

10th Annual General Meeting

Erste Bank der oesterreichischen Sparkassen AG

6 May 2003, Austria Center Vienna



Herbert Schimetschek

President of the Supervisory Board

Report acc. to Sec. 7 (6) SpaltG regarding
the spin-off of the business unit Vorarlberg
located in the federal state Vorarlberg (branches Dornbirn and Lustenau,
commercial centre Dornbirn, branches Bregenz and Feldkirch)

Topic One of the Agenda

- **Presentation of the audited and approved financial statements as well as the report of the Management Board and the**
- **Report of the Supervisory Board as well as the presentation of the consolidated financial statements and the**
- **Group management report for the financial year 2002.**

Andreas Treichl

Chairman of the Managing Board

Managing Board

Responsible for

Andreas Treichl

- Chairman of the Managing Board

Elisabeth Bleyleben-Koren

- Deputy Chairwoman of the Board

Reinhard Ortner

- Chief Financial Officer

Franz Hochstrasser

- Treasury & Investment Banking

Erwin Erasim

- Organisation & IT

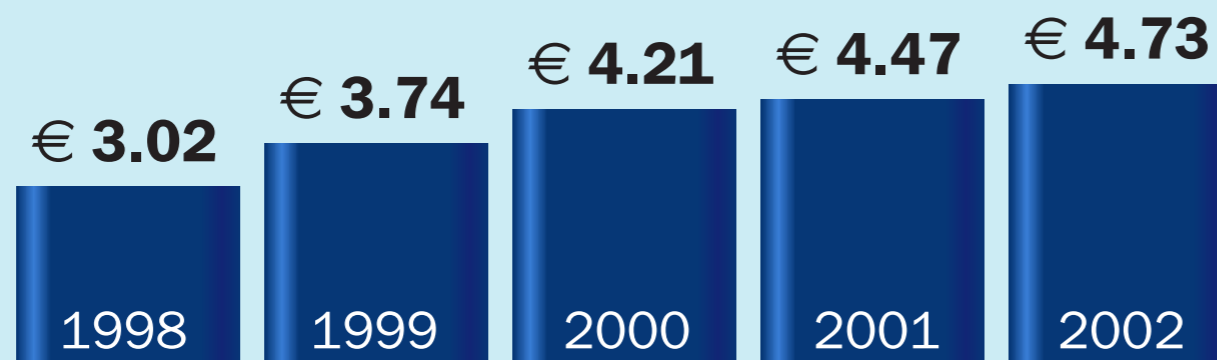
André Horovitz

- Group Risk Management & Controlling
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Highlights 2002

Erste Bank Group

- Operating Profit at EUR 1,151.3m
- Net Profit at EUR 255.2m
- Return on equity 12.7%
- Net interest margin 2.17%
- Cost/income ratio 67.9%
- Tier 1 ratio for Erste Bank Group 6.3%
- Dividend proposal to AGM of EUR 1.24 per share. New shares issued in 2002 capital increase fully eligible for dividend payment. Payout ratio 29%
- Earnings per share: Steady growth despite 18% capital increase in July 2002



Highlights 2002

Core Group

Operating Profit

EUR 748.4m, up 5.1% from EUR 711.8m in 2002

- Steadily growing contribution from CE subsidiaries (61% after 33% in 2001)
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Net Profit

EUR 245.9m, up 10.1% from EUR 223.3 in 2001

- Surpassing expectations in a very challenging banking environment
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Net Interest Margin

1.73% slightly reduced from 1.78% in 2001

- Positive development in CE subsidiaries
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Cost/income-ratio

68.6% up against 67.1% in 2001

- Impacted by restructuring of Tiroler Sparkasse and weaker revenues due to difficult markets
-

Return on Equity

10.9% after 12.4% in 2001

- Takes into account 18% capital increase in July 2002
-

Four Successful Years for Erste Bank

	1998	2002	change in %
Total Assets*	51,990	95,563	84.2%
Operating result*	331	748	126%
Net Profit*	133	245	85%

* Core Group in EUR m

Group Balance Sheet 2002

in EUR m

Core Group

Assets	2002	2001	+/- %	2002	+/- %
1. Cash and balances with central banks	3,181	2,573	23.6	2,608	1.4
2. Loans and advances to credit inst.	15,492	18,912	(18.1)	19,238	1.7
3. Loans and advances to customers	64,435	39,210	64.3	40,471	3.2
4. Risk provisions	(2,983)	(1,875)	59.1	(1,787)	(4.7)
5. Trading assets	3,487	3,451	1.0	3,352	(2.9)
6. Investments available for sale	6,736	2,912	>100.0	4,134	42.0
7. Financial investments	22,572	14,730	53.2	20,380	38.4
8. Intangible assets	1,596	932	71.2	1,518	62.9
9. Tangible assets	1,866	1,318	41.6	1,347	2.2
10. Other assets	4,840	3,870	25.1	4,302	11.2
Total assets	121,222	86,033	40.9	95,564	11.1

Group Balance Sheet 2002

in EUR m

Core Group

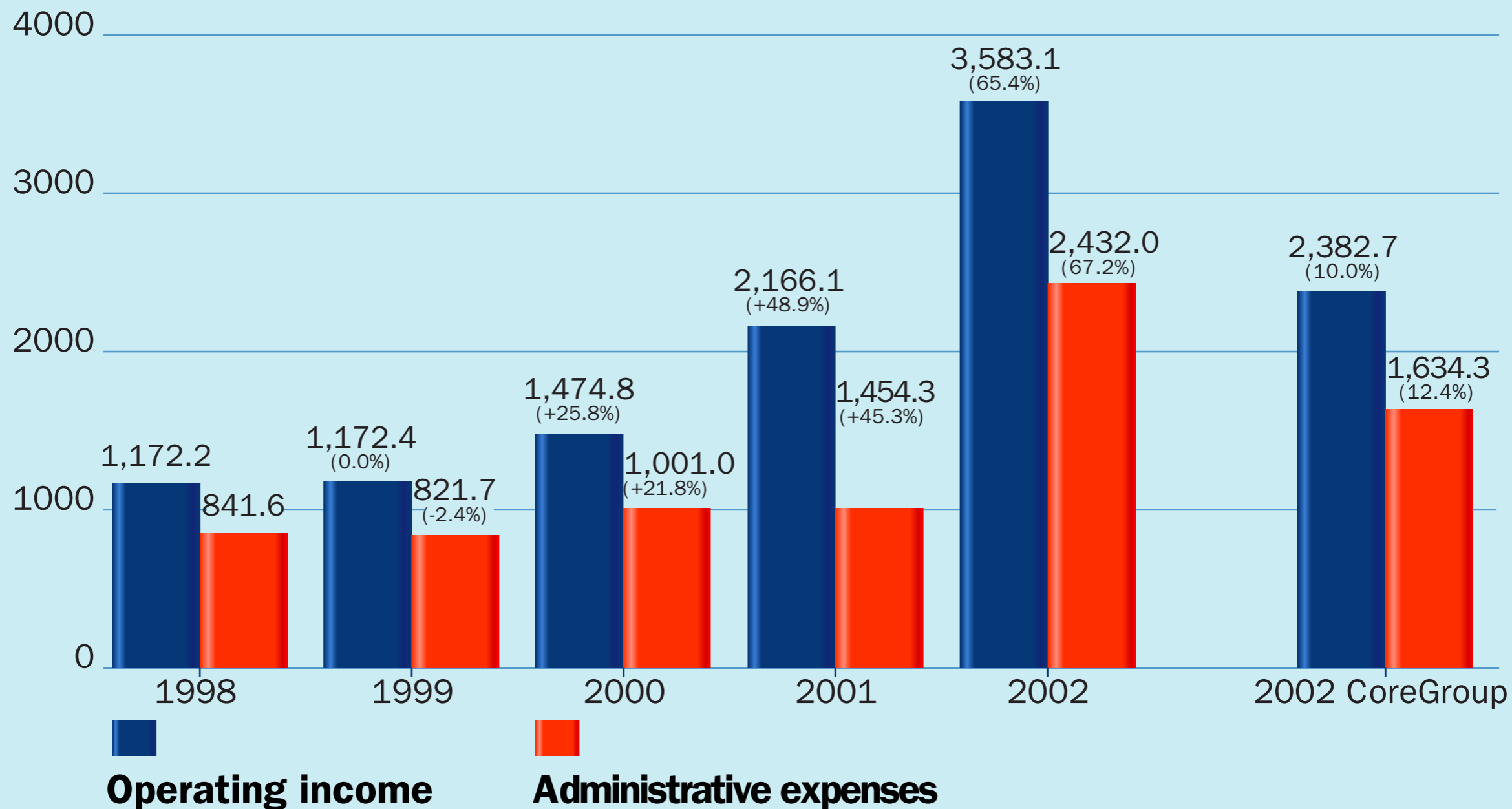
Liabilities and equity	2002	2001	+/- %	2002	+/- %
1. Amounts owed to credit institutions	26,425	28,642	(7.7)	27,918	(2.5)
2. Amounts owed to customers	61,308	37,175	64.9	39,337	5.8
3. Debts evidenced by certificates	14,191	9,751	45.5	12,387	27.0
4. Provisions	5,488	953	>100.0	4,905	>100.0
5. Other liabilities	5,220	3,393	53.8	4,547	34.0
6. Subordinated capital	3,387	2,956	14.6	2,758	(6.7)
7. Minority interests	2,723	1,259	>100.0	968	(23.1)
8. Shareholders' equity	2,481	1,904	30.3	2,744	44.1
Total liabilities and equity	121,222	86,033	40.9	95,564	11.1

Group Income Statement

in EUR m	2002	2001	+/- %	Core Group 2002	+/- %
I. Net interest income	2,463.0	1,438.9	71.2	1,570.7	9.2
Risk provisions for loans and advances	(406.4)	(203.6)	99.6	(211.1)	3.7
Net commission income	944.3	574.6	64.3	674.5	17.4
Net trading result	167.4	152.6	9.7	137.5	(9.9)
General administrative expenses	(2,432.0)	(1,454.3)	67.2	(1,634.3)	12.4
Income from insurance business	8.4	-	-	-	-
Other operating result	(80.2)	(102.5)	(21.7)	(68.4)	(33.3)
II. Pre-tax profit for the year	664.6	405.7	63.8	468.9	15.6
Taxes on income	(151.4)	(81.3)	86.2	(92.3)	13.5
III. Profit for the year	513.2	324.4	58.2	376.6	16.1
Minority interests	(258.0)	(101.1)	>100.0	(130.7)	29.2
IV. Net profit after minority interests	255.2	223.3	14.3	245.9	10.1

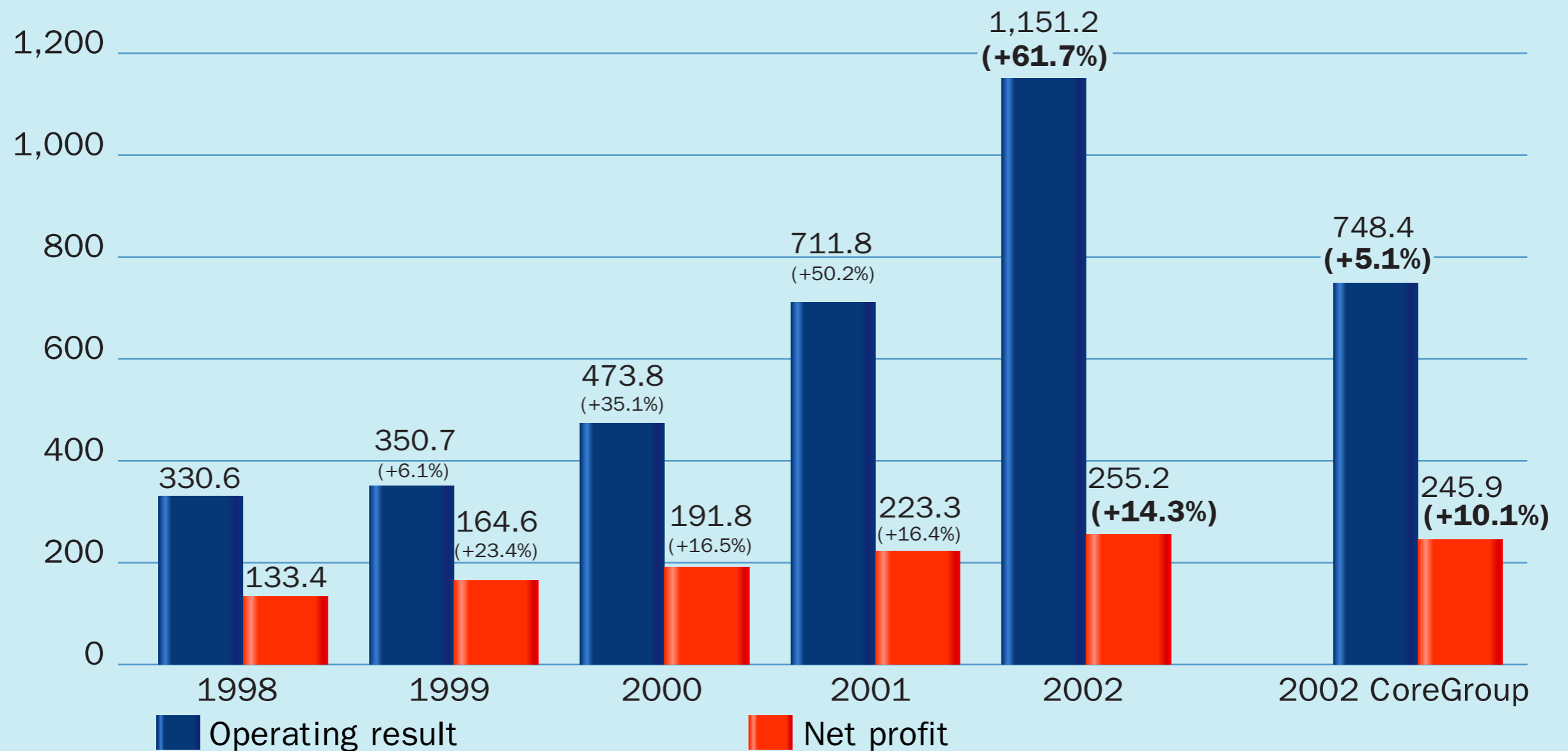
Operating Income and Administrative Expenses

(in EUR m)



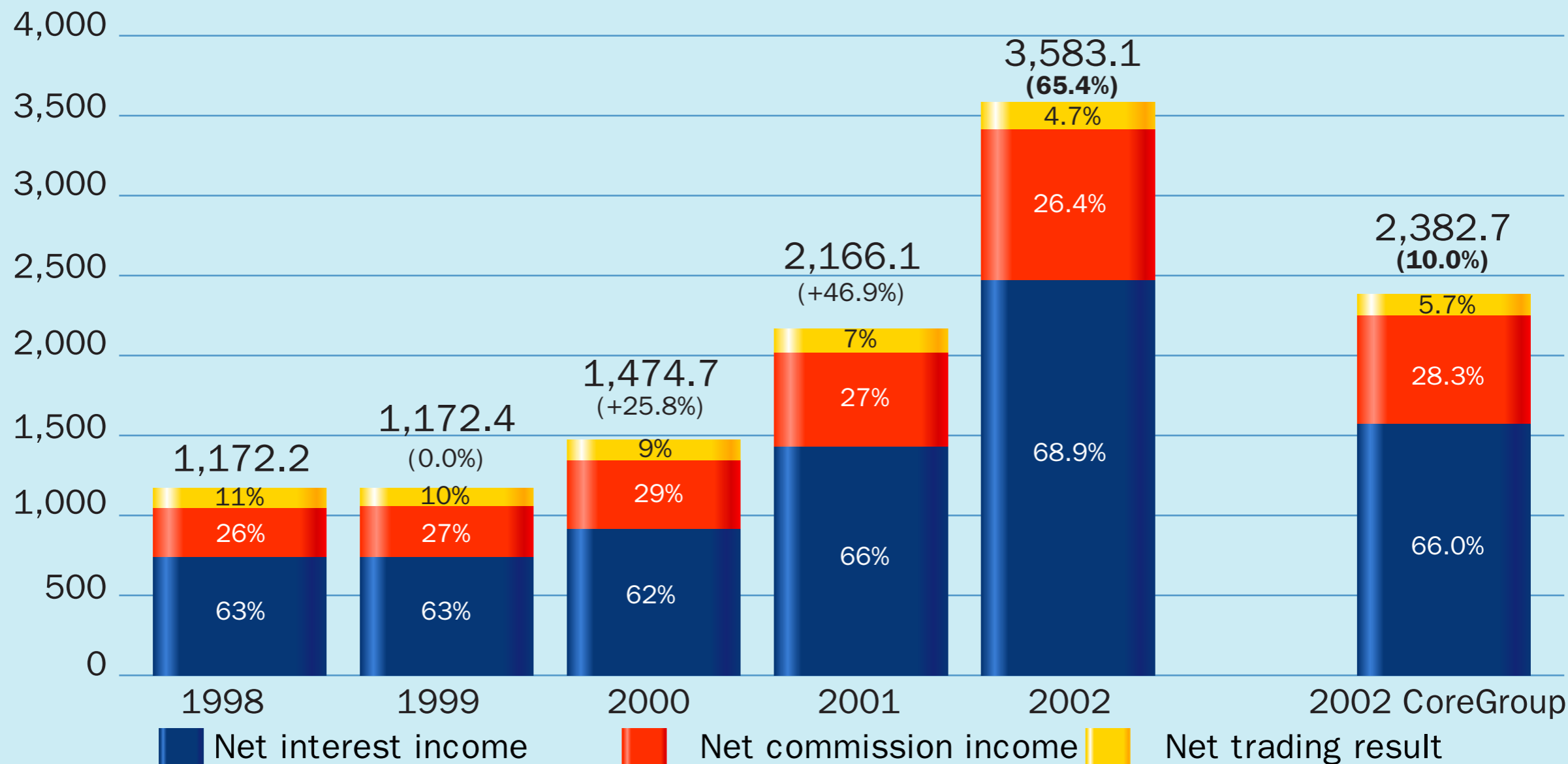
Operating Result vs. Net Profit

(in EUR m)



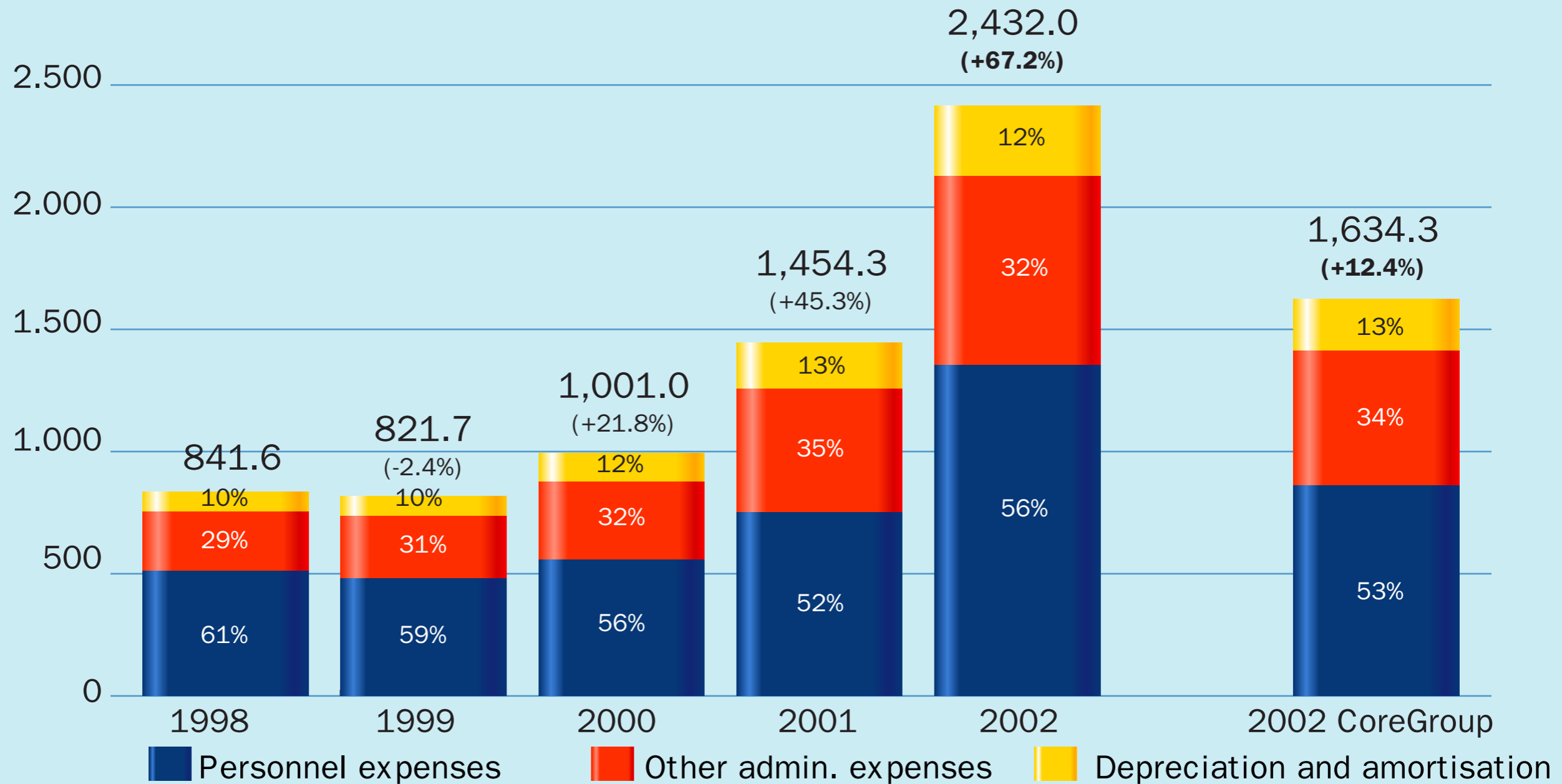
Trend in Operating Income

(in EUR m)



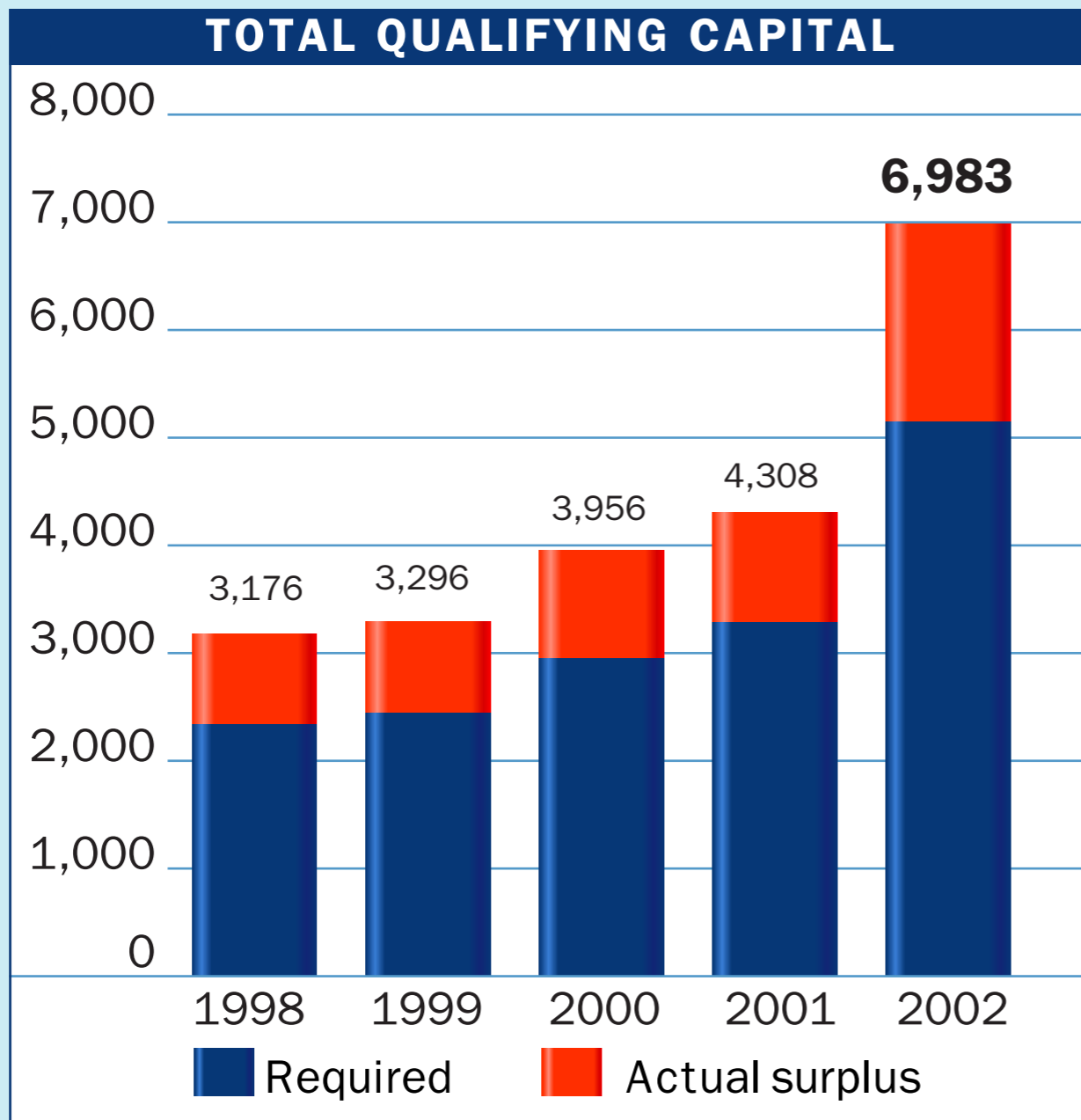
Trend in General Administrative Expenses

(in EUR m)



Development of Qualifying Capital

Development of qualifying capital under the Austrian Banking Act
(in EUR m)



TIER 1 ratio

Year	Tier 1 Ratio
2001	6.2%
2002	6.3%

Solvency ratio

Year	Solvency Ratio
2001	10.7%
2002	11.0%

Full Year Results 2002 (IAS)

ČESKÁ
SPORITELNA

SLOVENSKÁ
SPORITELNA

ERSTE
HUNGARY RT.

ERSTE
STEIERMÄRKISCHE

RIJEČKA
BANKA d.d.

	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001
Net profit (in EUR m)	184.3	56.3	29.5	26.8	7.4	4.2	12.0	10.1	16.4	(87,6)
Return on equity in %	21.4	7.6	10.1	10.1	10.6	8.4	17.0	15.7	20.0	n.a.
Cost/income ratio in %	62.6	68.6	66.8	78.5	75.9	83.5	52.3	51.1	60.8	53.6
Employees	12,994	13,341	5,248	5,856	1,046	1,025	529	432	942	992
Total Assets * (in EUR m)	16,504	15,381	4,918	4,623	1,818	1,112	987	668	1,126	1,439

* Exchange rate: EUR/CZK 30.8459; EUR/SKK 42.55; EUR/HUF 242.89; EUR/HRK 7.41

Eventful Year 2002

Austria

- Capital increase 2002: 9.2 million new shares
- Transfer of branches Hainburg-Bruck-Neusiedel
- Stake in Tiroler Sparkasse increased to 74%
- Employee stock ownership expanded
- Erste Bank again certified as a "Family-Friendly Company"
- Market leader in life insurance

Eventful Year 2002 (contd.)

Česká spořitelna

- Purchase offer to retail investors: Erste Bank holds 97%
- Since October 2002 Erste Bank listed on the Prague stock exchange
- Customer satisfaction improved: clear market leader with more than 5m clients
- Market leader in credit card business (over 2.5m cards)
- More than 500,000 clients use e-banking
- Aquisition of Bausparkasse from Bayrische Landesbank

Slovenská sporiteľňa

- Transformation completed
- Successful customer campaign: over 2.2m clients
- Clear market leader in customer deposits, credit card business and
- Mortgage loans (market shares of 40% respectively)

Eventful Year 2002 (contd.)

Croatia:

- Aquisition of Rijecka banka from Bayrische Landesbank
- Merger with Erste & Steiermaerkische Banka
to form 3rd largest financial institution in Croatia

Erste Bank Hungary:

- Market share with private customers doubled to 5%
- Range of new products: bonds, mortgage loans
- Best investment bank in Hungary (17% market share)

Number of Clients increased to 10m since 1997

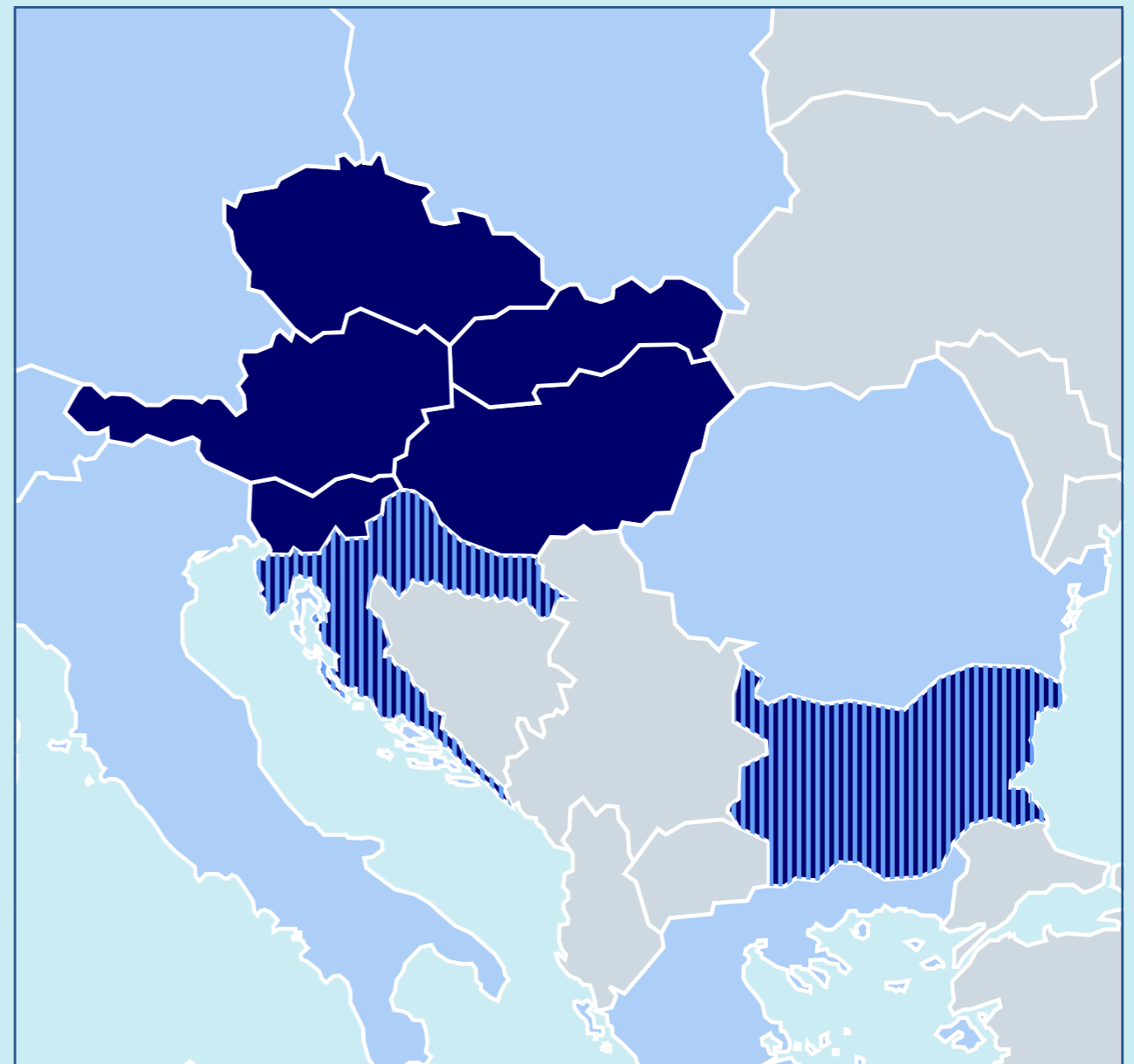
- **Strategy successfully implemented in CE**
- **Retail banking is a regional business**
- **Trade volume within home market increased from EUR 1,000bn to EUR 16,000bn between 1988 and 2003**
- **EU-enlargement supports further growth**



Position of Erste Bank in Central Europe

EU-enlargement – Foundation of Erste Bank's strategy

- About 20% of Erste Bank Group's customers are EU citizens. After enlargement in 2004 this share will be 95%.
- The dedicated strategy was implemented successfully: Contribution of CE subsidiaries already amounts to 70% of group net profit.
- Next wave of EU enlargement scheduled for 2007
 - Inclusion of Croatia possible
 - Bulgaria already named as one accession candidate



Possible Acquisition of the Bulgarian Savings Bank

DSK

DSK (Durzjavna Spestovna Kasa) founded in 1951 as a state savings bank

Until April 2003 the last state owned bank

Second largest Bulgarian bank holding a market share of 14%

Market leader in retail banking (25-70% market share)

"Pure savings bank" - almost no large corporate customers business

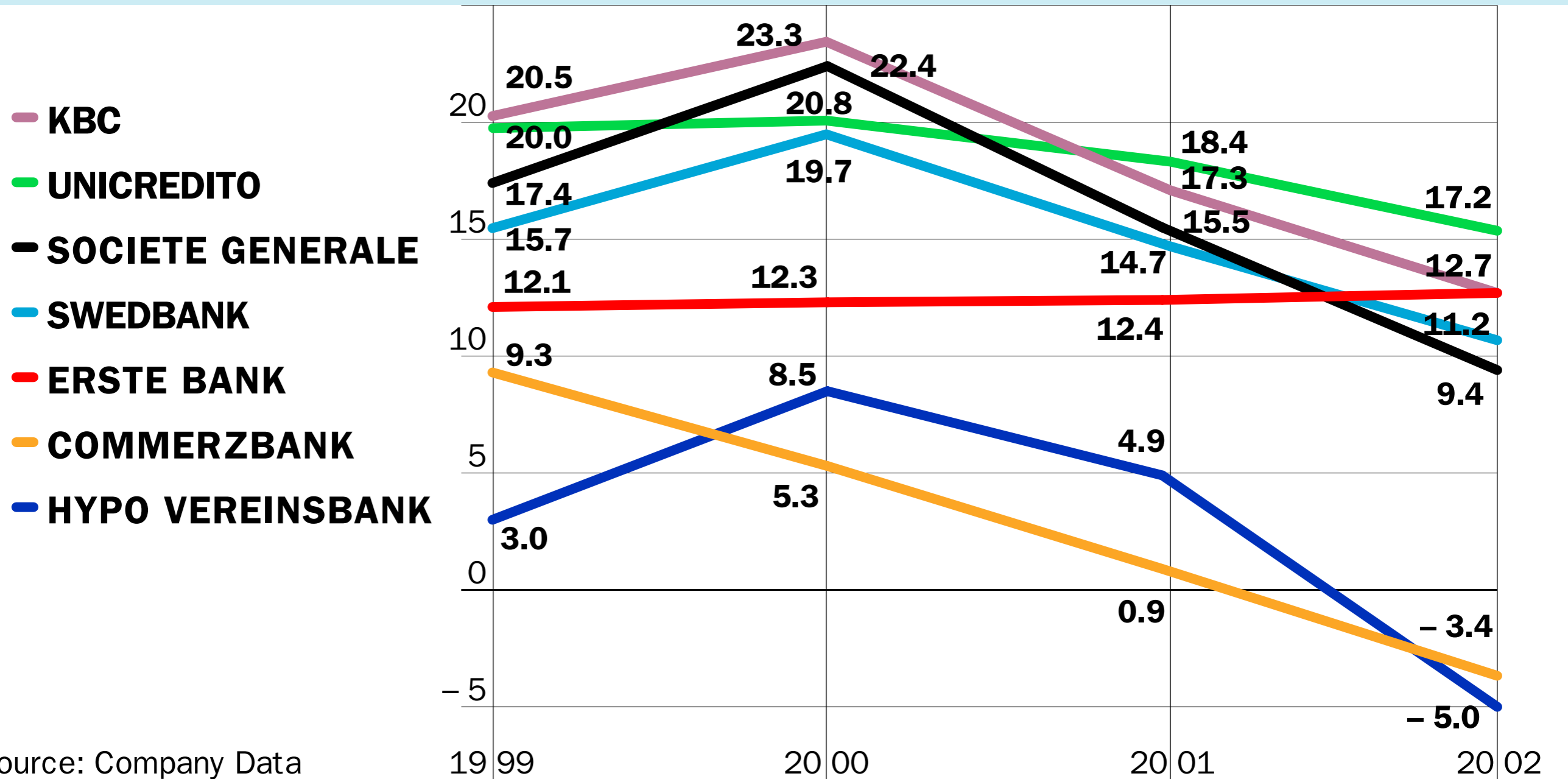
About 3 million clients

294 branches and approx. 4,900 employees

Erste Bank plans to acquire 100% of shares for EUR 293m (=2,2xbook value)






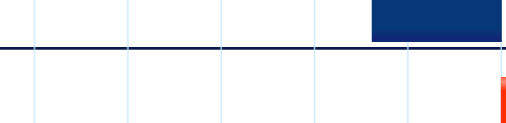
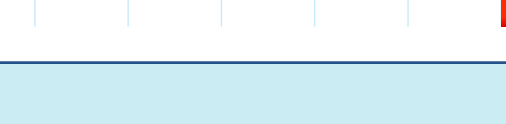
Comparison of Return on Equity

in %

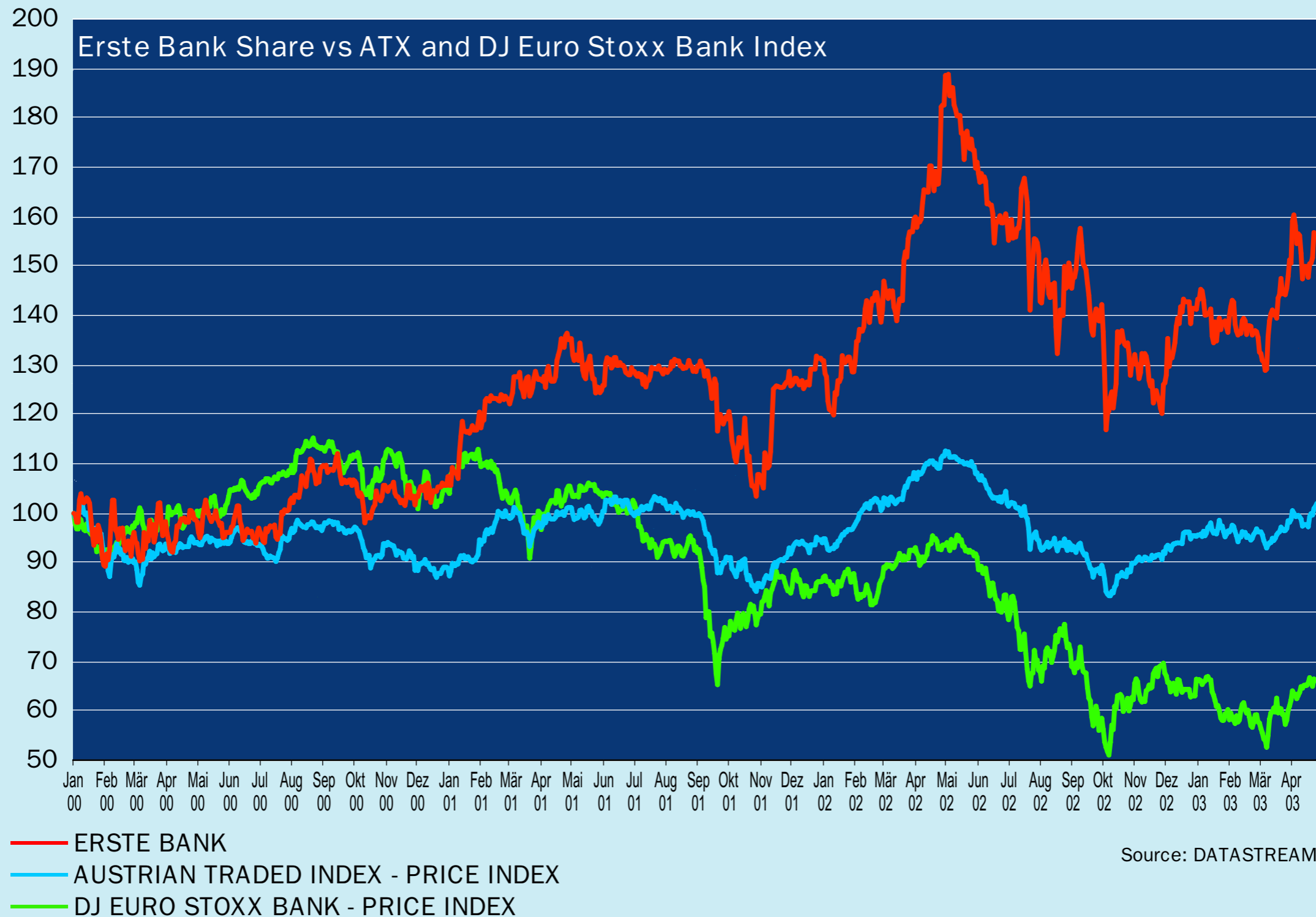


Source: Company Data

Market Capitalisation

	31.12.2000	Current	Share Price		since 12/00
SocGen	30,045,750,000	23,573,472,656	54.80		-21.5%
Unicredito	35,557,318,200	24,664,583,984	3.92		-30.6%
HVB	32,347,570,000	6,782,556,300	13.05		-79.0%
KBC	14,348,256,000	9,581,051,758	31.70		-33.2%
Commerzbank	17,892,831,000	5,080,479,590	9.37		-71.6%
Swedbank	8,871,683,191	6,422,844,238	12.17		-27.6%
Erste Bank	2,129,318,352	4,358,259,555	72.85		+ 104.7%

Erste Bank Share



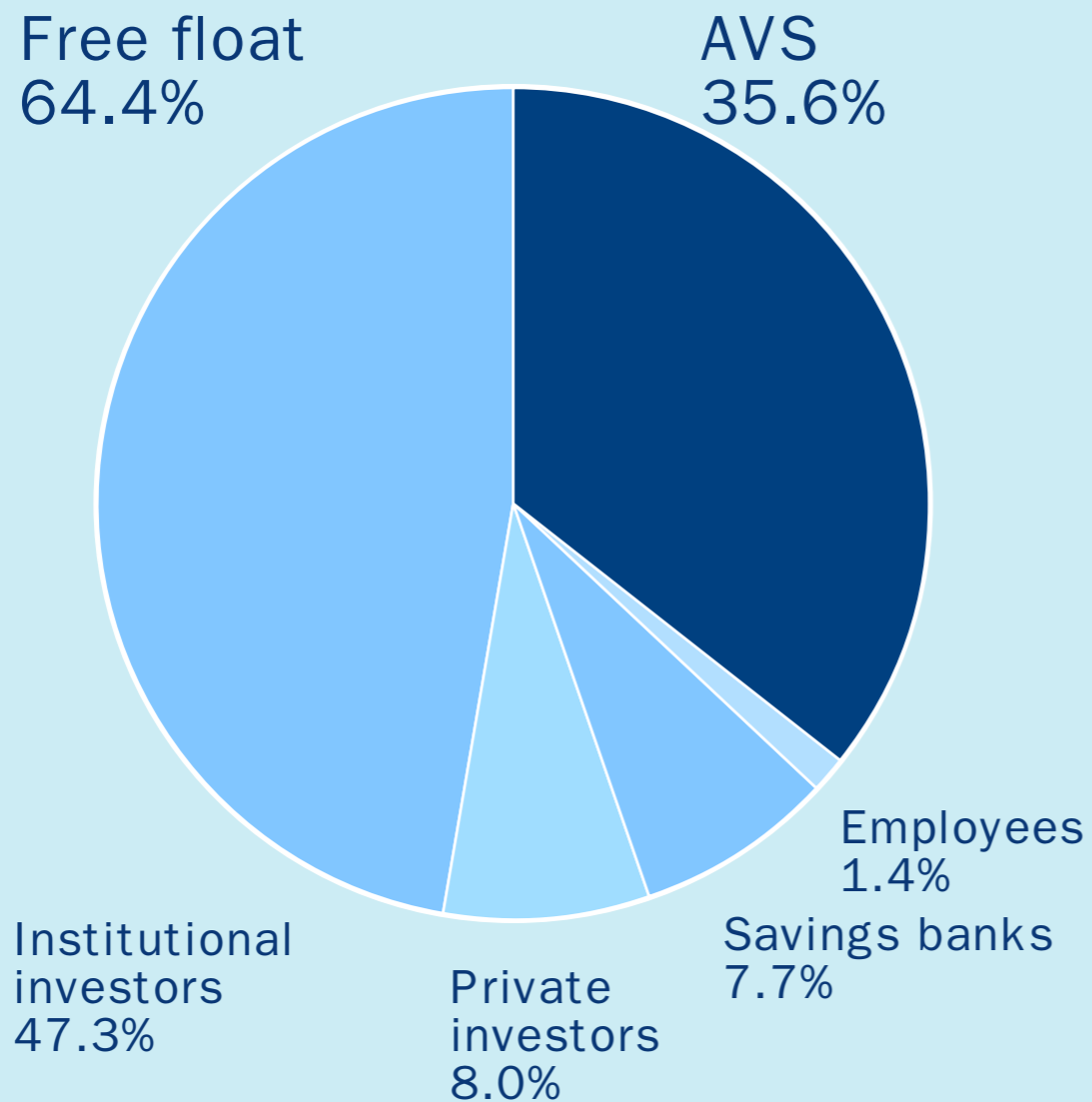
Source: DATASTREAM



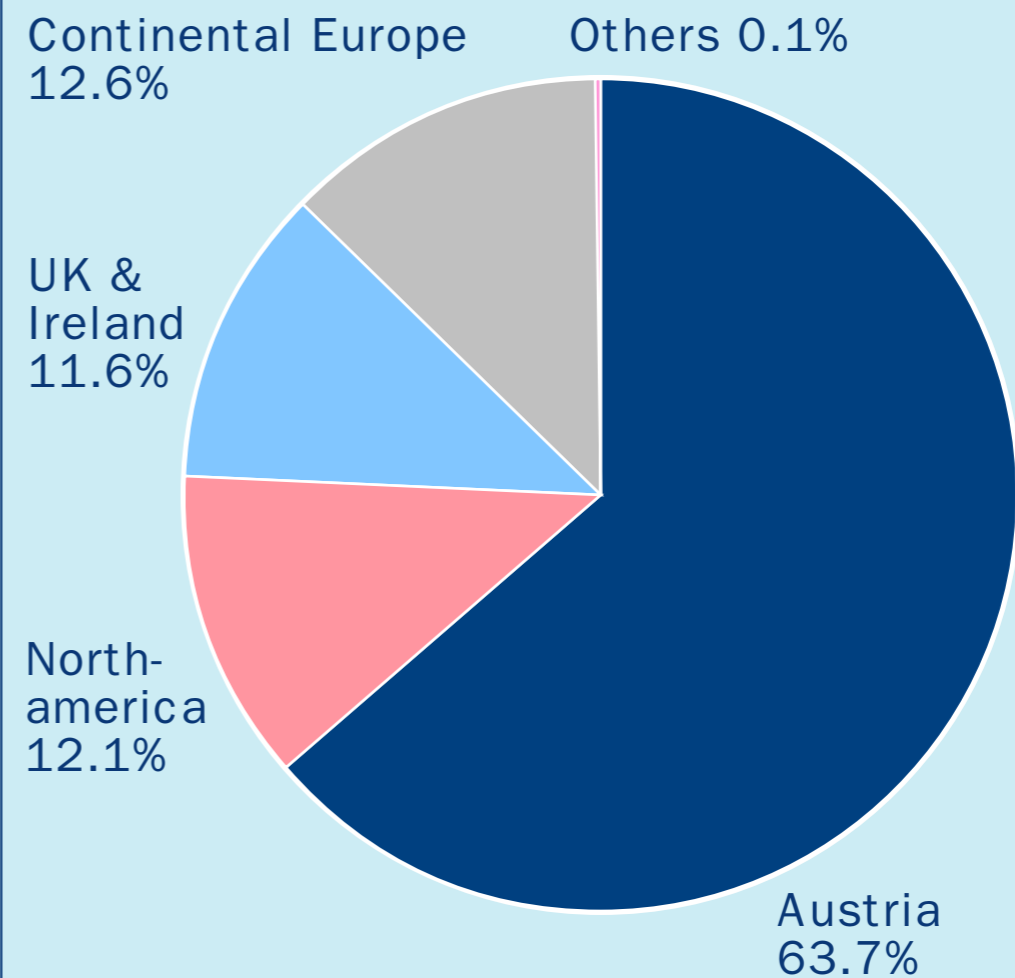
Current Shareholder Structure

Total number of shares: 59,825,114

By Investor Typ



By Region



Outlook

2003:

- Double digit growth of net profit

2005:

- Net profit of about EUR 500m
- Return on equity app. 15%

Development of Erste Bank's Market Value

