

Profile

Founded in 1819 as the first Austrian savings bank, Erste Group went public in 1997 with a strategy to expand its retail business into Central and Eastern Europe (CEE).

Since then, Erste Group has grown through numerous acquisitions and organic growth to one of the largest financial services providers in the Eastern part of EU in terms of clients and total assets:

ONE OF THE LEADING
FINANCIAL SERVICE
PROVIDERS IN THE
EASTERN PART OF EU

AMONG THE
TOP 3 BANKS IN
ITS LARGEST
CORE MARKETS

INNOVATION
LEADER IN
RETAIL BANKING
IN AUSTRIA

In the financial year 2023, Erste Group had:

- ca. **16.2 million** customers
- **45,700** employees
- **1,948** branches in 7 countries
- EUR **337 billion** total assets
- EUR **2.99 billion** net profit
- EUR **5.53 billion** operating result
- EUR **28.5 billion** total equity
- **15.7%** CET1 ratio (final)

Strategy

Customer banking in Central and Eastern Europe

Eastern part of the EU

RETAIL BANKING

Acting as Financial Health Advisor for the people in our region.

Support customers to build up and secure wealth.

Active management of customer journeys to increase profitability and customer satisfaction.

CORPORATE BANKING

SME and local corporate banking.

Advisory services, with focus on providing access to capital markets and corporate finance.

Transaction banking services (trade finance, factoring, leasing).

Commercial real estate business.

Focus on CEE, limited exposure to other Europe

CAPITAL MARKETS

Focus on customer business, including customer-based trading activities.

In addition to core markets, presence in Poland, Germany, New York and Hong Kong with institutional client focus and selected product mix.

Building debt and equity capital markets in CEE.

PUBLIC SECTOR

Financing sovereigns and municipalities with focus on infrastructure development in core markets.

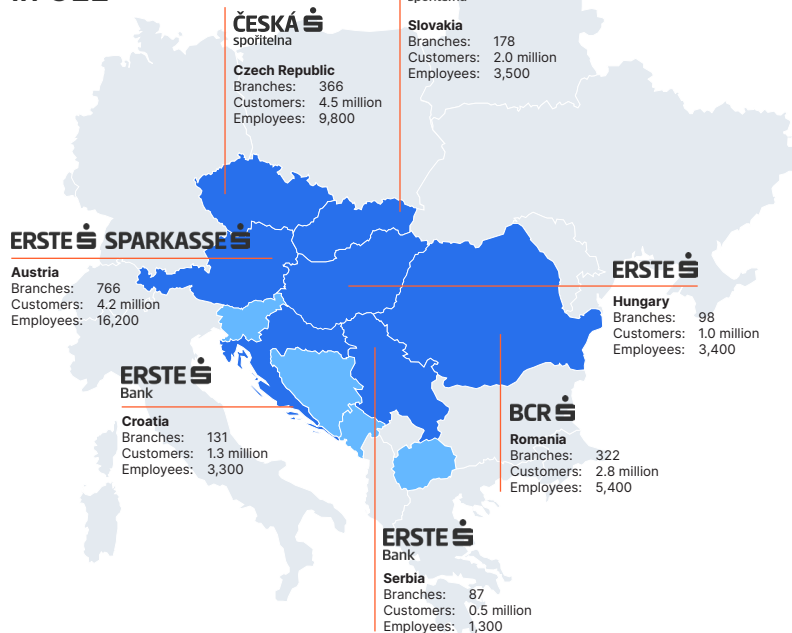
Any sovereign holdings are held for market-making, liquidity or balance sheet management reasons.

INTERBANK BUSINESS

Focus on banks that operate in the core markets.

Any bank exposure is only held for liquidity or balance sheet management reasons or to support client business.

Extensive presence in CEE



Listings and index representation

31.01.2024

LISTINGS	INDEX	WEIGHTING
Vienna Stock Exchange	ATX	21.0 %
Prague Stock Exchange	PX	21.1 %
Bucharest Stock exchange	BET-BK	7.6 %

- Public trading via a level I ADR programme in the U.S.
- MSCI Standard Index
- EURO STOXX Banks Index
- FTSEurofirst 300 Index

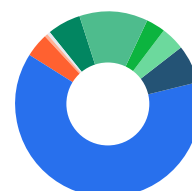
Management board

Willi Cernko, CEO and CRetO
Stefan Dörfler, CFO
Alexandra Habeler-Drabek, CRO

Ingo Bleier, Chief Corporates and Markets Officer
David O'Mahony, Chief Operations Officer
Maurizio Poletto, Chief Platform Officer

Shareholder structure 24.02.2024

Erste Foundation direct **5.76 %**
Unidentified* **0.59 %**
Identified Trading** **0.58 %**
BlackRock Inc. **4.13 %**
Institutional **62.69 %**



12.15 % Sparkassen Beteiligungs GmbH & Co KG
3.19 % Foundations¹
4.17 % Wiener Städtische Versicherungsverein
6.74 % Retail

Ratings 09.01.2024

	LONG-TERM	SHORT-TERM	OUTLOOK
S&P	A+	A-1	Stable
Fitch	A	F1	Stable
Moody's	A1	P-1	Stable

¹ **Foundations** include Erste Employees Private Foundation, Syndicated Savings Banks Foundations, own holdings of Savings Banks

* **Unidentified** include unidentified institutional and retail investors

** **Identified Trading** includes market makers, prime brokerage, proprietary trading, collateral and stock lending positions which are visible through custodian bank lists

Total number
of shares
420,912,908

Free float
74.73 %

Current financial outlook 2024

OPERATING ENVIRONMENT

- Moderately improving economic outlook, with real GDP growth above 2%
- Loan growth of around 5% in 2024

BUSINESS PERFORMANCE

- In 2024, NII decline of ca. 3% after two years of historic upswing
- fee growth of around 5%
- Cost/income ratio of around 50%

CREDIT RISK

- Risk costs expected below 25 bps in 2024

DIVIDEND

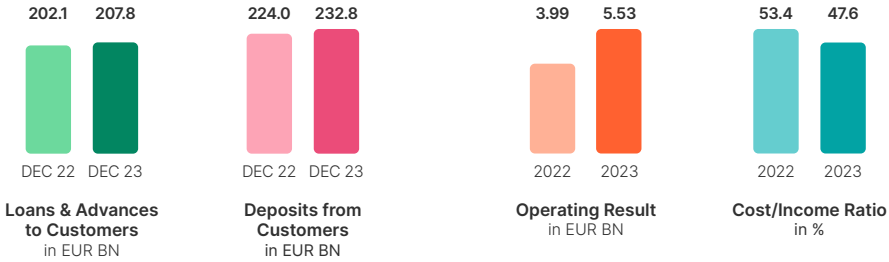
- FY2023 dividend per share of EUR 2.70 planned
- Unchanged dividend policy going forward with payout ratio targeted at 40–50%

PROFITABILITY

- ROTE of around 15% targeted for 2024

RISK FACTORS TO GUIDANCE

- Political, regulatory, geopolitical, economic, health and competition risks, also non-financial and legal risks
- Indirect effects from international (military) conflicts, such as the Russia/Ukraine war or in the mid-east region, prolonged supply chain disruptions, additional shock on energy prices and/or supply, deterioration of investment and consumption appetite
- Economic downturn may put goodwill at risk



Central and Eastern Europe

Real GDP Growth (%)
Source: Erste Group Research (04.04.2024)

	HR	CZ	HU	PL	RO	RS	SK	SI	CEE8	AT	EZ
2023	2.8	-0.4	-0.9	0.2	2.1	2.5	1.1	1.6	0.6	-0.8	0.5
2024e	3.1	1.0	2.0	2.8	2.6	3.3	2.0	2.3	2.4	0.4	0.7
2025e	2.6	3.2	3.4	3.5	3.9	3.5	2.7	2.5	3.4	1.5	1.1

Statements



“Twenty years after the first EU enlargement involving Central and Eastern Europe, it’s clear that a real success story has been and is being written in the region. However, CEE is also facing major challenges that need to be overcome. The green transformation and advancing digitalization – all of this will require investment, for which we are available as a partner. One very welcome development: CEE is returning to its role as Europe’s growth engine.”

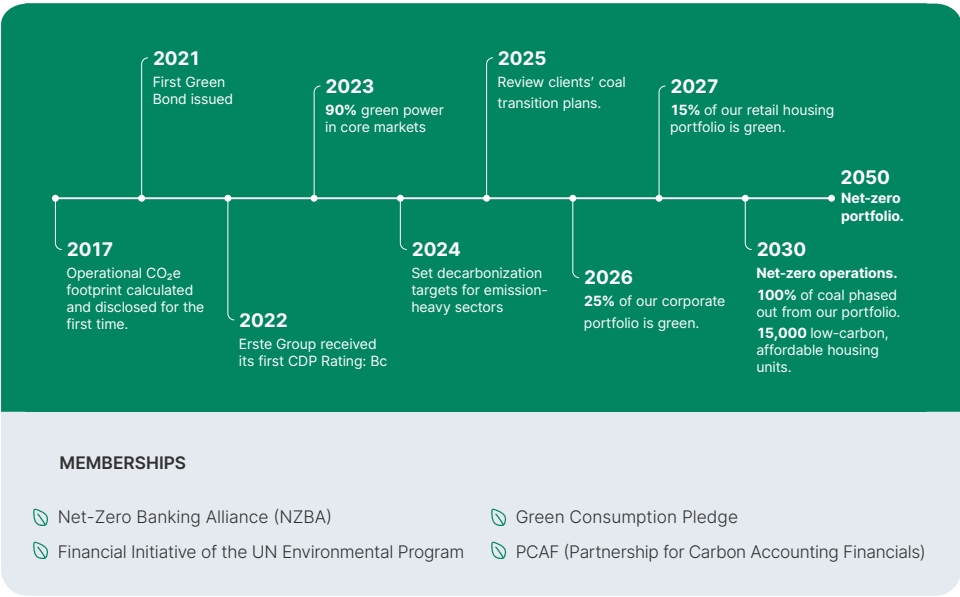
Willi Cernko, CEO of Erste Group



„2023 was a strong year for our banking group. Despite the macroeconomic slowdown, we achieved an excellent result thanks to our loan volume growth and a favorable interest rate and risk environment. Even if the interest rate landscape is likely to change in the course of the current year: We are positioned to finance the ongoing upswing in our region.”

Stefan Dörfler, CFO of Erste Group

We are on the path to net zero



ESG: for our society and for the planet

Economic success paired with environmental and social responsibility

Our aim ...
We believe in a strong, healthy and prosperous society in the CEE region.

As a member of the Net-Zero Banking Alliance we will take a leading role the green transition in CEE, promote innovations and make the most of opportunities.

Tackling climate change:
sustainable financing and the transition to net-zero emissions – that is, a modern economy in which greenhouse gases are no longer emitted into the atmosphere and in which human activities have no net impact on the climate system.

Find out more about our ESG efforts
erstegroup.com/en/about-us/sustainability-esg