

# Erste Group posts net profit of EUR 624.7 million in H1 2017

"Today, we are reporting a new series of positive results for the first six months of 2017: our performing loan volume grew by 6.7 percent and our client deposits by 11.6 percent. There are hardly any banks in Europe that can show this kind of growth. Part of that is simply down to the fact that our business model delivers, and, of course, that CEE is the fastest growing region in Europe.

Our capital situation is very solid with a common equity tier one capital ratio at 12.8 percent on a Basel 3 fully loaded basis, while we also see a continuous improvement of asset quality, continued low level of risk provisions and our non-performing loan ratio declining for the fourteenth consecutive quarter to 4.7 percent. As a consequence, we are now again A-rated by all three major rating agencies.

Going forward, we can't afford to relax. Despite our strong lending performance and deposit gathering, our net interest income remained on the decline. Low interest rates and the run off of our securities portfolio require our attention. Our fee and commission income is slowly on the rise, which is good and which I consider a success given that we continue to be very careful about the kind of products and services we provide to our broad client base. We aim to stay on our track, for maybe moderate but steady growth, and I see a realistic chance that we will get our top line growing again.

Our expenses are still on the rise and we are working hard to get them down. Improving our data quality and getting our data stores aligned is still our number one priority and also the number one reason for rising expenses.

As for the outlook, we confirm our guidance and the goal to achieve a Return on Tangible Equity of 10 percent plus this year," said Andreas Treichl, CEO of Erste Group Bank AG.

### **HIGHLIGHTS**

P&L: January-June 2017 compared with January-June 2016; balance sheet: 30 June 2017 compared with 31 December 2016

**Net interest income** declined to EUR 2,143.0 million (-2.3%; EUR 2,194.1 million) despite lending growth, mostly due to lower interest income from the government bond portfolio and a lower unwinding effect. **Net fee and commission income** increased to EUR 910.9 million (+2.9%; EUR 884.9 million). Income from the securities business and from asset management was up substantially, while income from the lending business declined. The **net trading result** decreased to EUR 102.9 million (-14.3%; EUR 120.0 million). While **operating income** was almost stable at EUR 3,292.8 million (-0.7%; EUR 3,316.6 million), **general administrative expenses** rose to EUR 2,003.5 million (+1.2%; EUR 1,980.3 million) in line with expectations. This was attributable to an increase in other administrative expenses as well as depreciation and amortisation while personnel expenses were nearly unchanged at EUR 1,151.3 million (-0.1%; EUR 1,152.7 million). Almost all projected deposit insurance payments for 2017 in the amount of EUR 68.6 million (EUR 79.3 million) are already included in this line item. Consequently, the **operating result** decreased to EUR 1,289.3 million (-3.5%; EUR 1,336.3 million). The **cost/income ratio** rose marginally to 60.8% (59.7%).

**Net impairment loss on financial assets** remained low at EUR 104.3 million or 15 basis points of average gross customer loans (EUR 25.8 million or 4 basis points). In the previous year, substantial income from the recovery of loans already written off in Romania and Hungary had a positive impact. The **NPL ratio** improved again to 4.7% (4.9%) The **NPL coverage ratio** was stable at 68.5% (69.1%).

Other operating result amounted to EUR -209.8 million (EUR -192.2 million). This line item includes the annual contributions to resolution funds in the amount of EUR 65.4 million (EUR 64.6 million),



banking and financial transaction taxes of EUR 59.4 million (EUR 107.6 million), and provisions of EUR 45.0 million for expected losses from loans to consumers due to supreme court rulings regarding negative interest reference rates in Austria.

The minority charge rose to EUR 169.1 million (+15.7%; EUR 146.2 million) due to a rise in the earnings contributions of the savings banks. The **net result attributable to owners of the parent** declined to EUR 624.7 million (-25.8%; EUR 841.7 million), which was primarily due to a gain from the sale of shares in VISA Europe in the amount of EUR 138.7 million (pre-tax) in previous year.

**Total equity** not including AT1 instruments rose to EUR 16.5 billion (EUR 16.1 billion). After regulatory deductions and filtering according to the CRR, **common equity tier 1 capital** (CET1, Basel 3 phasedin) increased to EUR 14.1 billion (EUR 13.6 billion). Total **own funds** (Basel 3 phased-in) went up to EUR 19.9 billion (EUR 18.8 billion). Interim profit is included in the above figures. Total risk (**risk-weighted assets** including credit, market and operational risk, Basel 3 phased-in) rose to EUR 106.8 billion (EUR 101.8 billion). The **common equity tier 1 ratio** (CET1, Basel 3 phased-in) stood at 13.2% (13.4%), the **total capital ratio** (Basel 3 phased-in) at 18.7% (18.5%).

**Total assets** increased to EUR 218.2 billion (+4.8%; EUR 208.2 billion). On the asset side, cash and cash balances rose to EUR 25.8 billion (EUR 18.4 billion), while loans and receivables to credit institutions increased to EUR 4.3 billion (EUR 3.5 billion). **Loans and receivables to customers** rose to EUR 135.1 billion (+3.4%; EUR 130.7 billion). On the liability side, deposits from banks increased to EUR 17.9 billion (EUR 14.6 billion) and **customer deposits** continued to grow – most notably in the Czech Republic and in Austria – to EUR 145.6 billion (+5.5%; EUR 138.0 billion). The **loan-to-deposit** ratio stood at 92.8% (94.7%).

## **OUTLOOK 2017**

**Operating environment anticipated to be conducive to credit expansion**. Real GDP growth is expected to be between 2.1% and 5.1% in Erste Group's CEE core markets, including Austria, in 2017. Real GDP growth should primarily be driven by solid domestic demand, whereby real wage growth and declining unemployment should support economic activity in CEE. Fiscal discipline is expected to be maintained across CEE.

**Business outlook**. Erste Group aims to achieve a return on tangible equity (ROTE) of more than 10% (based on average tangible equity in 2017). The underlying assumptions are: at best flat revenues (assuming 5%+ net loan growth); cost inflation of 1-2% due to regulatory projects and digitalisation; increase in risk costs, albeit remaining at historically low levels; positive swing in other operating result due to lower Austrian banking tax.

**Risks to guidance**. Impact of expansionary monetary policies by central banks including negative interest rates; political risks such as various elections in key EU economies; geopolitical risks and global economic risks; consumer protection initiatives.



# **KEY FINANCIAL DATA**

In BUR million         Q2 16         Q1 17         Q2 17         1-6 16         1-6 17           Nor inferent income         4.101 5         1.005 3         1.007 7         2.14941         2.1430           Nor inferent income         4.41 8         4.57 7         4.53 2         8.84 4         910.9           Nor inference         6.83         4.65         1.45 2         1.843 1         910.9           Nor inference         6.84         4.65         1.45 2         1.843 1         910.9           Nor inference         6.84         4.65         1.45 2         1.843 1         2.200.5         1.958 1         1.958 1         1.958 1         1.958 1         1.958 1         1.958 1         1.958 1         1.958 1         1.958 1         1.958 1         1.958 1         1.958 1         1.958 1         1.266 1         1.958 1         1.266 1         1.958 1         1.266 1         1.958 1         1.266 1         1.958 1         1.266 1         1.958 1         1.266 1         1.958 1         1.266 1         1.958 1         1.266 1         1.958 1         1.266 1         1.958 1         1.266 1         1.958 1         1.266 1         1.958 1         1.266 1         1.958 1         1.268 1         1.268 1         1.268 1         1.266 1	Income statement					
Net read         441.8         467.7         453.2         884.0         910.9           Net trading result         68.8         446.6         64.3         120.0         102.2           Operating agreemes         -971.5         1.617.5         1.657.2         3.316.6         3.329.6           Operating result         715.8         599.2         690.0         1.335.3         1.280.3           Dest provision operating result         746.4         533.4         651.5         1.167.5         1.155.5         1.154.5           Dest provision operating result         742.6         72.7         1.492.7         -192.2         -209.8           Levies on barking activities         44.9         -35.8         -23.6         1.016.7         659.4           Preak result from contruling operating result         -42.6         -1.027.8         1.223.9         7.03.1         2.03.7         1.28.6         -1.017.8         1.28.6         -1.017.8         1.28.7         1.017.6         1.44.7         1.97.6         7.93.8         2.23.8         1.128.6         1.017.6         0.44.7         1.97.7         7.93.8         2.23.8         1.46.2         1.015.7         0.64.7         0.64.7         0.64.7         0.64.7         0.64.7         0.64.7	in EUR million	Q2 16	Q1 17	Q2 17	1-6 16	1-6 17
Net trading result         68.8         46.6         64.3         170.0         102.9           Operating result         1717.5         1757.2         3.316.8         3.328.0           Operating result         1715.8         590.2         690.0         1.356.3         1.208.0           Net impairment loss on funcal issets         30.6         68.8         -35.8         -35.8         -106.7           Descriptory ission preating result         746.4         35.3         4.23.7         1.91.65.2         2.008.8           Descriptory ission preating result         746.4         35.8         -3.26         -10.76         6.90.4           Dress on hanking activities         44.9         -3.66         -12.21         -2.88         -2.23.0           Net result from contruing operations         68.33         33.6.0         45.47         96.7.3         1.02.2         -2.88         -2.23.0         1.02.6         -2.38.0         1.02.60         1.07.6         6.03.1         1.08.6         1.02.8         -2.84.0         -2.23.0         1.02.6         -2.38.0         1.02.6         1.07.6         1.07.6         1.07.6         1.07.6         1.07.6         0.04.4         1.07.6         0.04.4         0.04.4         0.04.4         0.04.4         0.04.4 </td <td>Net interest income</td> <td>1,101.9</td> <td>1,051.3</td> <td>1,091.7</td> <td>2,194.1</td> <td>2,143.0</td>	Net interest income	1,101.9	1,051.3	1,091.7	2,194.1	2,143.0
Operating spans         1,873         1,6175         1,875.2         3,316.6         3,222.6           Operating spans         971.5         -1018.3         9486.2         -1,980.3         2,203.5           Operating result         715.8         999.2         660.0         1,336.3         1,280.3           Post-provision operating result         746.4         533.4         651.5         1,310.5         1,184.5           Dere operating result         742.6         -127.1         -82.7         -192.2         -200.8           Levises to banking activities         -44.9         -35.8         -72.6         -192.2         -200.8           Levises to continuing operations         633.7         -434.7         -687.9         -733.8           Prestare sulf from continuing operations         645.4         78.8         -22.2         -270.8           Net result attributable to contrast of the parent         567.0         62.0         56.5         56.7.7           Return on equity         18.7%         8.7%         11.1%         14.9%         8.9%           Net interest attributable to contrast of sasses         2.0%         2.2.0%         2.2.0%         2.2.0%           Contrast and acots and contrast asses         10.977         56.30		,		453.2		
Operating responses         -9715         -10/013         -9652         -1.980.3         22035           Net inspirment loss on financial assets         30.6         456.8         -38.6         -28.8         -104.9           Net inspirment loss on financial assets         30.6         456.8         -38.6         -28.8         -104.9           Deer provision operating result         742.6         933.4         651.5         1.131.05         1.148.9           Dere sor privation operating result         742.6         -122.1         -422.8         -223.8           Dere sor privation operating result for continuing operations         838.7         434.7         585.0         1.266.7         1.017.6           Tasses on income         -174.3         -95.6         -123.2         -278.8         -223.8           Net result flor the period         665.3         330.0         454.7         69.7         733.8           Net result attributable to owners of the parent         567.0         222.2         362.5         941.7         62.4           Net result attributable to owners of the parent         57.7%         63.7%         58.7%         60.7%           Costinone ratio         0.76%         63.7%         58.7%         60.7%         60.7%           Cos	Net trading result	68.8	48.6	54.3	120.0	102.9
Operating responses         -1/913.3         -1/980.3         -1/980.3         -2/036.3           Net inspirment loss on financial assets         30.6         -65.8         -36.6         -26.8         -1/980.3 <td< td=""><td></td><td></td><td></td><td></td><td>3,316.6</td><td>3,292.8</td></td<>					3,316.6	3,292.8
Operating result         1718         990.2         660.0         1.333.3         1288.3           Post-provision operating result         746.4         533.4         651.5         1.310.5         1.104.3           Dere operating result         746.4         533.4         651.5         1.310.5         1.114.3           Levies on banking activities         744.9         353.8         -23.6         -107.6         4.90.4           Levies on continuing operations         839.7         743.4         765.0         1.126.7         1.017.6           Taxes on income         -174.3         456.6         -122.2         273.8         273.8           Net result attributable to concort of the parent         557.0         252.5         541.7         624.7           Return on cajult         13.7%         8.7%         11.1%         14.9%         9.9%           Net instart margin (on average rous customer loane)         2.57%         2.33%         2.444.2         2.64%         2.04%           Costincome ratio         57.0%         6.33%         58.8%         59.7%         60.03%           Net instart margin (on average grous customer loane)         2.06%         2.20%         2.20%         2.20%         2.20%         2.20%         2.20%         2.2						-2,003.5
Net impairment loss on financial assets         30.6         45.8         33.6         25.8         1104.3           Deer provision operating result         746.4         53.3         651.5         131.75         11164.9           Other operating result         42.6         127.1         48.27         149.2         200.8           Deries on hindro advision         63.87         43.47         653.0         1.007.6         559.4           Desses on income         174.3         95.6         1.22.2         272.8         1.22.3           Nat result flow continuing operations         665.3         330.0         454.7         662.7         62.2           Nat result flow controlling interests         95.7         22.2         312.5         941.7         62.47           Nat result flow convers of the parent         557.0         262.2         312.44%         2.54%         2.44%         2.54%         2.44%         2.54%         2.44%         2.54%         2.64%         2.04% </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>						
Other operating result         52.6         1-127.1         42.2         1-122.2         200.8           Devies on banking aperations         83.8.7         43.4.7         93.8         23.6         1-107.6         59.4           Prease sult from continuing operations         83.8.7         43.4.7         93.8         1.28.2         -278.8         223.9           Net result from continuing interests         84.4         76.8         92.3         146.2         169.1           Net result attributable to revocable to revocable to sources of the parent         957.0         202.2         362.5         841.7         662.7           Net result attributable to sources of the parent         957.0         202.2         362.5         841.7         662.7           Net result attributable to sources of the parent         957.6         2.0%         2.4%         0.1%         9.5%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%						
Other operating result         52.6         1-127.1         42.2         1-122.2         200.8           Devies on banking aperations         83.8.7         43.4.7         93.8         23.6         1-107.6         59.4           Prease sult from continuing operations         83.8.7         43.4.7         93.8         1.28.2         -278.8         223.9           Net result from continuing interests         84.4         76.8         92.3         146.2         169.1           Net result attributable to revocable to revocable to sources of the parent         957.0         202.2         362.5         841.7         662.7           Net result attributable to sources of the parent         957.0         202.2         362.5         841.7         662.7           Net result attributable to sources of the parent         957.6         2.0%         2.4%         0.1%         9.5%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%         60.3%         59.7%		746.4	533.4	651.5		1,184.9
Levies on banking activities         -14.9         95.8         -23.6         -107.6         .49.4           Devias result from continuing operations         633.7         434.7         583.0         1.1266.7         .223.8           Toxes no income         174.3         95.6         178.2         .278.8         .223.8           Net result attributable to anne-controlling interests         98.4         76.8         .222.3         .462.2         .168.1           Net result attributable to owners of the parent         .567.0         .202.2         .362.5         .841.7         .624.7           Return on equity         .0.7%         .7.8%         .11.1%         .149.6         .9.9%           Return on equity         .0.7%         .6.76%         .6.8.0%         .6.8.4%         .5.7%         .2.33%         .2.44%         .2.46%         .		-52.6				
Pre-tax south from continuing operations         B30.7         494.47         953.0         1.108.67         1.1017.6           Tasses on income         -1174.3         99.6         -129.2         -276.8         -223.9           Net result for the period         665.3         333.0         444.7         987.9         733.8           Net result full holds be non-controlling inferests         99.4         76.8         92.3         146.2         169.1           Net result fails be to owners of the parent         567.0         262.2         362.5         841.7         664.7           Return on equity         19.7%         8.7%         11.1%         14.9%         9.9%           Return on equity (in owerage interest-bearing assets)         2.5%         63.0%         56.8%         59.7%         60.8%           Coeffinione ratio         0.0 average gross customer loans)         -0.00%         0.1%         0.04%         0.04%         0.1%           Devisioning ratio (on average gross customer loans)         -0.00%         0.19%         0.11%         1.00.47%         1.04.9%         1.20%         2.20%         22.0%         22.0%         22.0%         22.0%         22.0%         22.0%         22.0%         22.0%         22.0%         22.0%         22.0%         22.						
Tasse on income         -174.3         -96.6         -122.2         -278.8         -223.9           Net result of the period         665.3         330.0         454.7         987.9         783.8           Net result attributable to owners of the parent         557.0         252.2         382.5         841.7         624.7           Net result attributable to owners of the parent         557.0         252.2         382.5         841.7         624.7           Return on equipy         10.7%         8.7%         111.%         14.9%         9.9%           Net result attributable to owners of the parent         57.6%         63.0%         58.8%         59.7%         60.8%           Provisioning ratio (in average interest-bearing assets)         2.9%         2.2.0%         22.0%	Pre-tax result from continuing operations	839.7	434.7		1,266.7	1,017.6
Net result for the period         665.3         333.0         454.7         97.3           Net result for the parent         557.0         262.2         362.5         841.7         624.7           Return on equity         19.7%         8.7%         11.1%         14.9%         9.9%           Net result attributable to owners of the parent         557.0         262.2         362.5         841.7         624.7           Return on equity         19.7%         8.7%         11.1%         14.9%         9.9%           Net interest margin (on average interest-bearing assets)         2.5%         6.3%         56.7%         60.3%           Costincome ratio         57.6%         60.3%         52.8%         2.0%         2.2		-174.3	-95.6	-128.2		
Instruction         98.4         76.8         92.3         146.2         169.1           Net result attributable to owners of the parent         557.0         262.2         382.5         841.7         624.7           Return on equity         19.7%         8.7%         11.1%         14.9%         9.9%           Net interest margin (on average interest-bearing assets)         2.5%         2.3%         2.44%         2.44%         2.44%         2.44%         2.44%         2.44%         2.44%         2.44%         2.44%         2.44%         2.44%         2.44%         2.44%         2.44%         2.44%         2.44%         2.44%         2.44%         0.61%         2.44%         0.61%         2.44%         0.61%         2.0%         2.0%         2.0%         0.20%         2.0%	Net result for the period	665.3	339.0	454.7		793.8
Ner result attributable to owners of the parent         567.0         262.2         362.5         941.7         624.7           Return on equity         19.7%         8.7%         11.1%         14.9%         9.9%           Net interest margin (on average interest-bearing assets)         2.57%         6.3.0%         66.8%         69.7%         60.3%           Provisioning ratio (on average gross customer loams)         -0.09%         0.19%         0.11%         0.04%         22.0% <t< td=""><td>•</td><td></td><td></td><td></td><td></td><td></td></t<>	•					
Return on equity         19.7%         8.7%         11.1%         14.9%         9.9%           Net interest margin (on average interest-bearing assets)         2.57%         2.33%         2.44%         2.54%         2.45%         2.45%         2.45%         2.45%         2.45%         2.45%         2.45%         2.45%         2.45%         2.45%         2.45%         2.45%         2.45%         2.45%         2.25%         2.20%						
Nat interest-basing assets)       2.57%       2.33%       52.44%       2.54%       2.40%         Costincome ratio       57.6%       63.0%       58.8%       59.7%       60.8%         Provisioning ratio (an average gross custome loans)       -0.09%       0.19%       0.11%       0.04%       0.15%         Balance sheet	F =					
Nat interest-basing assets)       2.57%       2.33%       52.44%       2.54%       2.40%         Costincome ratio       57.6%       63.0%       58.8%       59.7%       60.8%         Provisioning ratio (an average gross custome loans)       -0.09%       0.19%       0.11%       0.04%       0.15%         Balance sheet	Return on equity	19.7%	8.7%	11.1%	14.9%	9.9%
Costinome ratio         57.6%         63.0%         58.8%         59.7%         60.0%           Tax rate         20.8%         22.0%         23.0%         44.34         3.86         44.886         44.886         44.886         44.886         44.886         44.886 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>						
Provisioning ratio (on average gross customer loans)       -0.09%       0.19%       0.11%       0.04%       0.15%         Tax rate       20.0%       22.0%       2.0%       2.0%       2.0%       2.0%						
Tax rate         20.8%         22.0%						
Balance sheet           in EUR million         Jun 16         Mar 17         Jun 17         Dec 6         Jun 17           Cash and cash balances         12,982         24,731         25,842         18,353         25,842           Cash and cash balances         12,982         24,731         25,842         18,353         25,842           Loars and receivables to customers         12,7407         132,992         135,122         130,664         43,475           Loars and receivables to customers         127,407         132,992         135,122         130,664         135,122           Intargible assets         1,437         1,378         1,458         1,300         1,458           Miscellancous assets         7,601         7,105         6,501         6,775         6,501           Total assets         204,505         222,935         17,883         14,631         17,883           Deposits from customers         130,417         144,707         145,674         138,013         145,674           Deposits from customers         130,417         144,707         146,574         138,013         145,674           Deposits from customers         130,417         144,707         146,574         138,013         145,674						
In EUR million         Jun 16         Mar 17         Jun 17         Dec 16         Jun 17           Cash and cash balances         12,962         24,731         25,842         18,353         25,842           Trading, financial assets         49,452         46,145         44,886         47,586         44,887           Loans and receivables to customers         127,407         132,992         135,122         130,654         135,122           Intransitio assets         1,437         1,378         1,458         1,330         1,458           Miscellaneous assets         7,601         6,501         6,775         6,501           Total assets         204,505         222,798         218,156         208,227         218,156           Pinancial liabilities - held for trading         6,146         4,314         3,960         4,762         3,960           Deposits from customers         130,417         144,707         145,574         138,013         145,574           Deposits from customers         130,417         144,707         145,574         138,013         145,574           Det securities issued         28,014         27,127         28,602         27,192         28,602           Total equity         20,947         9,894 <td></td> <td>201070</td> <td>22.070</td> <td>221070</td> <td>221070</td> <td>22.070</td>		201070	22.070	221070	221070	22.070
Cash and cash balances         12,962         24,731         25,842         18,353         25,842           Trading, financial assets         49,452         46,145         44,886         47,586         44,886           Loars and receivables to customers         127,407         132,992         135,122         130,654         135,122           Intangible assets         1,437         1,378         1,458         1,390         1,458           Miscellaneous assets         7,010         6,501         6,775         6,501           Financial liabilities - held for trading         6,146         4,314         3,960         4,762         3,960           Deposits from banks         16,367         22,935         17,883         14,631         17,883           Deposits from banks         16,367         22,935         17,883         14,631         17,883           Deposits from customers         130,417         144,707         145,574         130,013         145,574           Deposits from scustomers         130,417         144,707         145,574         130,801         145,574           Det securities issued         28,014         27,152         26,602         27,192         26,602         17,515         16,602         17,515         16	Balance sheet					
Trading, financial assets       49,452       46,145       44,886       47,586       44,886         Loars and receivables to credit institutions       5,626       10,448       4,347       3,469       4,347         Loars and receivables to crustomers       127,407       132,992       135,122       130,654       135,122         Intangible assets       1,437       1,378       1,458       1,390       1,458         Miscellaneous assets       7,601       7,105       6,501       6,775       6,501         Total asset       204,505       222,798       218,156       208,227       218,156         Financial liabilities - held for trading       6,146       4,314       3,960       4,762       3,960         Deposits from customers       130,417       144,707       145,574       138,013       145,574         Debt socurities issued       28,014       27,127       26,602       27,192       26,602       17,027       6,621         Total equity       15,977       16,894       17,515       16,602       17,515       16,602       17,515       16,602       17,515         Total lequity       15,977       16,894       17,515       20,827       228,456       17,515       16,602       17,51	in EUR million	Jun 16	Mar 17	Jun 17	Dec 16	Jun 17
Loars and receivables to credit institutions         5,626         10,448         4,347         3,469         4,347           Loars and receivables to customers         127,407         132,992         135,122         130,654         135,122           Inangible assets         1,437         1,378         1,458         1.390         1,458           Miscellaneous assets         7,601         7,105         6,501         6,775         6,501           Total assets         204,505         222,798         218,156         208,227         218,156           Financial itabilities - held for trading         6,146         4,314         3,960         4,762         3,960           Deposits from barks         16,367         22,935         17,883         14,651         17,883           Deposits from customers         130,417         144,707         145,574         138,013         14,557           Det securities issued         28,014         27,127         26,602         27,192         26,602           Total equity         15,577         16,894         17,515         16,602         17,515           Total equity         204,505         222,798         218,156         208,227         218,156           Loarydeposit ratio         97.7% </td <td>Cash and cash balances</td> <td>12,982</td> <td>24,731</td> <td>25,842</td> <td>18,353</td> <td>25,842</td>	Cash and cash balances	12,982	24,731	25,842	18,353	25,842
Loans and receivables to customers         127,407         132,992         135,122         130,654         136,122           Intangible assets         1,437         1,378         1,458         1,330         1,458           Miscellaneous assets         7,601         7,105         6,501         6,775         6,501           Total assets         204,505         222,798         218,156         206,227         218,156           Financial liabilities - held for trading         6,146         4,314         3,960         4,762         3,960           Deposits from banks         16,367         22,935         17,883         14,631         17,883           Deposits from customers         130,417         144,707         145,574         138,013         145,574           Debt securities issued         2,8041         27,127         2,6602         27,192         26,602         17,515           Total equity         15,977         16,844         17,515         16,602         17,515           Total equity         204,505         222,798         218,156         206,227         218,156           Loan/deposit ratio         97,7%         91,9%         92,8%         94,7%         4,9%         4,7%           NPL coverage (exc coll	Trading, financial assets	49,452	46,145	44,886	47,586	44,886
Intangible assets       1,437       1,378       1,458       1,390       1,458         Miscellaneous assets       7,601       7,105       6,501       6,775       6,501         Total assets       204,505       222,798       218,156       208,227       218,156         Financial liabilities - held for trading       6,146       4,314       3,960       4,762       3,960         Deposits from banks       16,567       22,395       17,883       14,631       17,883         Deposits from customers       130,417       144,707       145,574       138,013       145,574         Det securities issued       28,014       27,127       26,602       27,192       26,602         Miscellaneous liabilities       7,584       6,822       6,621       7,027       6,621         Total equity       15,977       16,894       17,515       16,602       17,515         Total equity       204,505       222,798       218,156       208,227       218,156         Loar/deposit ratio       97.7%       91.9%       92.8%       94.7%       92.8%         NPL coverage (exc collateral)       65.6%       67.6%       68.5%       69.1%       68.5%         CET 1 ratio (phased-in)       13.	Loans and receivables to credit institutions	5,626	10,448	4,347	3,469	4,347
Miscellaneous assets       7,601       7,105       6,501       6,775       6,501         Total assets       204,505       222,798       218,156       208,227       218,156         Financial liabilities - held for trading       6,146       4,314       3,960       4,762       3,960         Deposits from banks       16,367       22,935       17,883       14,631       17,883         Deposits from customers       130,417       144,707       145,574       138,013       145,574         Debt securities issued       28,014       27,127       26.602       27,192       26.602         Miscellaneous liabilities       7,584       6,822       6,621       7,027       6,621         Total equity       15,977       16,894       17,515       16,602       17,515         Total equity       204,505       222,798       218,156       208,227       218,156         Loan/deposit ratio       97.7%       91.9%       92.8%       94.7%       92.8%         NPL coverage (exc collateral)       65.6%       67.6%       68.5%       69.1%       68.5%         CET 1 ratio (phased-in)       13.3%       13.0%       13.2%       13.4%       13.2%         Iong-term       B8B+	Loans and receivables to customers	127,407	132,992	135,122	130,654	135,122
Miscellaneous assets       7,601       7,105       6,501       6,775       6,501         Total assets       204,505       222,798       218,156       208,227       218,156         Financial liabilities - held for trading       6,146       4,314       3,960       4,762       3,960         Deposits from banks       16,367       22,935       17,883       14,631       17,883         Deposits from customers       130,417       144,707       145,574       138,013       145,574         Debt securities issued       28,014       27,127       26.602       27,192       26.602         Miscellaneous liabilities       7,584       6,822       6,621       7,027       6,621         Total equity       15,977       16,894       17,515       16,602       17,515         Total equity       204,505       222,798       218,156       208,227       218,156         Loan/deposit ratio       97.7%       91.9%       92.8%       94.7%       92.8%         NPL coverage (exc collateral)       65.6%       67.6%       68.5%       69.1%       68.5%         CET 1 ratio (phased-in)       13.3%       13.0%       13.2%       13.4%       13.2%         Iong-term       B8B+	Intangible assets					
Total assets         204,505         222,798         218,156         208,227         218,156           Financial liabilities - held for trading         6,146         4,314         3,960         4,762         3,960           Deposits from banks         16,367         22,935         17,883         14,631         17,883           Deposits from customers         130,417         144,707         145,574         138,013         145,574           Debt securities issued         28,014         27,127         26,602         27,192         26,602           Miscellaneous liabilities         7,584         6,822         6,621         7,027         6,621           Total equity         15,977         16,894         17,515         16,602         17,515           Total equity         204,505         222,798         218,156         208,227         218,156           Dean/deposit ratio         97.7%         91.9%         92.8%         94.7%         92.8%           NPL coverage (exc collateral)         65.6%         65.7%         69.1%         68.5%           CET 1 ratio (phased-in)         13.3%         13.0%         13.2%         13.4%         13.2%           Ratings         Jun 16         Mar 17         Jun 17         <	•					6.501
Deposits from banks         16,367         22,935         17,883         14,631         17,883           Deposits from customers         130,417         144,707         145,574         138,013         145,574           Debt securities issued         28,014         27,127         26,602         27,192         26,602           Miscellaneous liabilities         7,584         6,822         6,621         7,027         6,621           Total equity         15,977         16,894         17,515         16,602         17,515           Total equity         15,977         16,894         17,515         16,602         17,515           Loan/deposit ratio         97.7%         91.9%         92.8%         94.7%         92.8%           NPL ratio         5.8%         4.9%         4.7%         4.9%         4.7%           NPL coverage (exc collateral)         65.6%         67.6%         68.5%         69.1%         68.5%           CET 1 ratio (phased-in)         13.3%         13.0%         13.2%         13.2%         13.2%           Long-term         BBB+         A-         A-         Short-term         Stable         Stable         Stable         Stable         Stable         Stable         Stable         S	Total assets					
Deposits from banks         16,367         22,935         17,883         14,631         17,883           Deposits from customers         130,417         144,707         145,574         138,013         145,574           Debt securities issued         28,014         27,127         26,602         27,192         26,602           Miscellaneous liabilities         7,584         6,822         6,621         7,027         6,621           Total equity         15,977         16,894         17,515         16,602         17,515           Total equity         15,977         16,894         17,515         16,602         17,515           Loan/deposit ratio         97.7%         91.9%         92.8%         94.7%         92.8%           NPL ratio         5.8%         4.9%         4.7%         4.9%         4.7%           NPL coverage (exc collateral)         65.6%         67.6%         68.5%         69.1%         68.5%           CET 1 ratio (phased-in)         13.3%         13.0%         13.2%         13.2%         13.2%           Long-term         BBB+         A-         A-         Short-term         Stable         Stable         Stable         Stable         Stable         Stable         Stable         S	Financial liabilities - hold for trading	6 1 / 6	1 311	3 960	4 762	3 960
Deposits from customers         130,417         144,707         145,574         138,013         145,574           Debt securities issued         28,014         27,127         26,602         27,192         26,602           Miscellaneous liabilities         7,584         6,822         6,621         7,027         6,621           Total equity         15,977         16,894         17,515         16,602         17,515           Total liabilities and equity         204,505         222,798         218,156         208,227         218,156           Loan/deposit ratio         97.7%         91.9%         92.8%         94.7%         92.8%           NPL ratio         5.8%         4.9%         4.7%         4.9%         4.7%           NPL coverage (exc collateral)         65.6%         67.6%         68.5%         69.1%         68.5%           CET 1 ratio (phased-in)         13.3%         13.0%         13.2%         13.4%         13.2%           Fitch           Long-term           E           Stort-term         F2         F1         F1           Outlook         Stable         Stable            Baa1         Baa1 </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>						
Debt securities issued         28,014         27,127         26,602         27,192         26,602           Miscellaneous liabilities         7,584         6,822         6,621         7,027         6,621           Total equity         15,977         16,894         17,515         16,602         17,515           Total iabilities and equity         204,505         222,798         218,156         208,227         218,156           Loan/deposit ratio         97,7%         91.9%         92.8%         94.7%         92.8%           NPL ratio         5.8%         4.9%         4.7%         4.9%         4.7%           NPL coverage (exc collateral)         65.6%         66.5%         69.1%         68.5%           CET 1 ratio (phased-in)         13.3%         13.0%         13.2%         13.4%         13.2%           Katings         Jun 16         Mar 17         Jun 17           Fitch           Long-term         F2         F1         F1           Outlook         Stable         Stable         Stable           Moody's         Iong-term         Baa1         Baa1         Baa1           Long-term         Baa1         Baa1         Baa1         Stable	•					
Miscellaneous liabilities       7,584       6,822       6,621       7,027       6,621         Total equity       15,977       16,894       17,515       16,602       17,515         Total liabilities and equity       208,257       222,798       218,156       208,227       218,156         Loan/deposit ratio       97.7%       91.9%       92.8%       94.7%       92.8%         NPL ratio       5.8%       4.9%       4.7%       4.9%       4.7%         NPL ratio       5.8%       4.9%       4.7%       4.9%       4.7%         NPL coverage (exc collateral)       65.6%       66.6%       69.1%       68.5%         CET 1 ratio (phased-in)       13.3%       13.0%       13.2%       13.4%       13.2%         Ratings       Jun 16       Mar 17       Jun 17       Fitch       Image: Construct on the construct on	•					
Total equity       15,977       16,894       17,515       16,602       17,515         Total liabilities and equity       204,505       222,798       218,156       208,227       218,156         Loan/deposit ratio       97.7%       91.9%       92.8%       94.7%       92.8%         NPL ratio       5.8%       4.9%       4.7%       4.9%       4.7%         NPL ratio       5.8%       4.9%       4.7%       4.9%       4.7%         NPL coverage (exc collateral)       65.6%       67.6%       68.5%       69.1%       68.5%         CET 1 ratio (phased-in)       13.3%       13.0%       13.2%       13.4%       13.2%         Ratings       Jun 16       Mar 17       Jun 17         Fitch         Long-term       BBB+       A-       A-         Short-term       F2       F1       F1         Outlook       Stable       Stable       Stable         Moody's       Long-term       Baa1       Baa1       Baa1         Stable       Stable       Stable       Stable       Stable         Standard & Poor's       Long-term       BBB+       A-       A-         Short-term       A-2						
Total liabilities and equity         204,505         222,798         218,156         208,227         218,156           Loan/deposit ratio         97.7%         91.9%         92.8%         94.7%         92.8%           NPL ratio         5.8%         4.9%         4.7%         4.9%         4.7%           NPL coverage (exc collateral)         65.6%         67.6%         68.5%         69.1%         68.5%           CET 1 ratio (phased-in)         13.3%         13.0%         13.2%         13.4%         13.2%           Ratings         Jun 16         Mar 17         Jun 17           Fitch         Image: Collateral Stable         Stable <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td></t<>						
Loan/deposit ratio         97.7%         91.9%         92.8%         94.7%         92.8%           NPL ratio         5.8%         4.9%         4.7%         4.9%         4.7%           NPL coverage (exc collateral)         65.6%         67.6%         68.5%         69.1%         68.5%           CET 1 ratio (phased-in)         13.3%         13.0%         13.2%         13.4%         13.2%           Ratings         Jun 16         Mar 17         Jun 17           Fitch         Cong-term           Long-term         F2         F1         F1           Outlook         Stable         Stable         Stable           Moody's         Long-term           Long-term         P-2         P-2           Outlook         Stable         Stable         Stable           Stable         Stable         Stable         Stable           Stable         Stable         Stable         Stable           Stable         Stable         Stable         Stable           Standard & Poor's         Long-term         A-2         A-2           Long-term         A-2         A-2         A-2						
NPL ratio         5.8%         4.9%         4.7%         4.9%         4.7%           NPL coverage (exc collateral)         65.6%         67.6%         68.5%         69.1%         68.5%           CET 1 ratio (phased-in)         13.3%         13.0%         13.2%         13.4%         13.2%           Ratings         Jun 16         Mar 17         Jun 17         13.2%         13.4%         13.2%           Ratings         Jun 16         Mar 17         Jun 17         Jun 17         13.2%         13.4%         13.2%           Ratings         Jun 16         Mar 17         Jun 16         Mar 17         Jun 17	Total liabilities and equity	204,505	222,798	218,156	208,227	218,156
NPL coverage (exc collateral)         65.6%         67.6%         68.5%         69.1%         68.5%           CET 1 ratio (phased-in)         13.3%         13.0%         13.2%         13.4%         13.2%           Ratings         Jun 16         Mar 17         Jun 17           Fitch           Long-term         BBB+         A-         A-           Short-term         F2         F1         F1           Outlook         Stable         Stable         Stable           Moody's	Loan/deposit ratio	97.7%	91.9%	92.8%	94.7%	92.8%
CET 1 ratio (phased-in)         13.3%         13.0%         13.2%         13.4%         13.2%           Ratings         Jun 16         Mar 17         Jun 17           Fitch         Long-term         BBB+         A-         A-           Short-term         F2         F1         F1         Outlook         Stable	NPL ratio	5.8%	4.9%	4.7%	4.9%	4.7%
CET 1 ratio (phased-in)         13.3%         13.0%         13.2%         13.4%         13.2%           Ratings         Jun 16         Mar 17         Jun 17           Fitch         Long-term         BBB+         A-         A-           Short-term         F2         F1         F1         Outlook         Stable	NPL coverage (exc collateral)	65.6%	67.6%	68.5%	69.1%	68.5%
FitchLong-termBBB+A-A-Short-termF2F1F1OutlookStableStableStableMoody's						
FitchLong-termBBB+A-A-Short-termF2F1F1OutlookStableStableStableMoody's	Partie an					
Long-termBBB+A-A-Short-termF2F1F1OutlookStableStableStableMoody'sLong-termBaa1Baa1Baa1Short-termP-2P-2P-2OutlookStableStableStableStandard & Poor'sImage: Stable with the stableStableLong-termBBB+A-A-Short-termA-2A-2A-2		Jun 16	Mar 17	Jun 17		
Short-termF2F1F1OutlookStableStableStableMoody'sLong-termBaa1Baa1Short-termP-2P-2OutlookStableStableStandard & Poor'sLong-termBBB+A-A-2A-2A-2		RRR.	۸_	۸_		
OutlookStableStableStableMoody'sLong-termBaa1Baa1Baa1Short-termP-2P-2P-2OutlookStableStableStableStandard & Poor'sImage: Stable of the stableImage: Stable of the						
Moody'sLong-termBaa1Baa1Short-termP-2P-2OutlookStableStableStandard & Poor'sEng-termBBB+A-2A-2A-2						
Long-termBaa1Baa1Short-termP-2P-2OutlookStableStableStandard & Poor'sStableStableLong-termBBB+A-A-2A-2A-2		Stable	Stable	Slaple		
Short-termP-2P-2P-2OutlookStableStableStableStandard & Poor'sLong-termBBB+A-A-Short-termA-2A-2A-2		Poot	Past	Pagi		
Stable         Stable         Stable           Standard & Poor's         BBB+         A-           Long-term         BBB+         A-           Short-term         A-2         A-2						
Standard & Poor's           Long-term         BBB+         A-         A-           Short-term         A-2         A-2         A-2						
Long-term         BBB+         A-         A-           Short-term         A-2         A-2         A-2		Stable	Stable	Stable		
Short-term A-2 A-2 A-2			۸	٨		
VULIUUK STADIE POSITIVE POSITIVE						
	Ulluuk	Stable	FUSITIVE	FUSITIVE		

On 26 July 2017, Moody's upgraded Erste Group Bank AG's long-term ratings to A3 and changed the outlook to positive.



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