankrupts with expected executive date after H1 2006)
- Critical size of NPLs (NPLs whose nominal value is under critical size allowing economical effective collection due to cost structure and lack of regional departments on the ČKA side)

Česká finanční blocks

- Entry into liquidation (sale of residual portfolio prior to Česká finanční enters into liquidation)

KONPO block

- Entry into liquidation (sale of residual "bankruptcy" portfolio prior to KONPO enters into liquidation)

Timing of block's transactions from ČKA Group (in CZK bn)



Five parallel public tenders with total nominal value of CZK 31 096 mil

Česká konsolidační agentura

- Bankruptcy block (nominal value of CZK 14 789 mil)
- Nonbankruptcy block (nominal value of CZK 1 395 mil)

Česká finanční

- Bankruptcy block (nominal value of CZK 6 773 mil)
- Nonbankruptcy block (nominal value of CZK 4 070 mil)

Konpo

- Bankruptcy block (nominal value of CZK 4 069 mil)



Blocks' Characteristics

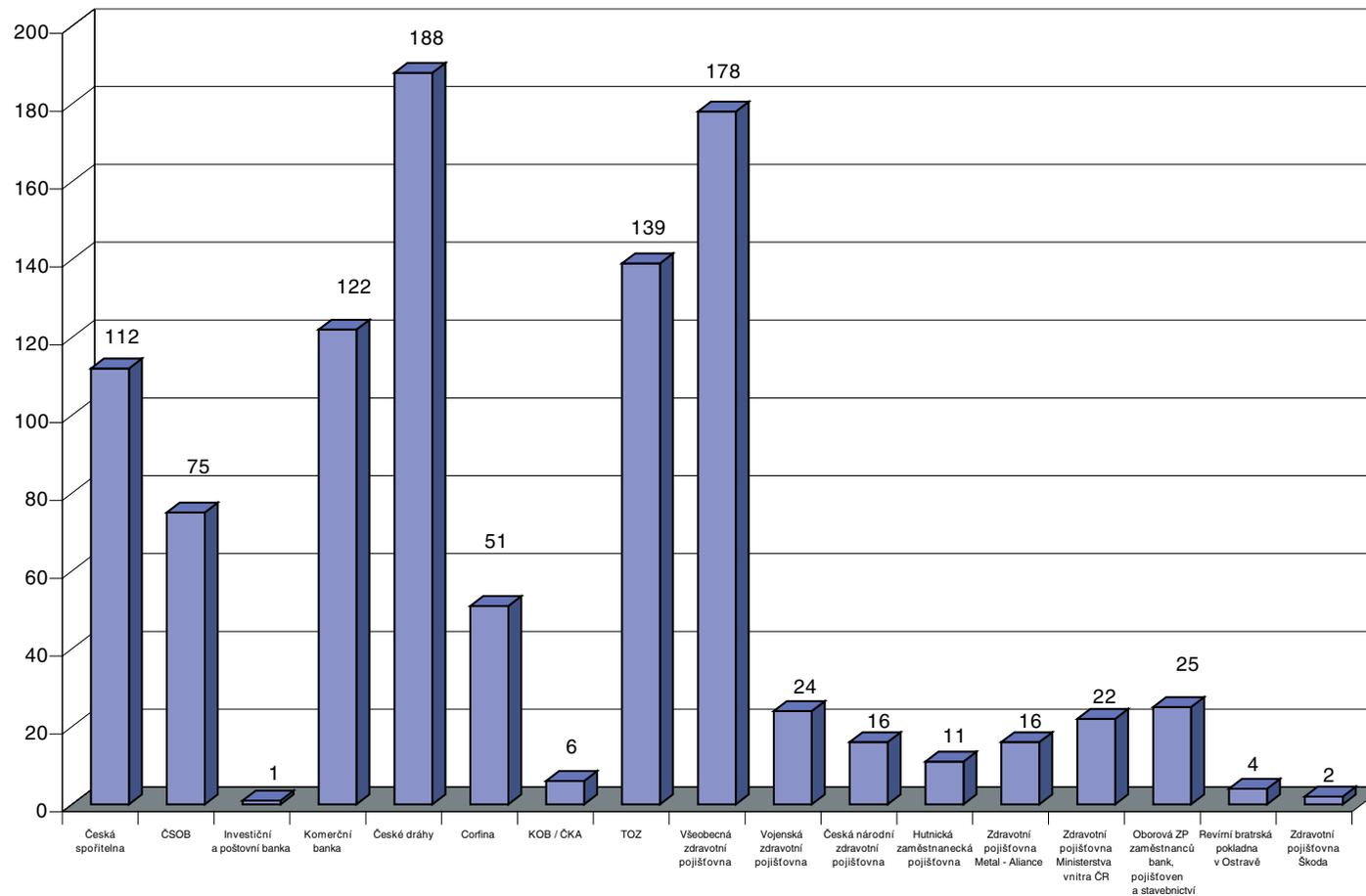
Česká konsolidační agentura

- **Bankruptcy block**
- **Nonbankruptcy block**

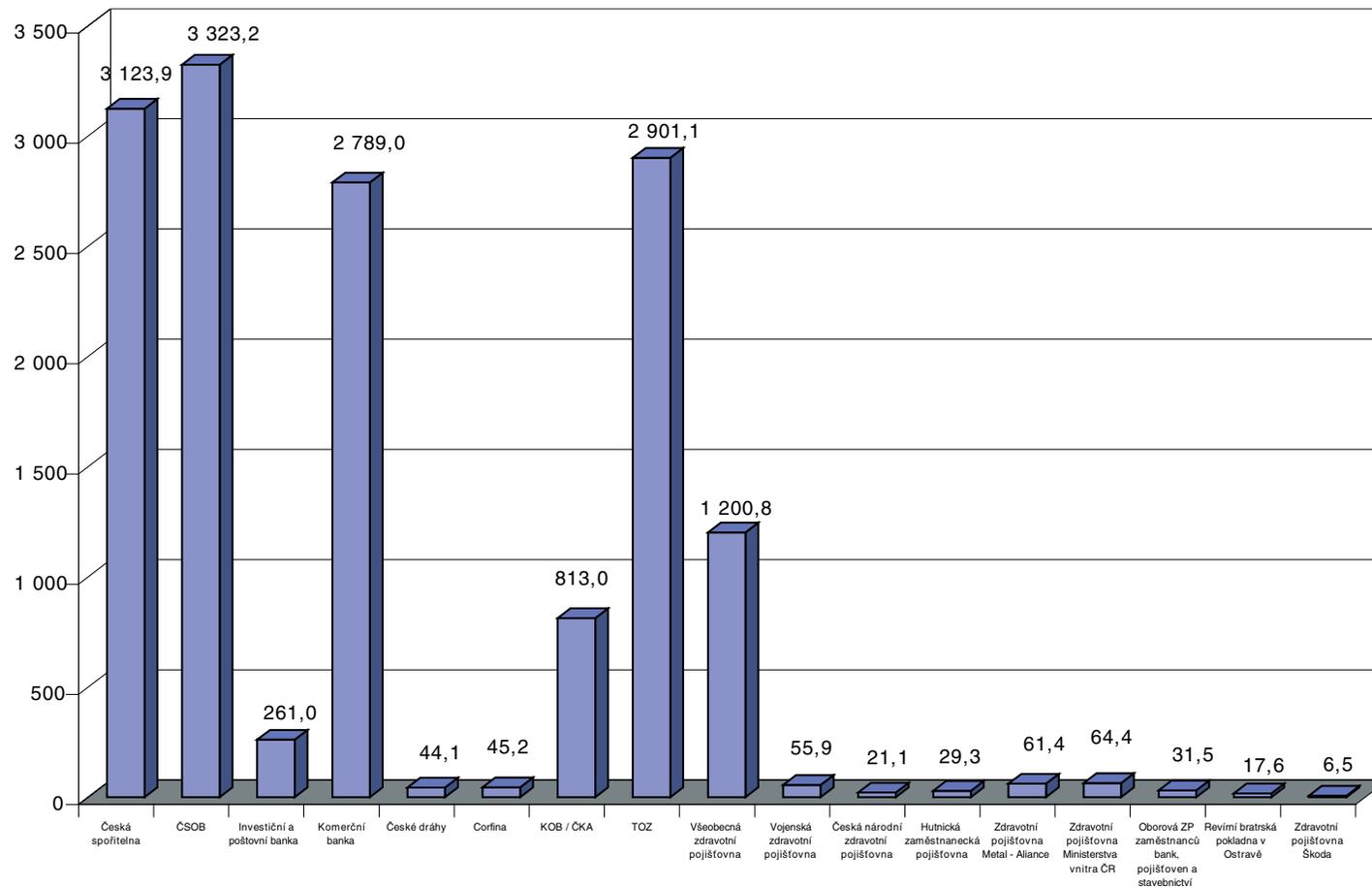
Main characteristics of the block

- Number of NPLs: 992
- Number of bankrupts: 605
- Total nominal value of NPLs: CZK 14 789 mil
- Total maximal exposure to one bankrupt: CZK 3 094 mil
- Total minimal exposure to one bankrupt: CZK 0.001 mil
- Number of real estate: 287
- Information on NPLs origin: 17 institutions (22% ČSOB, 21% Česká spořitelna, 20% TOZ, 19% Komerční banka, 18% others)

Bankrupts segmentation according to NPLs origin (number of bankrupts)

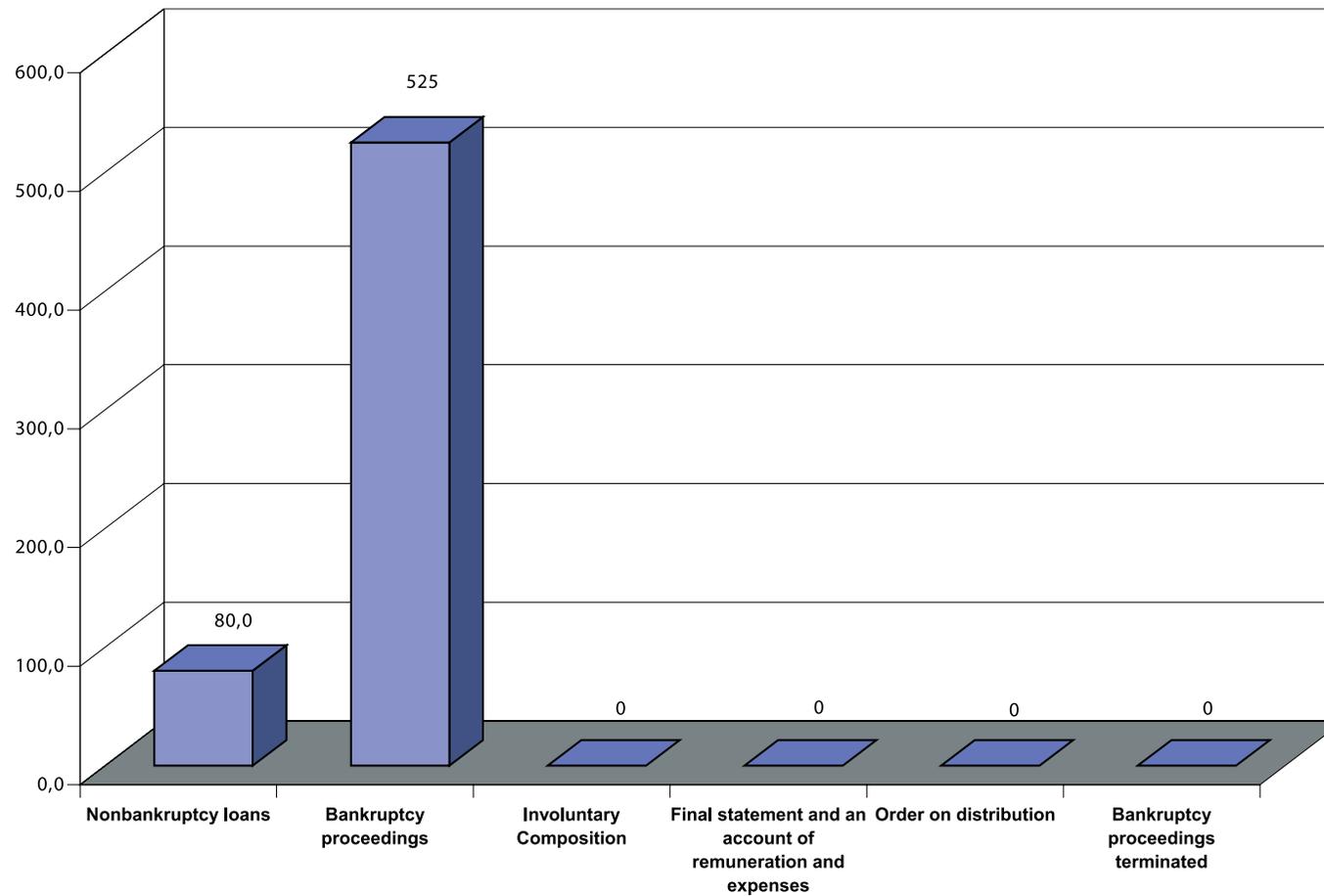


NPLs segmentation according to their origin (in CZK mil)



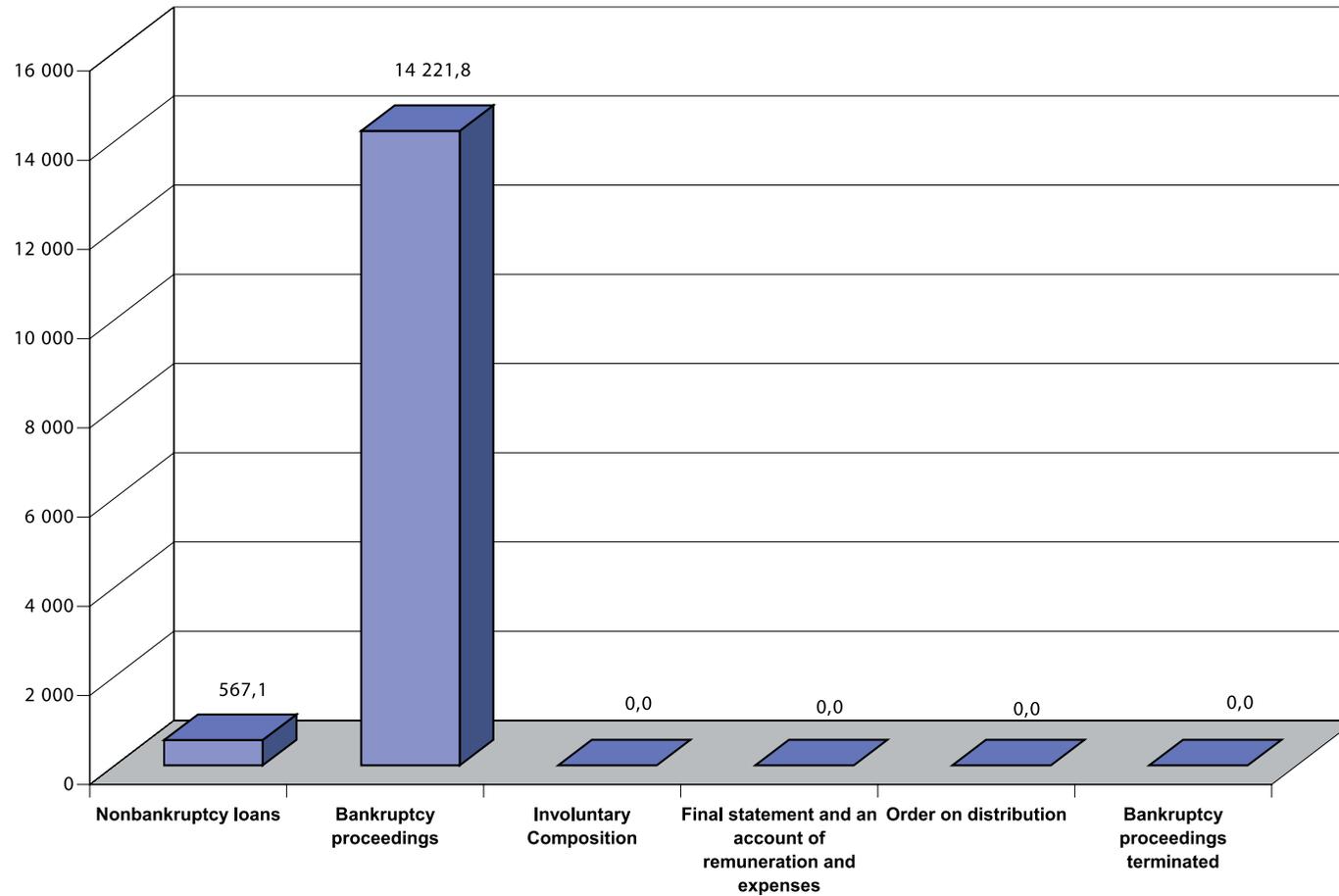


Bankrupts segmentation according to the stage of bankruptcy (number of bankrupts)

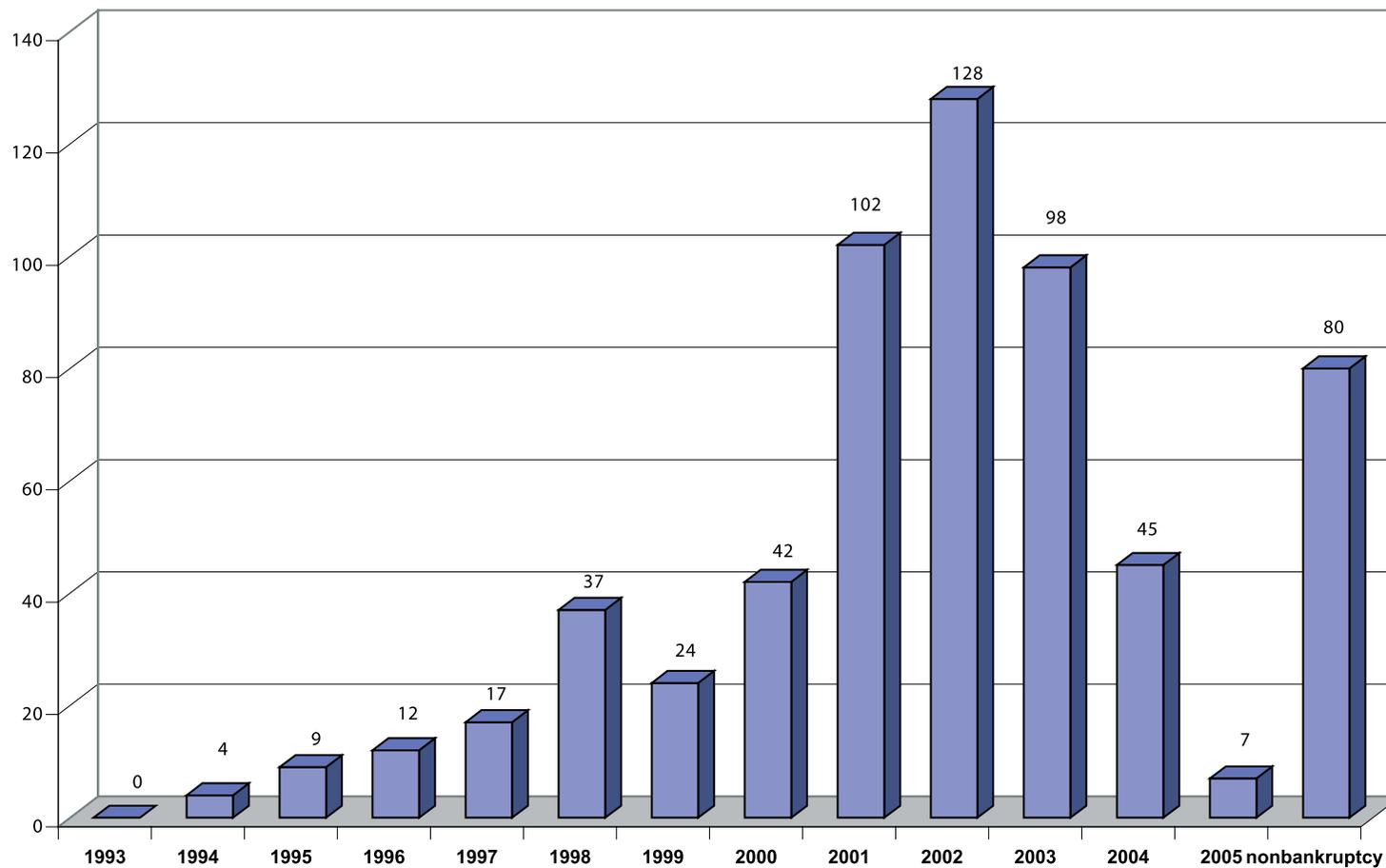




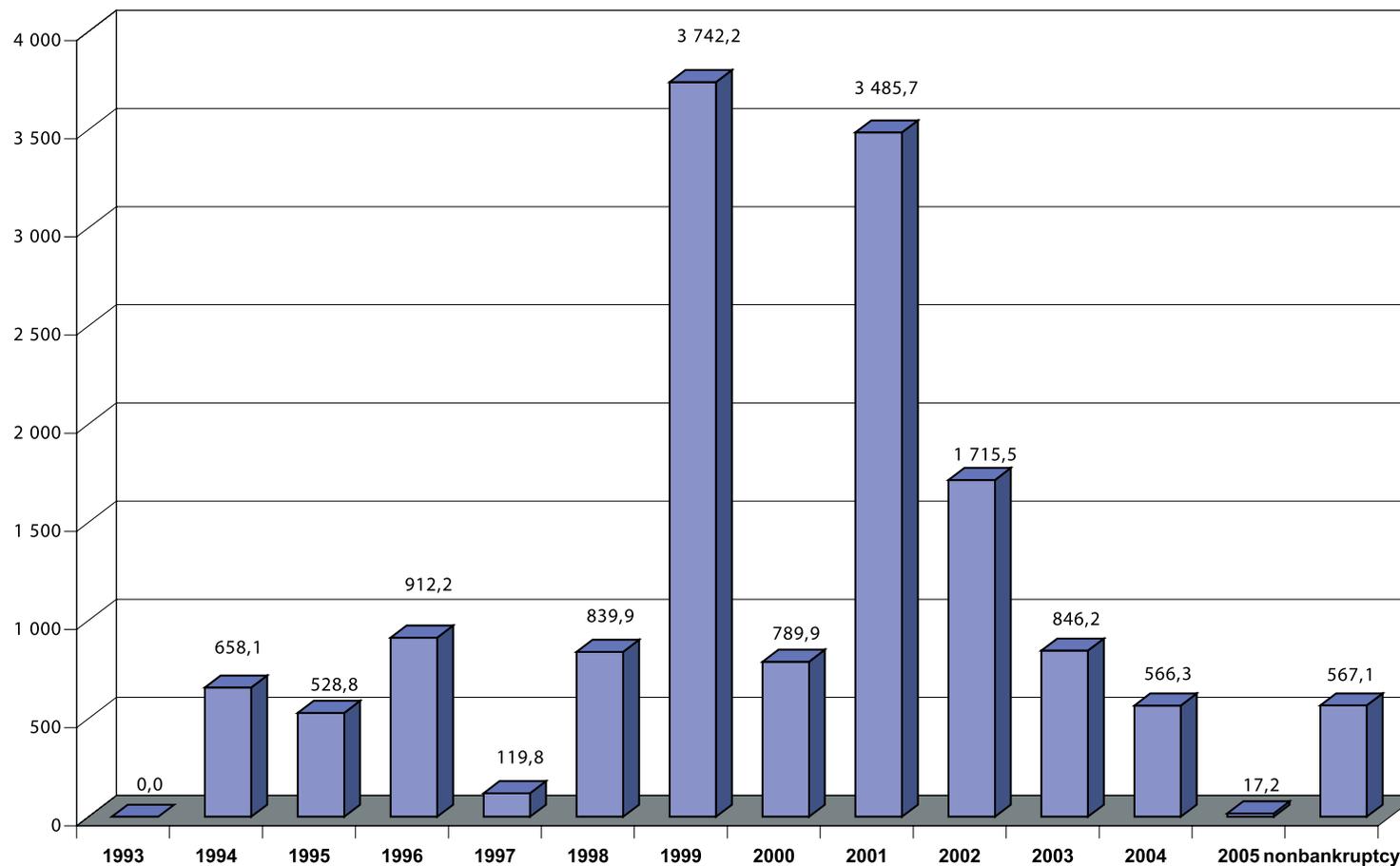
NPLs segmentation according to the stage of bankruptcy (in CZK mil)



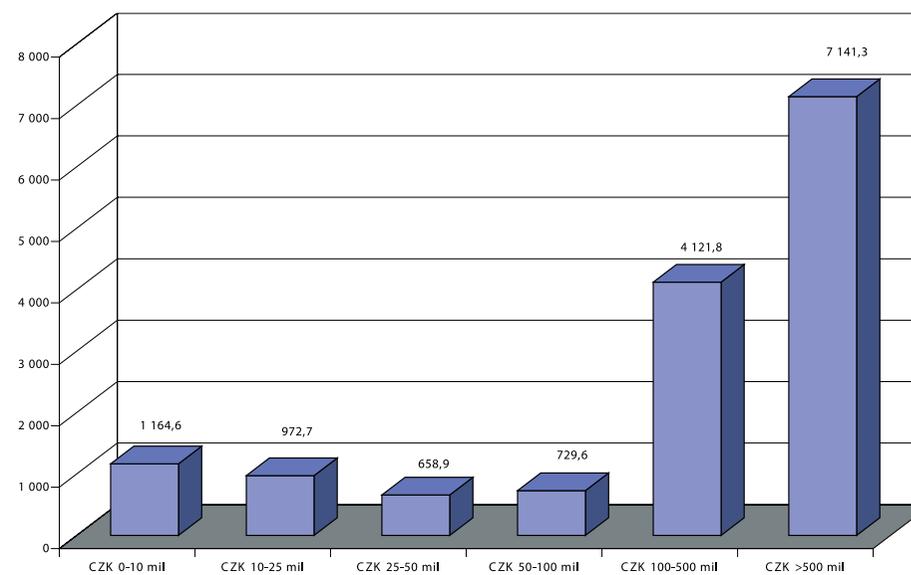
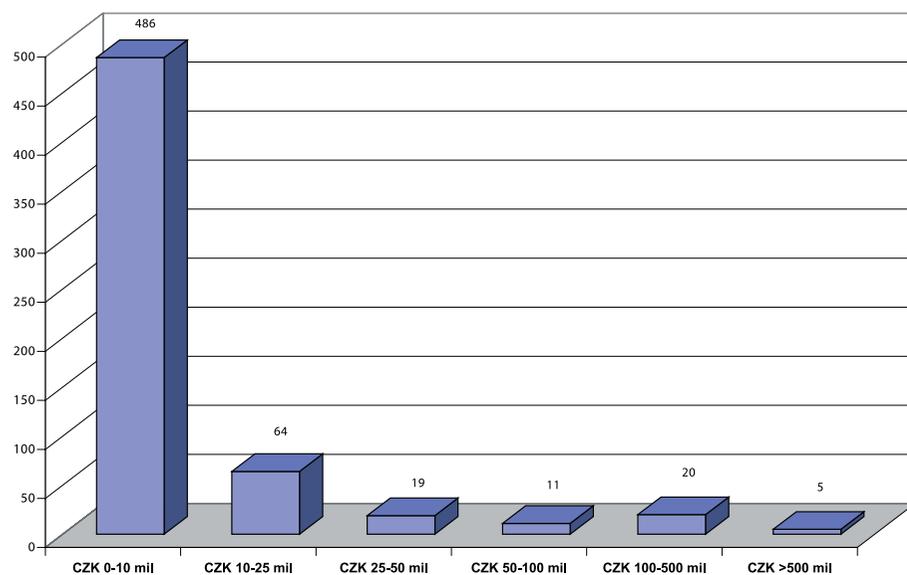
Bankrupts segmentation according to the year of bankruptcy order (number of bankrupts)



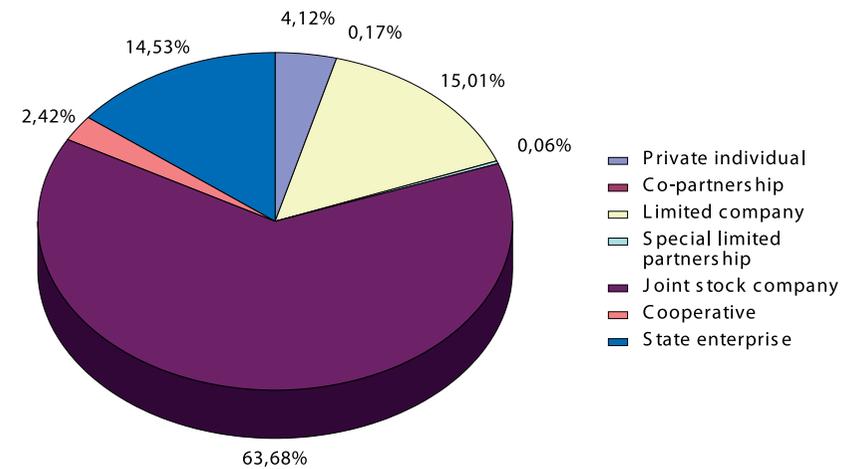
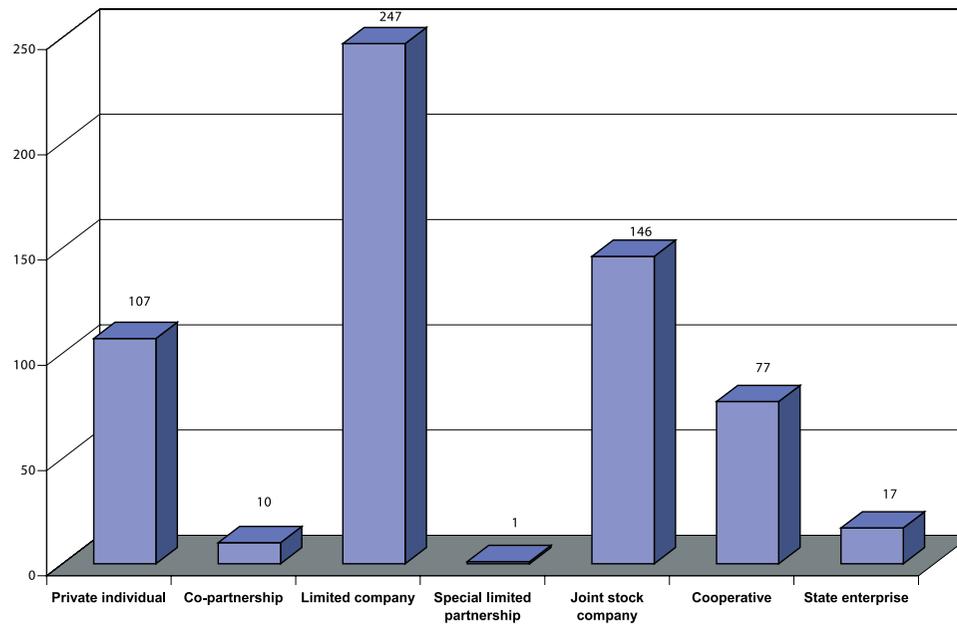
NPLs segmentation according to the year of bankruptcy order (in CZK mil)



Bankrupts segmentation according to the total nominal value of NPLs to one bankrupt and their share on total nominal value of the block (in CZK mil)

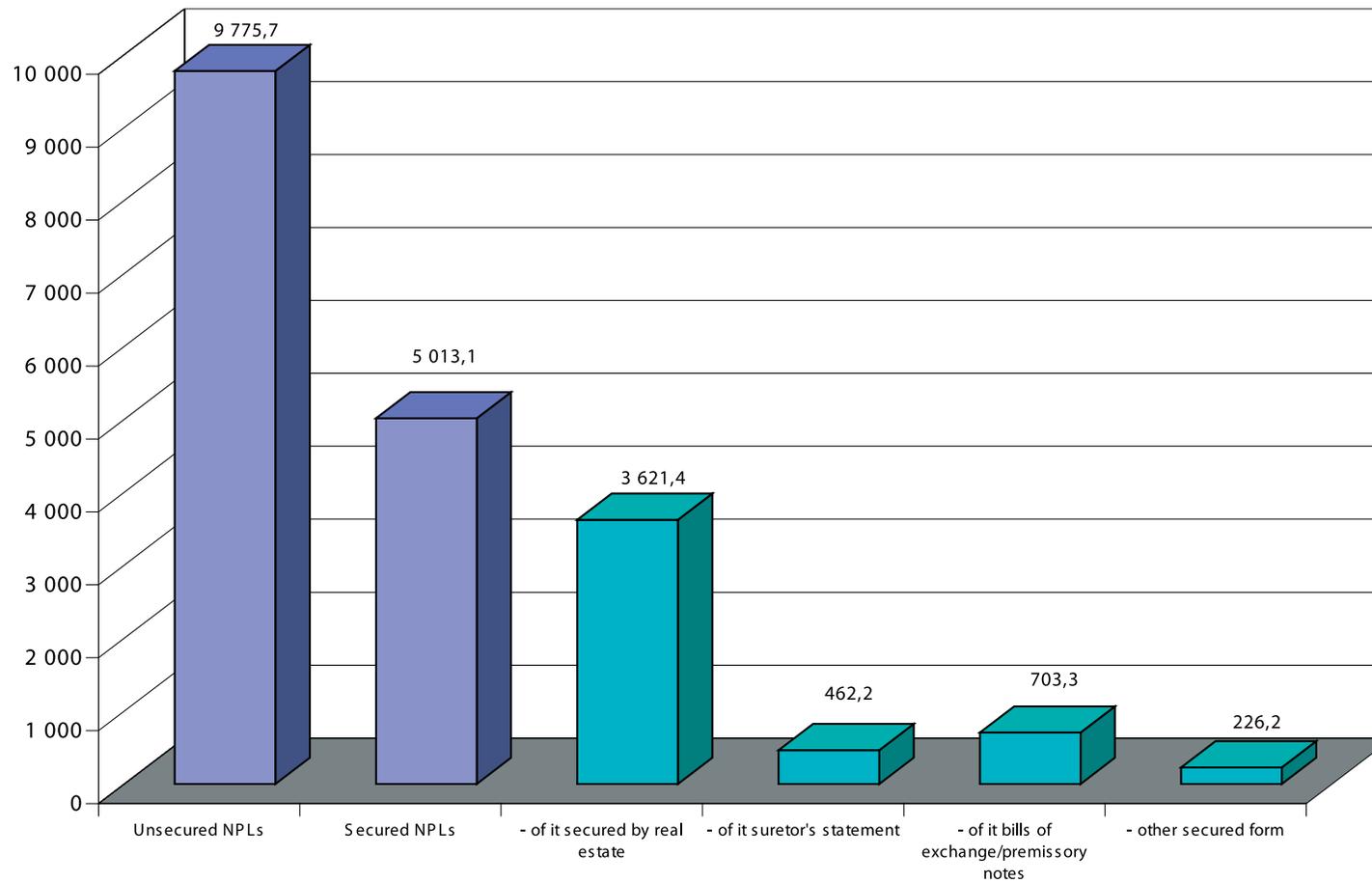


Bankrupts segmentation according to the legal entity and their share on total nominal value of the block (in CZK mil)

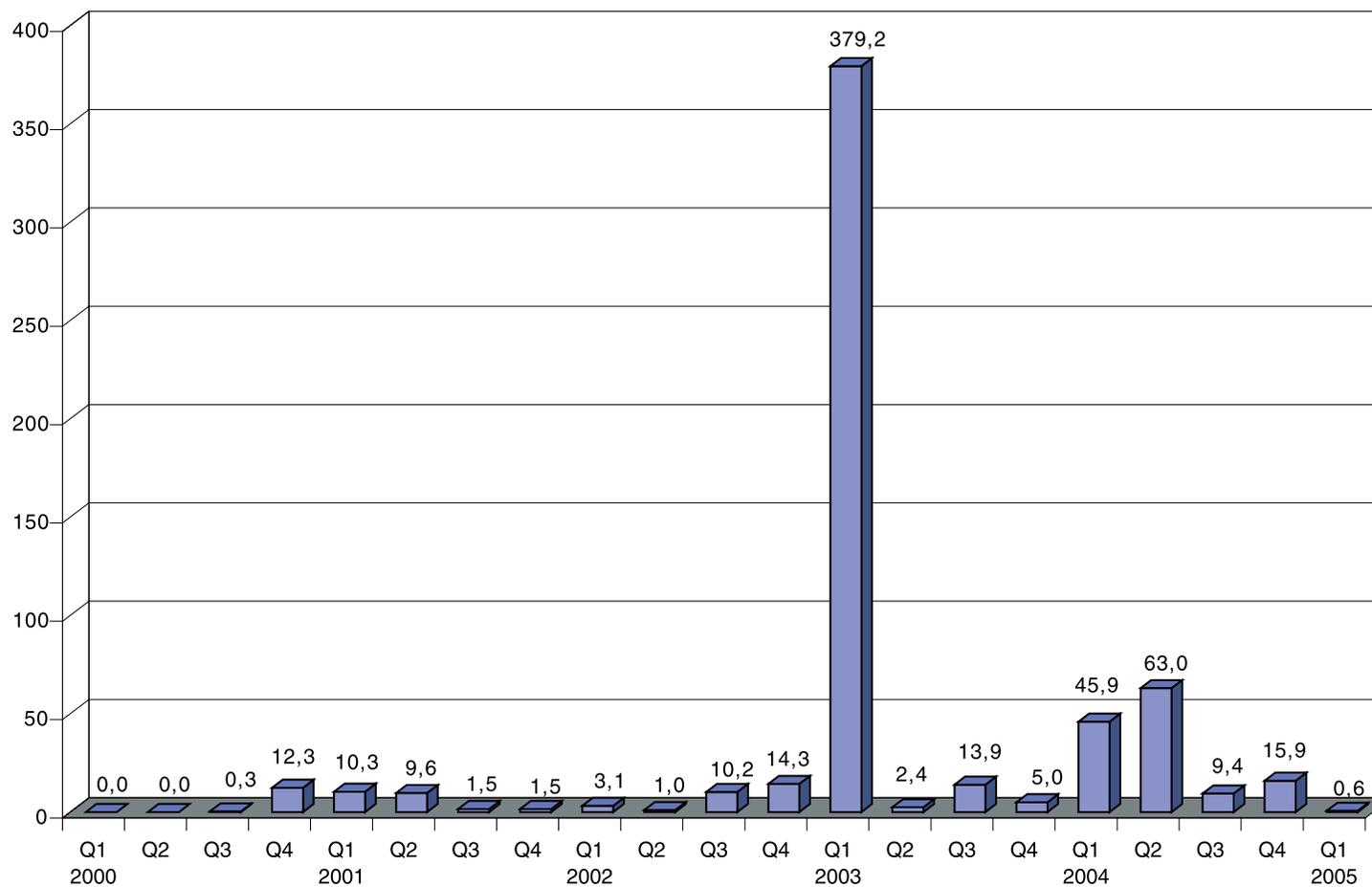




NPLs segmentation according to the forms of security (in CZK mil)



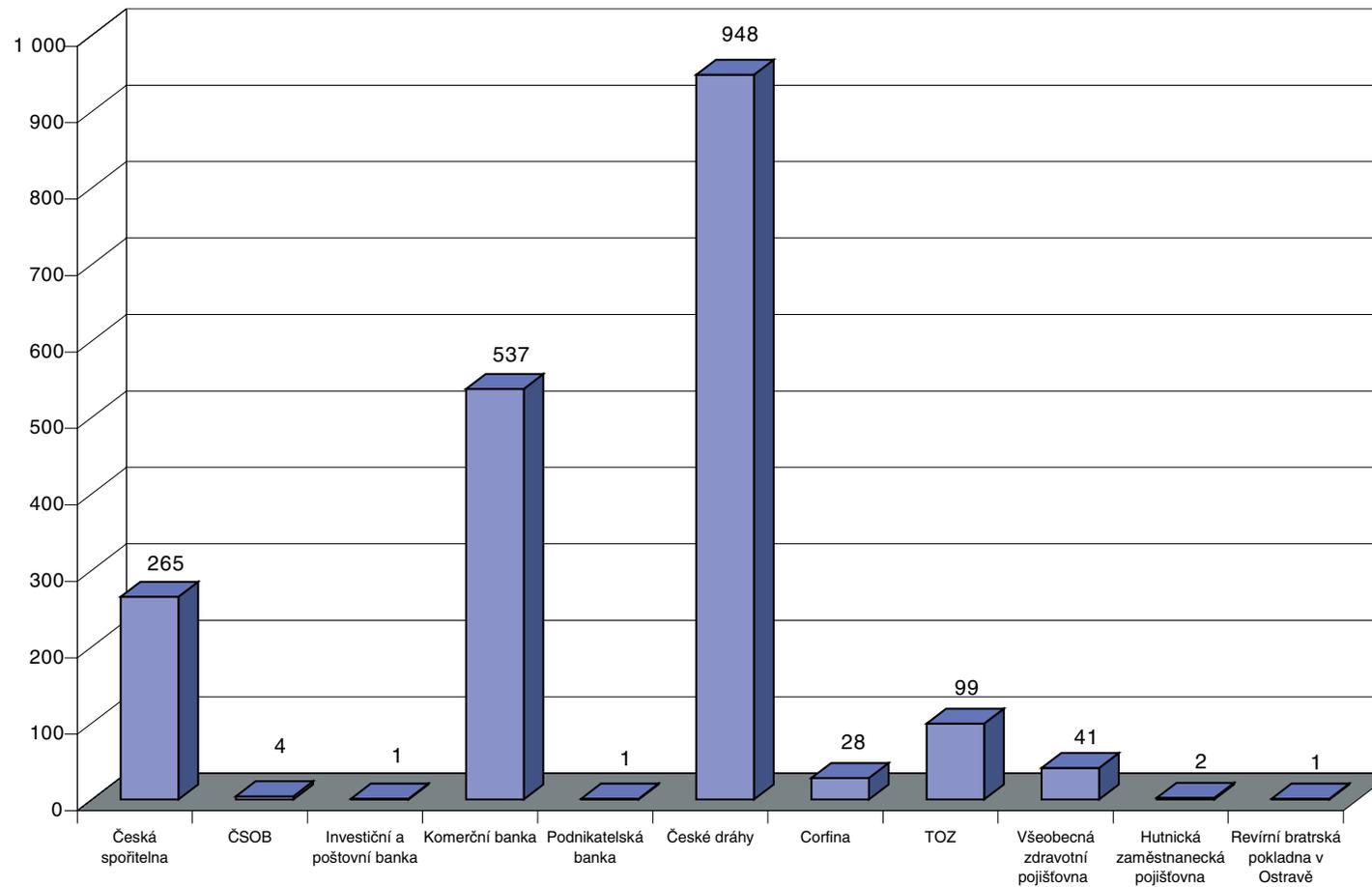
Historical cash flow of the block (in CZK mil)



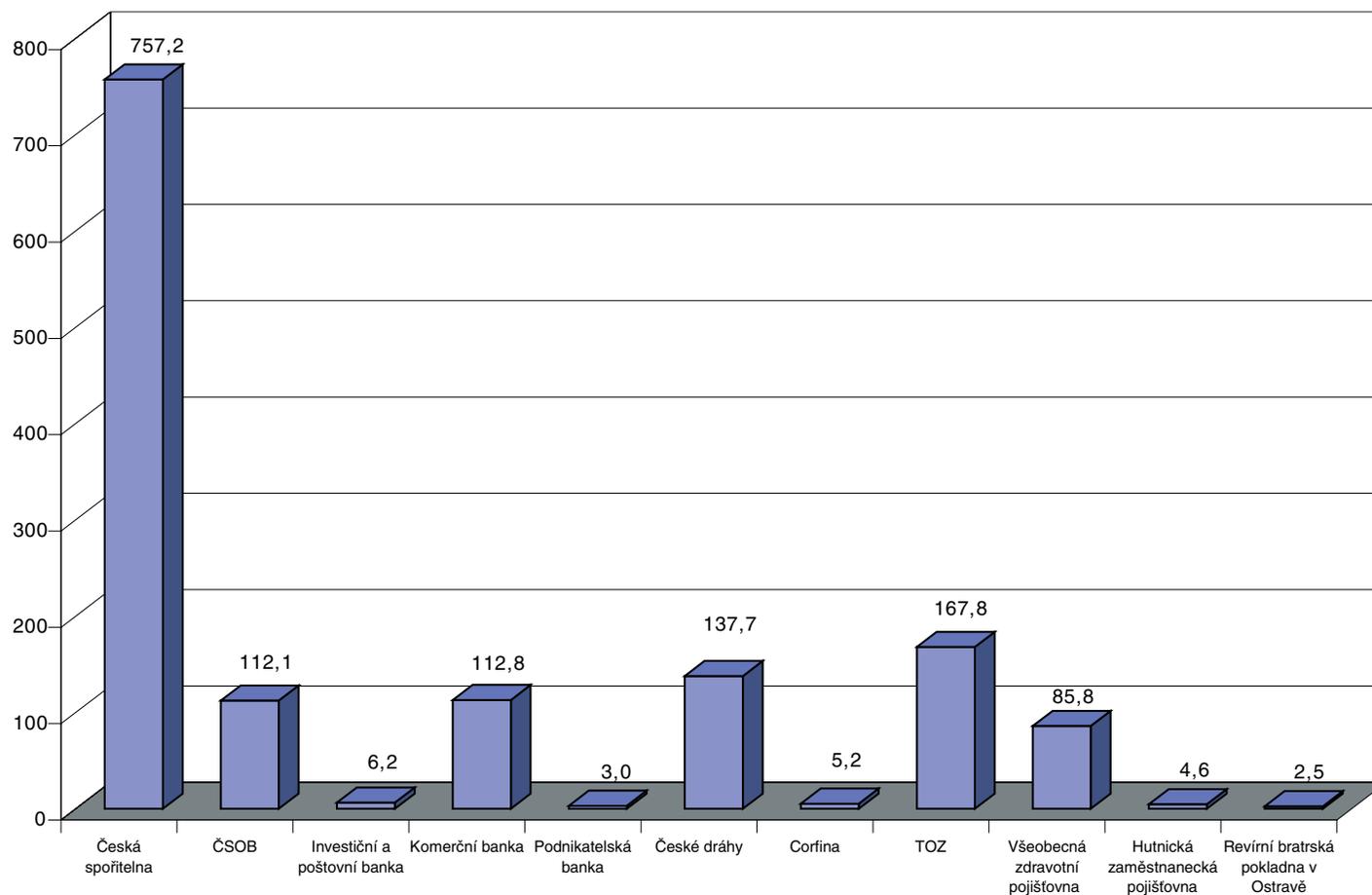
Main characteristics of the block

- Number of NPLs: 1 927
- Number of debtors: 1419
- Total nominal value of NPLs: CZK 1 395 mil
- Total maximal exposure to one debtor: CZK 144 mil
- Total minimal exposure to one debtor: CZK 0 mil
- Number of real estate: 355
- Information on NPLs origin: 11 institutions (54% Česká spořitelna, 12% TOZ, 10% České dráhy, 8% Komerční banka, 8% ČSOB, 8% others)

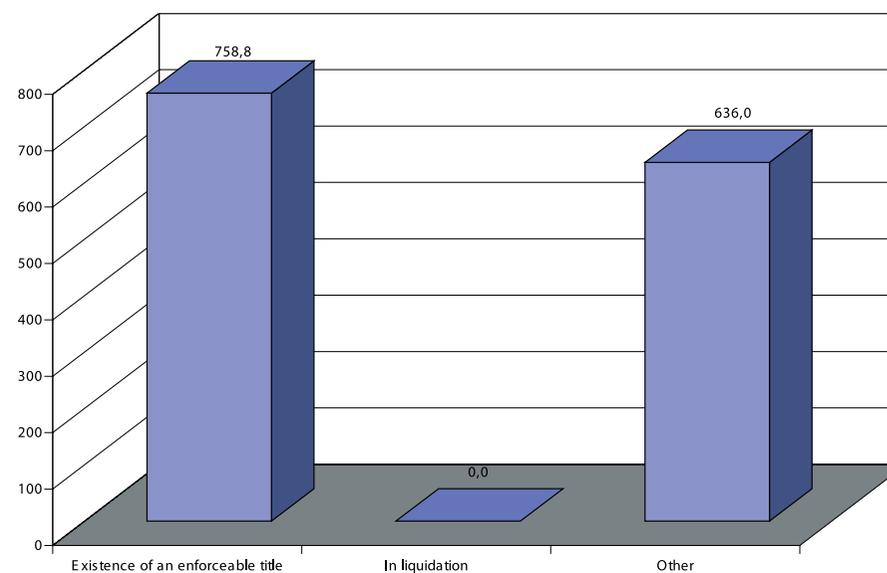
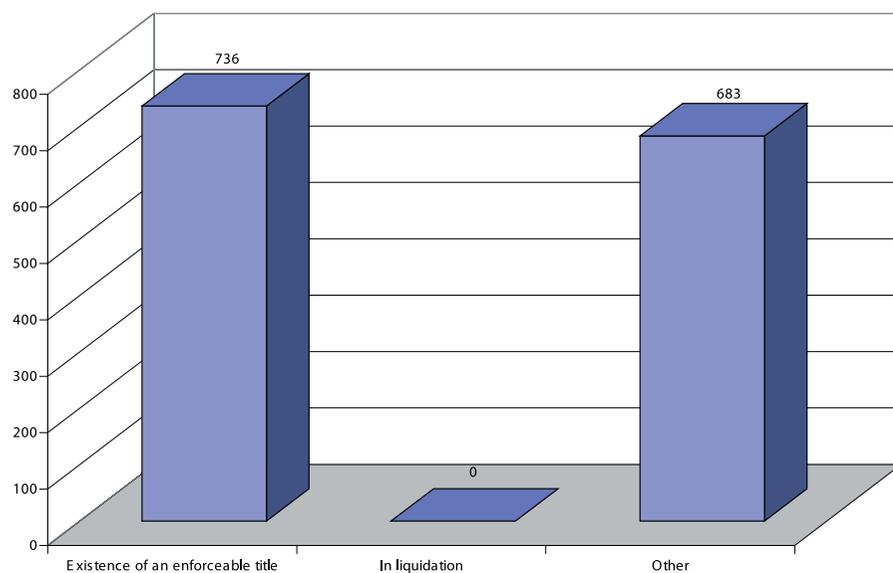
Debtors segmentation according to NPLs origin (number of debtors)



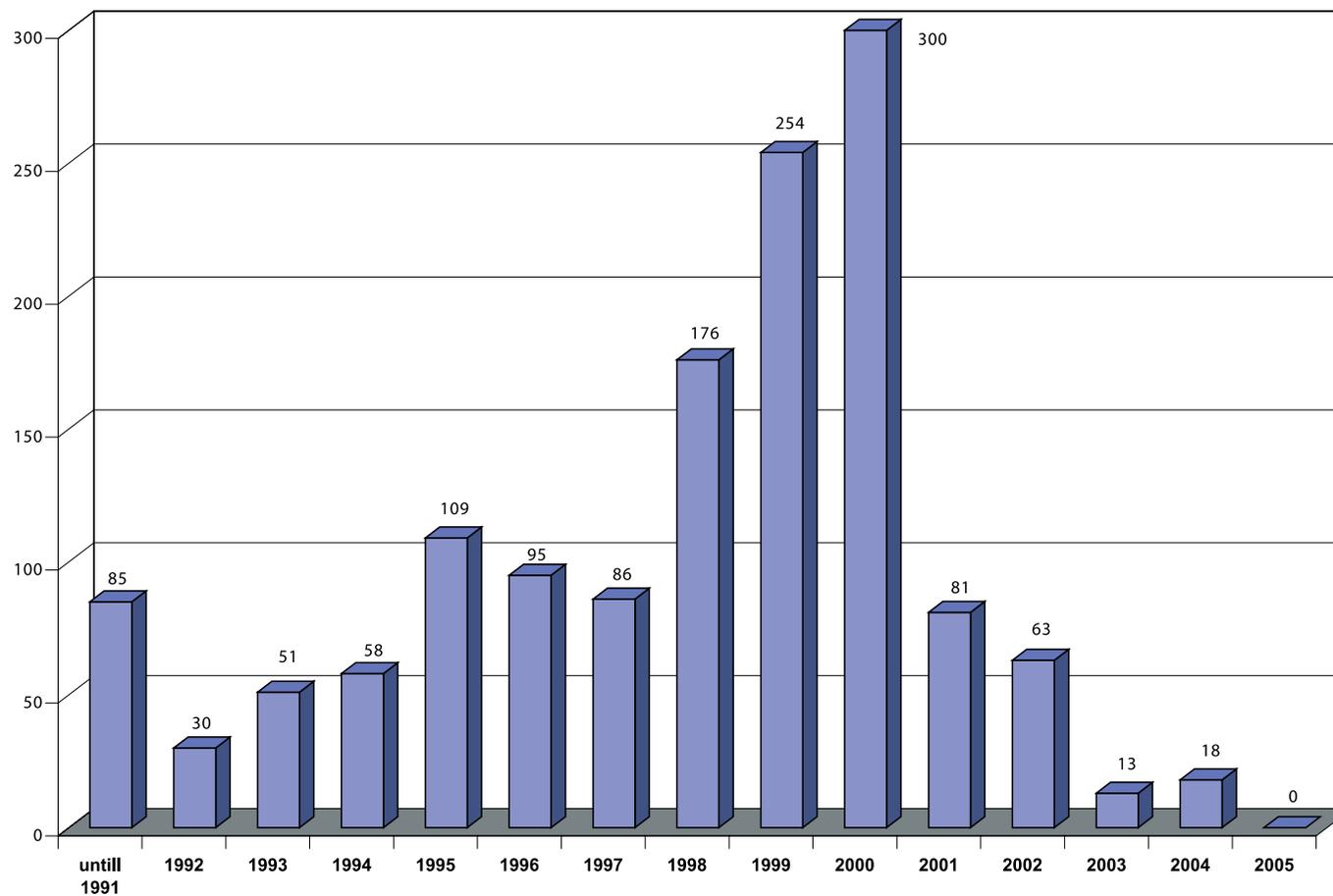
NPLs segmentation according to their origin (in CZK mil)



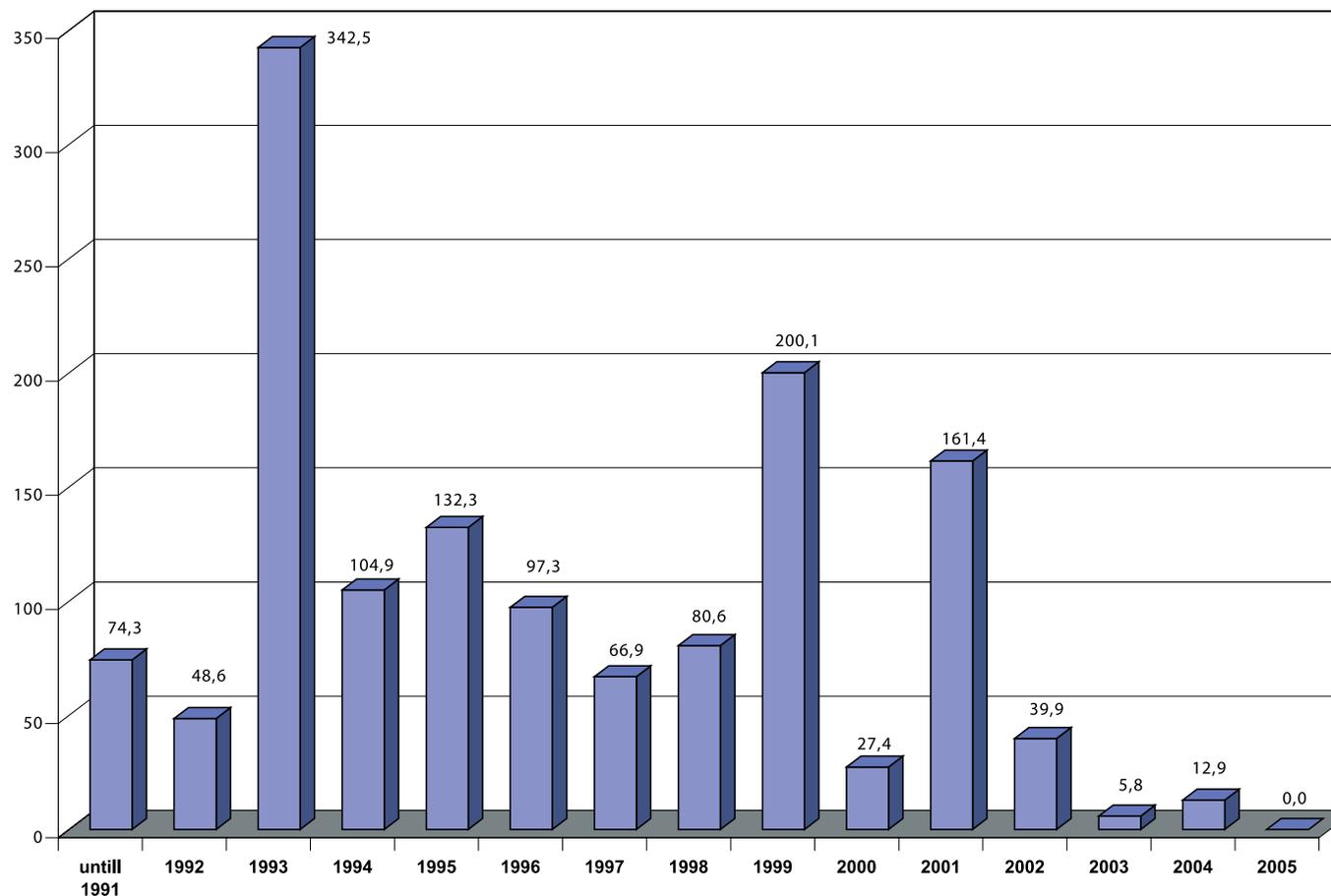
Debtors segmentation according to collection legal status and their share on total nominal value of the block (in CZK mil)



Debtors segmentation according to the year of legal title of origin (number of debtors)

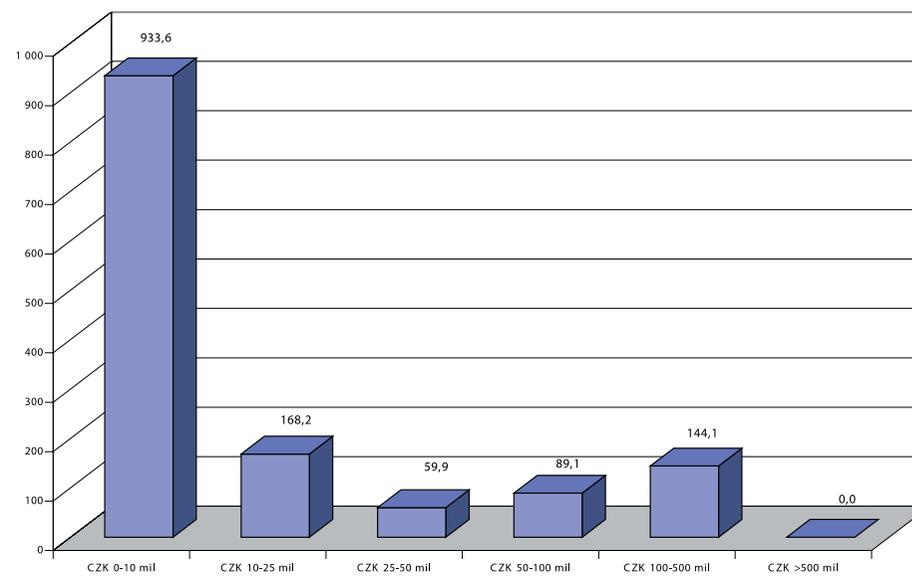
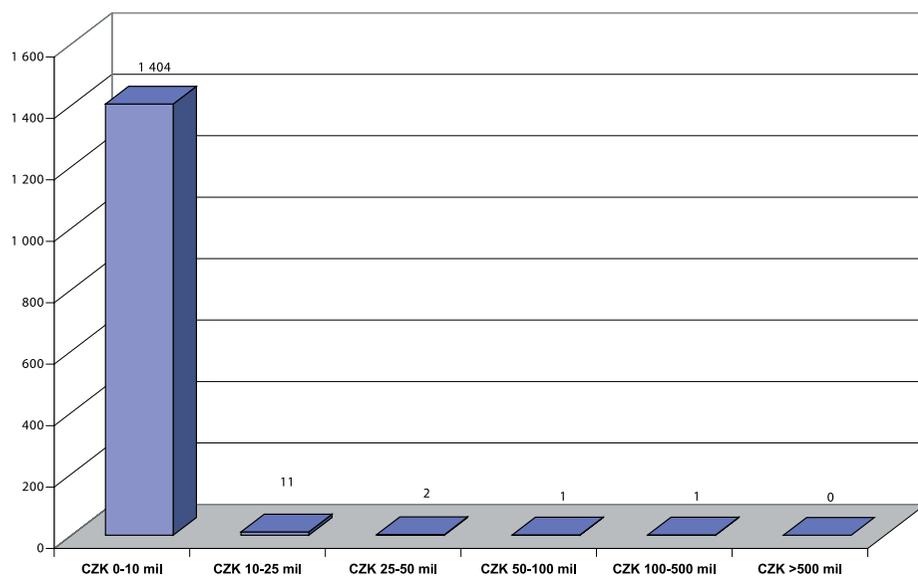


NPLs segmentations according to the year of legal title origin (in CZK mil)

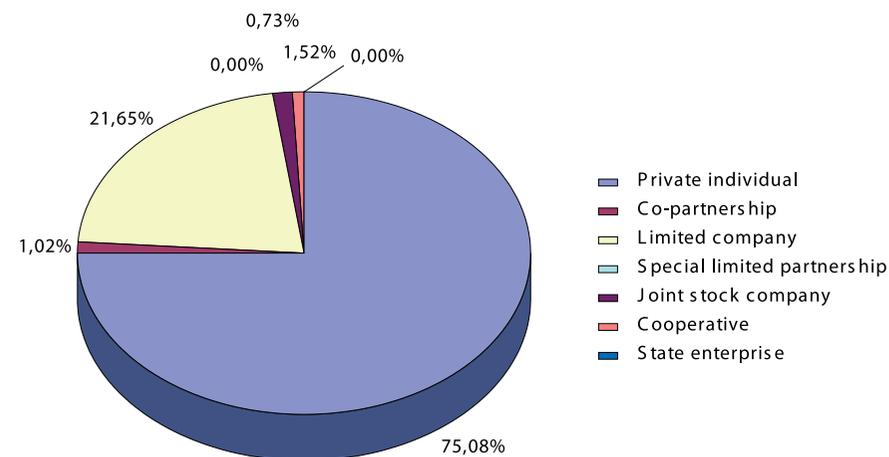
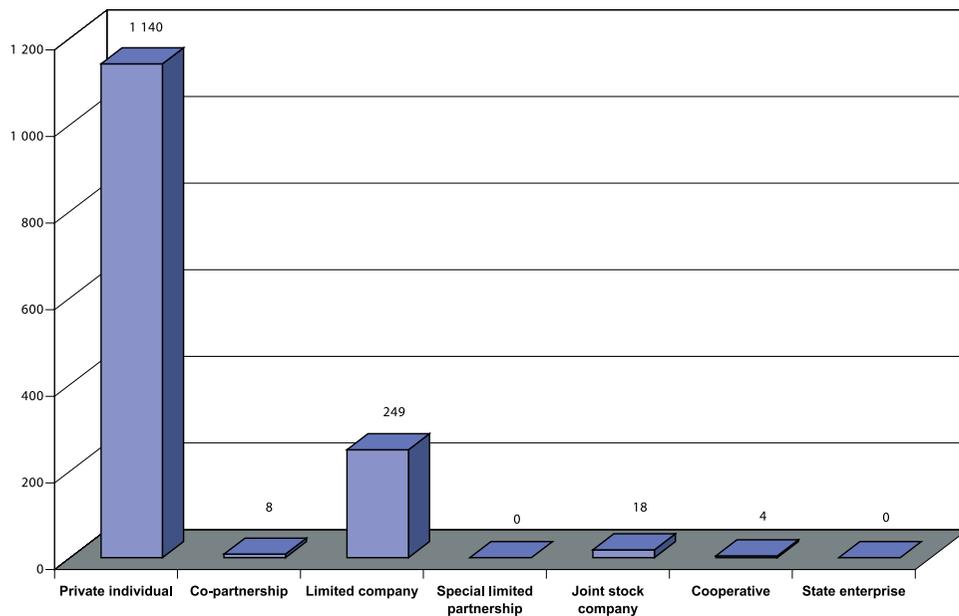


Nonbankruptcy Block ČKA

Debtors segmentation according to the total nominal value of NPLs to one bankrupt and their share on total nominal value of the block (in CZK mil)

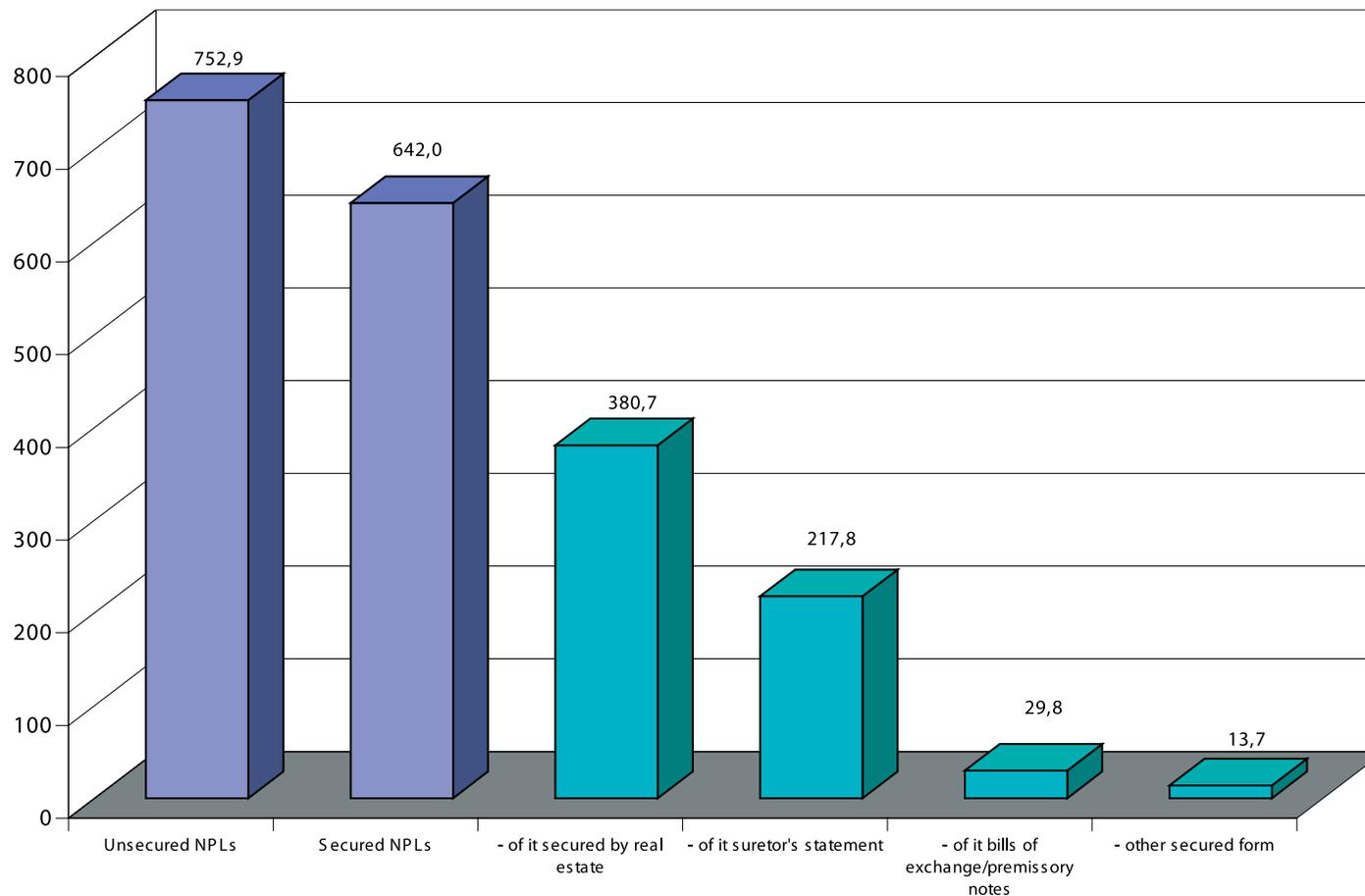


Debtors segmentation according to the legal entity and their share on total nominal value of NPLs (in %)

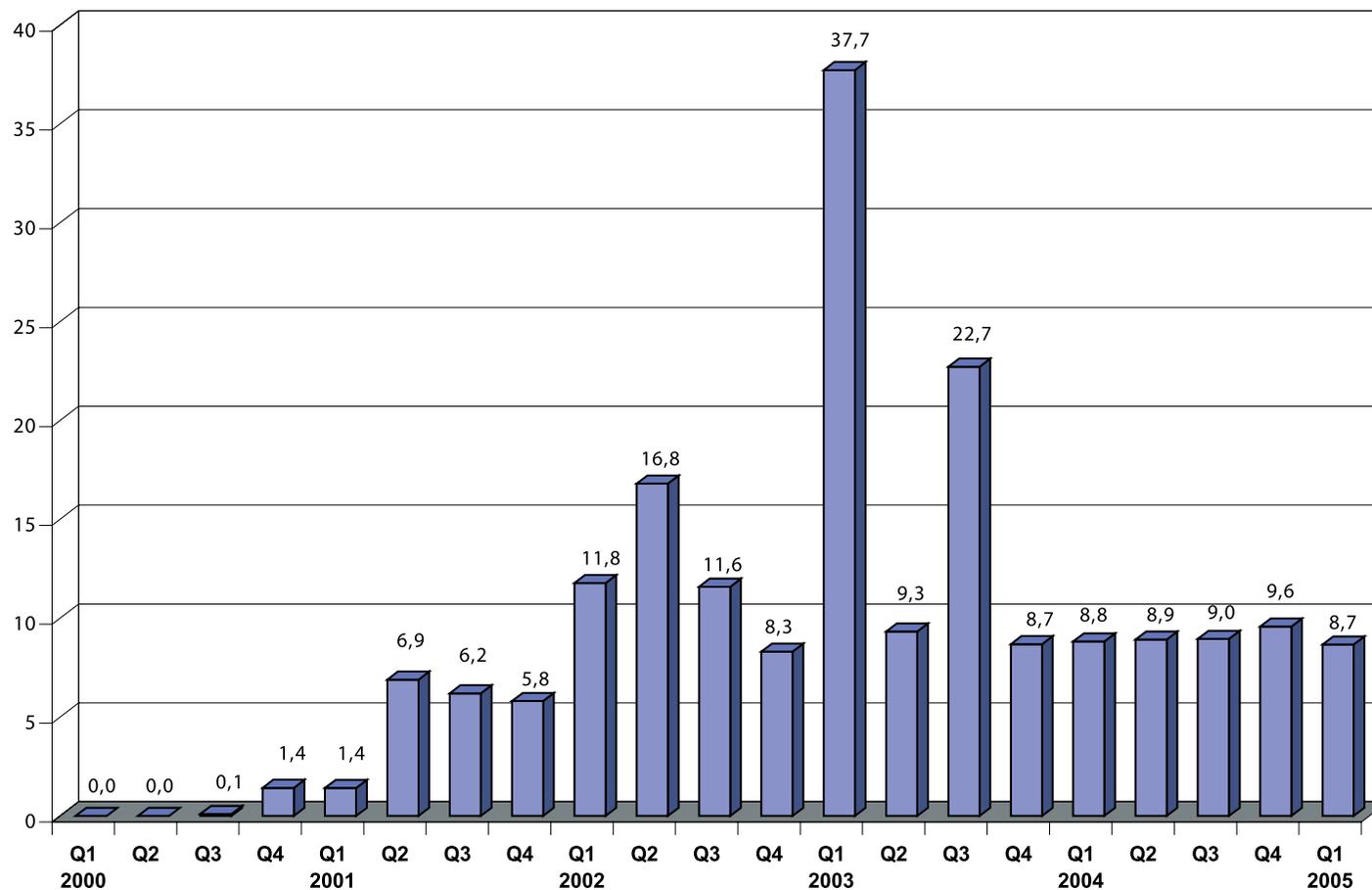




NPLs segmentation according to the forms of security (in CZK mil)



Historical cash flow of the block (in CZK mil)





Blocks' Characteristics

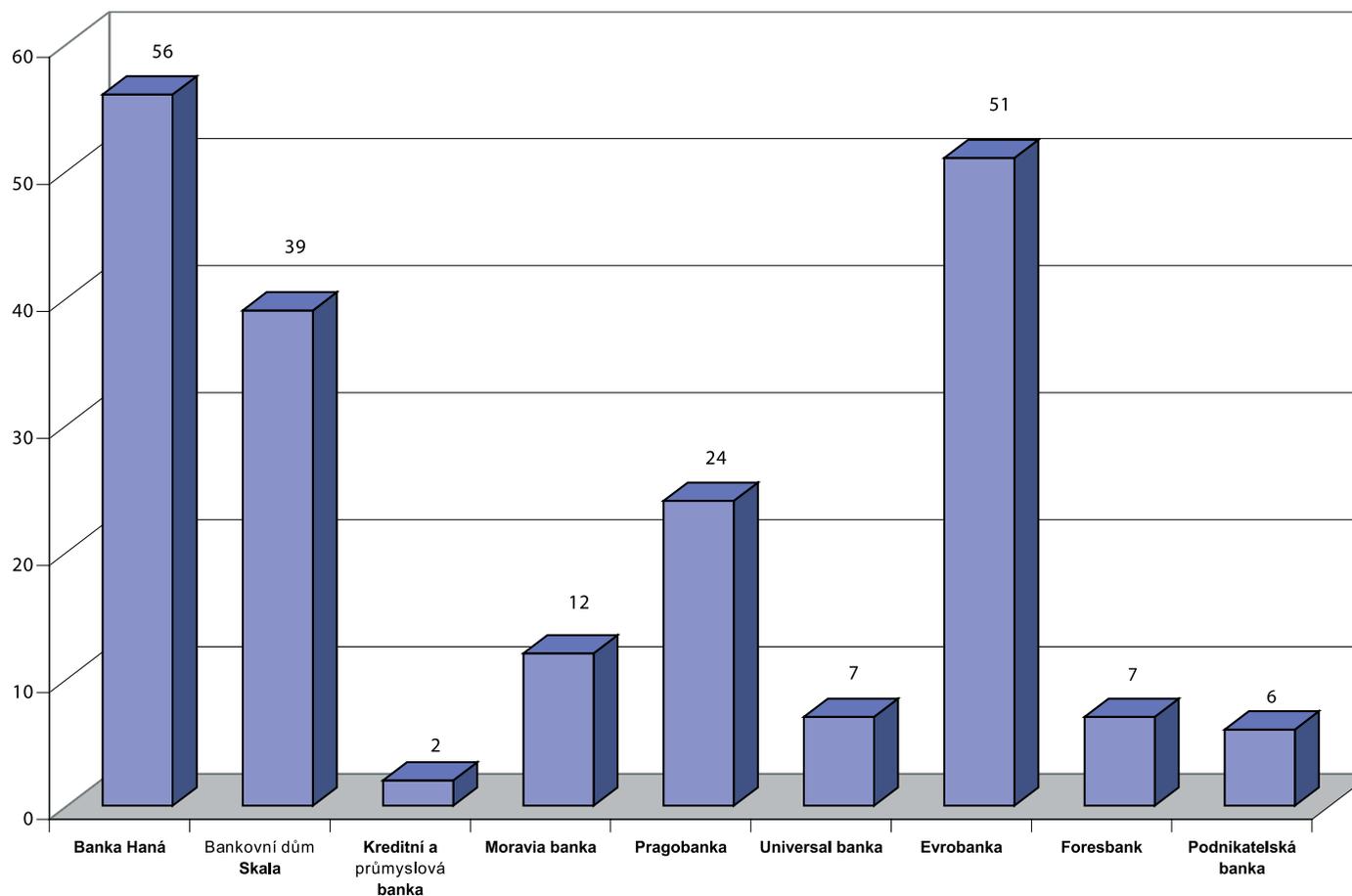
Česká finanční

- **Bankruptcy block**
- **Nonbankruptcy block**

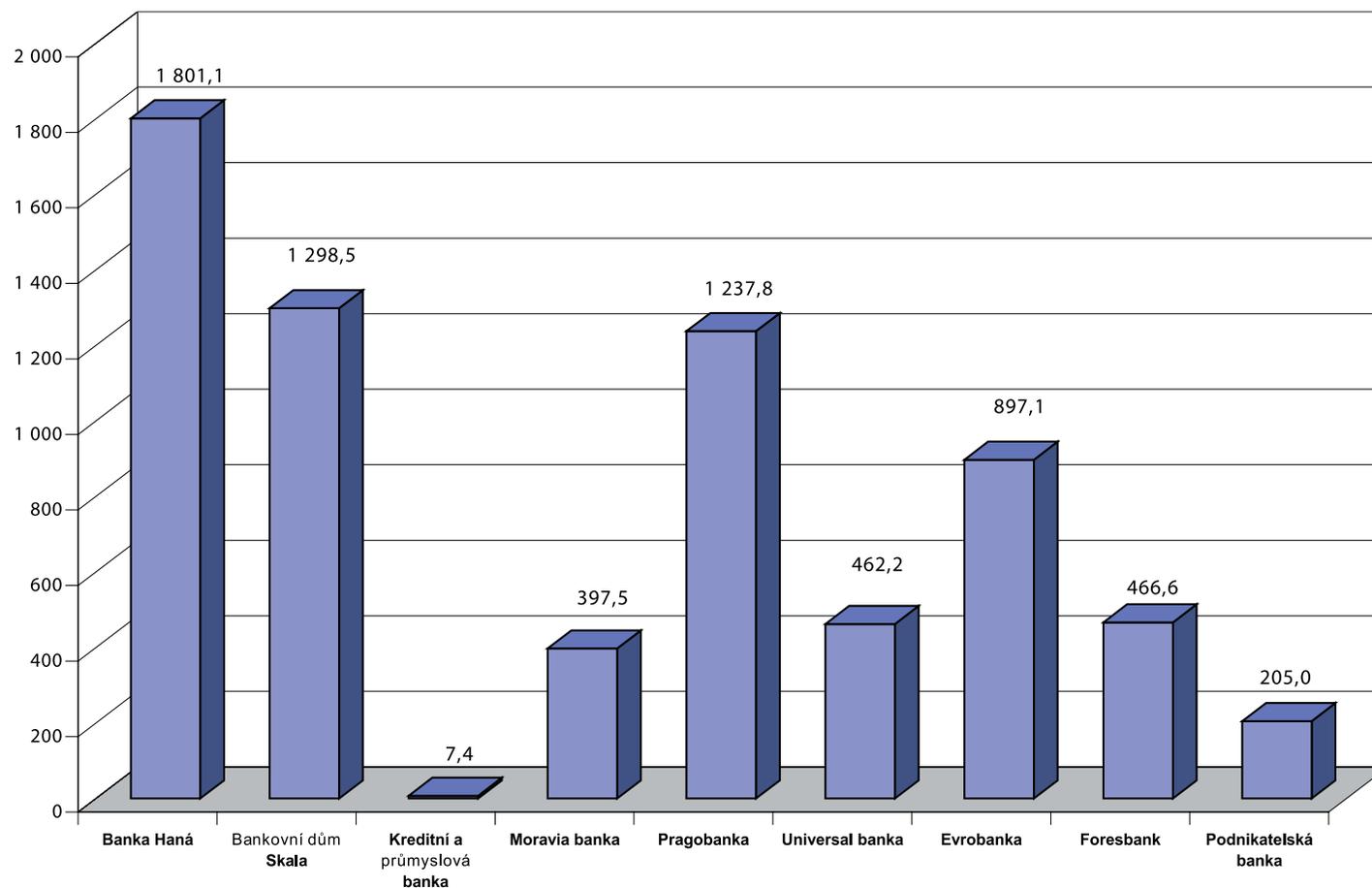
Main characteristics of the block

- Number of NPLs: 204
- Number of bankrupts: 120
- Total nominal value of NPLs: CZK 6 773 mil
- Total maximal exposure to one bankrupt: CZK 464 mil
- Total minimal exposure to one bankrupt: CZK 0.4 mil
- Number of real estate: 27
- Information on NPLs origin: 8 banks (27% Banka Haná, 19% Bankovní dům Skala, 18% Pragobanka, 13% Evrobanka, 23% others)

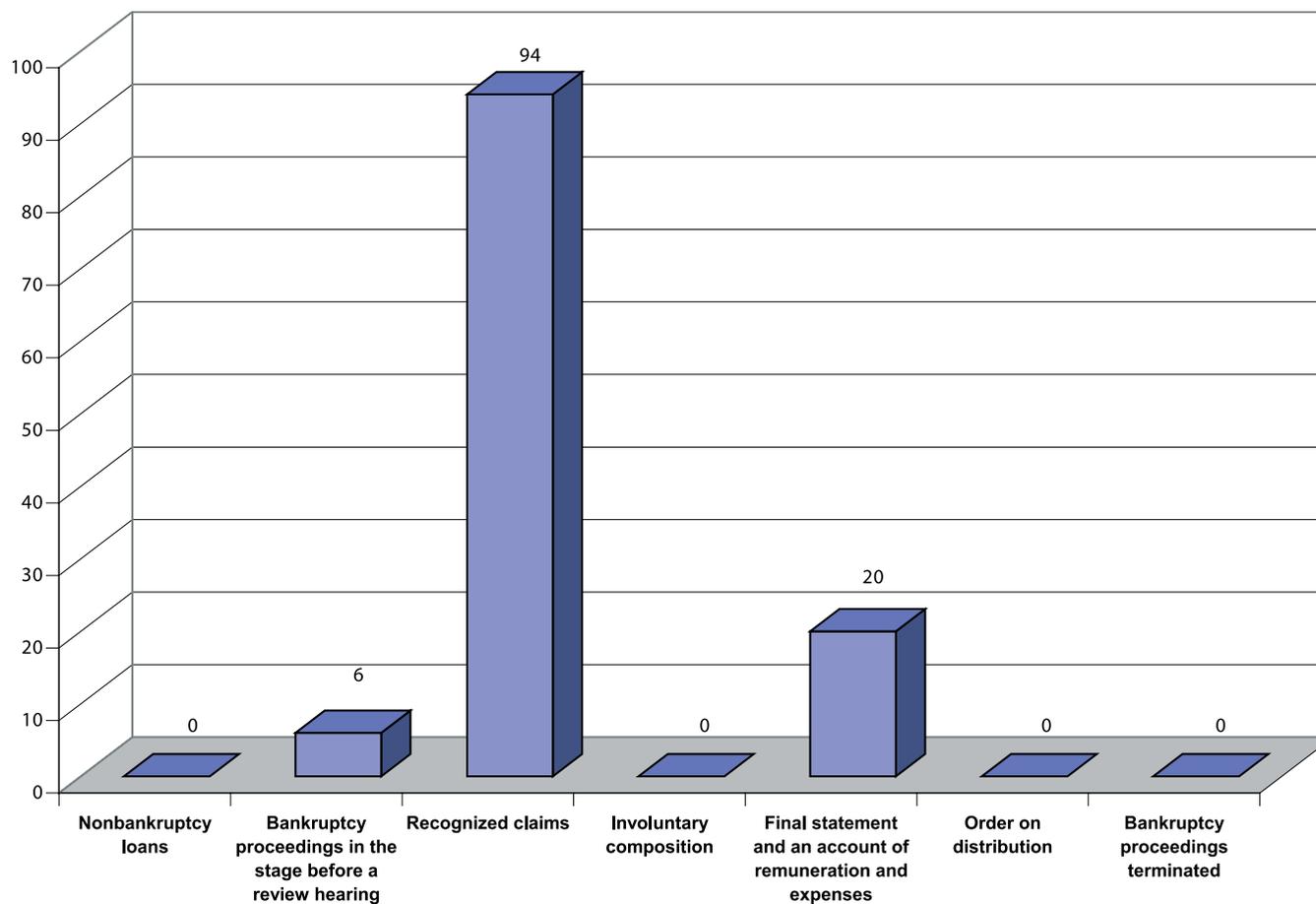
Bankrupts segmentation according to NPLs origin (number of bankrupts)



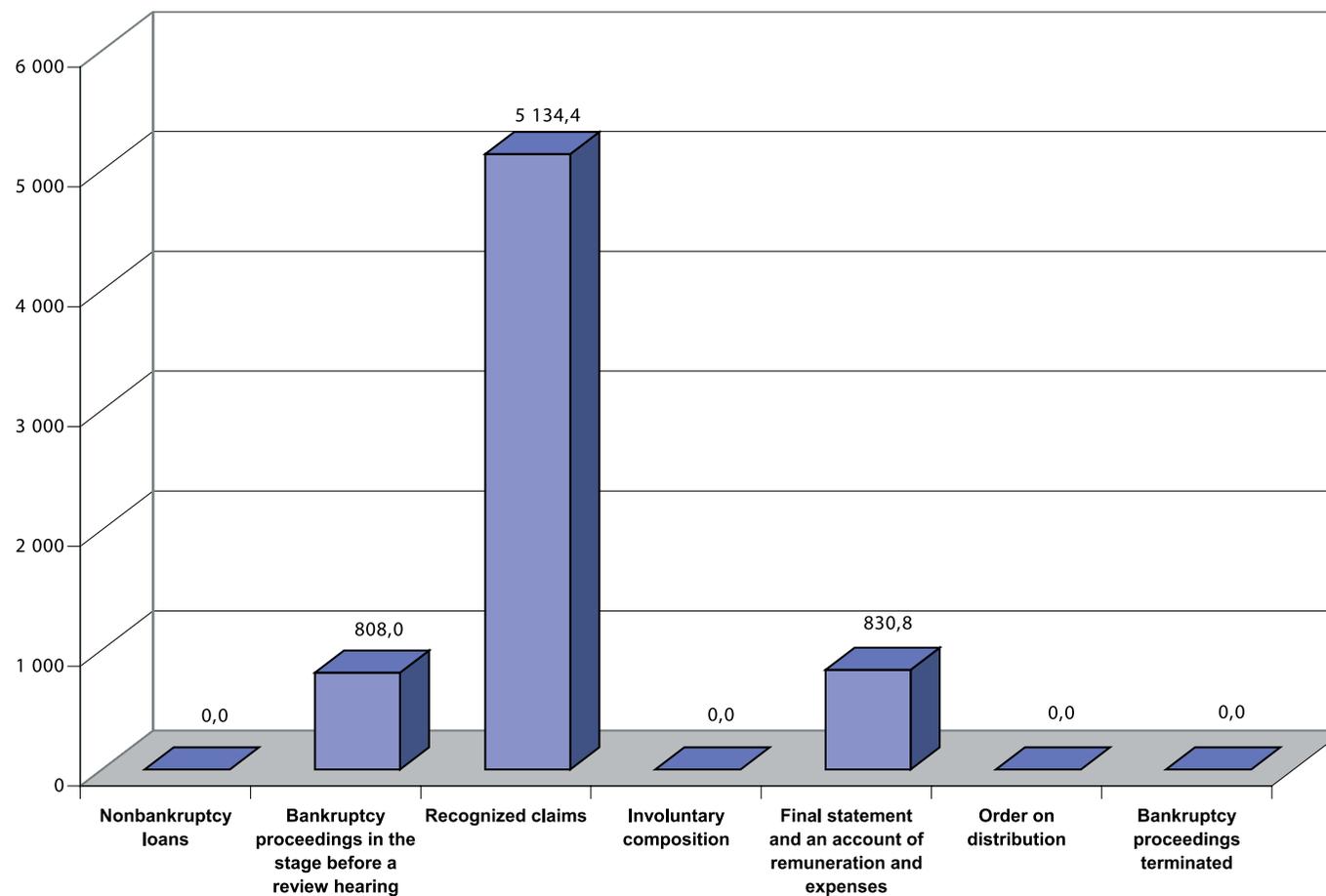
NPLs segmentation according to their origin (in CZK mil)



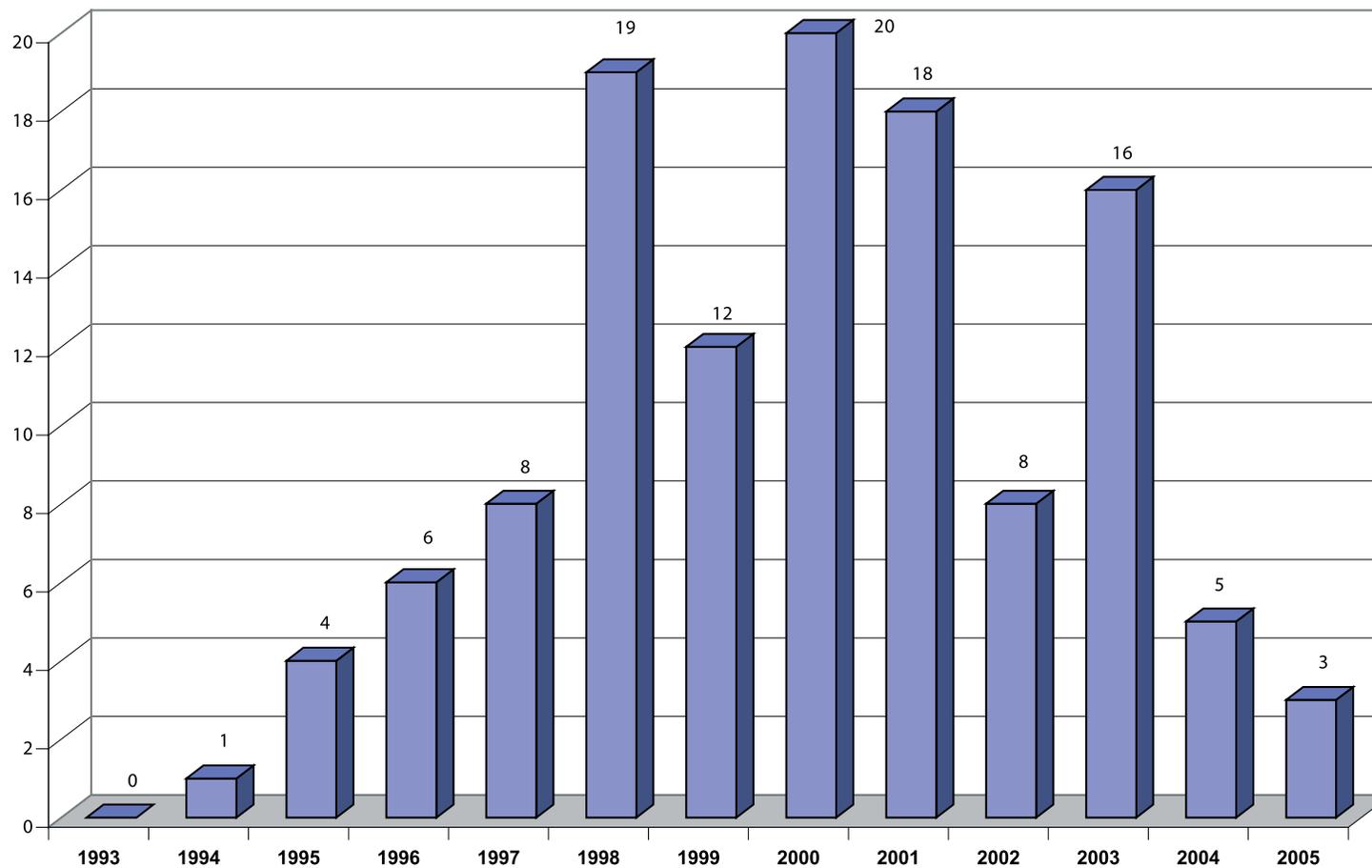
Bankrupts segmentation according to the stage of bankruptcy (number of bankrupts)



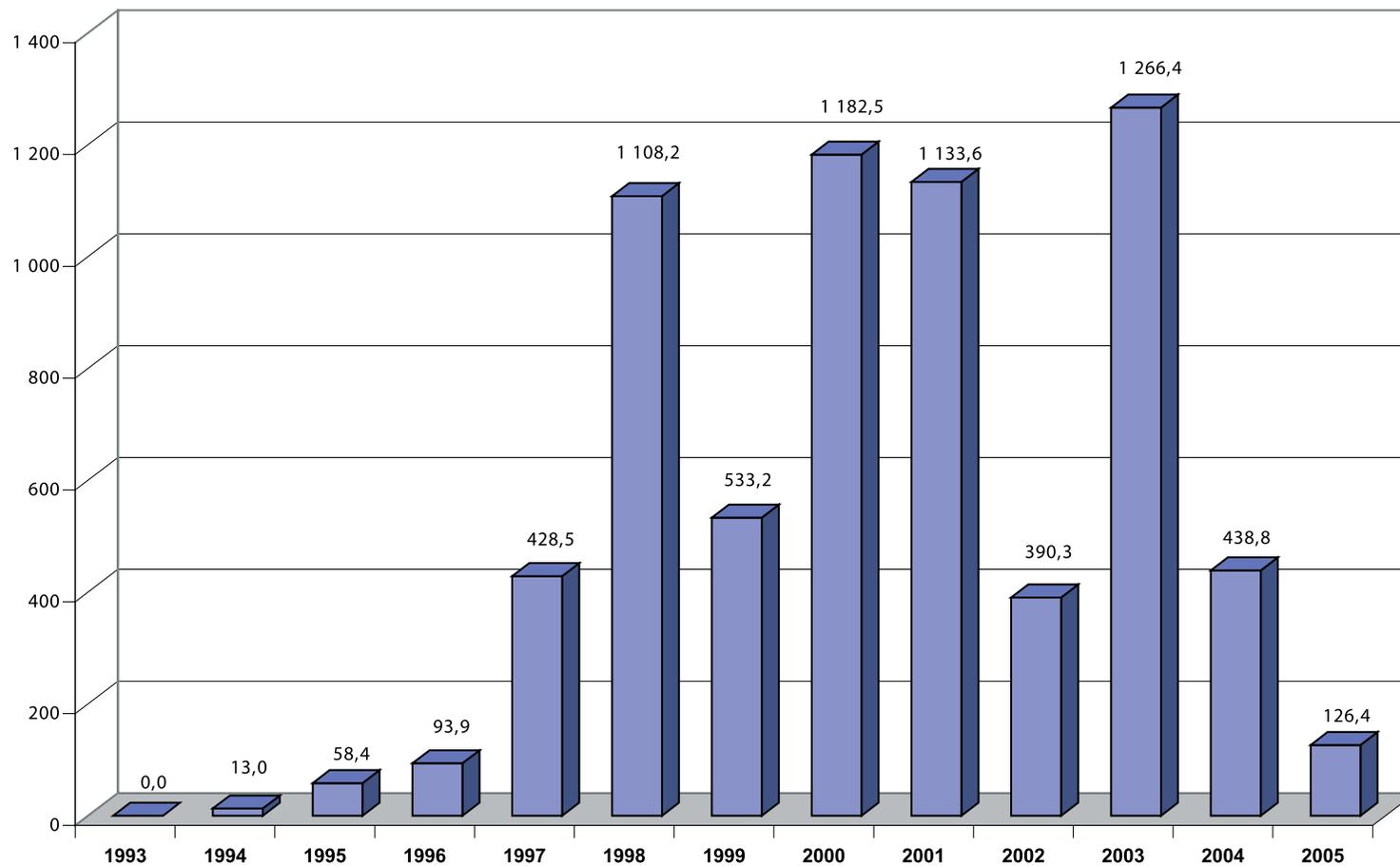
NPLs segmentation according to the stage of bankruptcy (in CZK mil)



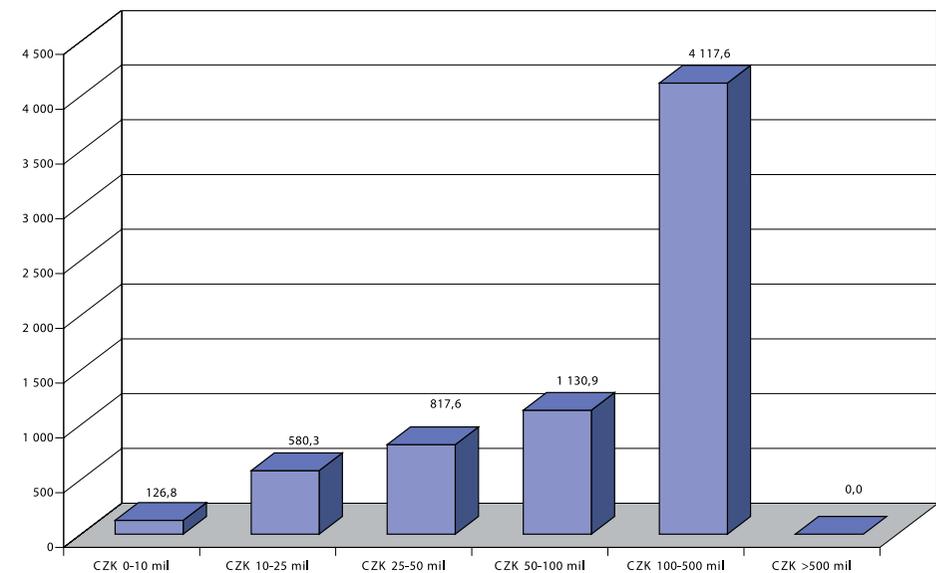
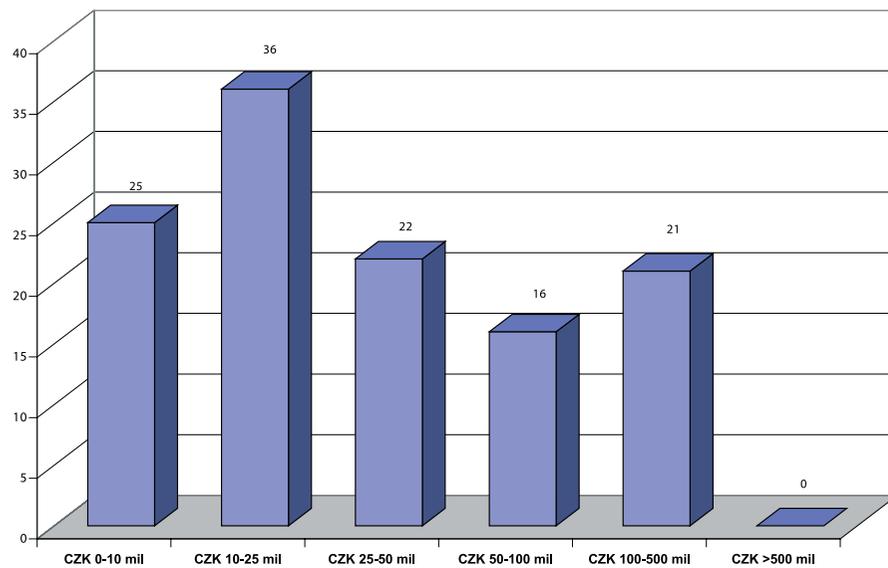
Bankrupts segmentation according to the year of bankruptcy order (number of bankrupts)



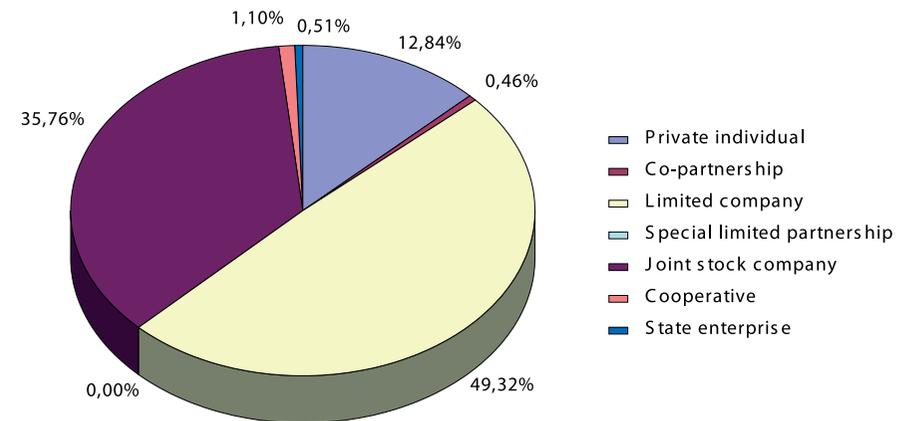
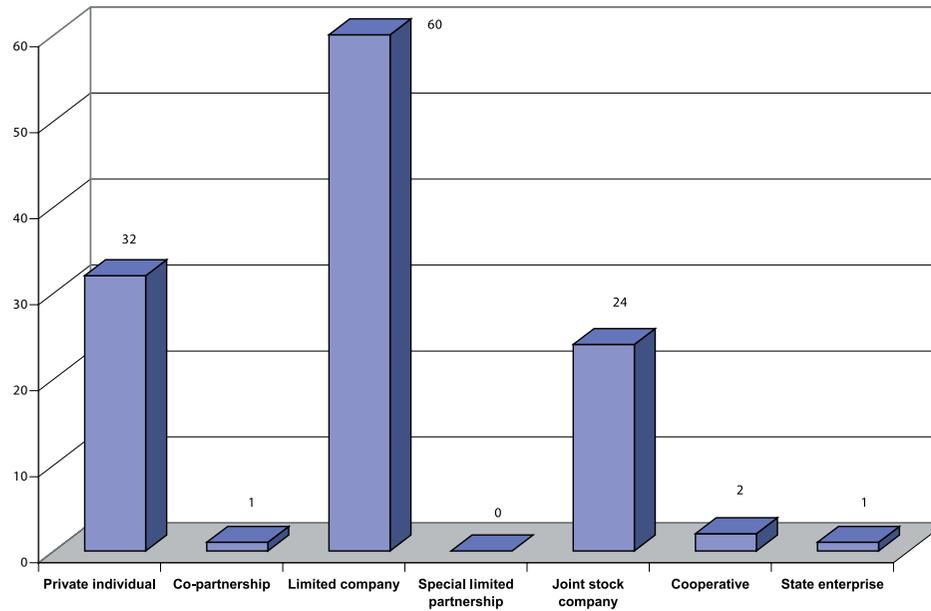
NPLs segmentation according to the year of bankruptcy order (in CZK mil)



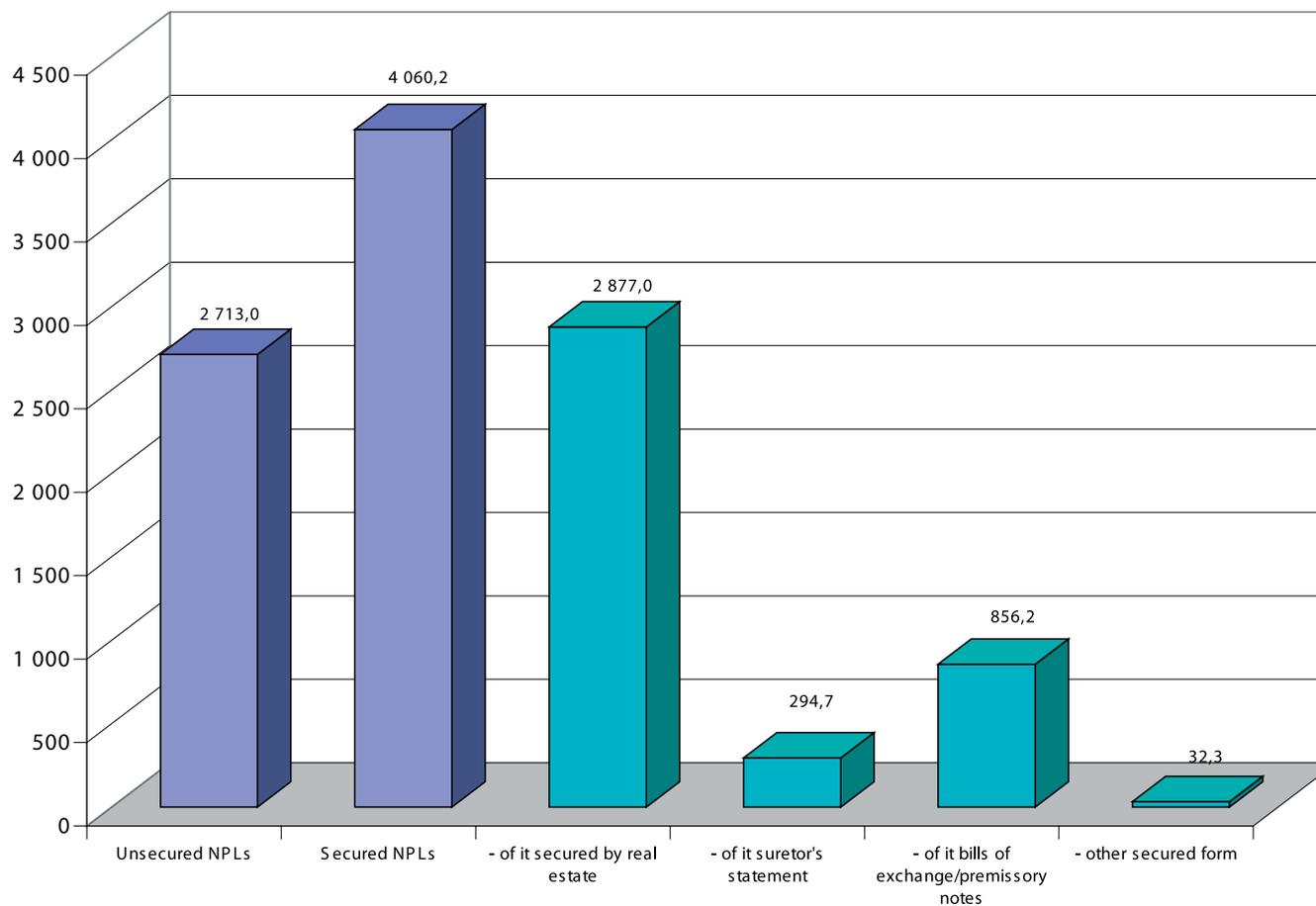
Bankrupts segmentation according to the total nominal value of NPLs to one bankrupt and their share on total nominal value of the block (in CZK mil)



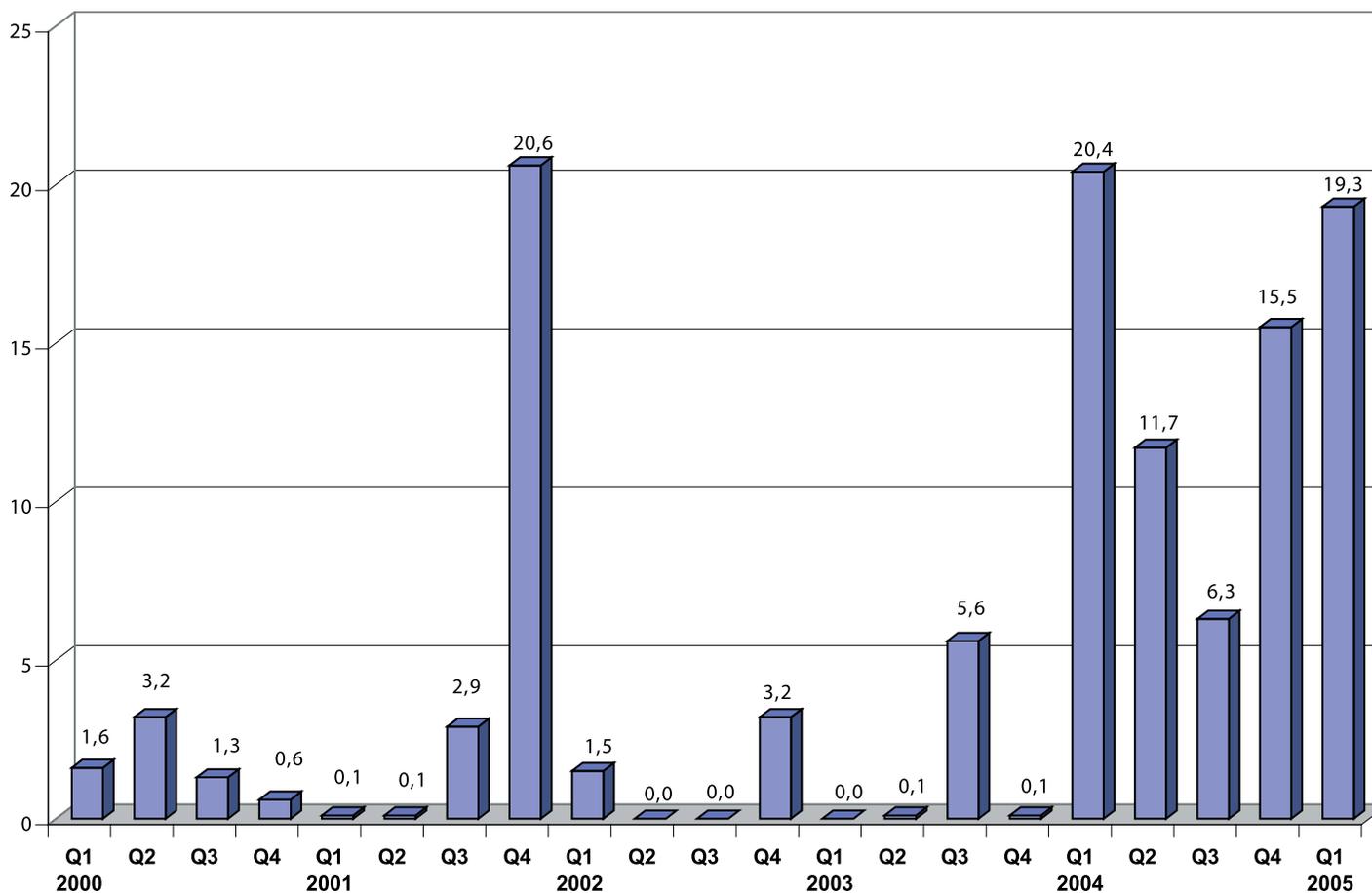
Segmentation according to the legal entity of bankrupts and their share on total nominal value of the block (in %)



NPLs segmentation according to the forms of security (in CZK mil)



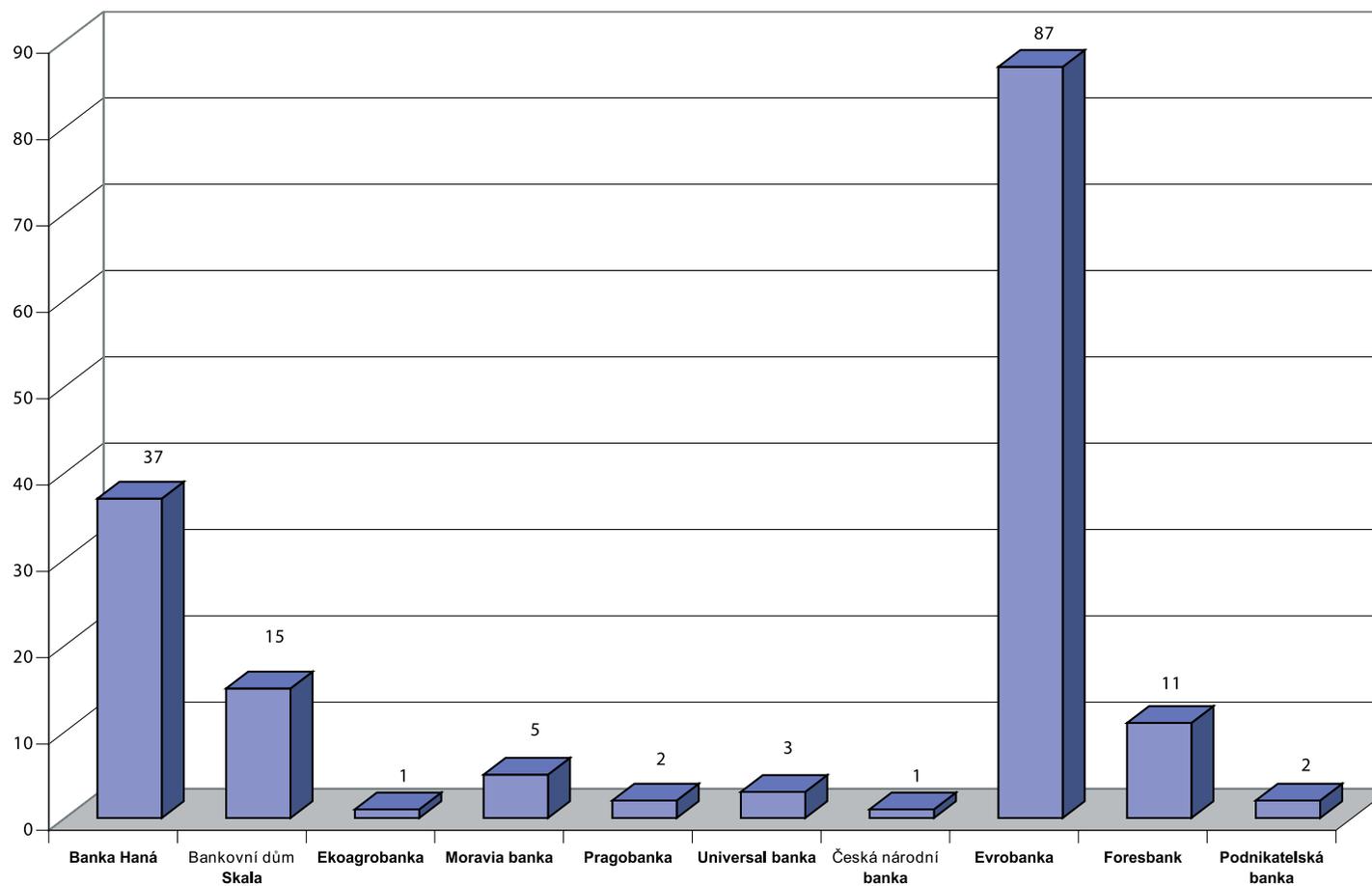
Historical cash flow of the block (in CZK mil)



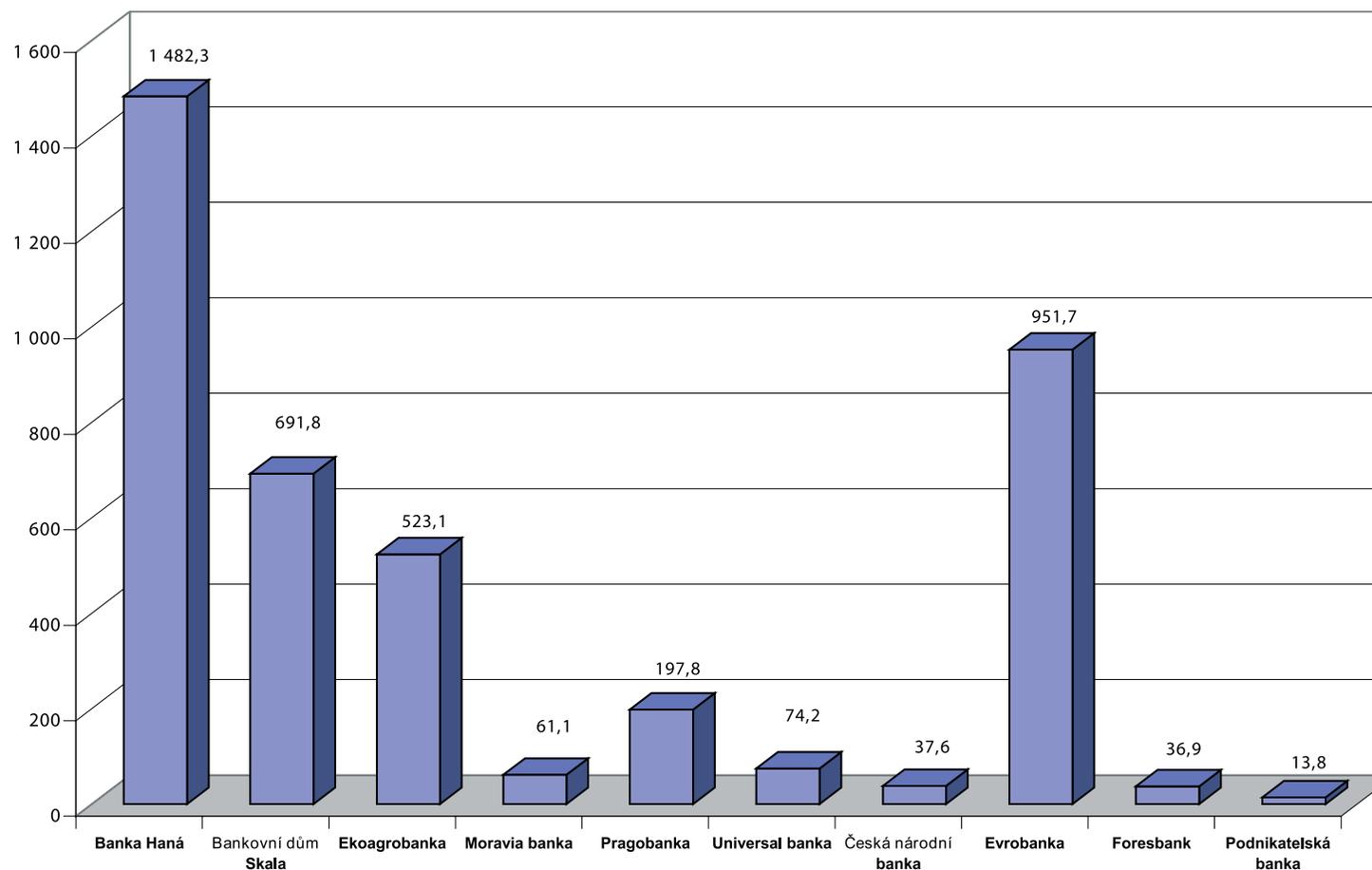
Main characteristics of the block

- Number of NPLs: 164
- Number of debtors: 121
- Total nominal value of NPLs: CZK 4 070 mil
- Total maximal exposure to one debtor: CZK 523 mil
- Total minimal exposure to one debtor: CZK 0.2 mil
- Number of real estate: 37
- Information on NPLs origin: 10 banks (36% Banka Haná, 23% Evrobanka, 17% Bankovní dům Skala, 13% Ekoagrobanka, 10% others)

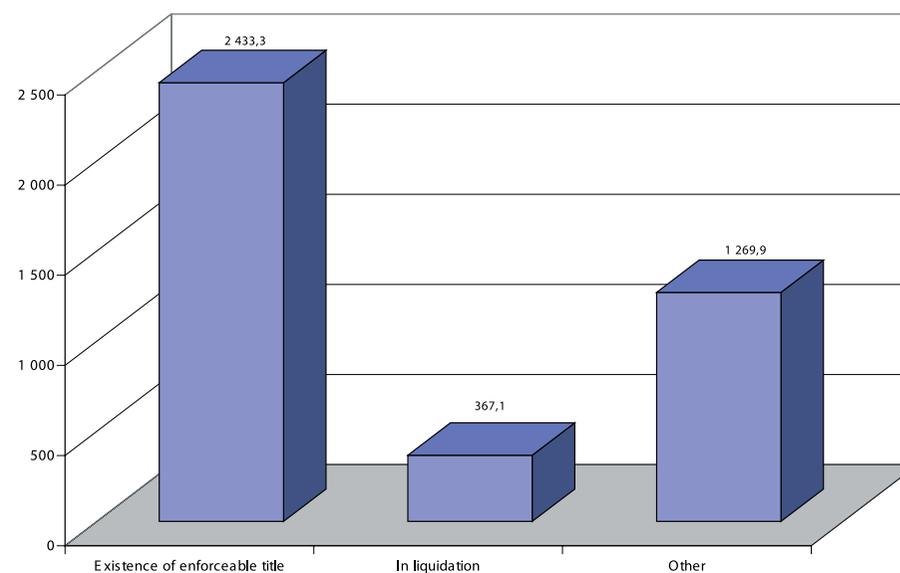
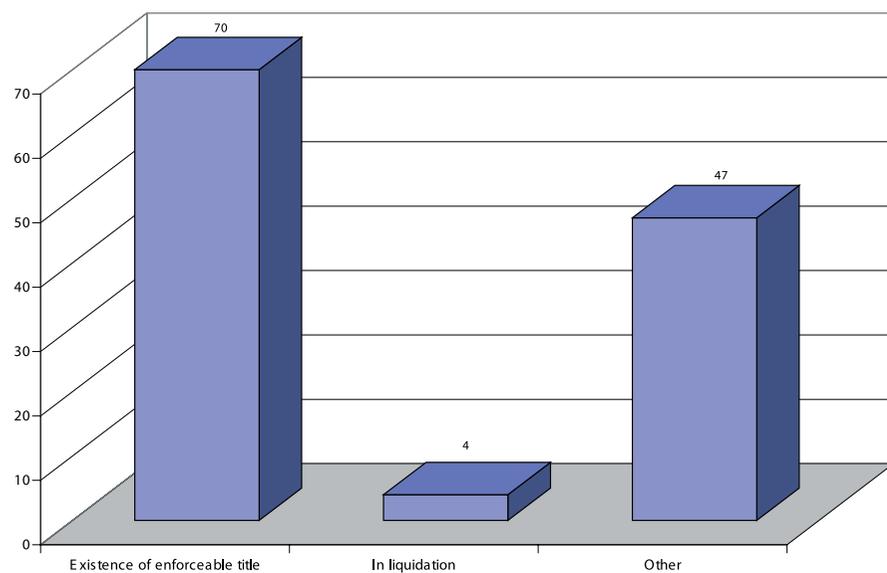
Debtors segmentation according to NPLs origin (number of debtors)



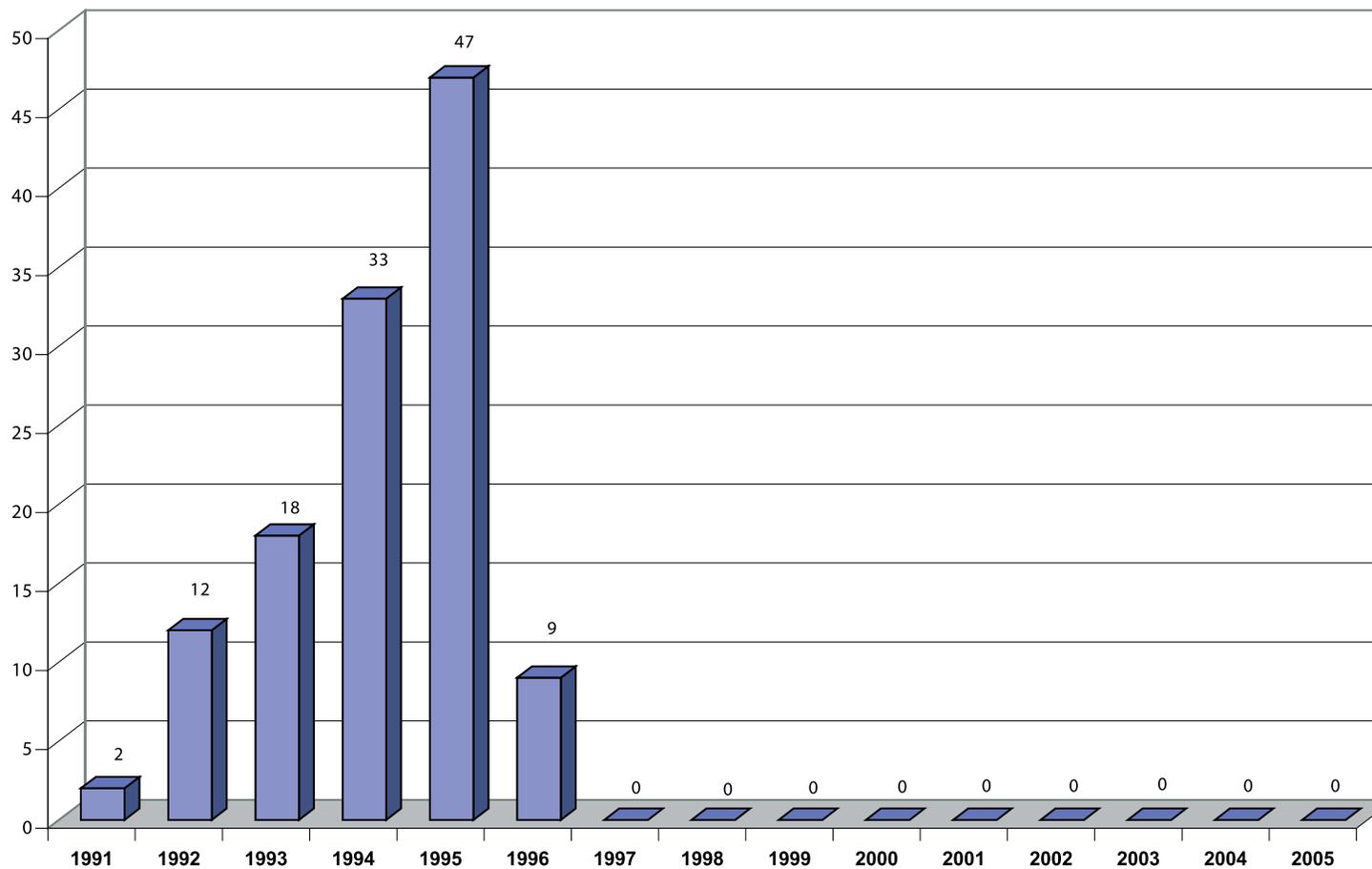
NPLs segmentation according to their origin (in CZK mil)



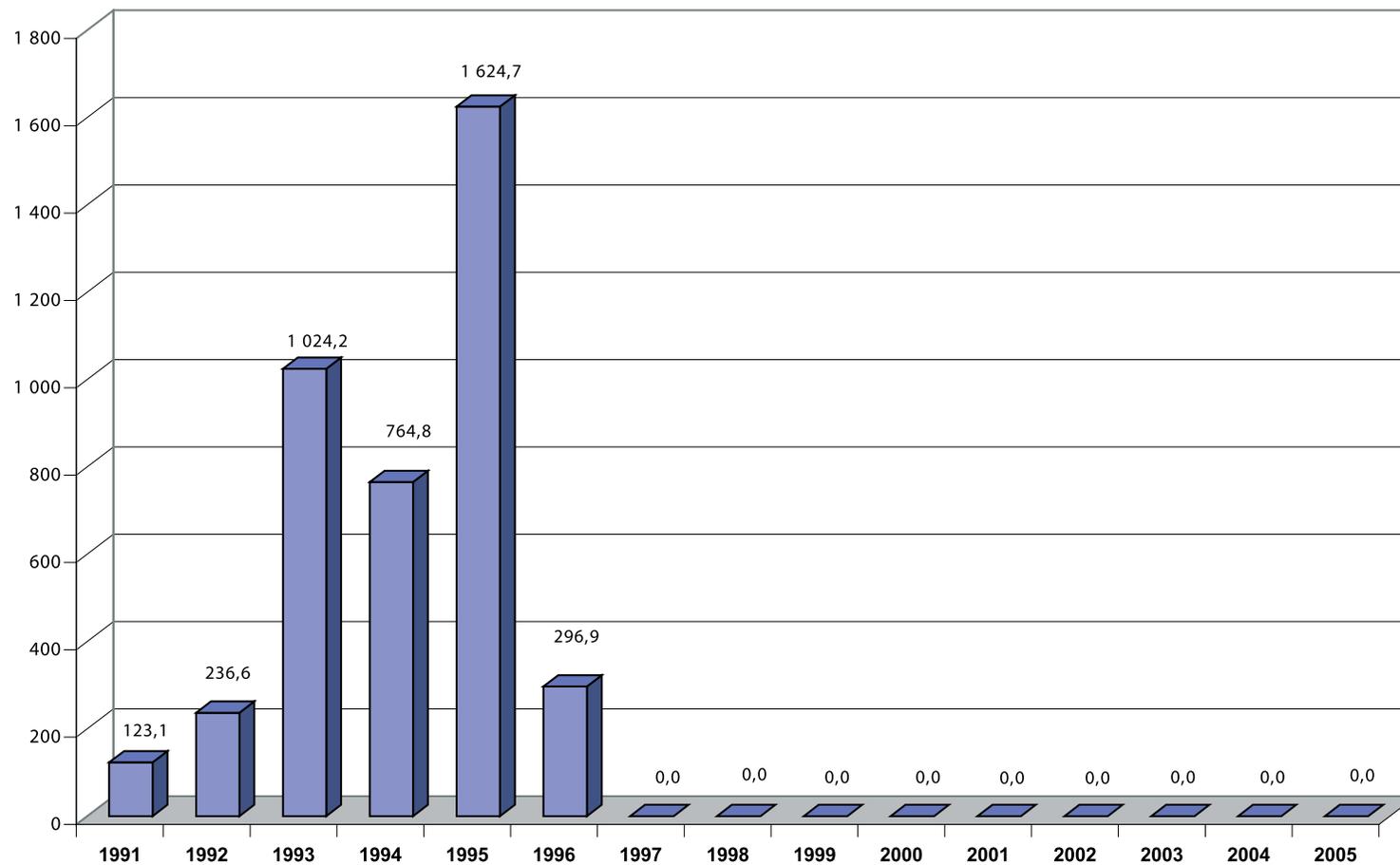
Debtors segmentation according to collection legal status and their share on total nominal value of the block (in CZK mil)



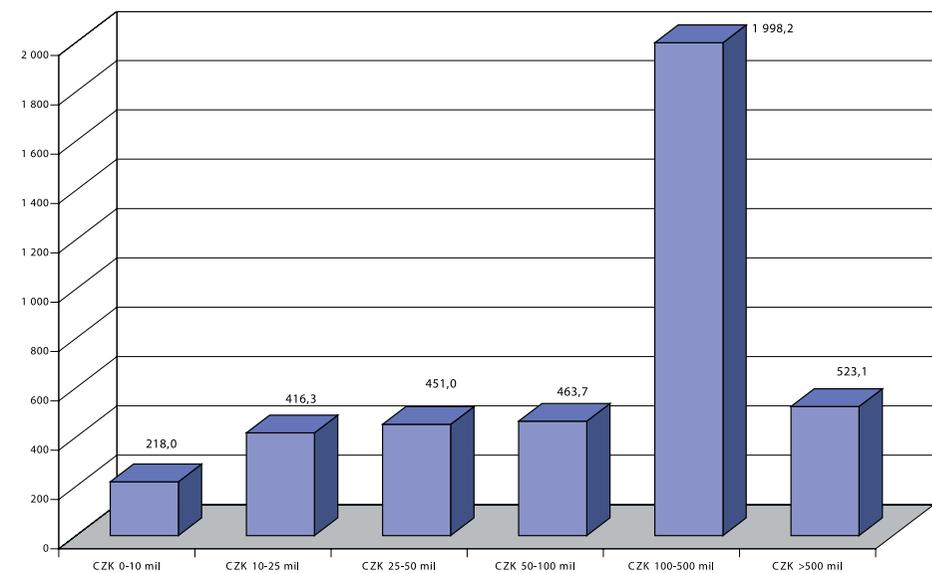
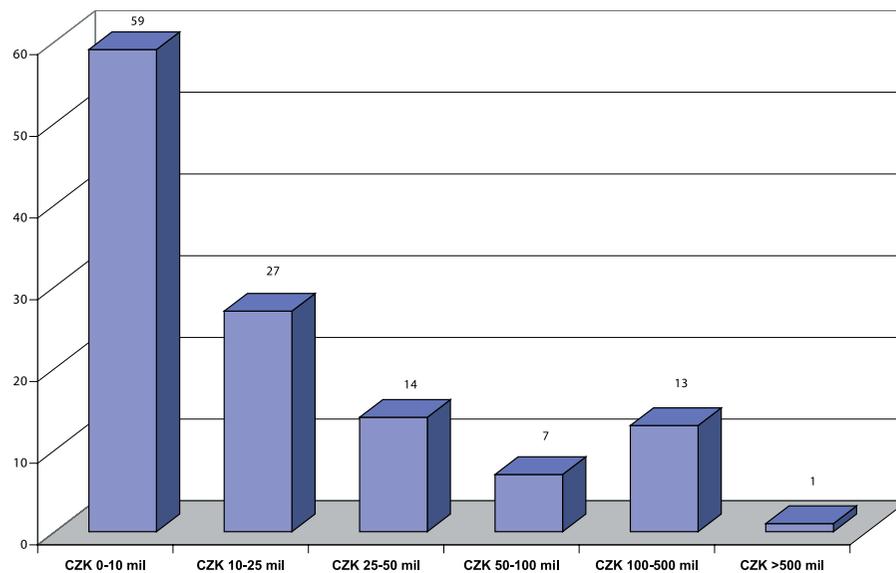
Debtors segmentations according to the year of legal title origin (number of debtors)



NPLs segmentation according to the year of legal title origin (in CZK mil)

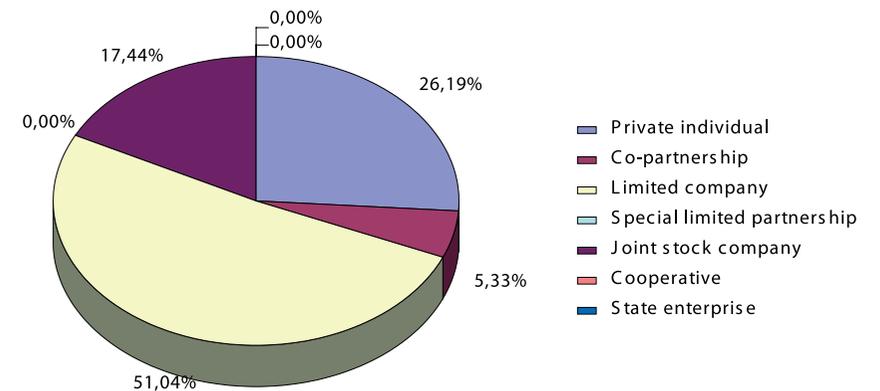
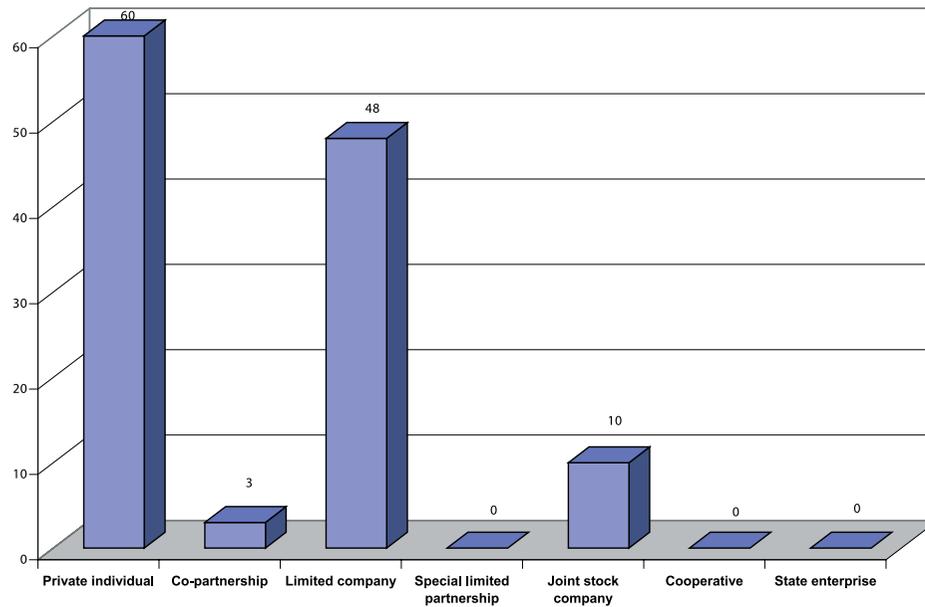


Debtors segmentation according to the total nominal value of NPLs to one bankrupt and their share on total nominal value of the block (in CZK mil)

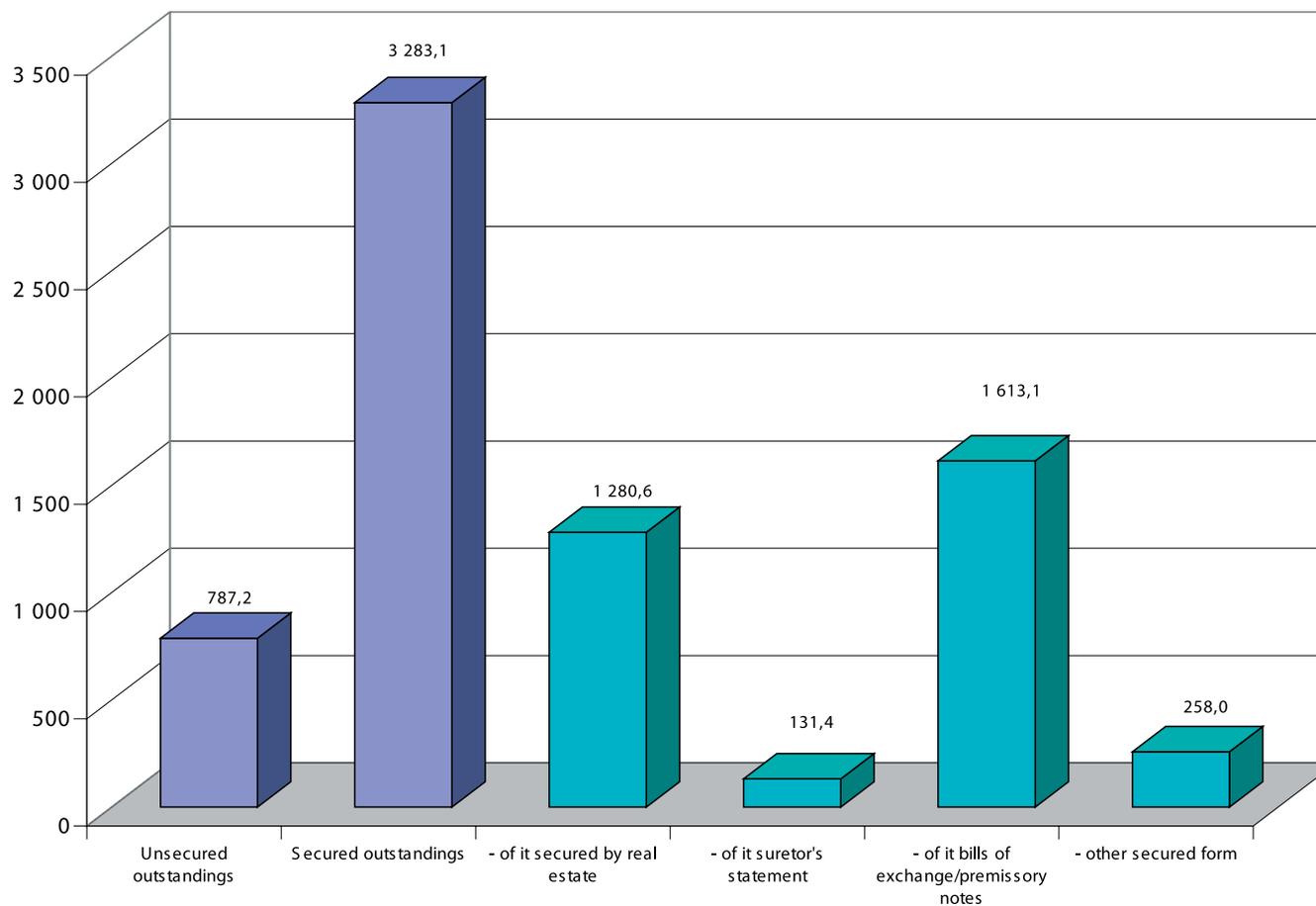




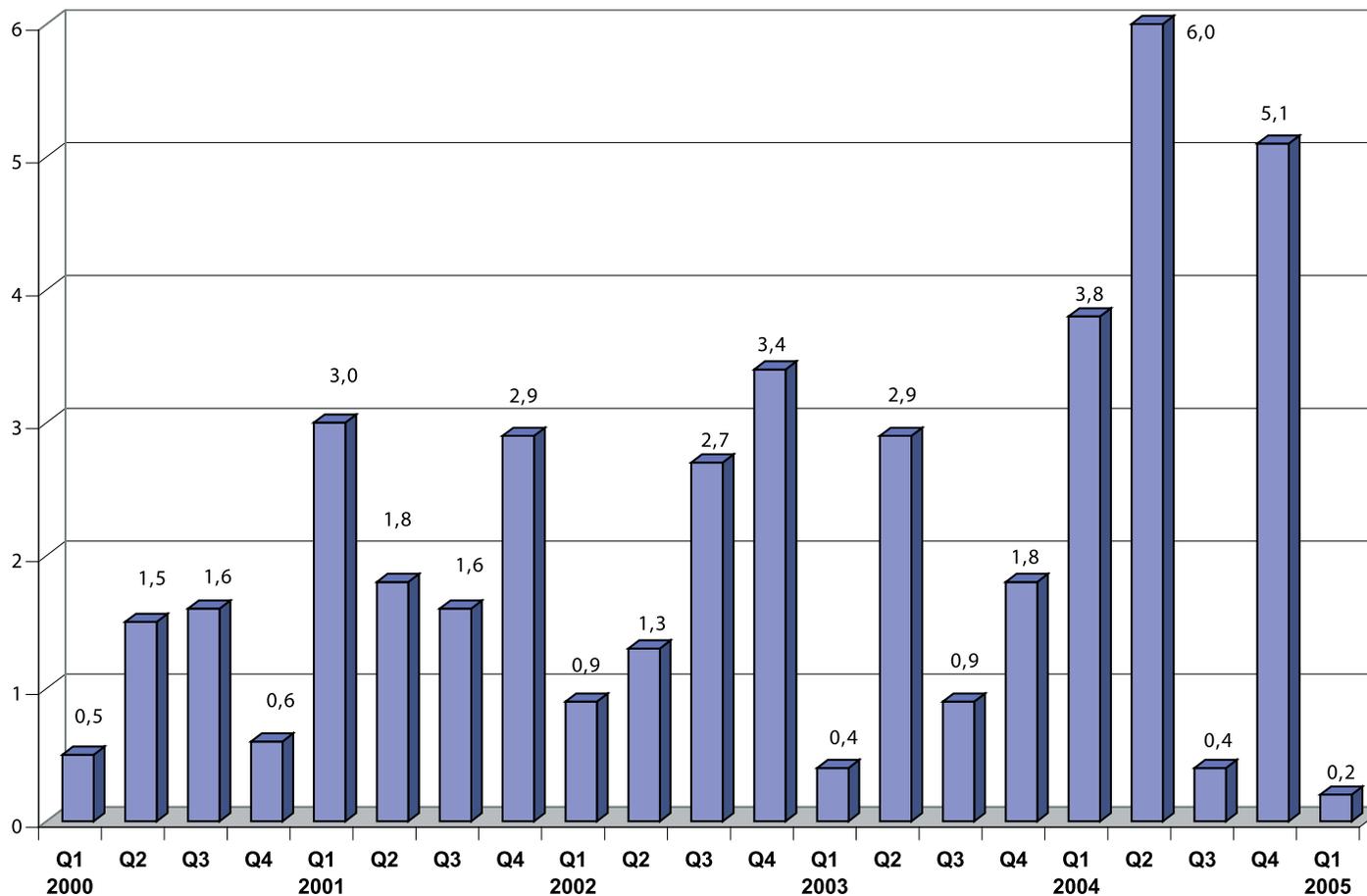
Debtors segmentation according to the legal entity and their share on total nominal value of NPLs (in %)



NPLs segmentation according to the forms of security (in CZK mil)



Historical cash flow of the block (in CZK mil)





Blocks' Characteristics

Konpo

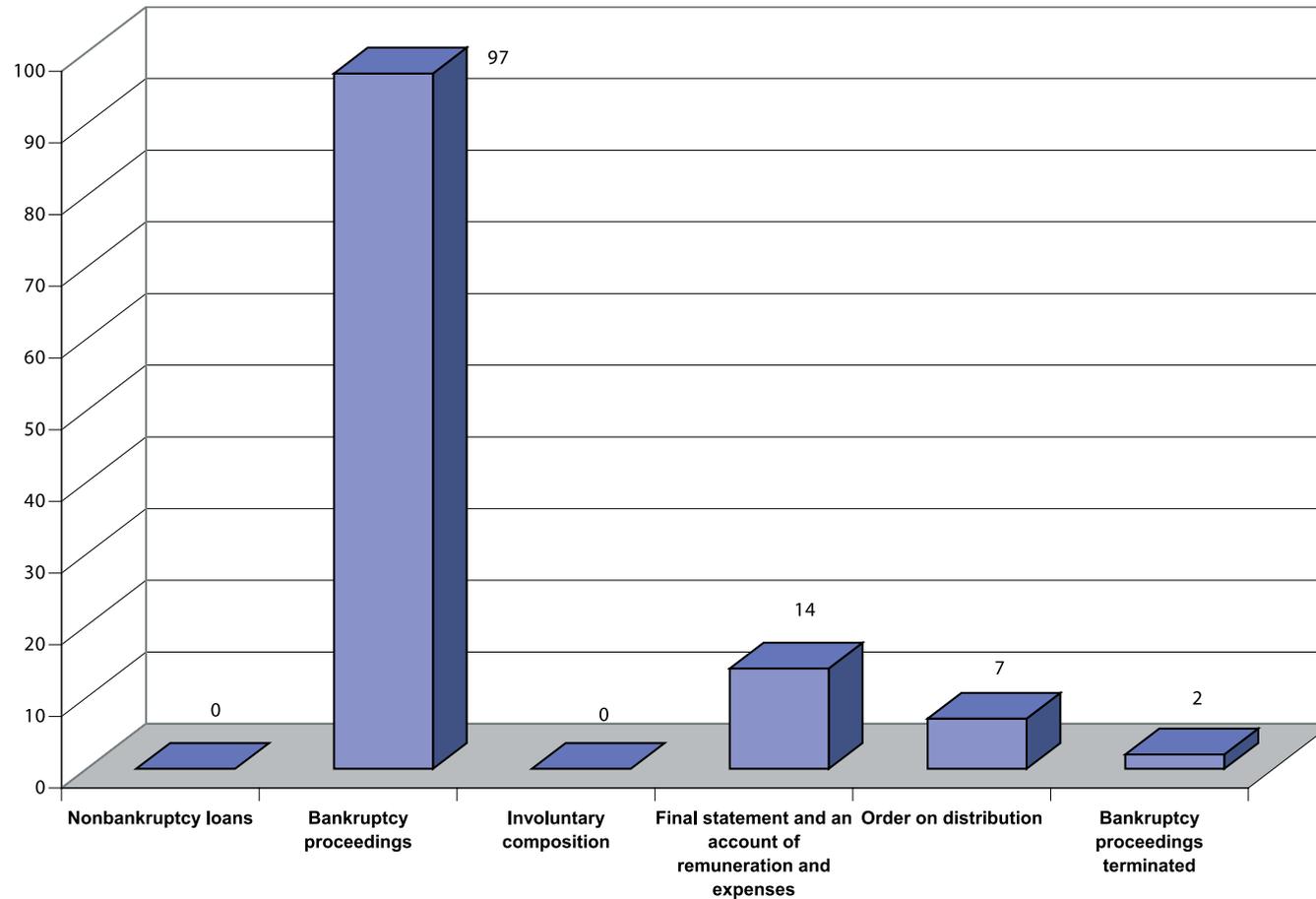
- **Bankruptcy block**

Main characteristics of the block

- Number of NPLs: 340
- Number of debtors: 120
- Total nominal value of NPLs: CZK 4 069 mil
- Total maximal exposure to one debtor: CZK 259 mil
- Total minimal exposure to one debtor : CZK 3 mil
- Number of real estate: 138
- Information on NPLs origin: Komerční banka (100%)

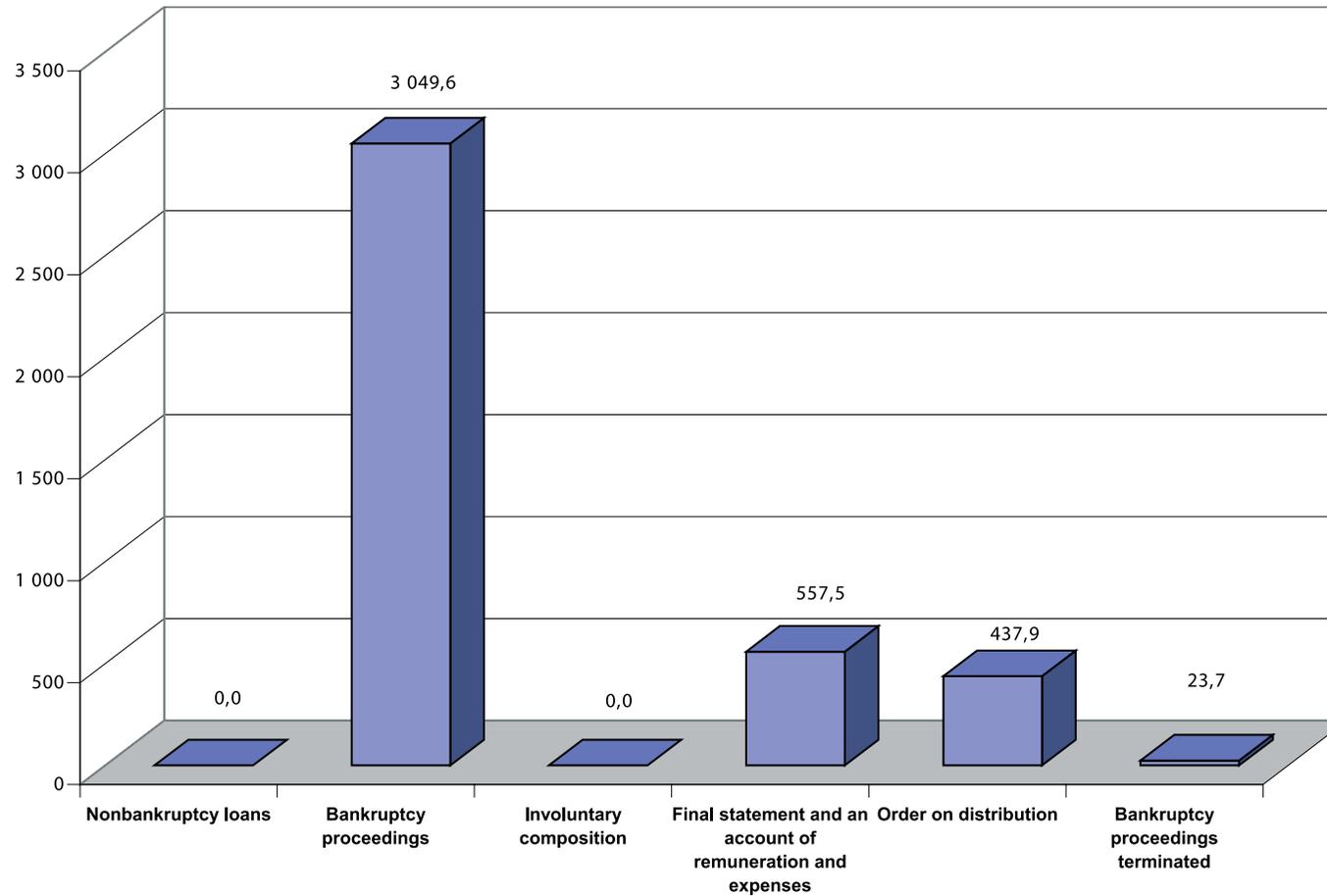


Bankrupts segmentation according to the stage of bankruptcy (number of bankrupts)



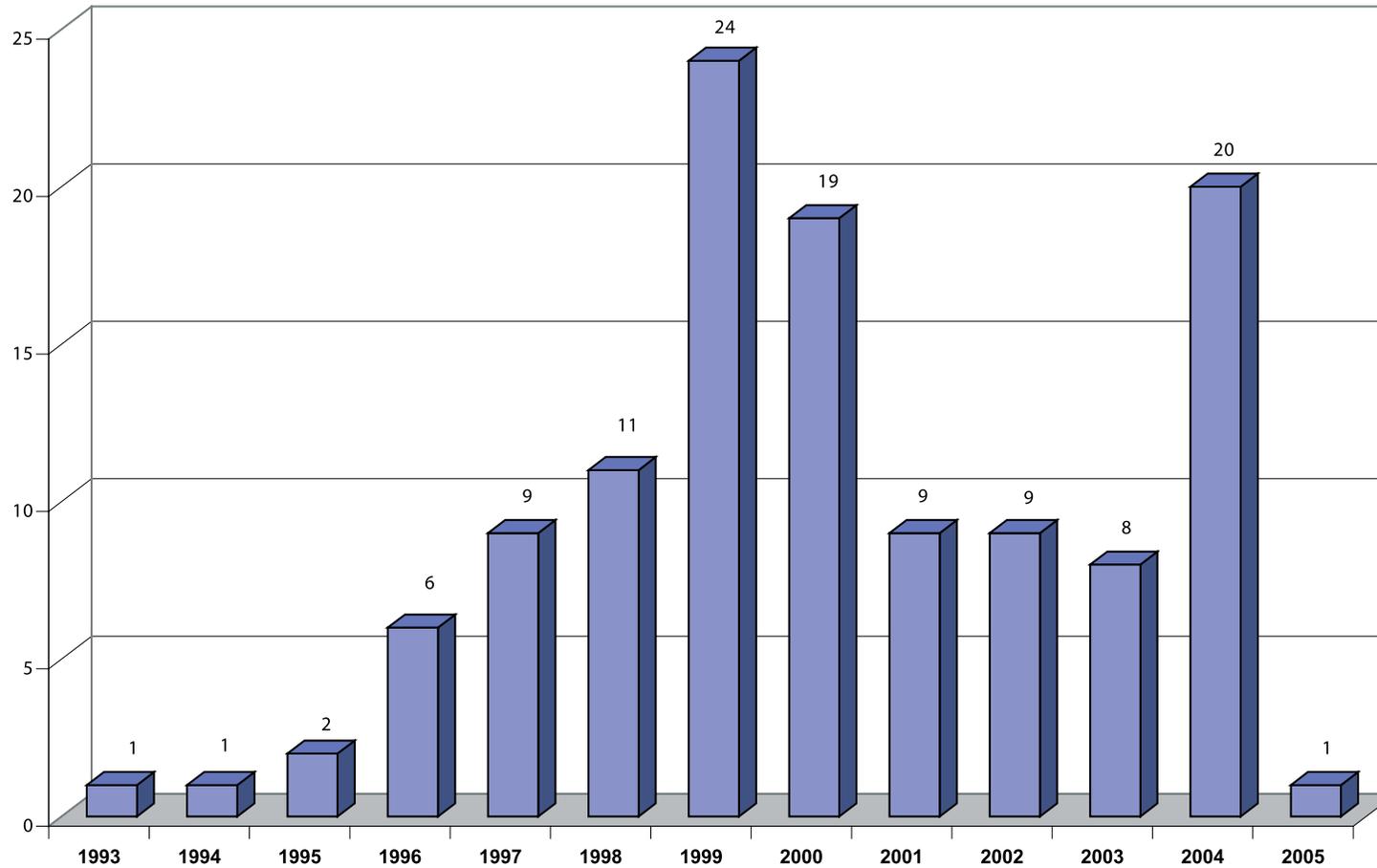


NPLs segmentation according to the stage of bankruptcy (in CZK mil)

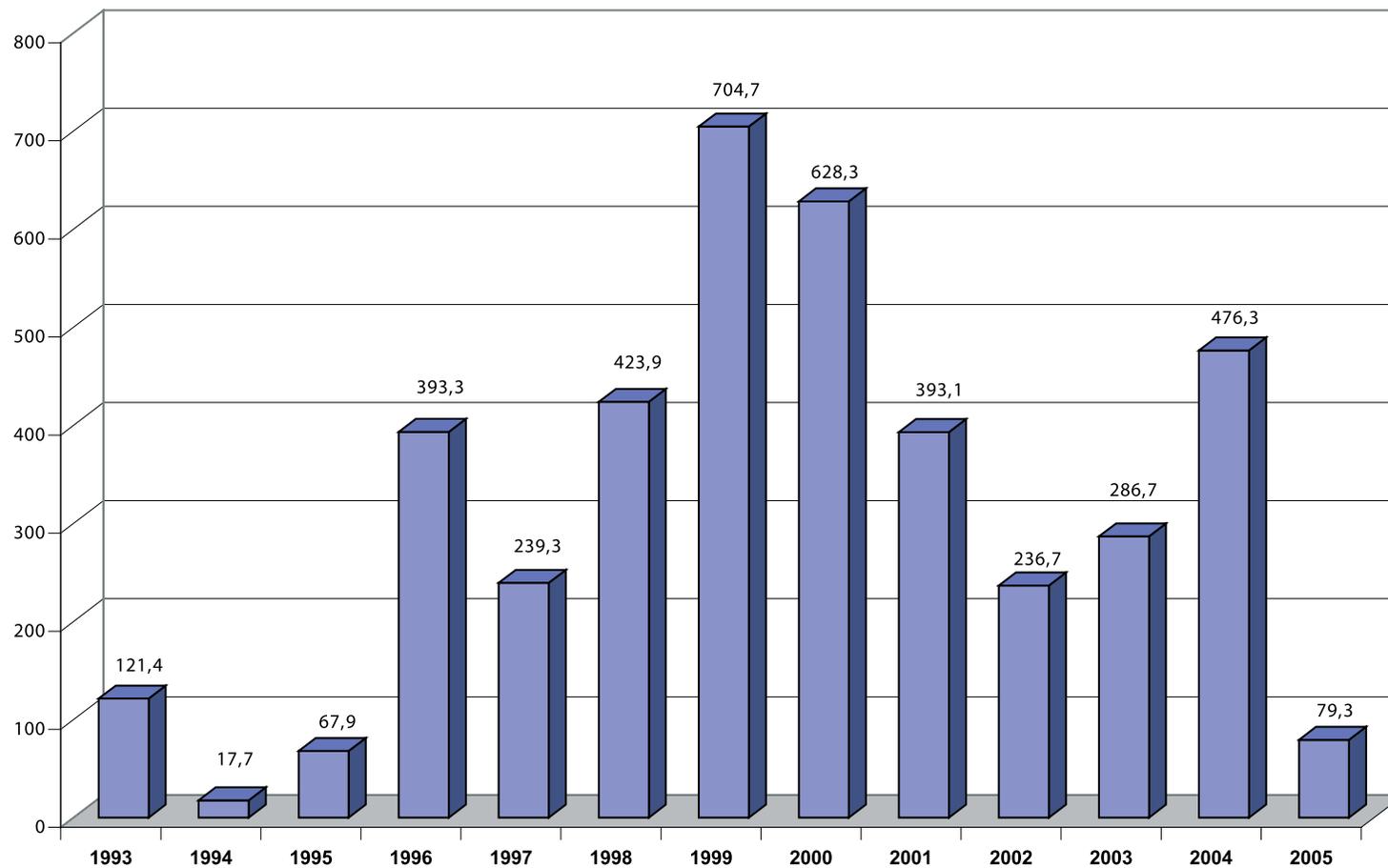




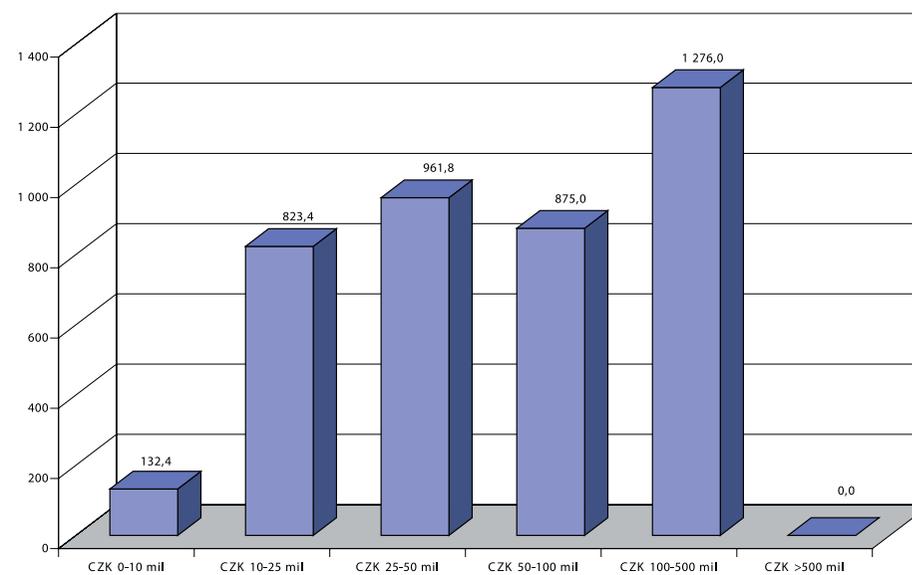
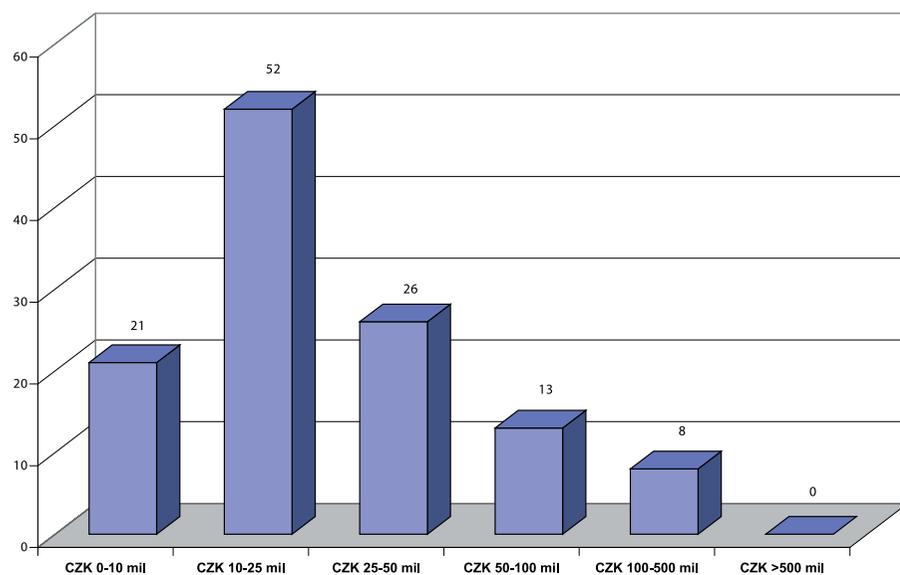
Bankrupts segmentation according to the year of bankruptcy order (number of bankrupts)



NPLs segmentation according to the year of bankruptcy order (in CZK mil)

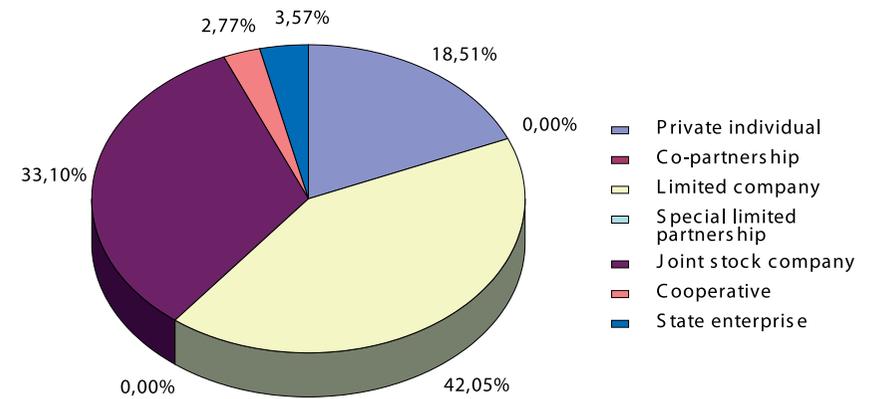
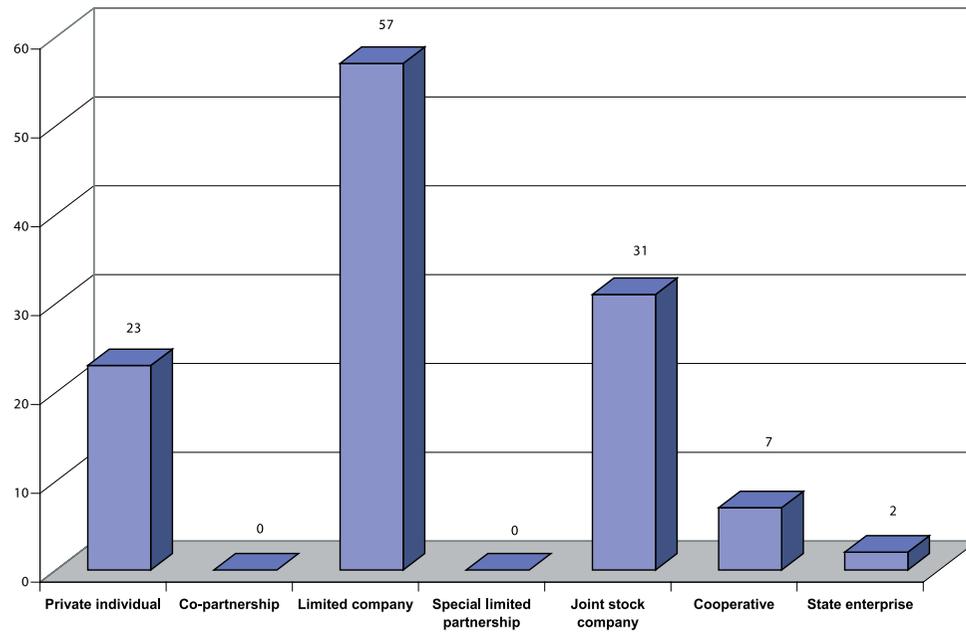


Bankrupts segmentation according to the total nominal value of NPLs to one bankrupt and their share on total nominal value of the block (in CZK mil)



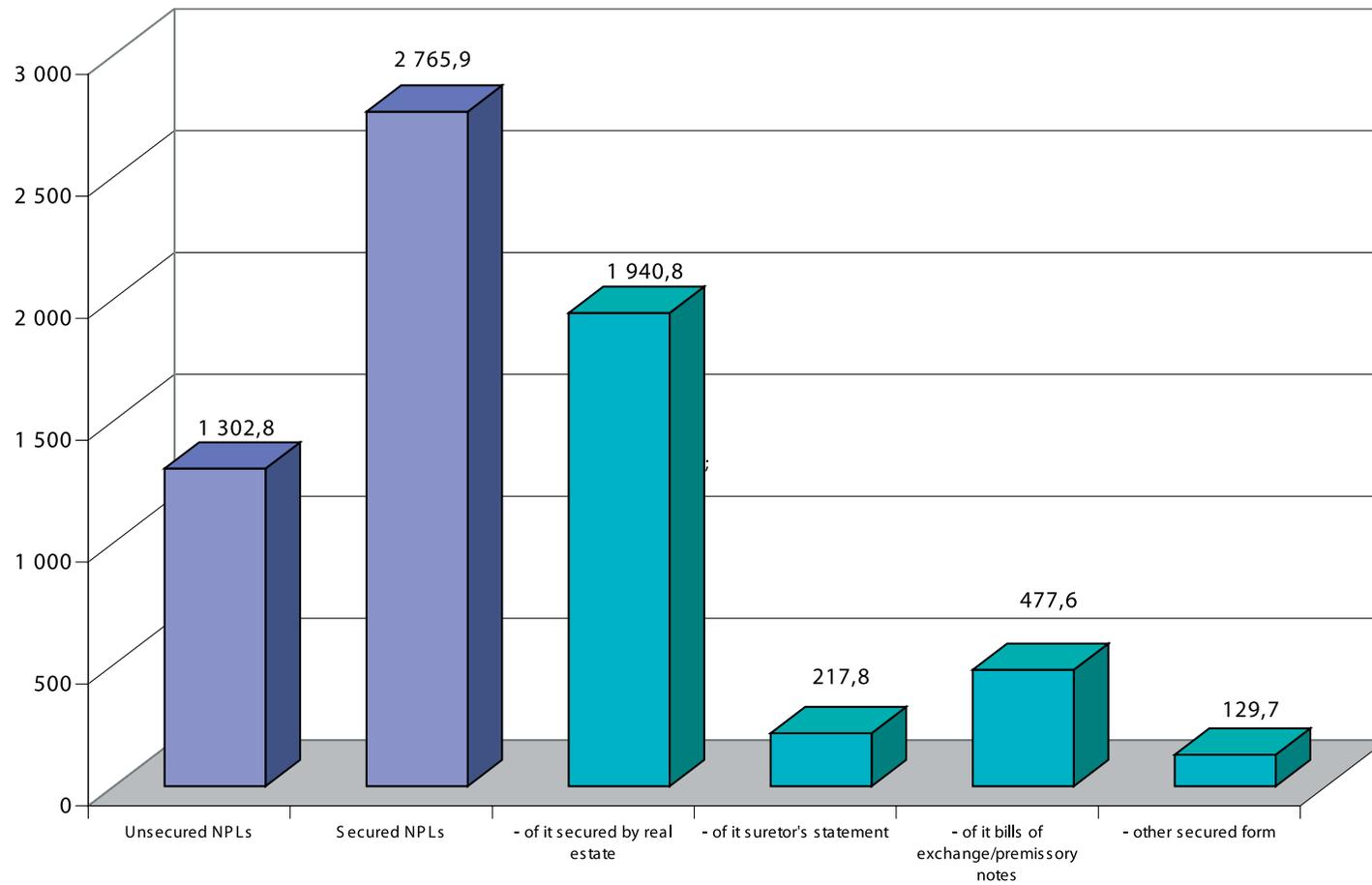


Segmentation according to the legal entity of bankrupts and their share on total nominal value of the block (in %)

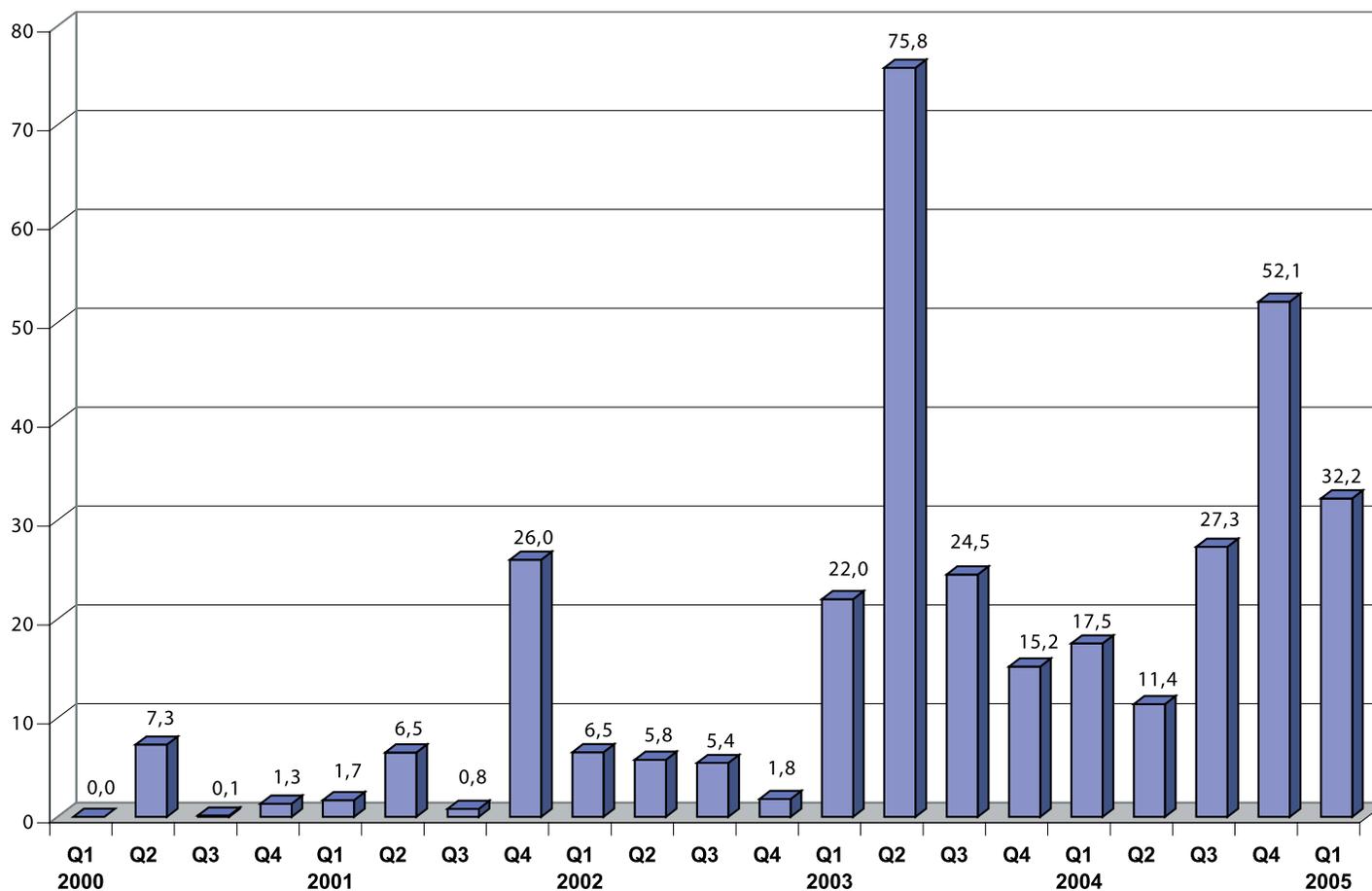




NPLs segmentation according to the forms of security (in CZK mil)



Historical cash flow of the block (in CZK mil)





Public tender characteristics

- **Česká konsolidační agentura**
- **Česká finanční**
- **Konpo**

Principal Information

- Five parallel one-round public tenders
- Single time schedule for all tenders
- Concentration of registrations, data rooms and bids in one place
- Potential investors may choose arbitrary combination of participation in the individual tenders
- Identical terms of all public tenders and contractual documentation
- Necessity of registration and qualification in each tender separately
- Existence of a limited possibility to remedy any registration defects
- Electronic form of due diligence
- Continuous updating of information basis including regular updates of collections received
- Possibility to use institute of a “Designated Entity“
- Single evaluation criterion – the price offered for each individual block

Single time schedule for five offered blocks

■ Investors Day:	May 11, 2005
■ Announcement of the public tender:	May 20, 2005
■ Deadline for registration:	June 10, 2005
■ Start of due diligence:	July 14, 2005
■ Cut-off date:	August 30, 2005
■ End of due diligence:	September 8, 2005
■ Deadline for submission of binding bids:	September 9, 2005
■ Announcement of amounts of binding bids:	September 9, 2005
■ Announcement of winning bidders:	October/November 2005
■ Settlement and closing of public tender:	November/December 2005

Qualification Criteria

Potential investors must evidence the following facts:

- To be a Czech or a foreign corporate entity
- Neither be in the process of dissolution of a company nor bankrupt
- Not to be in arrears of tax or social/health security in the Czech Republic
- Not to be a party to a pending legal dispute concerning the sale of a block of NPLs against ČKA Group, the same applies to any legal disputes during past five years (this applies also to entities that belong to the group of the potential investor)
- Not to be in default with payment of enforceable receivables whose creditor belongs to ČKA Group; the same applies to any entities that belong to the group of the potential investor
- Did not participate in a criminal activity, the same applies to any entities that belong to the group of the potential investor
- To have sufficient funds at disposal
- To have at its disposal, whether alone or together with members of its group, total assets exceeding CZK 1 billion

Qualifying presumption documentation

- Representation on the fulfillment of the qualification criteria signed by the potential investor
- Representation on the group structure signed by the potential investor

All information provided by potential investors in a form of Representation will be independently verified by the sellers

Registration to each tender should be made separately for each NPLs block. In case of registration to a public tender the following steps are essential:

- To pay an administrative fee (the fee must be deposited to appropriate accounts before the deadline for registration to the public tender at latest)
- To deliver the documents described below before the deadline for registration to the public tender expires:
 - A signed original registration form (once)
 - A signed draft Confidentiality Agreement (twice)
 - Documents certifying the entity's legal existence
 - Original Representation on the fulfillment of the qualification criteria (once)
 - Original Representation on the group structure signed by the potential investor (once)
 - Signatures of the authorized representatives of the potential investors must be officially authenticated (verified by a notary)
 - All documents must be submitted in the Czech language or officially translated into the Czech language

Administrative Fees and Bid Bond

- Administrative fee

	ČKA Bankruptcy block	ČKA Nonban- krupcty block	ČF Bankruptcy block	ČF Nonban- krupcty block	KONPO Bankruptcy block
Fee excluding VAT	CZK 1 500 ths	CZK 500 ths	CZK 500 ths	CZK 500 ths	CZK 500 ths

- Bid bond (bank transfer by agreement on cash warranty or presentation of irrevocable bank guarantee by agreement on bank guarantee)

	ČKA Bankruptcy block	ČKA Nonban- krupcty block	ČF Bankruptcy block	ČF Nonban- krupcty block	KONPO Bankruptcy block
Bid bond	CZK 100 mil	CZK 30 mil	CZK 30 mil	CZK 30 mil	CZK 30 mil

Decision of Qualification Criteria Compliance

Potential investors may be required to submit the following additional documents within 13 calendar days of the registration date:

- Financial Statements of the potential investor's group members
- Supplementary information relevant to Representation on the potential investor's group structure
- Documents relevant to certifying legal identity of the potential investor, unless all these documents were submitted together with the registration
- Documents relevant to evidence the authorization of representatives acting on behalf of the potential investor, unless all these documents were submitted together with the registration

If the afore-mentioned request for additional documents is made, the potential investor will be granted a reasonable period of time of at least 7 calendar days for delivery of the additional documents.

Electronic form of due diligence

- Due diligence rules and Data Tape rules
- All information (Data Tape including collections updates; loans documentation) will be provided in an electronic form on electronic data carriers (CD/DVD)
- Each potential investor will receive 10 sets of electronic data carriers
- Potential investors may ask questions (electronic form); the answers will be distributed to all participating investors
- Data recorded on the Data Tapes shall be updated on a continuous basis
- Information update as of cut-off date (overview of collection received and update of loan documentation)
- Final information update on collection after cut-off day will be distributed to all participating investors 1 day before the deadline for the submission of binding bids

Data Room

- Possibility of physical double check of the facts presented on electronic carriers
- Parallel organization of due diligence for all NPL's blocks in one place
- 1x library; 5x study room (a limited number of visits according to the number of participants in the tender)
- Opening hours: 9 a.m. – 1 p.m. and 1:30 p.m. – 5:30 p.m. (reservation for one four-hour block is considered as one visit)
- The study room will have to be booked through the due diligence co-coordinator at least one day in advance
- The study room capacity will be a maximum of 5 persons for each visit
- Copying of documents will not be allowed

Bid bond

- Deposits on the accounts of (ČKA/ČF/KONPO), or
- Irrevocable bank guarantee issued by an eligible bank with long-term rating Aaa (Moody's)

The following documents must be submitted before the deadline for the submission of binding bids expires

- A signed original Representation about a bid (once)
- Four signed counterparts of the draft framework agreement (the draft will be binding upon the investor for a period of 100 calendar days)
- Documents certifying legal entity
- Original Representation on the fulfillment of the qualification criteria (once)
- Signatures of the authorized persons of the potential investors must be officially authenticated (verified by a notary)
- All documents must be submitted in the Czech language or officially translated into the Czech language

Public Tender Rules

- The rules will be identical for all five parallel blocks
- The rules will be available from the start of public tender on the web pages of ČKA, Česká finanční and KONPO
- The rules will be binding in a Czech language version; an integrated English version will be available however this version will not be legally binding

Principles to be followed in the Framework Agreement on the Assignment of Receivables

- The assignment of receivables will be performed pursuant to the Framework Agreement on the Assignment of Receivables and on partial agreements on the assignment of a receivable based on the Framework Agreement
- The draft Framework Agreement will be handed over to participants in the beginning of the due diligence process; each participant shall have the right to comment thereon within 14 days from the beginning of due diligence
- The Framework Agreement provides for the parties' obligation to enter into partial agreements on the assignment of receivables within the stipulated period of time
- The assignee shall receive together with the assigned receivables also their related charges and any and all rights attached thereto

Principles to be followed in the Framework Agreement on the Assignment of Receivables (cont.)

- The consideration for such receivables will be paid in two amounts (as a prepayment and the outstanding amount payment)
- The assignee shall be entitled to collection of receivables accepted by ČKA, Česká finanční and KONPO in the period after August 30, 2005
- Allocation of the aggregate consideration for the individual receivables will be determined based on coefficients of business values determined by ČKA, Česká finanční and KONPO; the coefficients of business values will be provided to participants on the cut-off date
- Receivables shall be assigned with the reservation of their disputability, the assignee shall not be liable for any defects of the assigned receivables, including their actual amount, existence or security
- ČKA, Česká finanční and KONPO have assumed the obligation to provide the assignee with necessary assistance and co-operation after the receivable(s) assignment in order to secure that the assignee could claim the receivable(s), exercise the rights under securing of the assigned receivable(s), as well as enter into pending court proceedings
- Disputes, if any, shall be resolved in court proceedings

Contact information and address for delivery of public tender registration:

CDI Corporate Advisory, a.s.
Na Perštýně 1
Praha 1
Česká republika

Contact Persons:

Jan Vrátník / Jiří Zajíc / Jakub Fajfr

Tel: +420 224 995 166
Fax: +420 224 995 167
E-mail: jvratnik@csas.cz
jzajic@csas.cz
jfajfr@csas.cz

Internet links:

www.czka.cz
www.czfinanc.cz
www.konpo.cz



Registration Defects in Previous Public Tenders

Most frequent defects, which disqualified potential investors from previous public tenders organized by ČKA Group:

- Not delivered required number of registration forms (or other documents)
- Missing super-legalization of documents
- Not paid administrative fee in time required
- Missing apostile on documents
- Not delivered certification of entity's legal existence



Disclaimer

Information on receivables and other statements included in this document come out from accounting records of Česká konsolidační agentura and companies Česká finanční, s.r.o. and Konpo, s.r.o. and the correctness was not independently verified. Česká konsolidační agentura and companies Česká finanční, s.r.o. and Konpo, s.r.o. and companies CDI Corporate Advisory, a.s., and Salans, v.o.s. acting as advisers to these companies made no representation on reliability or completeness of information provided or on any inaccuracy or incorrectness of this information.