

**Balance sheet
press conference
Half Year 2007**

Erste Bank - Organisational structure

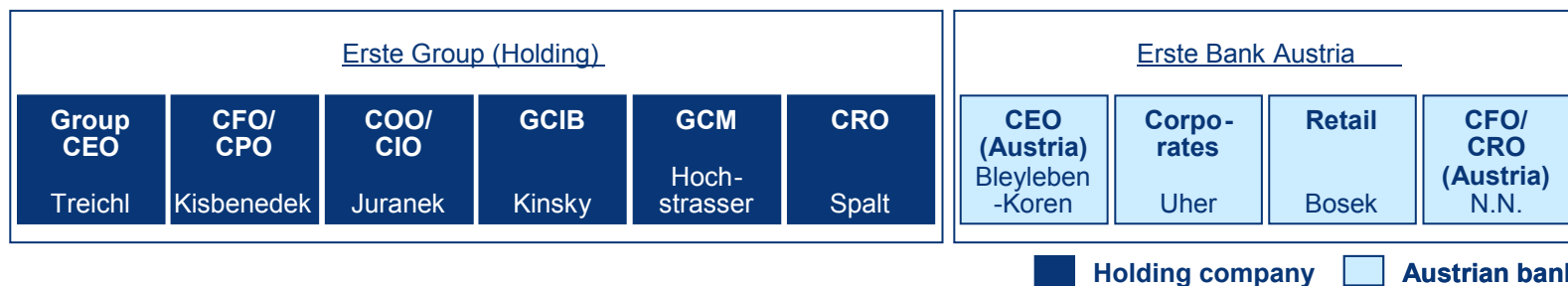
By mid-2008:

- Two operating units (holding company and Erste Bank Österreich) in ONE legal unit “Erste Bank der oesterreichischen Sparkassen AG”

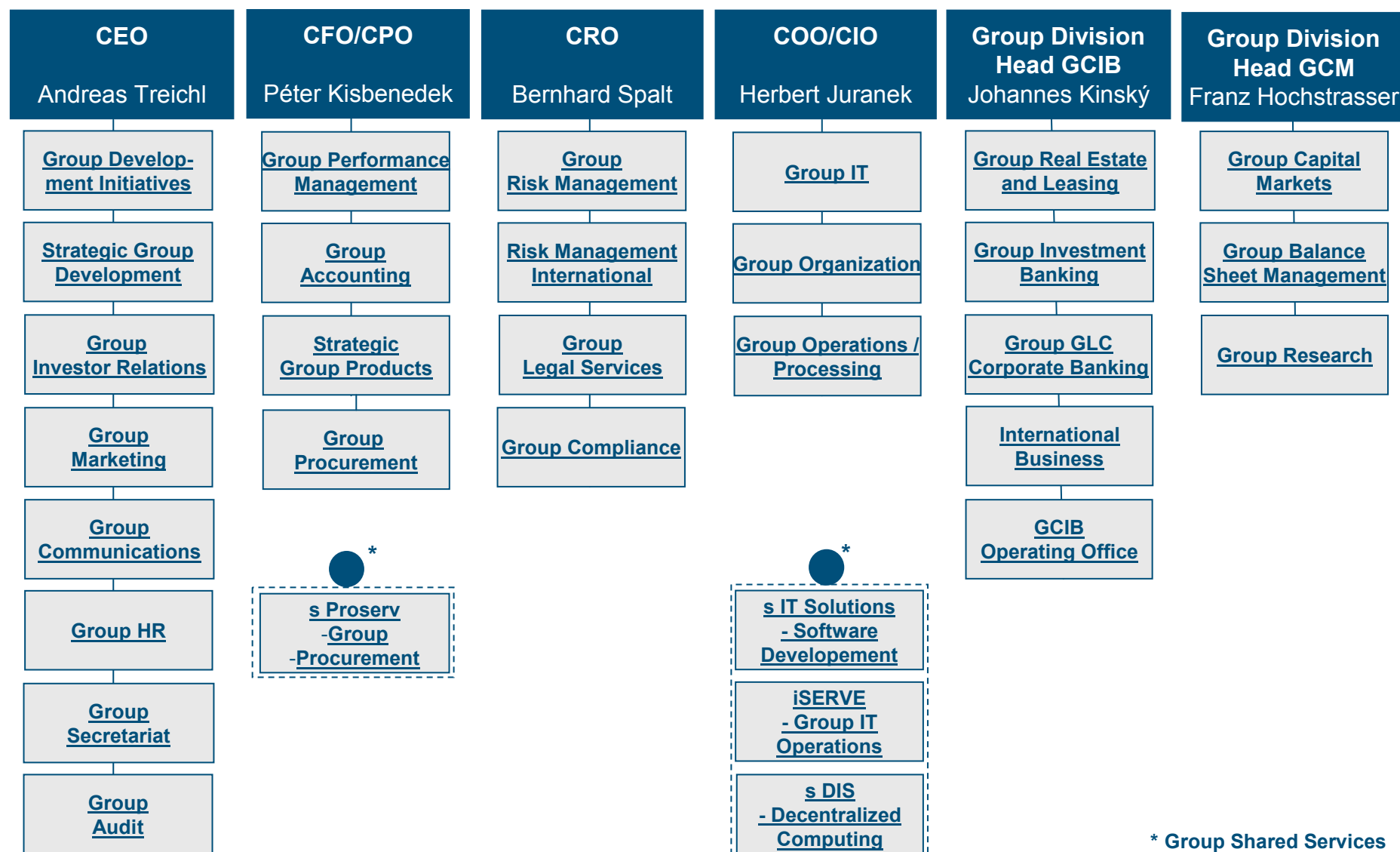


Starting mid-2008:

- Legal division into two independent banks



Holding (Erste Group): company organisation structure

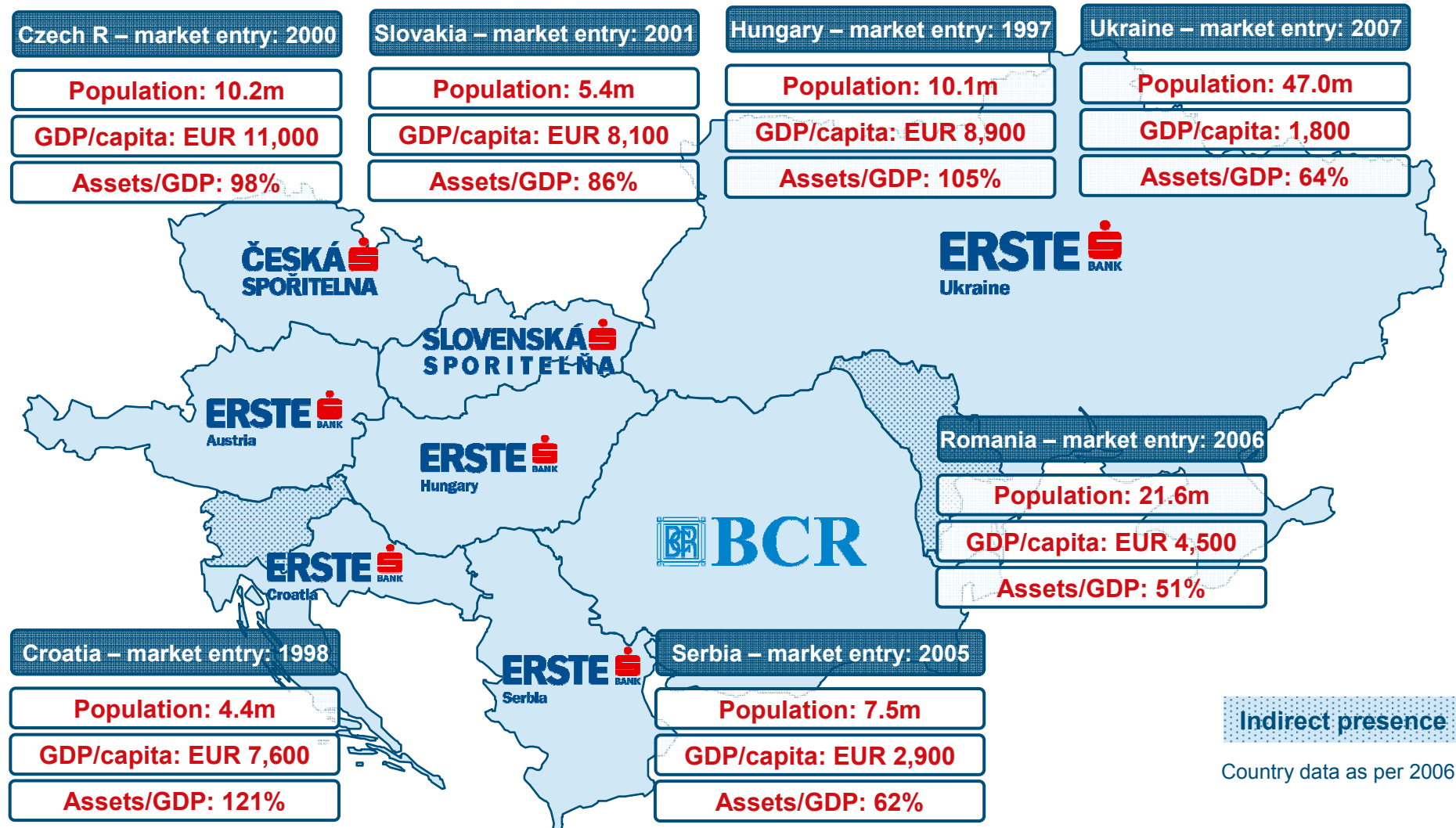


* Group Shared Services

Erste Bank Austria: company organisation structure



Emergence of a regional player



Update on BCR

Half Year 2007 financial highlights ^{*)}

» **Net profit of BCR Group strongly improved by 21.6% on H1 06**

» **Net Interest Income improves substantially by 12.2%**

- » Overall NIM for BCR improved to 5.3% (Q1 07 – 5.2%)
- » Loans to customers continued to grow strong strongly – up 14.3% ytd
 - Driven by retail loan growth of 22.9% ytd and slightly lower growth of corporate loans (13.5% ytd)
- » First signs of slightly improved retail deposit margins
- » Customer numbers continued to grow

» **Commission income growth accelerated to 36.3%**

- » Driven by stronger growth of lending fees in Q2 07 – mainly from retail business
- » Payment transaction started to improve mainly in Q2 07

» **Operating expenses up 19.5%**

- » Including EUR 11.4m of restructuring & transformation costs (adjusted increase app 13.7%)

*) Comparison relates to consolidated local BCR H1 06 IFRS results. Changes are adjusted for currency effects.

Update on BCR – integration milestones

Integration and development programme – 35 projects in progress

» Main emphasis on retail business

- » New business structure for retail, SME and corporate successfully implemented in July 07
- » Opening of dedicated mortgage centers starting in Bucharest in August 07
- » Upgrading of functionalities of alternative channels in Q3 07

» Branch openings progress as planned

- » Branch number at BCR reached 506 outlets - additional 87 to be opened until YE 07
- » Target to operate about 670 branches by end 2009

» Launching of 2 new subsidiaries in Q3 07

- » Building society and mandatory private pension fund subsidiaries will increase product offering of BCR Group

» New current account product launched beginning of July 07

- » First positive impacts on margins and volumes visible

» Clear focus on improvement of service quality

- » Extensive training of branch sales staff to improve sales skills as well as product know how

» Roll out of centralisation of back offices and support functions until Oct 07

Update on BCR – Outlook 2007

Erste Bank confirms full year 2007 outlook

- » **Loan growth fully in line with business plan expectations**
- » **Operating performance expected to accelerate in H2 2007**
 - » Tangible benefits from integration projects implemented in H1 2007
 - » Leveraging BCR's strong position in the corporate business
- » **Restructuring and transformation costs**
 - » H1 07 restructuring costs of EUR 11.4m
- » **Net profit of BCR expected to grow by around 40%**
 - » In line with growth targets to 2009
 - » Adjusted for restructuring costs

Update on EB Ukraine – Half Year Highlights 2007

Development programme covering 12 specific projects in progress

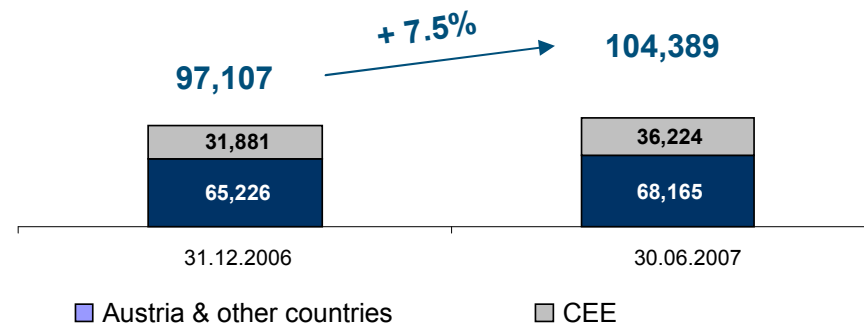
- » **EB Ukraine showed strong operating growth since beginning 2006**
- » **35 branches have been opened so far**
 - » Year-end number expected to reach 75 – 80 outlets
 - » Branch network to be expanded to around 400 branches by 2010
- » **Headcount expected to increase to about 1,000 at YE from present 670 employees**
- » **Retail market shares has reached 0.8% - outgrowing the market growth rates**
- » **Product offering will be enhanced in H2 07**
 - » Start of credit and debit cards
 - » Installation of about 100 ATMs until YE 07
- » **Outlook for breakeven in 2009 remains unchanged**

Strong lending growth (by region)

Growth in Central Europe

- Rising demand for personal and residential loans leads to strong loan growth in Central Europe
- Moderate growth in Austria based on retail and residential volume increases

Customer loans by region (in EUR m)

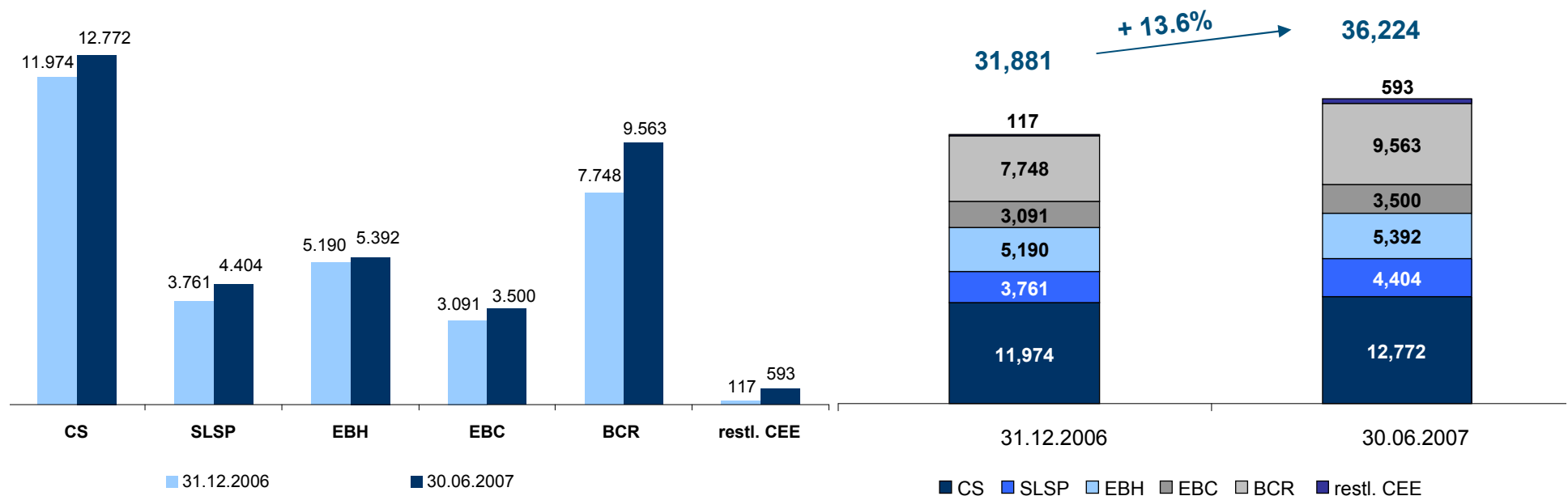


*) based on local figures

Strong lending growth (by region)

Growth in Central Europe

Customer loans in Central Europe (in EUR m)

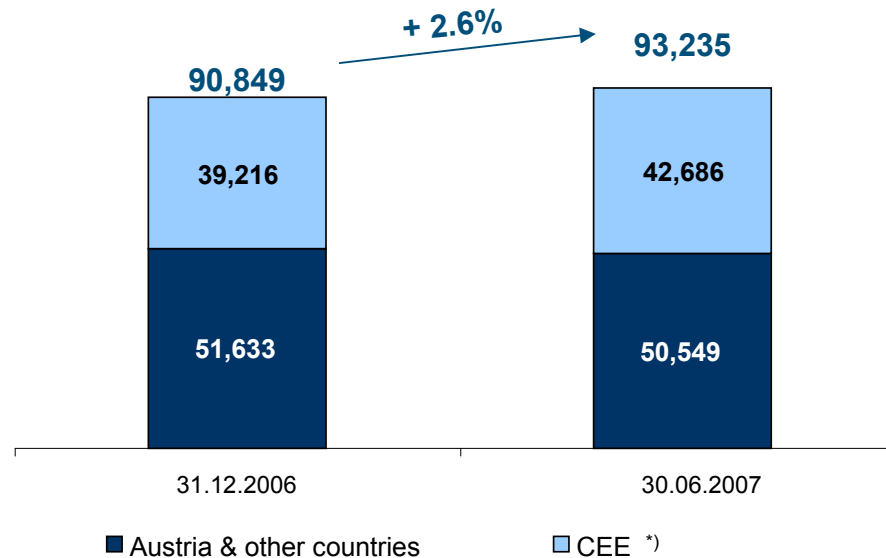


*) based on local figures

Strong growth in deposits (by region)

Growth in Central Europe

Customer deposits by region
(in EUR m)

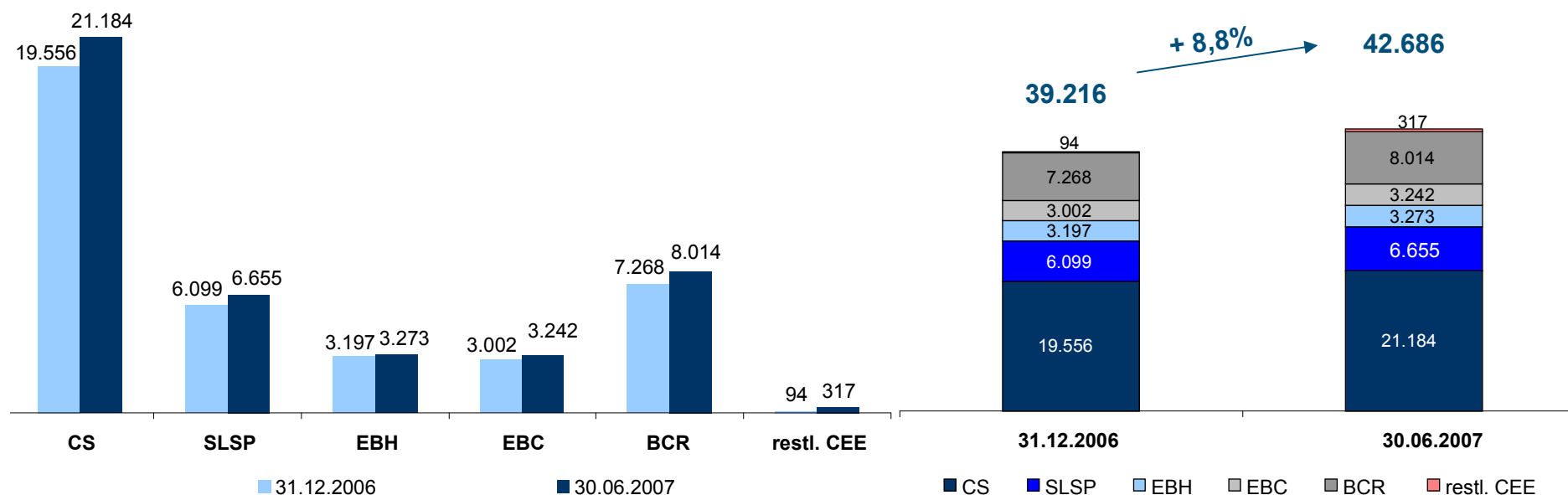


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Strong growth in deposits (by region)

Growth in Central Europe

Customer deposits in Central Europe (in EUR m)

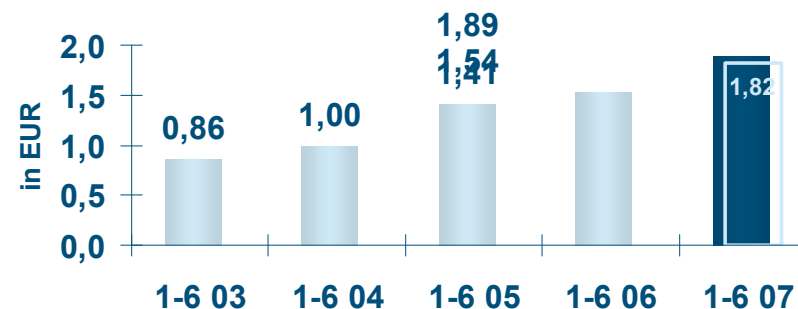


*) Based on local figures

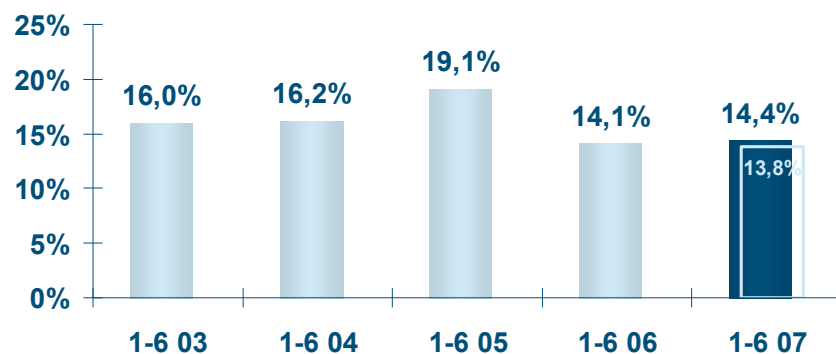
Financial highlights: 1-06 07

- » Consolidated net profit increased by 25.1% to EUR 566.0 million (2006: EUR 452.7m)
- » Total assets increased 8.6% to EUR 197.4 billion
- » Core capital ratio: 6.4% (2006: 6.6%)
- » Cash earnings per share reached EUR 1.89
- » Cash return on equity: 14.4%

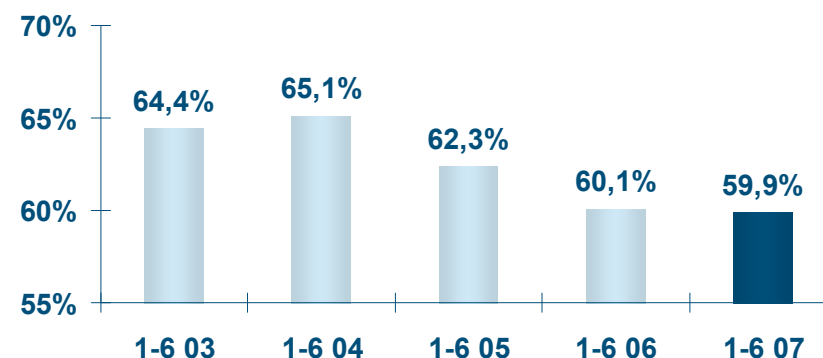
Cash earnings per share *



Cash return on equity *



Cost/income ratio



*) The light-blue bars for Q1 07 denote reported EPS and ROE respectively. Decline in reported and cash ROE reflects the capital increase in January 2006. EPS calculation based on average number of shares for the period (excluding treasury shares and shares owned by savings banks with EB participations).

Key figures at a glance

	Change to HY 2006	HY 2007
➤ Net interest income	+ 25.4%	to EUR 1,857.5 million
➤ Net commission income	+ 26.8%	to EUR 884.9 million
➤ Operating income	+ 28.4%	to EUR 2,991.5 million
➤ General and administrative expenses	+ 28.0%	to EUR 1,791.8 million
➤ Operating results	+ 28.8%	to EUR 1,199.7 million
➤ Consolidated pre-tax profit	+ 26.8%	to EUR 902.9 million
➤ Consolidated net profit after taxes	+ 25.1%	to EUR 566.0 million

Key figures at a glance

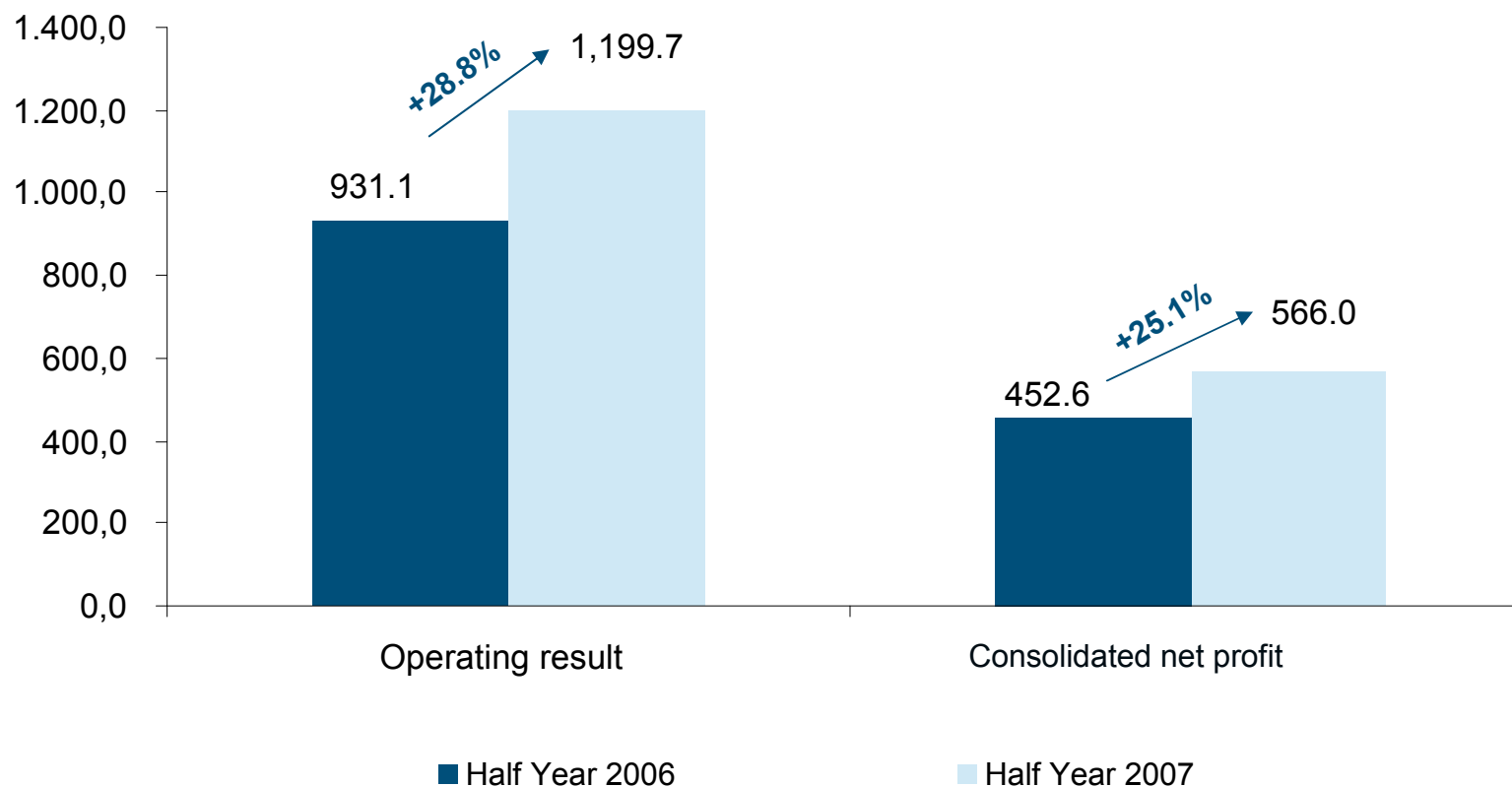
	Change to 31.12.2006	HY 2007
➤ Total assets	+ 8.6 %	to EUR 197.4 billion
➤ Customer loans	+7.5 %	to EUR 104.4 billion
➤ Customer deposits	+ 2.6 %	to EUR 93.2 billion
➤ Core capital ratio	6.4 %	6.6 %

Operating results – segmental level detail

in EUR million	1-6 07	1-6 06	Chg.
Austria	536.9	480.3	11.8%
Joint liability scheme	200.6	182.5	9.9%
Retail & residential	156.2	138.9	12.5%
<i>Own branches</i>	56.5	52.9	6.7%
<i>SMEs</i>	17.9	13.1	36.6%
<i>Own Savings Bank</i>	34.6	32.2	7.5%
<i>Residential</i>	21.3	17.7	20.2%
Major customers	78.0	74.6	4.6%
Treasury & Investment Banking	102.1	84.3	21.1%
Central and Eastern Europe	665.9	407.6	63.4%
Czech Republic	264.6	243.2	8.8%
Romania	191.3	0.0	na
Slovakia	89.4	66.1	35.1%
Hungary	77.1	73.4	5.0%
Croatia	51.8	33.6	54.2%
Serbia	-3.6	(8.8)	58.9%
Ukraine	-4.7	0.0	na
International business	72.3	69.3	4,3%
Corporate Center	-75.4	-26.0	na
Total EB Group	1,199.8	931.2	28.8%

Operating result & consolidated net profit

in EUR m



Development in Central Europe

Local net earnings 1-6 2007 (IFRS) *)



in EUR m	97,99%			69,17%		
	1-6 07	1-6 06	Vdg.	1-6 07	1-6 06	Vdg.
Consolidated net profit	185,6	173,1	7,3%	139,7	115,1	21,4%
Return on equity	21,0%	22,0%		21,2%	19,9%	
Cost/income ratio	52,8%	52,8%		54,0%	55,7%	
	Jun 07	Dez 06	Vdg.	Jun 07	Dez 06	Vdg.
Total assets	28.400	25.364	12,0%	16.007	15.136	5,8%
Employees	10.733	10.856	-1,1%	13.068	13.492	-3,1%
Loans volume	12.772	11.460	11,5%	9.563	8.365	14,3%

*) First Half 2007 exchange rates were used in both the income statement and the balance sheet to eliminate currency exchange effects. Proportional consolidation of BCR and Erste Bank Ukraine commenced on October 12, 2006 and January 24, 2007 respectively.

Development in Central Europe

Local net earnings 1-6 2007 (IFRS)*)

**SLOVENSKÁ
SPORITELŇA**

100.00%

ERSTE
Hungary BANK




99.94%

in EUR m	1-6 07	1-6 06	Chg.	1-6 07	1-6 06	Chg.
Consolidated net profit	66.2	52.0	27.3%	38.9	42.8	-9.1%
Return on equity	21.7%	18.9%		16.8%	25.2%	
Cost/income ratio	54.4%	57.4%		59.4%	55.4%	
	Jun 07	Dec 06	Chg.	Jun 07	Dec 06	Chg.
Total assets	8,857	8,857	0.0%	7,771	7,231	7.5%
Employees	4,816	4,797	0.4%	2,906	2,881	0.9%
Loans volume	4,404	3,851	14.4%	5,392	5,308	1.6%

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Development in Central Europe

Local net earnings 1-6 2007 (IFRS)*)

	 Croatia			 Serbia			 Ukraine		
	65.03%			80.49%			100.00%		
in EUR m	1-6 07	1-6 06	Chg.	1-6 07	1-6 06	Chg.	1-6 07	1-6 06	Chg.
Consolidated net profit	37.7	22.6	66.8%	-1.8%	-11.0%	84.0%	-1.0%	-0.1%	>100.0%
Return on equity	18.7%	18.1%		na	na		na	na	
Cost/income ratio	48.0%	53.2%		na	na		84.3%	87.6%	
	Jun 07	Dec 06	Chg.	Jun 07	Dec 06	Chg.	Jun 07	Dez 06	Chg.
Total assets	5,218	4,886	6.8%	398	289	37.7%	332	142	>100.0%
Employees	1,810	1,759	2.9%	909	871	4.4%	670	297	>100.0%
Loans volume	3,500	3,111	12.5%	195	147	33.1%	149	82	81.2%

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**Erste Bank Group
Balance sheet &
income statement
Half Year 2007**

Balance sheet

in EUR million

ASSETS	Jun 07	Dec 06	Chg. in %
Loans and advances to credit institutions	21,405	16,616	28.8%
Loans and advances to customers	104,389	97,107	7.5%
Risk provisions	-3,239	-3,133	3.4%
Trading and financial assets	45,066	42,497	6.0%
Other assets	29,732	28,616	3.9%
Total assets	197,353	181,703	8.6%

Balance sheet

in EUR million

LIABILITIES AND SHAREHOLDERS' EQUITY	Jun 07	Dec 06	Chg. in %
Amounts owed to credit institutions	40,989	37,688	8.8%
Amounts owed to customers	93,235	90,849	2.6%
Debts evidenced by certificates	29,128	21,814	33.5%
Other liabilities	17,149	15,238	12.5%
Subordinated capital	5,484	5,210	5.3%
Total equity	11,368	10,904	4.3%
Shareholders' equity	8,483	7,979	6.3%
Minority interests	2,885	2,925	-1.4%
Total liabilities and equity	197,353	181,703	8.6%

1-06 07 income statement according to IFRS

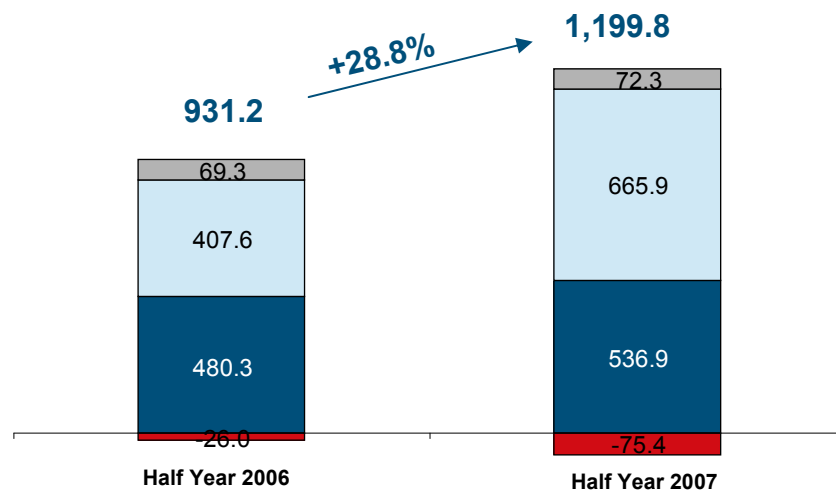
in EUR million	1-6 07	1-6 06	Chg.
Net interest income	1,857.5	1,481.8	25.4%
Risk provisions for loans and advances	-239.3	-218.3	9.6%
Net commission income	884.9	697.7	26.8%
Net trading result	219.6	136.2	61.2%
General and administrative expenses	-1,791.8	-1,399.6	28.0%
Income from insurance business	29.5	15.0	96.7%
Other operating result	-57.5	-0.9	>100.0%
Pre-tax profit	902.9	711.9	26.8%
Taxes on income	-194.1	-160.3	21.1%
Minority interests	-142.8	-99	44.2%
Net profits before minority interests	566.0	452.6	25.1%
Operating income	2,991.5	2,330.7	28.4%
Operating expenses	-1,791.8	-1,399.6	28.0%
Operating results	1,199.7	931.1	28.8%

Divisional results – core segments

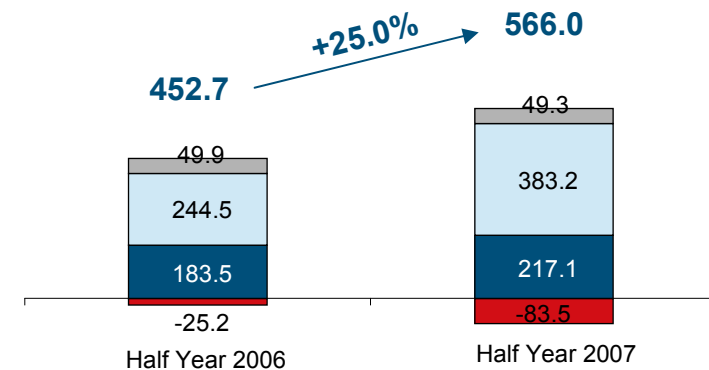
Results increased in all core segments

- Cost/income ratio reduced in almost all segments
- Austria performs strongly
- CEE share increased substantially

Operating results



Net profit after tax and minorities



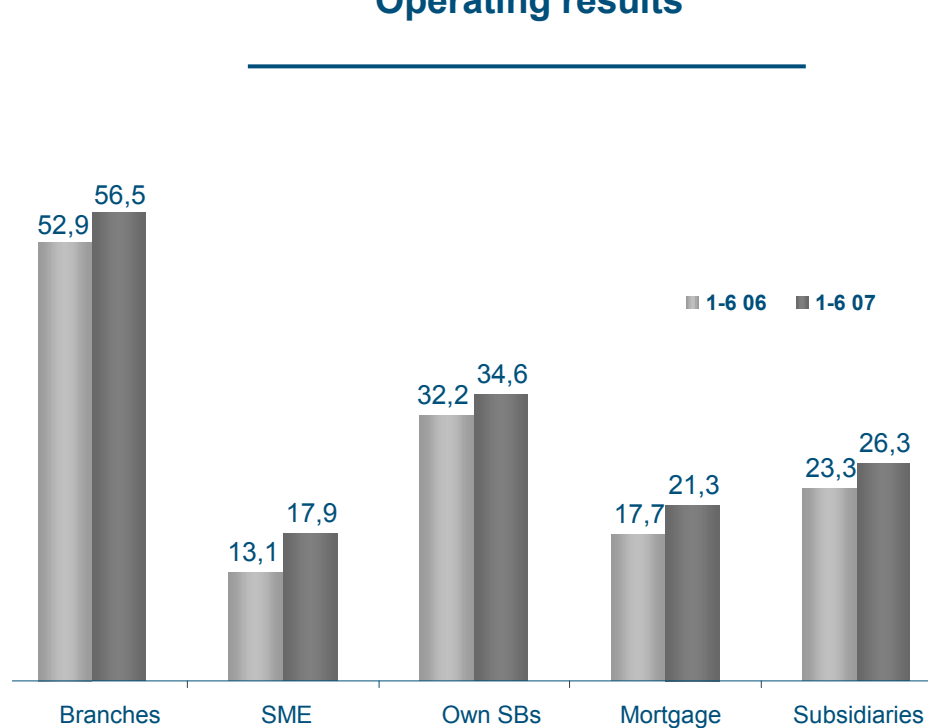
in EUR million

■ Austria ■ CEE subsids. ■ Int. business ■ Corp. Center

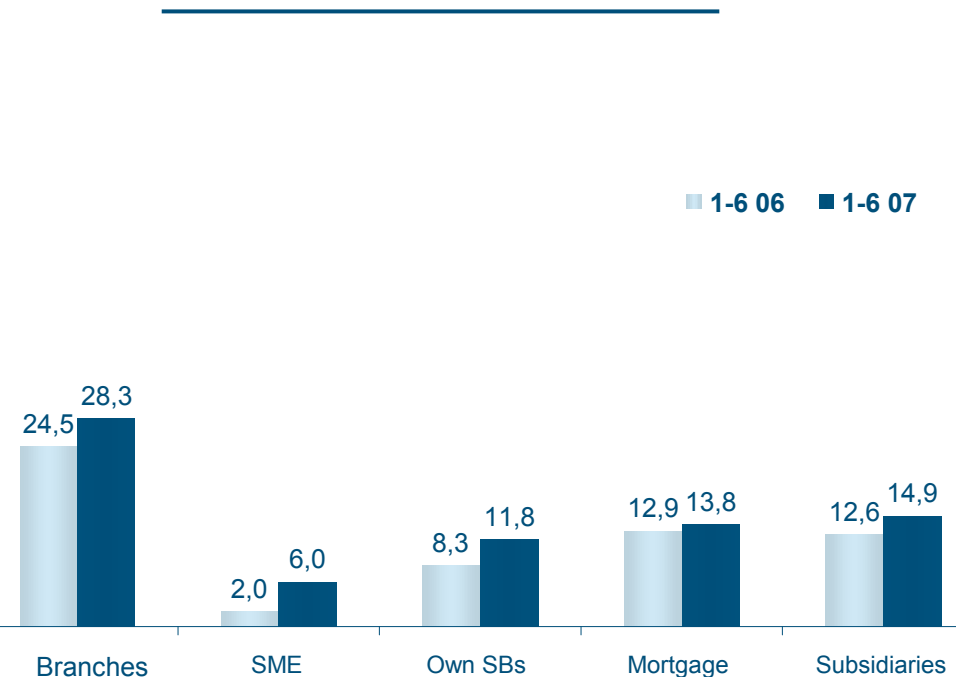
Retail & residential – details

Retail and residential – positive trend continues

Operating results



Net profit



in EUR million

2007 ROE:

22.9%	10.0%	10.0%	20.7%	71.2%
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Segmental reporting

	Austria		CEE		Int. Business		Corp. Center		Total	
in EUR million	1-6 07	1-6 06	1-6 07	1-6 06	1-6 07	1-6 06	1-6 07	1-6 06	1-6 07	1-6 06
Net interest income	807.2	766.5	989.5	627.9	73.6	70.7	-12.8	16.8	1,857.5	1,481.8
Risk provisions	-146.0	-158.8	-88.1	-52.2	-5.2	-7.4	0.0	0.2	-239.3	-218.3
Net commission income	473.5	456.6	410.3	249.5	15.2	15.3	-14.1	-23.8	884.9	697.7
General administrative expenses	-850.5	-832.3	-863.8	-532.5	-16.4	-16.7	-61.1	-18.1	1,791.8	1,399.6
Consolidated net profit	217.1	183.5	383.2	244.5	49.3	49.9	-83.5	-25.2	566.0	452.7
Return on equity	22.3%	19.5%	37.6%	35.8%	22.4%	20.4%	n.a.	n.a.	13.8%	14.1%

Segmental reporting – Austria

	Joint liability scheme		Retail & residential		Major customers		Treasury & IB		Austria	
in EUR million	1-6 07	1-6 06	1-6 07	1-6 06	1-6 07	1-6 06	1-6 07	1-6 06	1-6 07	1-6 06
Net interest income	420.0	399.5	272.6	265.8	83.0	75.0	31.6	26.2	807.2	766.5
Risk provisions	-82.5	-87.2	-48.7	-48.9	-14.8	-22.6	0.0	0.0	-146.0	-158.8
Net commission income	187.9	187.5	186.6	174.9	45.3	45.2	53.7	49.0	473.5	456.6
General administrative expenses	-422.9	-415.8	-320.3	-317.7	-51.5	-47.4	-55.8	-51.5	-850.5	-832.3
Consolidated net profit	8.8	7.6	74.6	60.1	53.1	47.4	80.5	68.4	217.1	183.5
Return on equity	7.8%	5.8%	19.6%	13.8%	15.1%	19.3%	63.0%	53.5%	22.3%	19.5%

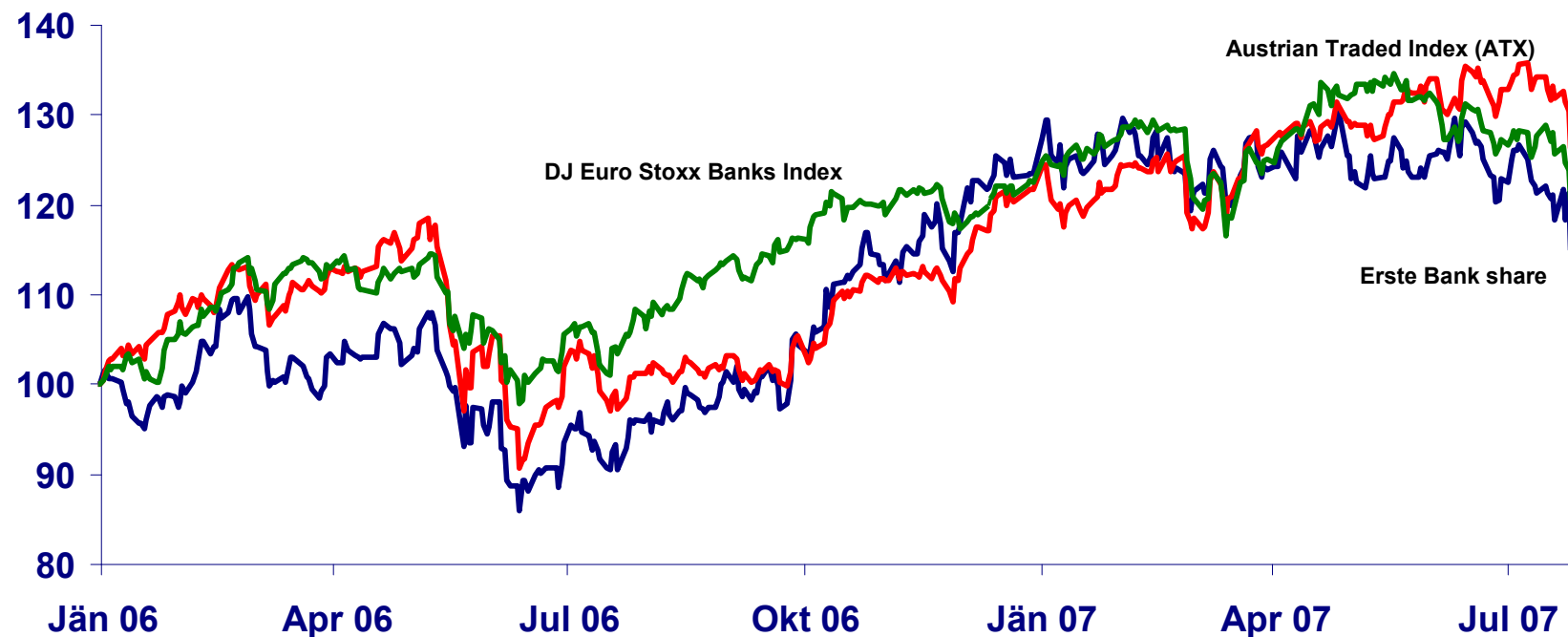
Segmental reporting – Central and Eastern Europe

	Czech Republic		Romania		Slovakia		Hungary	
in EUR million	1-6 07	1-6 06	1-6 07	1-6 06	1-6 07	1-6 06	1-6 07	1-6 06
Net interest income	387.0	344.8	256.1	0.0	145.5	107.9	116.1	117.4
Risk provisions	-32.6	-22.1	-8.3	0.0	-16.3	-7.6	-22.1	-14.1
Net commission income	169.2	161.8	105.4	0.0	46.0	40.4	59.4	31.9
General administrative expenses	-322.2	-294.4	-235.5	0.0	-111.5	-89.1	-118.7	-93.4
Consolidated net profit	165.4	153.1	101.1	0.0	63.5	48.8	35.7	39.5
Return on equity	40.0%	40.7%	45.0%	0.0%	42.9%	44.0%	23.3%	31.3%

Segmental reporting – Central and Eastern Europe

	Croatia		Serbia		Ukraine		CEE	
in EUR million	1-6 07	1-6 06	1-6 07	1-6 06	1-6 07	1-6 06	1-6 07	1-6 06
Net interest income	74.2	54.7	7.0	3.1	3.6	0.0	989.5	627.9
Risk provisions	-5.9	-7.3	-0.3	-1.1	-2.5	0.0	-88.1	-52.2
Net commission income	28.0	13.1	2.2	2.3	0.2	0.0	410.3	249.5
General administrative expenses	-53.8	-41.5	-13.5	-14.2	-8.6	0.0	-863.8	-532.5
Consolidated net profit	25.4	13.2	-2.2	-10.0	-5.8	0.0	383.2	244.5
Return on equity	39.0%	21.4%	n.a.	n.a.	n.a.	0.0%	37.6%	35.8%

Share price development: Erste Bank DJ Euro Stoxx Bank Index und ATX (indexed)



Erste Bank Group – outlook and objectives

Consolidated net profit⁽¹⁾

By 2009:
On average exceeding 20% p.a.

Cost/income ratio

2009: below 55%

Return on equity⁽²⁾

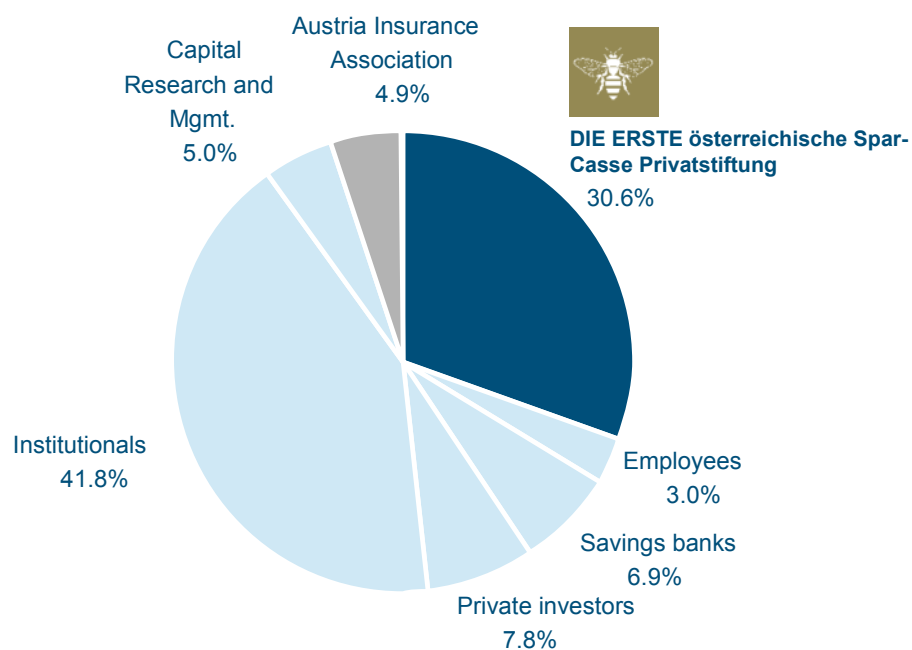
2009: 18-20%

1) Profit after taxes and minority interests

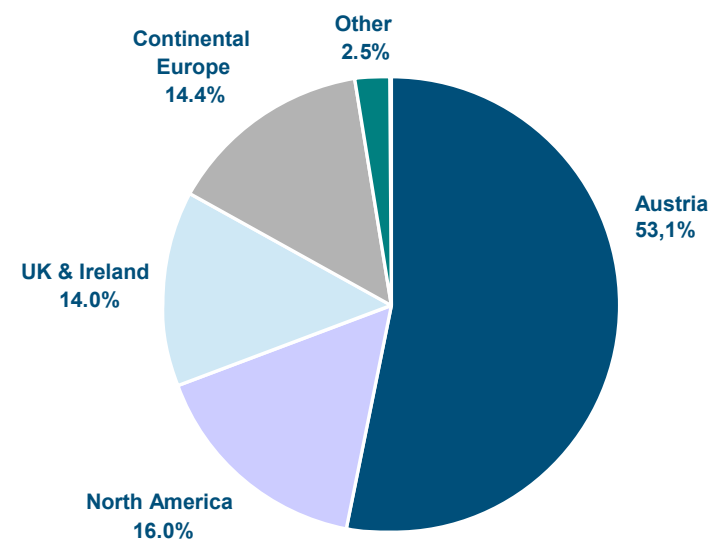
2) Based on a core capital ratio of at least 7%

Shareholder structure

By investor groups



By regions



Free float: 64.5%
Total number of shares: 316,268,125

8 Länder – 16 Mio Kunden – eine Bankengruppe



Serbia



Croatia



Hungary



Ukraine



Austria



Czech Republic



Slovakia



Romania