

Erste Group – H1 08 results presentation

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Strong operating performance continues in Q2 2008

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- **Summary and H1 2008 highlights**
 - H1 2008 key topics
 - Outlook and targets
 - Financials and segment reporting
 - Appendix

NB:

- As a result of the planned sale of the insurance business and of two other investments in Romania, the profit and loss statement (the previous “Income from insurance business” line becomes “profit from discontinued operations”) and the balance sheet (on the asset and liability side, a corresponding new line item has been added), have been adapted in line with IFRS 5.
- Two savings banks joined the Haftungsverbund in December 2007; four additional savings banks joined in January 2008 and are therefore being incorporated in the consolidated financial statement from the respective point in time. Furthermore, Diners Club Adriatic Croatia (DCA) has been part of the consolidated financial statement since 2 April 2007 and ABS Banka, Bosnia, acquired by Steiermärkische Sparkasse, since 3 April 2007; these were therefore not yet included in the 1st quarter of 2007. This results in an – albeit minor – distortion of the rates of change compared with the comparative periods for the previous year.
- The following tables and texts may contain rounding differences.

H1 08 financial highlights – Executive summary

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- **Operating profit growth remains at high levels - up 25.3% in H1 08**
 - Supported by record operating income in Q2 08 (EUR 1,774m) on 9.8% higher CEE contribution
 - **Sustained growth of Romanian economy supports performance of BCR**
 - 2008 and 2009 profit guidance for BCR confirmed
 - **Risk provisions influenced by one-off effects, accounting changes and proactive provisioning policy**
 - Responding conservatively to a more cautious outlook on changing environment
 - Risk costs are expected to be max 70 bps in 2008
 - **Stable ABS/CDO portfolio**
 - Despite turbulent markets in June negative valuation impact on P&L only EUR 10.7m in Q2 08
 - Underlying asset quality means no impairment anticipated for 2008
 - **Stronger capital base and liquidity position**
 - Tier 1 ratio stable at 6.9% - expected to exceed 8% at YE 2008 (inc. sale of insurance business)
 - Strong deposit growth leading to lower funding requirements of less than EUR 5bn in 2008
 - Funding cost improved from original 40bps to below 35bps for FY 2008

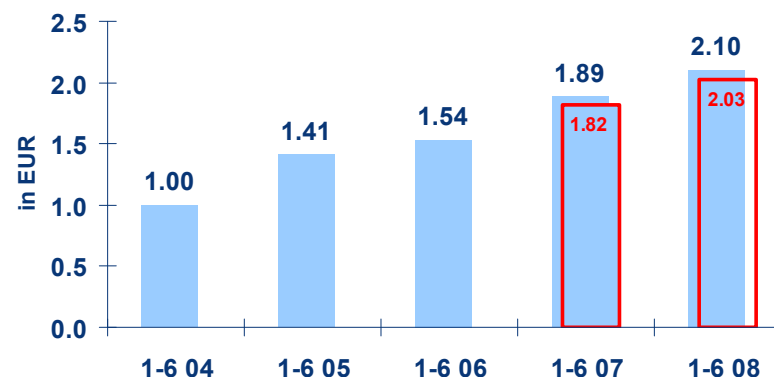
H1 08 financial highlights – Operating performance remains strong



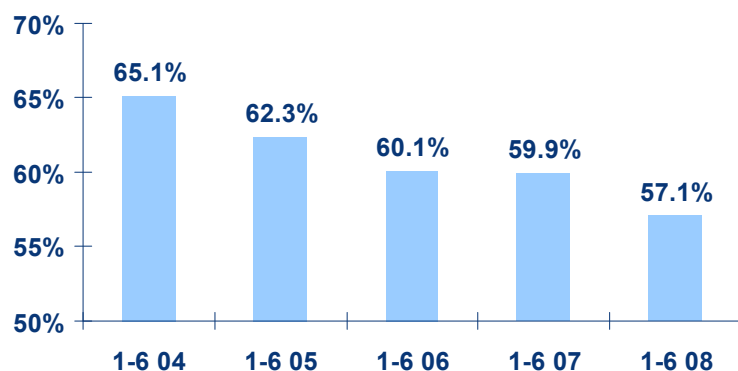
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- **Net profit up 12.5% yoy to EUR 636.6m**
 - Strong operating performance offsetting impact of difficult market environment
- **NIM on interest bearing assets (IBA) at 2.7% up from 2.5% at FY 07**
 - Based on improved margins in CEE (up to 4.5%) and NIM of 1.7% in Austria
- **Total assets up 6.8% ytd to EUR 214.2bn**
- **Tier 1 ratio stable at 6.9% (7.0% at FY 07)**
 - Not accounting for retained earnings for H1 08 or sale of the insurance business

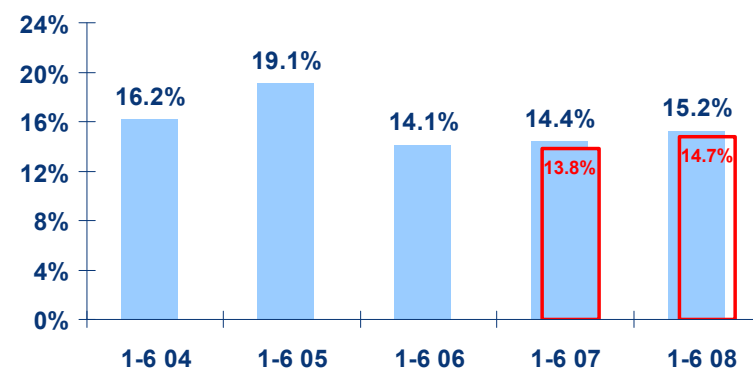
Cash earnings per share *



Cost/income ratio



Cash return on equity *



*) Red bars for H1 08 denote reported EPS and ROE respectively. Decline in reported and cash ROE reflects 2006 capital increase.
EPS calculation based on average number of shares for the period (ex treasury shares and shares owned by savings banks with EB participations).

H1 08 divisional highlights – Sustained strong contribution from CEE



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– Austria

- Savings banks up marginally on weak Q2 08 NII
- R&M mainly down on weaker SBs results; own branches strongly improved qoq and SME recorded resilient operating performance
- New business division (GCIB) contributed positively to the Large Corporates segment
- Treasury results recovered in Q2 08 (up 70% qoq)

– CEE

- Excellent operating performance across the region
- CS: operating performance stable at high levels – adjusted for 10.0% currency appreciation increase was 40%
- BCR: sustained strong operating performance (despite 10% weaker RON); operating result slightly improved (+2% qoq)
- SLSP: continued good performance, cost acceleration in line with plans
- EBH: operating result driven by stronger revenues
- EB Serbia and EB Ukraine performance in line with plans
- Corp.Center: impacted by FX hedging costs and higher cost allocation

Operating result per segment *

in EUR million	1-6 08	1-6 07	Change
Austria	533.4	536.9	(0.7%)
Savings Banks	202.8	200.6	1.1%
Retail & Mortgage	154.4	156.2	(1.2%)
<i>Own branches</i>	65.6	56.5	16.1%
<i>SME</i>	22.2	17.9	24.1%
<i>Own savings banks</i>	31.7	34.6	(8.4%)
<i>Mortgage</i>	22.1	21.3	4.1%
Large Corporates	100.0	78.0	28.2%
Treasury & Investment Banking	76.2	102.1	(25.4%)
Central and Eastern Europe	1,009.1	665.9	51.5%
Czech Republic	411.1	264.6	55.4%
Romania	315.9	191.3	65.1%
Slovakia	110.7	89.4	23.9%
Hungary	100.7	77.1	30.6%
Croatia	75.5	51.8	45.7%
Serbia	2.9	(3.6)	na
Ukraine	(7.6)	(4.7)	(62.6%)
International Business	87.6	72.3	21.2%
Corporate Center	(126.6)	(75.4)	(68.0%)
Total EB Group	1,503.5	1,199.8	25.3%

*) Changes in scope of consolidation: Diners Club Croatia (DCA) - 2 April 2007;
EB Ukraine - 1 February 2007

H1 08 P&L highlights –

Revenues continue to grow quarter on quarter



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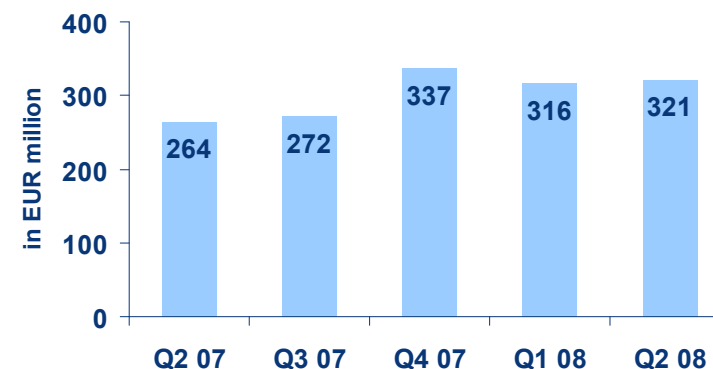
– Operating income improved qoq (+ 2.5%)

- Stable NII (+0.3% qoq) mainly due to decline at savings banks
- Margins remained stable and loans as well as deposits showed solid growth
- Fee income improved by 3.7% qoq in a difficult market driven by strong improvement in CEE
- Trading result continued to improve - up 24% on Q1 08

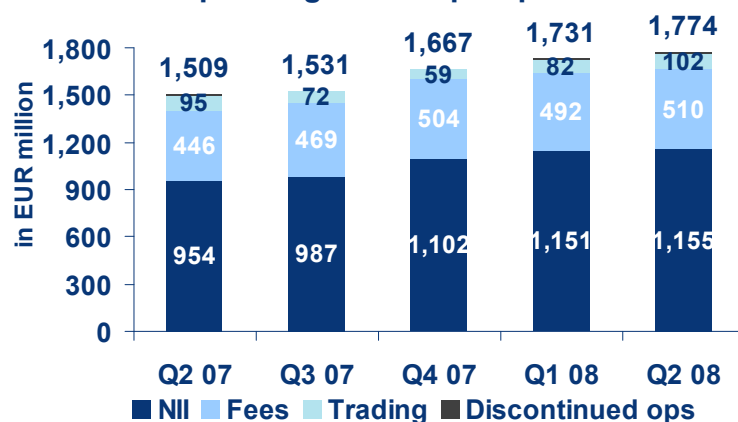
– Operating expenses up 7.5% qoq

- Personnel expenses driven by Austria - partly due to building up the holding functions and Group business divisions
- Other admin. expenses driven by CEE business (mainly IT expenses at SLSP and EB Ukraine), restructuring costs at BCR and branch expansion in Romania and Ukraine

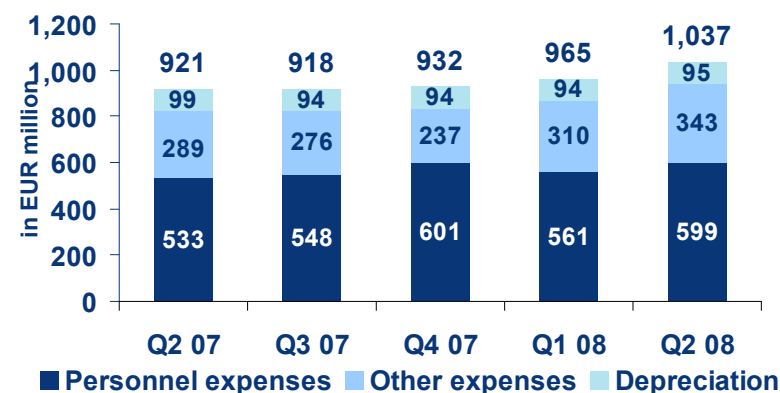
Net profit per quarter



Operating income per quarter



Operating expenses per quarter

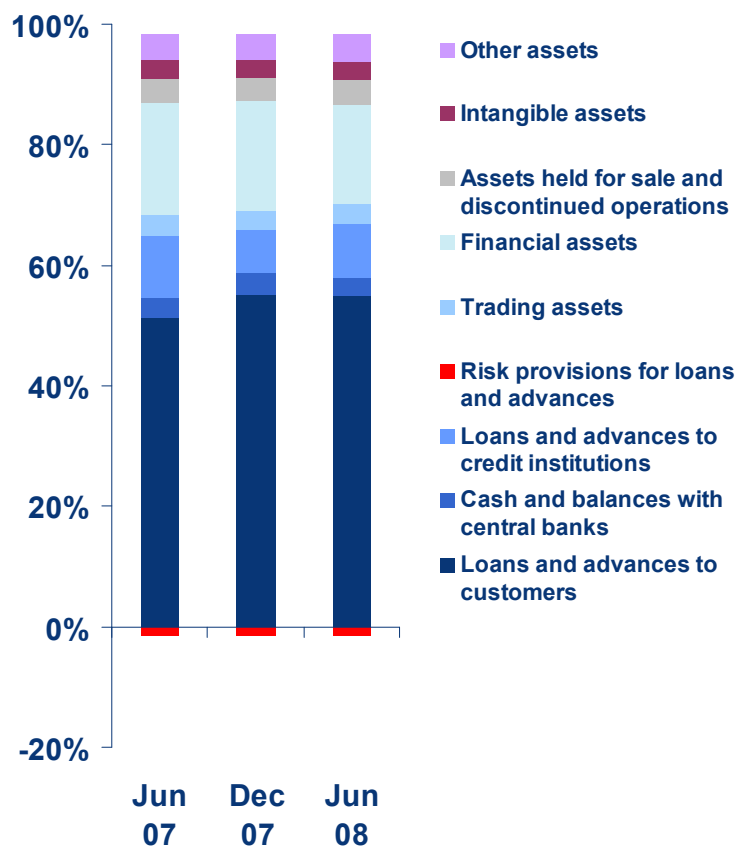


H1 08 balance sheet highlights – Strong expansion of customer business

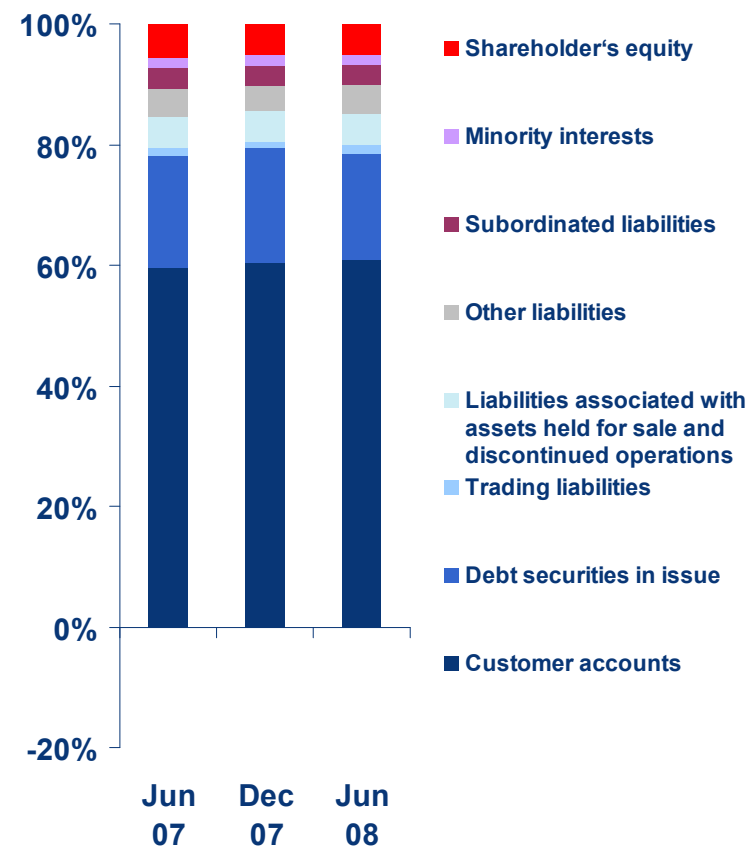


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Balance sheet structure - assets

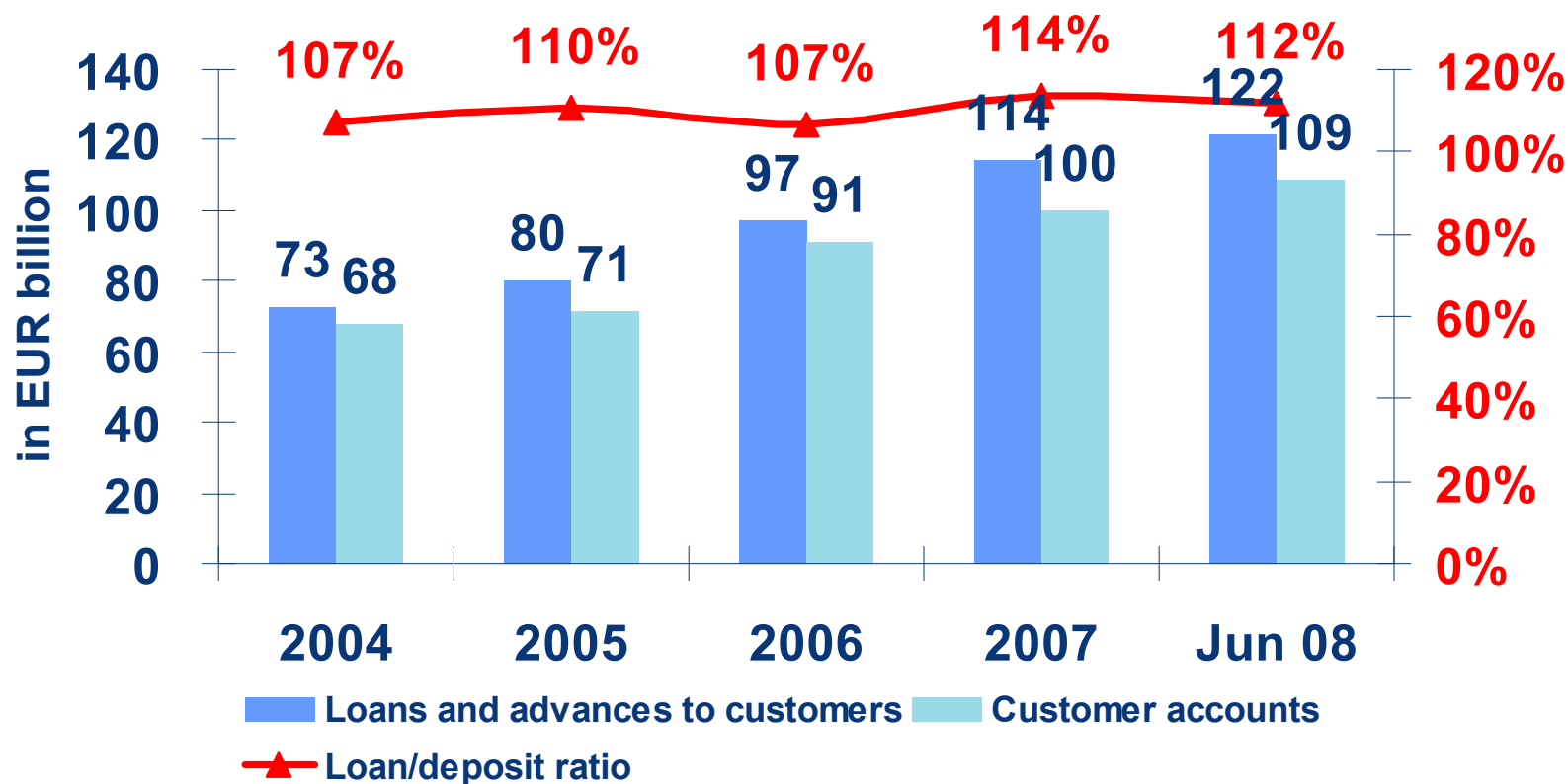


Balance sheet structure - liabilities



H1 08 balance sheet highlights – Stable loan to deposit ratio – not exceeding 115%

Loan vs deposit development



Presentation topics

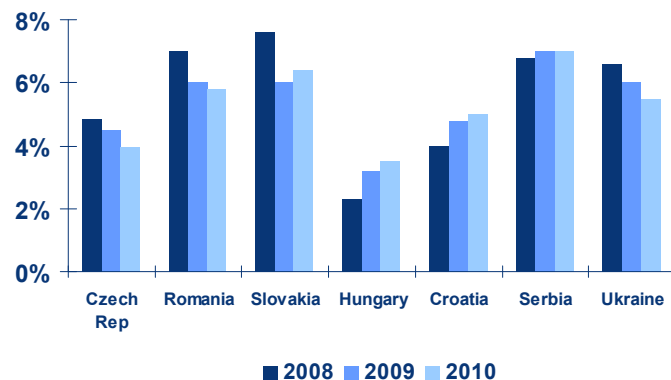
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Key topics: Macro outlook for CEE – Still very healthy overall

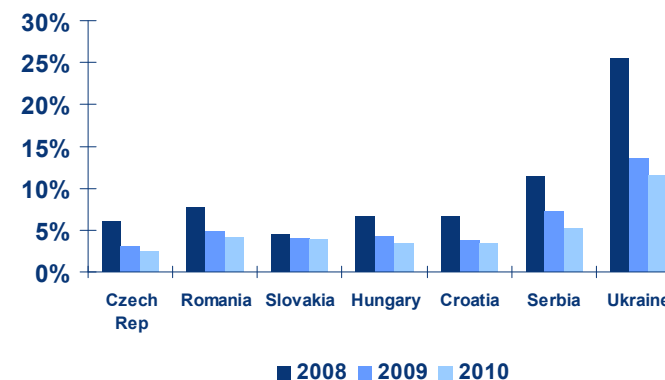


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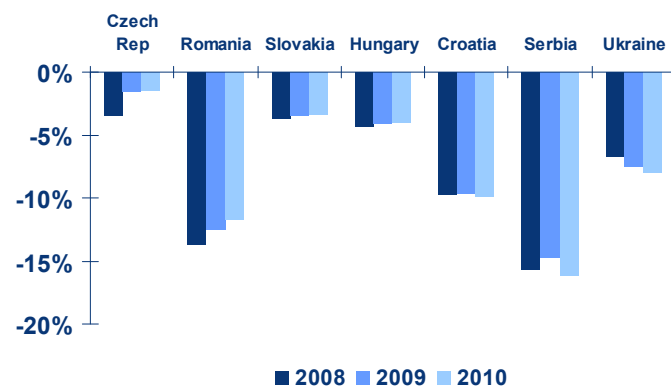
Real GDP growth outlook for CEE



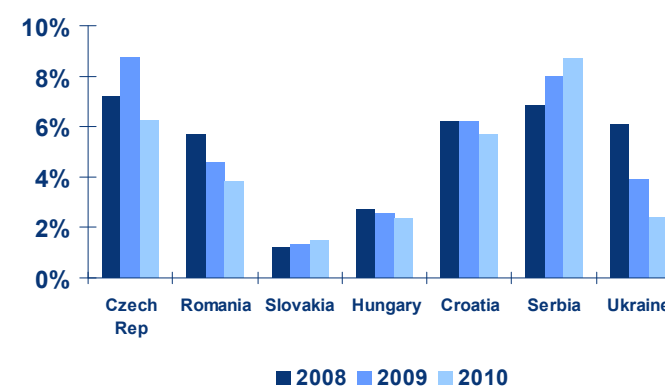
Inflation outlook for CEE



CA balance outlook for CEE
(in % of GDP)



FDI outlook for CEE
(in % of GDP)

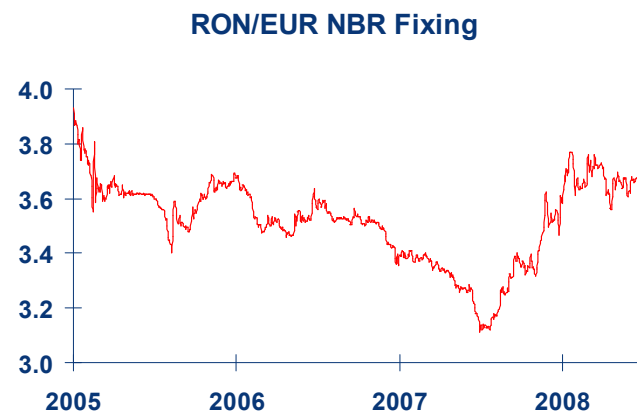
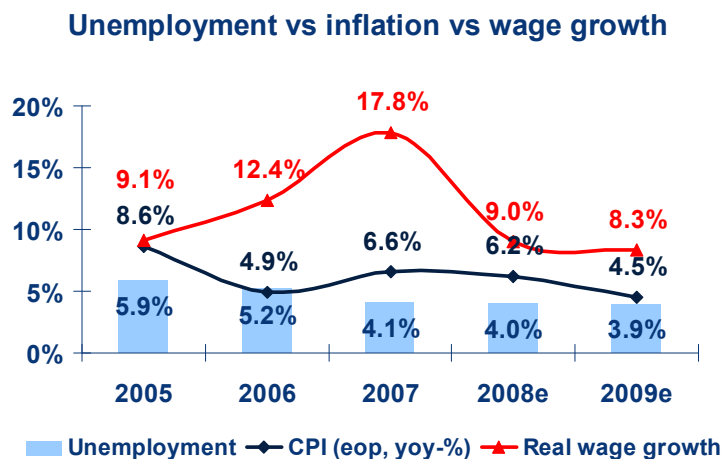
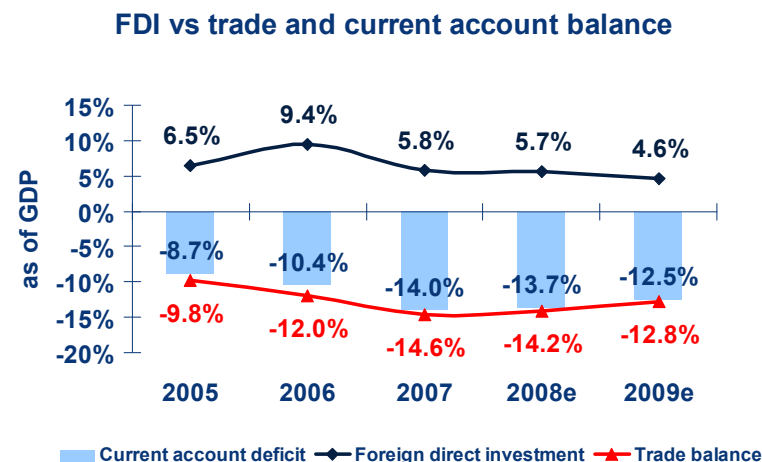
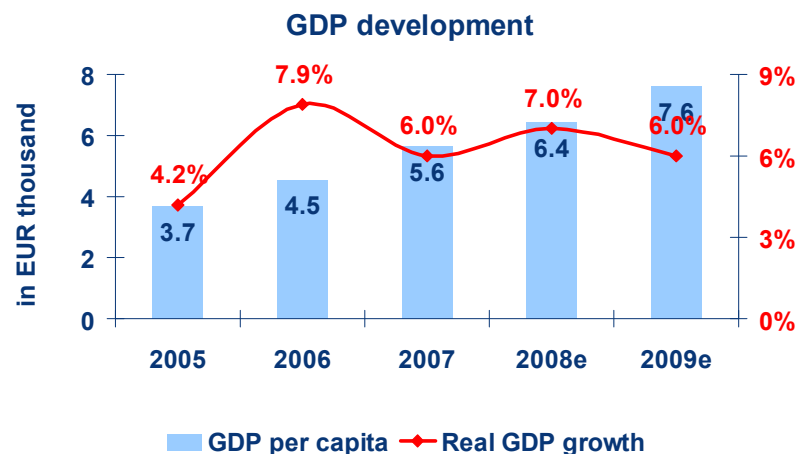


Source: Erste Group Research

Key topics: Romania – Macro indicators show positive trends in H1 08

- **Current account deficit forecasts revised substantially downward for 2008/09**
 - Currently Erste Group expects CA deficit of 13.7% of GDP in 2008, down from 13.9% in 2007 (1-5 2008 deficit: EUR 6.5 billion)
 - Financing of deficit supported by strong remittances (net current transfers from foreign workers), which rose 20% yoy
 - FDI inflows remained strong, covering 63% of CA deficit in 1-5 2008 (EUR 4.1 billion)
 - Supported by positive trade dynamics (export growth > import growth in first five months of 2008)
- **GDP recorded strong growth of 8.2% in Q1 2008**
 - FY 08 growth expected at 7%, on the back of strong agricultural output, rise in industrial production
- **Inflation has stabilised at 8-9%**
- **Interest rates are on upward trend, but not impeding growth outlook**
- **Currency has appreciated considerably from Q1 08 lows**

Key topics: Romania – Positive macro data points in H1 08

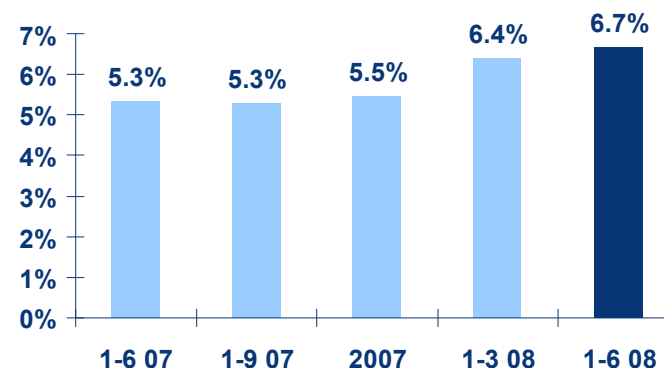


Source: Erste Group Research

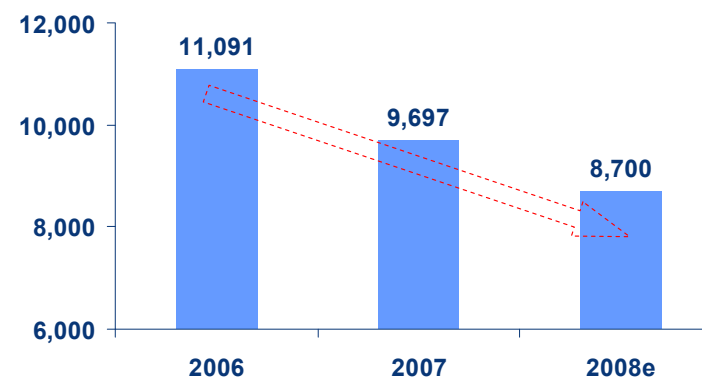
Key topics: Romania – BCR: performance in line with plan

- **Net profit stood at EUR 206.6m at H1 08**
 - 63.5% increase based on local consolidated results
 - Supported by strong growth of NII and fee income
 - Cost growth of 8.9% due to network expansion and higher inflation
- **Headcount reduction continues**
 - YE 2008 headcount now planned to be at 8,700 based upon decision against outsourcing of cash transporting services
- **NIM continued to expand**
 - Benefiting from higher local interest rates and changing liability mix
 - Adjusted for EUR 38.4m reclassification of interest-like commissions from fee income to NII: 6.0%
- **Integration costs in H1 08**
 - EUR 8.7m integration cost booked in Q2 08 (H1 07: EUR 11.4m); outlook for FY 08: max EUR 40m
 - Release of EUR 28.8m risk provisions at Group level with no impact at BCR
- **Stable ratios: ROE at 30.4%; CIR to 41.6%**
 - Reported by local entity
- **2009 targets confirmed**
 - 2006 – 2009 net profit CAGR > 40% (local results)
 - Adjusted for integration costs

Net interest margin

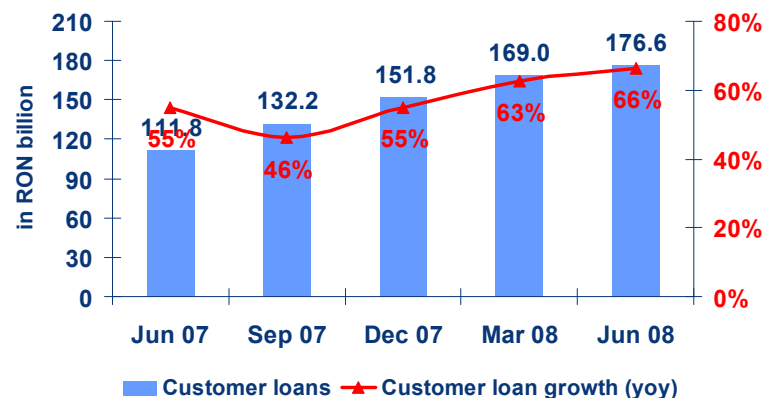


BCR headcount (bank only)

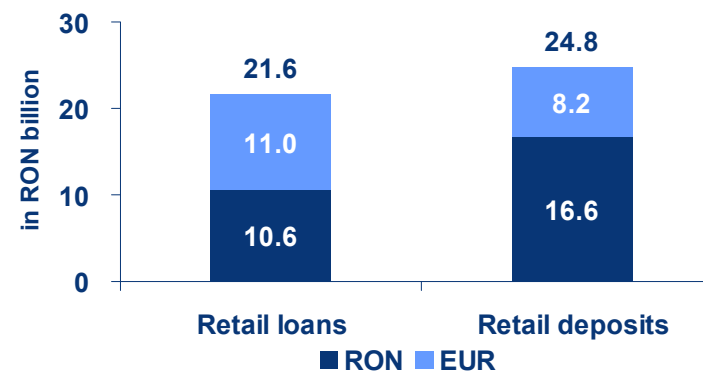


Key topics: Romania – BCR: loan book trends

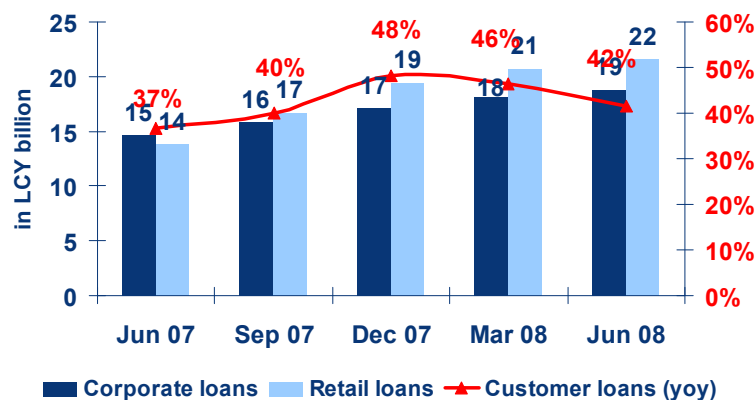
Market loan growth *



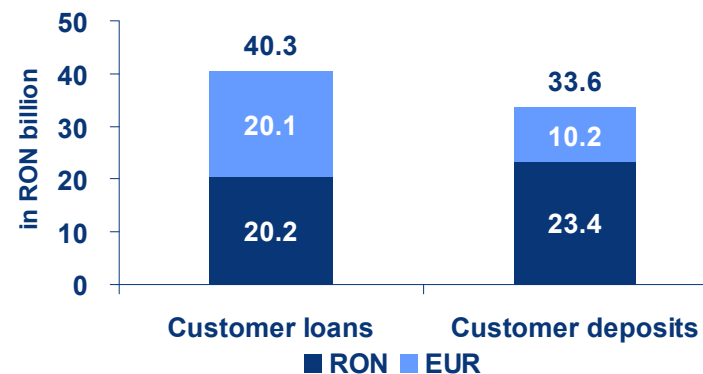
Retail loan vs deposit structure by currency



Loan book trends



Loan vs deposit structure by currency



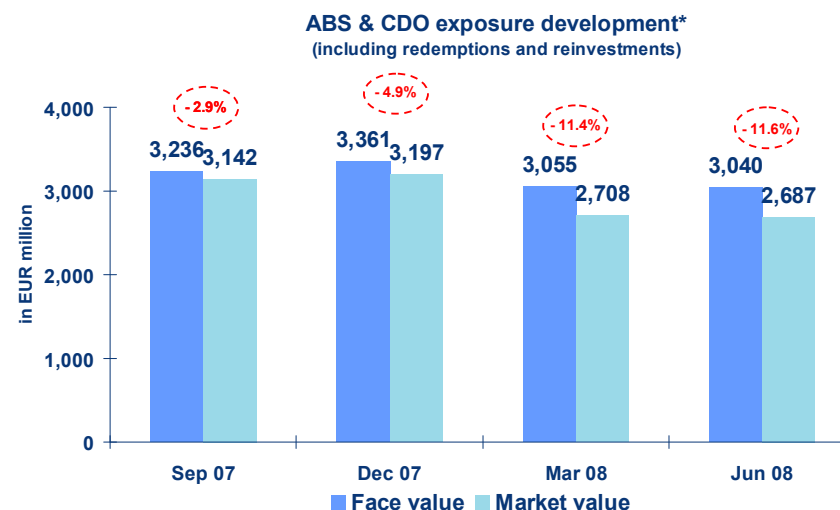
Source: Erste Group Research

Key topics: ABS/CDO portfolio – H1 08 – No deterioration of underlying assets



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- **Total face value of ABS/CDO exposure declined by EUR 321m since YE 2007**
 - Including redemptions of EUR 51m in Q2 08 (EUR 150m in Q1 08)
- **Total market value of ABS portfolio including redemptions, FX effects and revaluations**
 - EUR 2,687m at Erste and EUR 227m at savings banks
- **Marginal P&L and balance sheet impact due to deteriorating prices in June 08**
 - Q2 08 pre-tax impact on P&L of EUR -10.7m from MTM valuation (Q1 08: EUR -32.8m)
 - Thereof EUR 1.1m at savings banks
 - Q2 08 pre-tax EUR 20.0m negative MTM valuation in AfS reserve (Q1 08: EUR -75.3m)
- **Difference between face value and market value is not comparable to MTM valuation impact in P&L and balance sheet**



ABS/CDO portfolio by book (June 2008)*				
in EUR m	Face Value	Market Value	change	+/- %
FV (m-t-m)	426	364	(62)	(14.6%)
AfS (m-t-m)	1,442	1,252	(190)	(13.2%)
HtM (at cost)	1,172	1,071	(101)	(8.6%)
Total	3,040	2,687	(353)	(11.6%)

* Excluding savings banks portfolio

Key topics: ABS/CDO portfolio – Detailed portfolio analysis



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- **Unchanged quality of portfolio**
- **Ratings remain stable to improving**
- **Investments mainly in amortising structures which increase credit enhancement over time**
 - 8 upgrades (underlying assets: EUR 43m) in H1 08 vs 3 downgrades (underlying assets: EUR 7m)
 - No downgrades in Q2 08
- **No impairments**
 - All underlying assets continued to perform to expectations

ABS/CDO portfolio by region (June 2008)*				
in EUR m	Face Value	Market Value	+/-%	% of total (market value)
USA	835	718	(14.1%)	26.7%
Continental Western Europe	1,179	1,057	(10.4%)	39.3%
UK & Ireland	639	552	(13.6%)	20.5%
Far East and Australia	198	188	(5.0%)	7.0%
Other (i.e. CEE) and Global	190	173	(9.0%)	6.4%
Total	3,040	2,687	(11.6%)	100.0%

* Excluding savings banks portfolio

ABS/CDO portfolio by ratings (June 2008)*				
in EUR m	Face Value	Market Value	+/-%	% of total (market value)
AAA	950	885	(6.8%)	32.9%
AA	690	626	(9.2%)	23.3%
A	1,011	845	(16.4%)	31.5%
BBB	388	329	(15.2%)	12.2%
BB	2	1	(8.4%)	0.1%
B	0	0	-	0.0%
CCC	0	0	-	0.0%
unrated	0	0	-	0.0%
Total	3,040	2,687	(11.6%)	100.0%

ABS/CDO portfolio by products (June 2008)*				
in EUR m	Face Value	Market Value	+/-%	% of total (market value)
European prime RMBS	899	824	(8.3%)	30.7%
European CMBS	394	331	(15.9%)	12.3%
SME ABS	107	96	(9.8%)	3.6%
Leasing ABS	100	91	(8.7%)	3.4%
Other ABS	257	245	(4.4%)	9.1%
CLOs	1,103	934	(15.4%)	34.7%
Other CDOs	182	165	(8.9%)	6.2%
Total	3,040	2,687	(11.6%)	100.0%

Additional information can be found in the appendix

Key topics: Asset quality and risk costs – NPL coverage remained at comfortable levels



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	Low risk		Mgmt attention		Substandard		Non-performing		Total exposure		Risk provisions		NPL coverage	
	Jun 08	Dec 07	Jun 08	Dec 07	Jun 08	Dec 07	Jun 08	Dec 07	Jun 08	Dec 07	Jun 08	Dec 07	Jun 08	Dec 07
Austria	99,222	92,507	12,016	12,676	2,398	1,959	4,035	3,772	117,671	110,914	2,143	2,024	53.1%	53.7%
CEE	67,195	57,912	7,781	10,148	2,246	2,018	1,260	953	78,482	71,032	1,422	1,271	112.8%	133.4%
Int'l Business	24,230	27,600	745	599	122	119	24	18	25,120	28,337	53	49	221.5%	265.6%
Corp. Center	691	1,623	162	72	39	9	27	20	918	1,724	19	18	69.8%	88.7%
Total	191,338	179,643	20,704	23,496	4,804	4,105	5,346	4,763	222,192	212,007	3,637	3,362	68.0%	70.6%

- **Total exposure¹ increased moderately by 4.8% ytd**
 - Slower growth was mainly due to elimination of previously included insurance assets
 - Assets in Int'l Business continued to decline in line with increased focus on use of capital for customer business
- **NPL coverage declined moderately to 68.0% compared to FY 07**
 - Moving to a more normalised level in CEE due to seasoning of the portfolio
- **Provisions at 66bps after exceptionally low YE 2007 levels – outlook for FY 2008 max 70bps**
 - Risk provisions were influenced by one-off effects, accounting changes and proactive provisioning policy
 - Responding conservatively to a cautious outlook on a changing environment: risk costs are expected to be max 70 bps in 2008
 - FY 2003: 62 bps / FY 2004: 58 bps / FY 2005: 55 bps / FY 2006 50 bps / FY 2007: 44 bps

1) Including loans and advances to customers and banks, fixed income securities (in trading portfolio, investments available for sale or financial investments) and derivatives as well as off-balance sheet credit risks (warranties, guarantees and letters of credit) and unused credit lines.

Key topics: Asset quality and risk costs – Risk costs development in detail



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- **Risk provisions increased by 60.5% to EUR 394.1m from EUR 239.3m at H1 07 mainly driven by:**
 - Total Group - Unwinding effect EUR 29.8m does not impact bottom line
 - Austria - One-off effect in the Savings Banks segment with limited impact on bottom line
 - EUR 27.4m due to consolidation of 6 additional savings banks and write-offs related to intra-sector consolidation
 - CEE:
 - BCR - EUR 36m increase in risk provisions from EUR 8.3m to EUR 44.7m yoy mainly due to:
 - Cancelling the insurance for unsecured consumer loans in May 2007 and
 - Stronger growth in consumer lending and conservative provisioning policy
 - Underlying risk costs increased slightly (from 120bps in Q1 08 to 132bps in Q2 08) due to higher default rates of cash loans - guidance for full year remains unchanged at 120bps
 - CS – Provision charge at 66bps ytd (up 16bps compared to H1 07)
 - Mainly driven by higher growth in high margin consumer lending

Key topics: Asset quality and risk costs – Non performing loans in detail

- **NPL ratio¹ remained stable qoq at 2.4%, slightly up on 2.2% at YE 07**
 - Austria: increase exclusively due to higher NPLs in SBs segment based on stricter BIS II classification
 - NPLs in Erste Bank's Austrian business declined
 - CEE: NPLs increased by 32.2% on seasoning of portfolio and stronger growth in consumer lending mainly at BCR and CS
 - CS: NPLs doubled from very low levels mainly driven by seasoning of portfolio and change in asset mix as consumer loan growth started to accelerate
 - NPL ratio continued to remain at low 1% of total exposure
 - SLSP: NPLs grew 35% mainly due to strong loan growth and seasoning effects
- **Excluding the Saving Banks segment the Group's NPL ratio stood at comfortable 1.6% at Q2 08**
- **NPL coverage¹ declined moderately to 68.0%**
 - Compared to 70.6% at FY 07 and 69.0% at Q1 08.
 - Mainly driven by SBs segment – NPL coverage declined to 52.4% at Q2 08
 - NPL coverage excluding SBs segment stood at comfortable 82% at Q2 08
 - NPL coverage of 113% in CEE reflecting a normalisation and seasoning of the portfolio

1) Excluding collateral

Key topics: Funding – Improved outlook for 2008 funding costs

- **Forecast for 2008 long-term funding needs of EUR 5-6bn has been revised to max EUR 5bn**
 - Successful strategy to put more emphasis on deposit collection supported by strong client base and large branch network
 - Stronger than expected deposit growth in H1 08 - outpacing loans by close to EUR 1bn
 - Special focus on customer liabilities in performance measurement of subsidiaries
- **EUR 4bn successfully issued to end July 2008**
 - Thereof approx. EUR 2.8bn senior unsecured and approx. EUR 800m senior secured funding (Pfandbriefe)
 - Ability to issue additional EUR 2bn of Pfandbriefe within next 12 months
 - Plan to start pre-funding 2009 in Q4 08
- **Outlook for average funding costs improves to max EURIBOR + 35bps**
 - Down from original plan of EURIBOR +40bps for 2008

Presentation topics

-
- Summary and H1 2008 highlights
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Outlook – Erste confirms guidance

- **Outlook for FY 2008 confirmed after first 6 months**
 - Excluding proceeds from sale of insurance business; closing expected in Q3 08
- **Capital ratio expected to strengthen**
 - Tier 1 ratio expected to be well above 8% in 2009 after 6.9% at H1 2008

Net profit⁽¹⁾ growth

2008: > 20%
2009: > 25%

Cost/income ratio

Below 55% in 2009

Return on equity⁽²⁾

Exceeding 16% in 2009

(1) Net profit after minorities

(2) Based on a Tier 1 ratio of 8%

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Group income statement (IFRS) – Sustainable CIR improvement to 57.1%



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in EUR million	1-6 08	1-6 07	Change
Net interest income	2,306.0	1,857.5	24.1%
Risk provisions for loans and advances	(384.1)	(239.3)	60.5%
Net fee and commission income	1,002.2	884.9	13.3%
Net trading result	184.4	219.6	(16.0%)
General administrative expenses	(2,001.6)	(1,791.8)	11.7%
Profit from discontinued operations	12.6	29.5	(57.3%)
Other operating result	(84.8)	(89.4)	5.1%
Result from financial assets - FV	(79.9)	4.0	na
Result from financial assets - AfS	(6.5)	27.4	na
Result from financial assets - HtM	0.1	0.5	(80.0%)
Pre-tax profit	948.4	902.9	5.0%
Taxes on income	(189.7)	(194.1)	(2.3%)
Minority interests	(122.1)	(142.8)	(14.5%)
Net profit after minorities	636.6	566.0	12.5%
Operating income	3,505.2	2,991.5	17.2%
Operating expenses	(2,001.6)	(1,791.8)	11.7%
Operating result	1,503.6	1,199.7	25.3%
Cost/income ratio	57.1%	59.9%	
Cash return on equity	15.2%	14.4%	
Return on equity	14.7%	13.8%	

Group balance sheet (IFRS)* – Loan growth in line with expectations

in EUR million	Jun 08	Dec 07	Change
Cash and balances with central banks	6,854	7,615	(10.0%)
Loans and advances to credit institutions	19,253	14,937	28.9%
Loans and advances to customers	121,684	113,956	6.8%
Risk provisions for loans and advances	(3,574)	(3,296)	8.4%
Trading assets	7,502	6,637	13.0%
Financial assets - FV	4,397	4,534	(3.0%)
Financial assets - AfS	16,147	16,200	(0.3%)
Financial assets - HtM	15,922	16,843	(5.5%)
Investments of insurance companies	0	8,054	na
At-equity holdings	239	285	(16.1%)
Intangible assets	5,915	5,962	(0.8%)
Property and equipment	2,529	2,289	10.5%
Tax assets	446	446	0.0%
Assets - discontinued operations	9,582	0	na
Other assets	7,262	6,057	19.9%
Total assets	214,158	200,519	6.8%
Risk-weighted assets	102,331	95,091	7.6%

*) Risk-weighted assets calculated according to Basel II methodology.

Group balance sheet (IFRS)* – Loan/deposit ratio at 112% on solid deposit growth



ERSTE GROUP

in EUR million	Jun 08	Dec 07	Change
Deposits by banks	35,915	35,165	2.1%
Customer accounts	108,842	100,116	8.7%
Debt securities in issue	30,770	31,078	(1.0%)
Trading liabilities	2,575	1,756	46.6%
Underwriting provisions	0	8,638	na
Other provisions	1,762	1,792	(1.7%)
Tax liabilities	262	329	(20.4%)
Liabilities - discontinued operations	9,526	0	na
Other liabilities	6,415	4,653	37.9%
Subordinated liabilities	6,045	5,589	8.2%
Total equity	12,046	11,403	5.6%
Shareholders' equity	8,911	8,452	5.4%
Minority interests	3,135	2,951	6.2%
Total liabilities and equity	214,158	200,519	6.8%
Tier 1 ratio	6.9%	7.0%	
Solvency ratio	10.1%	10.5%	

*) Tier 1 and solvency ratio calculated according to Basel II methodology.

Core segments* – CEE contribution increased to 81% of net profit



ERSTE GROUP

in EUR million	Austria		CEE		Int'l Business		Corp. Center		Total	
	1-6 08	1-6 07	1-6 08	1-6 07	1-6 08	1-6 07	1-6 08	1-6 07	1-6 08	1-6 07
Net interest income	906.5	807.2	1,335.5	989.5	83.3	73.6	(19.3)	(12.8)	2,306.0	1,857.5
Risk provisions	(182.1)	(146.0)	(162.0)	(88.1)	(11.0)	(5.2)	(29.0)	0.0	(384.1)	(239.3)
Net fee and commission income	470.3	473.5	511.6	410.3	21.6	15.2	(1.4)	(14.1)	1,002.2	884.9
Net trading result	51.8	95.6	137.3	111.5	0.0	(0.1)	(4.8)	12.6	184.4	219.6
General administrative expenses	(900.6)	(850.5)	(982.5)	(863.8)	(17.3)	(16.4)	(101.2)	(61.1)	(2,001.6)	(1,791.8)
Profit from discontinued operations	5.3	11.1	7.2	18.4	0.0	0.0	0.0	0.0	12.6	29.5
Other result	(54.3)	9.0	(58.1)	(25.4)	0.8	0.3	(59.5)	(41.5)	(171.0)	(57.5)
Pre-tax profit	297.0	399.9	789.0	552.4	77.5	67.4	(215.1)	(116.8)	948.4	902.9
Taxes on income	(82.5)	(91.0)	(150.0)	(105.5)	(19.5)	(18.1)	62.4	20.4	(189.7)	(194.1)
Minority interests	(32.8)	(91.9)	(98.9)	(63.8)	0.0	0.0	9.6	12.9	(122.1)	(142.8)
Net profit after minorities	181.7	217.1	540.1	383.2	58.0	49.3	(143.2)	(83.5)	636.6	566.0
Average risk-weighted assets	52,745.4	48,295.0	37,489.2	33,525.6	6,983.0	6,777.4	1,249.5	1,220.1	98,467.1	89,818.0
Average attributed equity	2,121.5	1,942.8	2,297.9	2,040.6	454.2	440.8	3,766.7	3,777.9	8,640.3	8,202.0
Cost/income ratio	62.8%	61.3%	49.3%	56.5%	16.5%	18.5%	n.a.	n.a.	57.1%	59.9%
ROE based on net profit	17.1%	22.3%	47.0%	37.6%	25.5%	22.4%	n.a.	n.a.	14.7%	13.8%

* The published results of the individual subsidiaries cannot be compared on a like-for-like basis with the segment results. In segment reporting, for example, interest income from local equity is eliminated and the associated interest income of the allocated group equity is added to NII of the respective segments.

- EUR 38.2m linear depreciation of value for BCR and DCA Croatia customer base included in Other result of Corporate Center
- H1 08 impact of adoption of IFRS 39 "unwinding" effects (+EUR 29.8m in NII and +EUR 29.8m of risk provisions) are allocated to the Corporate Center

Core segment – Austria

Customer business shows resilient performance



ERSTE GROUP

	Savings Banks		Retail & Mortgage		Large Corporates		Treasury & IB		Austria	
in EUR million	1-6 08	1-6 07	1-6 08	1-6 07	1-6 08	1-6 07	1-6 08	1-6 07	1-6 08	1-6 07
Net interest income	461.0	420.0	290.6	272.6	111.7	83.0	43.2	31.6	906.5	807.2
Risk provisions	(110.7)	(82.5)	(46.3)	(48.7)	(25.1)	(14.8)	0.0	0.0	(182.1)	(146.0)
Net fee and commission income	196.5	187.9	166.0	186.6	52.5	45.3	55.3	53.7	470.3	473.5
Net trading result	10.1	15.6	5.4	6.1	0.7	1.2	35.7	72.7	51.8	95.6
General administrative expenses	(464.7)	(422.9)	(313.0)	(320.3)	(64.9)	(51.5)	(58.0)	(55.8)	(900.6)	(850.5)
Profit from discontinued operations	0.0	0.0	5.3	11.1	0.0	0.0	0.0	0.0	5.3	11.1
Other result	(22.2)	(0.1)	(11.1)	(1.5)	(0.5)	9.4	(20.4)	1.3	(54.3)	9.0
Pre-tax profit	69.9	117.9	97.0	105.9	74.3	72.6	55.7	103.4	297.0	399.9
Taxes on income	(35.5)	(28.6)	(20.7)	(23.3)	(15.0)	(16.3)	(11.3)	(22.8)	(82.5)	(91.0)
Minority interests	(29.7)	(80.5)	(1.2)	(8.1)	(1.9)	(3.3)	0.0	(0.0)	(32.8)	(91.9)
Net profit after minorities	4.7	8.8	75.1	74.6	57.4	53.1	44.5	80.5	181.7	217.1
Average risk-weighted assets	24,200.9	22,745.5	11,525.8	11,514.4	12,698.7	10,766.6	4,320.0	3,268.4	52,745.4	48,295.0
Average attributed equity	223.4	225.6	751.2	760.0	827.8	701.7	319.1	255.5	2,121.5	1,942.8
Cost/income ratio	69.6%	67.8%	67.0%	67.2%	39.4%	39.8%	43.2%	35.3%	62.8%	61.3%
ROE based on net profit	4.2%	7.8%	20.0%	19.6%	13.9%	15.1%	27.9%	63.0%	17.1%	22.3%

Core segment – Central and Eastern Europe (1)

Continuing strong performance of CEE subsidiaries ...



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in EUR million	Czech Republic		Romania		Slovakia		Hungary	
	1-6 08	1-6 07	1-6 08	1-6 07	1-6 08	1-6 07	1-6 08	1-6 07
Net interest income	533.1	387.0	380.8	256.1	164.4	145.5	137.8	116.1
Risk provisions	(50.8)	(32.6)	(44.7)	(8.3)	(22.4)	(16.3)	(28.1)	(22.1)
Net fee and commission income	211.1	169.2	134.2	105.4	54.0	46.0	68.4	59.4
Net trading result	48.4	24.9	34.8	52.7	18.5	9.5	19.7	20.3
General administrative expenses	(390.8)	(322.2)	(231.9)	(235.5)	(126.1)	(111.5)	(125.2)	(118.7)
Profit from discontinued operations	9.3	5.7	(2.1)	12.6	0.0	0.0	0.0	0.0
Other result	(53.2)	(9.0)	(3.7)	(4.5)	(6.7)	(3.7)	1.2	(10.9)
Pre-tax profit	307.0	222.9	267.5	178.6	81.6	69.3	73.8	44.1
Taxes on income	(63.4)	(52.8)	(44.0)	(30.5)	(13.2)	(5.9)	(19.8)	(8.3)
Minority interests	(7.3)	(4.8)	(71.1)	(46.9)	(0.0)	0.0	(0.0)	(0.1)
Net profit after minorities	236.4	165.4	152.4	101.1	68.3	63.5	54.0	35.7
Average risk-weighted assets	12,793.1	12,043.5	10,018.5	9,464.0	4,833.5	4,207.7	4,907.4	4,372.3
Average attributed equity	895.6	827.5	477.4	449.9	338.5	295.8	340.9	306.2
Cost/income ratio	48.7%	54.9%	42.3%	55.2%	53.3%	55.5%	55.4%	60.6%
ROE based on net profit	52.8%	40.0%	63.8%	45.0%	40.4%	42.9%	31.7%	23.3%

Core segment – Central and Eastern Europe (2) ... reflected in 41% higher net profit contribution



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in EUR million	Croatia		Serbia		Ukraine		CEE	
	1-6 08	1-6 07	1-6 08	1-6 07	1-6 08	1-6 07	1-6 08	1-6 07
Net interest income	92.5	74.2	14.6	7.0	12.3	3.6	1,335.5	989.5
Risk provisions	(10.7)	(5.9)	(2.9)	(0.3)	(2.3)	(2.5)	(162.0)	(88.1)
Net fee and commission income	39.0	28.0	3.4	2.2	1.6	0.2	511.6	410.3
Net trading result	10.7	3.4	1.1	0.7	4.1	0.1	137.3	111.5
General administrative expenses	(66.6)	(53.8)	(16.3)	(13.5)	(25.5)	(8.6)	(982.5)	(863.8)
Profit from discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0	7.2	18.4
Other result	(0.1)	1.3	4.4	1.4	0.1	0.1	(58.1)	(25.4)
Pre-tax profit	64.6	47.2	4.3	(2.6)	(9.8)	(7.1)	789.0	552.4
Taxes on income	(13.0)	(9.6)	0.4	0.2	3.0	1.3	(150.0)	(105.5)
Minority interests	(19.3)	(12.2)	(1.2)	0.2	0.0	0.0	(98.9)	(63.8)
Net profit after minorities	32.3	25.4	3.5	(2.2)	(6.8)	(5.8)	540.1	383.2
Average risk-weighted assets	3,674.5	2,965.0	789.0	351.1	473.2	122.0	37,489.2	33,525.6
Average attributed equity	164.8	130.2	43.9	20.8	36.8	10.0	2,297.9	2,040.6
Cost/income ratio	46.9%	50.9%	85.0%	n.a.	n.a.	n.a.	49.3%	56.5%
ROE based on net profit	39.2%	39.0%	16.1%	n.a.	n.a.	n.a.	47.0%	37.6%

- Summary and H1 2008 highlights
- H1 2008 key topics
- Outlook and targets
- Financials and segment reporting
- **Appendix**
 - Segment reporting (details)
 - Asset quality (details)
 - ABS portfolio (details)
 - CEE local statements
 - Quarterly results

Austria/Savings Banks – H1 08 highlights



- **Operating result marginally up 1.1%**
 - Excluding contribution from 6 additional SBs, operating result was down by 9.6% yoy
 - Weak Q2 08 NII and higher costs qoq (+2.8%)
- **NII up 9.8% yoy but declined 21.3% qoq**
 - Driven by revaluation of bank book positions and higher funding costs
- **Commission income up by 4.6%**
 - Stable qoq despite difficult securities markets
- **Expenses up 9.9%**
 - Excluding new SBs costs growth limited to 2.1%
- **Risk costs up sharply by 34.1%**
 - Significant increase qoq (+ EUR 36.2m) mainly due to write-offs at Styrian SB related to intra-sector consolidation and 6 additional SBs (EUR +27.4m)
- **Other result at EUR -22.2m**
 - Negative effect from disposals of AfS portfolio

Savings Banks	1-6 08	1-6 07	Change
Operating income	667.6	623.5	7.1%
Operating expenses	(464.7)	(422.9)	9.9%
Operating result	202.8	200.6	1.1%
Net profit after minorities	4.7	8.8	(47.0%)
ROE based on net profit	4.2%	7.8%	
Cost/income ratio	69.6%	67.8%	

Rates of change are affected by 6 new savings banks in the cross guarantee system

Austria/Retail and Mortgage – H1 08 highlights



- **Net profit slightly improved by 0.6% yoy**
 - Q2 continued to record strong NII (up 6.6% yoy / down 2.5% qoq) offsetting slower fee income (down 11.0% yoy / unchanged qoq)
 - Continued cost management (down 2.3% yoy and 0.9% qoq) supporting improvement in net profit
- **Branches – net profit up strongly by 27.3% yoy**
 - Operating result up 16.1% yoy despite 10.0% decline in fees supported by strong NII (+8.5%) and 6.0% lower costs
 - Risk provisions unchanged yoy and qoq
 - CIR dropped below 70% reaching 69.3%
- **SME – strong performance continued - net profit improved by 77.2% yoy**
 - NII improved by 15.8%, declining slightly by 3.2% on weaker Q2 08; costs were lower by 14.3% driving a marked 24.1% increase of operating result.
 - Risk provisions down 15% yoy / slightly up by 4.6% qoq
- **Own SBs – net profit down by 64.3% yoy**
 - Operating result was down 8.4% mainly due to lower fees (down 11.4%), costs declined by 1% yoy.
 - Negative securities valuations mainly in Q1 08
- **Mortgage – net profit up 11.4% yoy**
 - Operating result improves by 4.1%
- **Other subsidiaries – net profit down 47%**
 - Including result from insurance business (discontinued operations) and fund management company

Retail & Mortgage	1-6 08	1-6 07	Change
Operating income	467.4	476.5	(1.9%)
Operating expenses	(313.0)	(320.3)	(2.3%)
Operating result	154.4	156.2	(1.2%)
Net profit after minorities	75.1	74.6	0.6%
ROE based on net profit	20.0%	19.6%	
Cost/income ratio	67.0%	67.2%	

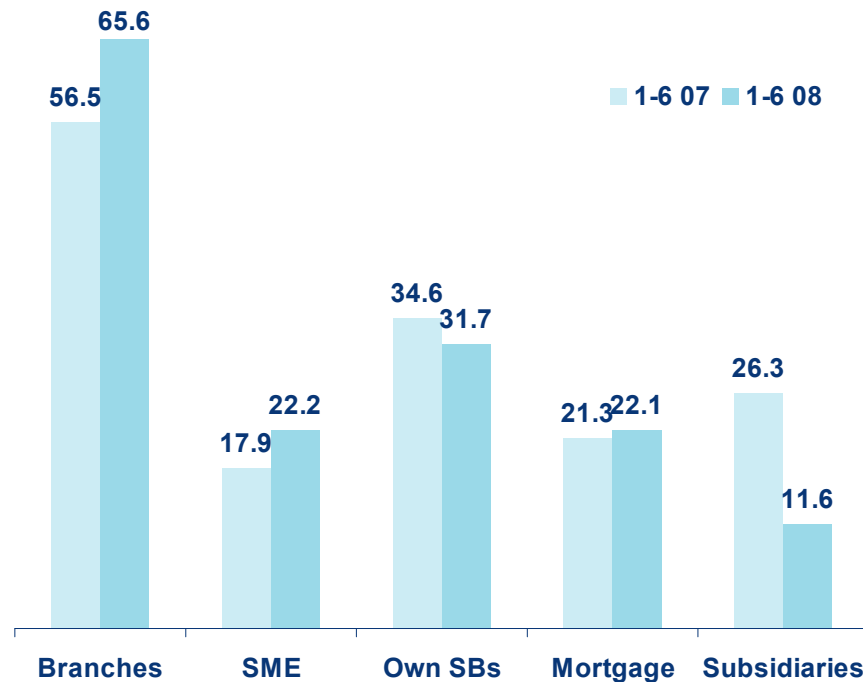
Austria/Retail and Mortgage – Branches and SME sub-segments improved



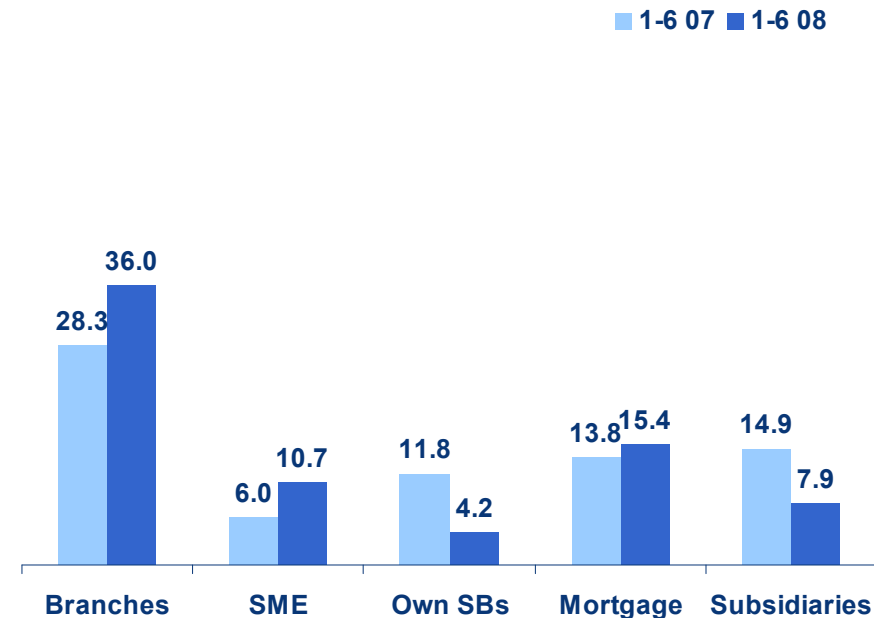
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Operating result (EUR m)



Net profit (EUR m)



ROE

H1 08:	29.8%	17.1%	3.6%	22.7%	na
H1 07:	22.9%	10.0%	10.0%	20.7%	na

Austria/Large Corporates – H1 08 highlights



- **Net profit improved by 8.2%**
 - Strong operating performance continued from Q1 08
 - Operating result up 28.2% yoy; leasing subsidiary Immorent contributed about 60% to operating result
- **NII up strongly by 34.5% yoy (-2.3% qoq)**
 - Driven by increase in deposits and selected loan growth and improved margins, as well as growth at leasing subsidiary Immorent
- **Commission income improved by 16.0%**
 - Mainly driven by project fees from leasing subsidiary Immorent but also including first positive impacts from GCIB division
- **Operating expenses up 25.9% yoy (-5.1% qoq)**
 - Reflecting both the successful set up of new GCIB division as well as continued expansion of Immorent
- **Risk provisions increased by 70.1% (+EUR 10.3m) on low H1 07**
 - No change in asset quality, stronger loan growth
 - Q2 07 was unsustainably low at – EUR 1.7m
- **Other result slightly negative (EUR -0.5m)**
 - H1 07 benefited from private equity business transactions

Large Corporates	1-6 08	1-6 07	Change
Operating income	164.9	129.5	27.3%
Operating expenses	(64.9)	(51.5)	25.9%
Operating result	100.0	78.0	28.2%
Net profit after minorities	57.4	53.1	8.2%
ROE based on net profit	13.9%	15.1%	
Cost/income ratio	39.4%	39.8%	

Austria/Treasury & Investment Banking – H1 08 highlights



- **Net profit contribution decreased by 44.8% yoy**
 - Operating result down 25.4% yoy on exceptionally strong Q1 07, but up 70% qoq
- **NII declines by 37.0% yoy (up 78.7% qoq)**
 - Continued strong performance from money market desks offsetting negative market related ALM contribution
- **Fee income improved by 2.9% yoy**
 - Securities business remained resilient despite 9.3% decline qoq, also offsetting missing capital markets transactions
- **Trading result improved qoq but -50.9% yoy**
 - Due to generally weak markets and above average Q1 07 result.
 - Trading result improved by 82.5% qoq
- **Other result down to EUR -20.4m**
 - Including EUR 23.3m MTM valuation of ABS/CDO portfolio (Q1 08: EUR 16m/ Q2 08: 7.3m)

Treasury & IB	1-6 08	1-6 07	Change
Operating income	134.2	158.0	(15.1%)
Operating expenses	(58.0)	(55.8)	3.9%
Operating result	76.2	102.1	(25.4%)
Net profit after minorities	44.5	80.5	(44.8%)
ROE based on net profit	27.9%	63.0%	
Cost/income ratio	43.2%	35.3%	

CEE/Czech Republic – H1 08 highlights



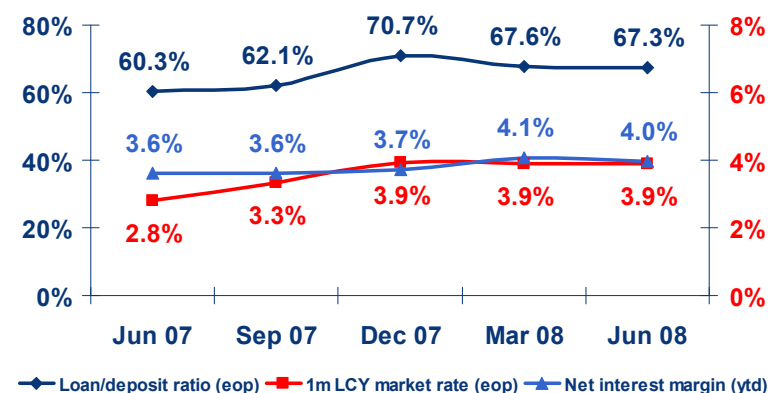
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- **Net profit contribution accelerated to +42.9% (28.7%)***
 - Operating result continued to improve – up 55.4% (39.8%)
- **NII up 37.7% (24.0%) yoy – + 5.1% qoq**
 - Driven by 18% yoy loan growth (retail mortgages up 20% yoy), and 6% yoy deposit growth
 - Slower loan growth ytd + 3.2% mainly due to planned slower growth of retail mortgages (+2.3%ytd)
 - NII supported by 5 rate hikes 2007/08
- **Commission income increased by 24.8% (12.3%)**
 - Driven by lending fees (+17% yoy) accounting for 20% of total fees and payment transfers (+11% yoy)
 - Fees from securities business remained stable yoy
- **Trading result improved by 94.7% (75.32%)**
 - Benefiting mainly from FX transactions; strong CZK appreciation and strong improvement from securities trading in Q2 08
- **Operating expenses up 21.3% (9.2%)**
 - Personnel costs up 7.5% on higher headcount, higher salaries and higher allocation to bonuses
 - Other admin costs up 24.3% in line with higher business volumes, inflation and expenditures for outsourcing IT as well as higher rental costs; depreciation declines by 17.7%
- **Risk provisions up by 55.6% (40.1%)**
 - In line with yoy loan growth, stronger growth of consumer loans (+24% yoy) and seasoning of portfolio
- **Other result declined by EUR 44.2m to EUR -53.2m**
 - Negative MTM valuation of FV securities due to market volatility and strong CZK appreciation, including EUR 11m from ABS portfolio; remaining balance from FV portfolio as well as FX impact on other financial investments

Czech Republic	1-6 08	1-6 07	Change
Operating income	801.8	586.8	36.6%
Operating expenses	(390.8)	(322.2)	21.3%
Operating result	411.1	264.6	55.4%
Net profit after minorities	236.4	165.4	42.9%
ROE based on net profit	52.8%	40.0%	
Cost/income ratio	48.7%	54.9%	

Rate and margin environment



* Figures in brackets refer to rate of change excluding impact of 10.0% currency appreciation.

CEE/Romania – H1 08 highlights



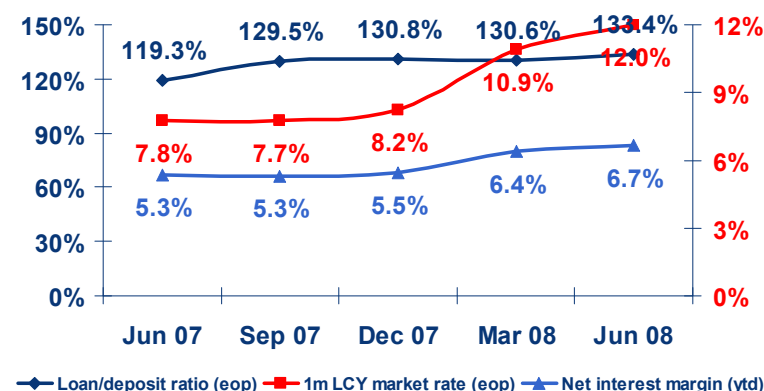
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- **Net profit contribution strongly up by 50.7% (66.6%)***
 - Supported by strong growth of operating result by 65.1% (+82.5%) due to continued transformation progress
- **NII increased by 48.7% yoy (64.4%)**
 - Continued volume growth - retail loans up 50% yoy (+11.5% ytd) and deposits up 26% yoy (+6.2% ytd)
 - Current accounts nearly doubled yoy; benefiting from higher interest rates
 - Reclassification of interest like commissions from fees to NII in line with other CEE operations had positive EUR 38.4m impact.
- **Fee income up strongly by 27.4% (40.8%) yoy**
 - Fees on lending (+31%) and payment transactions (+68%) were strongest growth drivers
 - Reallocation of EUR 38.4m interest like fees to NII
 - Higher fee expenses in H1 07 from consumer loan insurance, discontinued in Q2 07
- **Operating expenses declined by 1.5% (+8.9%) yoy**
 - Restructuring costs of EUR 8.7m in H1 08 (H1 07: EUR 11.4m)
 - Personnel expenses up 7.9% also due to higher accrual of performance related pay; other admin costs up 21.8% mainly on branch network expansion (+26 outlets in H1) and start-up costs for new building society subsidiary
- **Risk costs increased by EUR 36m to EUR 44.7m**
 - Mainly due to discontinuing consumer loan insurance in May 2007 and strong growth in unsecured consumer lending, as well as proactive and cautious provisioning approach
 - Including release of risk provisions at group level of EUR 28.8m
- **Other result improved by 17% to EUR -3.7m**

Romania	1-6 08	1-6 07	Change
Operating income	547.8	426.8	28.3%
Operating expenses	(231.9)	(235.5)	(1.5%)
Operating result	315.9	191.3	65.1%
Net profit after minorities	152.4	101.1	50.7%
ROE based on net profit	63.8%	45.0%	
Cost/income ratio	42.3%	55.2%	

Rate and margin environment



* Figures in brackets refer to rate of change excluding impact of 10.5% currency depreciation.

CEE/Slovakia – H1 08 highlights



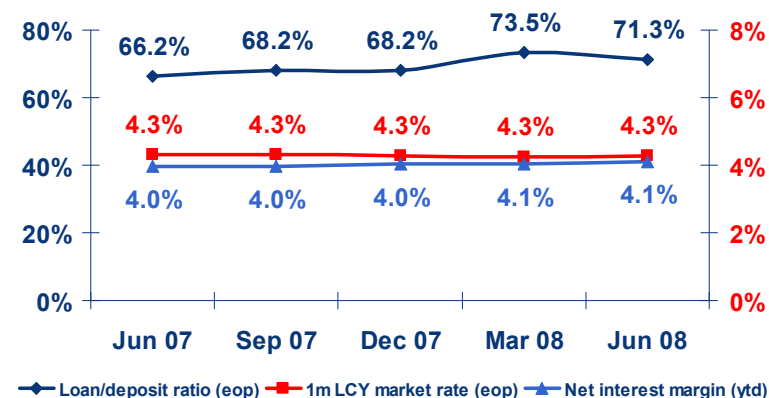
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- **Net profit contribution improved by 7.6% (+1.5%)***
 - Operating result grew by 23.9% yoy (16.9%) up 15% qoq
- **NII grew further by 13.0% (6.6%) yoy**
 - Solid underlying loan growth (retail loans up 21% yoy) driven by mortgages (up 35% yoy); deposits grew by 14% yoy
 - Negative impact from redemption of fixed income securities
- **Commission income up by 17.4% (10.8%) yoy**
 - Mainly driven by payment transactions and lending fees (+13%)
 - accounting for > 80% of fee income
- **Trading income improved by EUR 9m yoy**
 - Driven by strong FX business in Q2 08
- **Operating expenses up 13.1% (+6.7%) yoy**
 - Personnel expenses increased by 4.3% in SKK
 - Other admin expenses and depreciation increase by 8.2% mainly on IT investments for EUR conversion and new core banking system
- **Risk provisions up 37.6% (29.9%) yoy**
 - In line with volume growth and cautious provisioning
- **Other result declined by EUR 3m to EUR -6.7m**
 - MTM valuation in line with market environment and deposit insurance contribution partly offset by release of legal provisions
- **Taxes increased to normal levels (16% tax rate)**
 - 2007 favoured by release of tax provision

Slovakia	1-6 08	1-6 07	Change
Operating income	236.8	200.9	17.9%
Operating expenses	(126.1)	(111.5)	13.1%
Operating result	110.7	89.4	23.9%
Net profit after minorities	68.3	63.5	7.6%
ROE based on net profit	40.4%	42.9%	
Cost/income ratio	53.3%	55.5%	

Rate and margin environment



* Figures in brackets refer to rate of change excluding impact of 5.6% currency appreciation

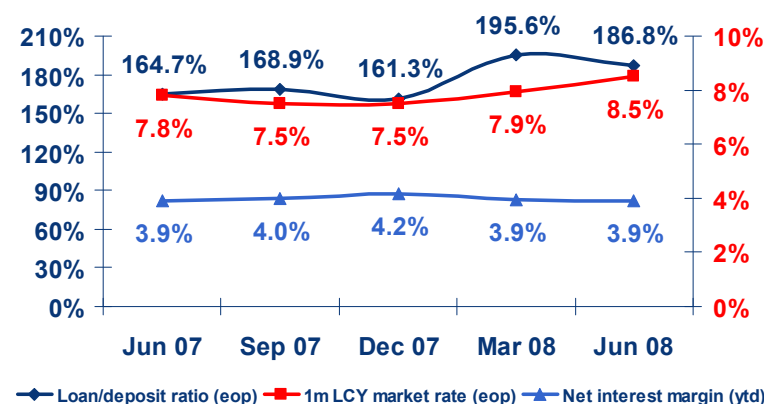
CEE/Hungary – H1 08 highlights



- **Net profit contribution improved by 18.7%***
 - Operating profit up 30.6%
 - Adjusted for NII accrual correction of EUR 8m¹ in Q1 07 increase was 18%
- **NII increased by 18.7%**
 - Adjusted for Q1 07 accrual correction, increase was 13%
 - Retail loans increased by 30% yoy, retail deposits up 7%
- **Net commission income up by 15.1%**
 - Mainly driven by lending business and card transactions
- **Trading result declined by 2.9%**
- **Operating expenses increased by 5.5%**
 - Personnel expenses up 9.6% mainly on accruals for higher wages and performance related pay
 - Other admin. expenses and depreciation up 3.4% due to higher expenses for office space and marketing
- **Risk provisions up 27.1%**
 - In line with loan growth and cautious provisioning
- **Other result has a positive impact from reallocation of local taxes to the tax line**

Hungary	1-6 08	1-6 07	Change
Operating income	225.9	195.8	15.4%
Operating expenses	(125.2)	(118.7)	5.5%
Operating result	100.7	77.1	30.6%
Net profit after minorities	54.0	35.7	51.0%
ROE based on net profit	31.7%	23.3%	
Cost/income ratio	55.4%	60.6%	

Rate and margin environment



¹ As announced with Q1 07 results

* Currency depreciation negligible (- 0.7%)

* H1 07 margin not adjusted for one-off effects (neg EUR 8m accrual in Q1 07).

CEE/Croatia – H1 08 highlights



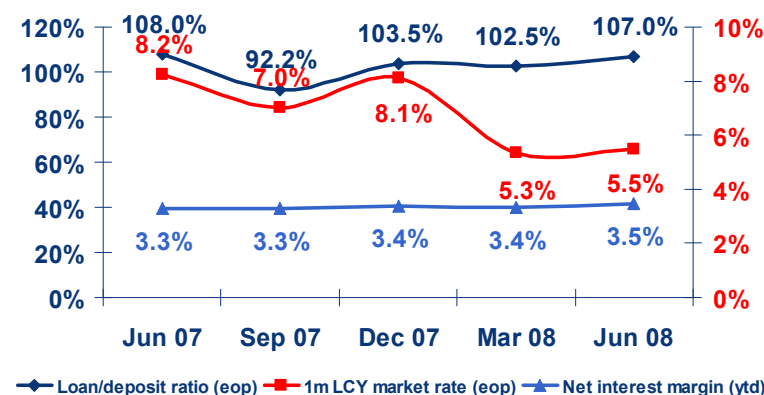
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- **Net profit contribution up 27.3%***
 - H1 08 performance still positively impacted by first time consolidation of Diners Club Adriatic, Croatia (DCA) in April 07
- **NII increased by 24.7% (ex DCA 17%)**
 - Supported by stable margins
 - Customer loans up 9.4% yoy despite stringent limitations by NB
 - Deposits grew by 13.4% yoy
- **Commission income up 39.0% (ex DCA 18%)**
 - Strong increase in payment services, card business and securities transactions
- **Trading result tripled to EUR 10.7m**
 - Mainly from FX transactions
- **Operating expenses increased by 24.0%**
 - Adjusted cost increase was 13% mainly on headcount expansion and stronger business volumes
 - CIR remained well below 50%
- **Risk provisions grew by 80.8% (ex DCA +53%)**
 - Based on low Q1 07 levels, in line with loan growth

Croatia	1-6 08	1-6 07	Change
Operating income	142.1	105.6	34.6%
Operating expenses	(66.6)	(53.8)	24.0%
Operating result	75.5	51.8	45.7%
Net profit after minorities	32.3	25.4	27.3%
ROE based on net profit	39.2%	39.0%	
Cost/income ratio	46.9%	50.9%	

Rate and margin environment



*Currency appreciation negligible (1.2%)

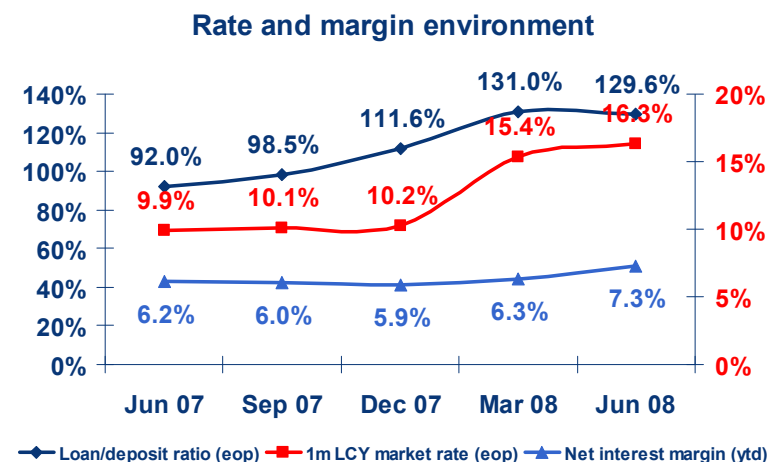
Diners Club Croatia (DCA) included since 2 April 2007

CEE/Serbia – H1 08 highlights



- **Net profit contribution up by EUR 5.7m**
 - Continued positive trend in operating performance
- **NII doubled to EUR 14.6m**
 - Customer loans grew by 60% yoy and deposits increased by 13.3%, from very low levels
 - NIM strongly improved to 7.3% despite high marginal reserve requirements, driven by substantially higher rates
- **Operating expenses increased by 21.2% (23.7%)**
 - On higher personnel costs (mainly wage inflation) and increased marketing expenses
- **Risk provisions at EUR 3.4m in line with loan growth**
- **Other result of EUR 4.4m mainly supported by a sale of a participation in Q1 08**
- **National Bank restrictions continue to impact asset growth**

Serbia	1-6 08	1-6 07	Change
Operating income	19.2	9.9	94.8%
Operating expenses	(16.3)	(13.5)	21.2%
Operating result	2.9	(3.6)	na
Net profit after minorities	3.5	(2.2)	na
ROE based on net profit	16.1%	n.a.	
Cost/income ratio	85.0%	n.a.	



* Figures in brackets refer to rate of change excluding impact of 2.3% currency depreciation

CEE/Ukraine – H1 08 highlights

- **Expansion of operations continues in a more challenging market environment**
- **Development programme covering 12 specific projects in progress as planned**
 - Number of branches stood at 98 at H1 08; additional 50 new branches in the pipeline
- **Headcount reached 1,682 up 49% as business expansion continued**
- **Total assets increased to EUR 795m (up 32%)**
 - Loans to customers up 74% ytd to EUR 516m
- **Retail market share stood at 1%**
 - Outperforming the stronger than expected market growth rates
 - Goal to reach retail market share of 4% by 2010
- **Ongoing enhancement of product offering**
- **Target for breakeven in 2009 – depending on business opportunities and market environment**

Ukraine	1-6 08	1-6 07	Change
Operating income	17.9	3.9	>100.0%
Operating expenses	(25.5)	(8.6)	>100.0%
Operating result	(7.6)	(4.7)	(62.6%)
Net profit after minorities	(6.8)	(5.8)	(18.3%)
ROE based on net profit	n.a.	n.a.	
Cost/income ratio	n.a.	n.a.	

* Local currency depreciated by 12.3%

Core segments Int'l Business and Corp. Center – H1 08 highlights



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– International Business

- Continued strong performance of operating result and net profit ytd
- NII up by 13.1% on higher credit spreads and unchanged asset quality and slower volume growth
- Cost growth contained at 5.3%; down by 5.6% qoq
- CIR improved further to 16.5% - lowest in the Group
- Risk provisions more than doubled to EUR 11m
 - Based on zero risk costs in Q2 07
 - Portfolio provisions in line with budgets

International Business	1-6 08	1-6 07	Change
Operating income	104.9	88.7	18.2%
Operating expenses	(17.3)	(16.4)	5.3%
Operating result	87.6	72.3	21.2%
Net profit after minorities	58.0	49.3	17.6%
ROE based on net profit	25.5%	22.4%	
Cost/income ratio	16.5%	18.5%	

– Corporate Center

- NII and risk provisions impacted by allocation of reporting change according to IAS 39 (unwinding) for H1 08 to the CC (+ EUR 29.8m); NII includes a charge of EUR 10m from CEE net profit hedges
- Trading result declines – mainly due to positive MTM valuation from strategic securities positions in Q1 07
- Costs include intra group eliminations, costs for Group projects presently allocated to the holding and set up costs for the holding structure (about EUR 15m)
- Other result mainly includes amortisation of value of BCR and DCA customer base – EUR 38m as well as negative valuations from securities

Corporate Center	1-6 08	1-6 07	Change
Net interest income	(19.3)	(12.8)	51.1%
Net fee and commission income	(1.4)	(14.1)	90.3%
General administrative expenses	(101.2)	(61.1)	na
Other result	(59.5)	(41.5)	(43.4%)
Pre-tax profit	(215.1)	(116.8)	(84.2%)
Taxes on income	62.4	20.4	>100.0%
Minority interests	9.6	12.9	(25.6%)
Net profit after minorities	(143.2)	(83.5)	(71.5%)

-
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Key topics: Overview of international exposures – Credit risk by regions*



ERSTE GROUP

in EUR million	Low risk		Mgmt attention		Substandard		Non-performing		Total exposure			
	Jun 08	Dec 07	Jun 08	Dec 07	Jun 08	Dec 07	Jun 08	Dec 07	Jun 08		Dec 07	
									Share of total		Share of total	
Core market	144,142	128,152	18,977	21,636	4,594	3,868	5,032	4,487	172,744	77.7%	158,143	74.6%
<i>Austria</i>	69,873	66,900	9,343	10,216	2,194	1,714	3,552	3,361	84,962	38.2%	82,191	38.8%
<i>Croatia</i>	6,008	5,630	1,677	1,417	197	155	171	153	8,052	3.6%	7,355	3.5%
<i>Romania</i>	9,627	7,471	4,018	6,387	1,418	1,204	332	309	15,394	6.9%	15,372	7.3%
<i>Serbia</i>	919	495	453	153	19	8	33	32	1,424	0.6%	688	0.3%
<i>Slovakia</i>	10,141	8,429	1,310	1,243	238	223	266	201	11,955	5.4%	10,097	4.8%
<i>Slovenia</i>	1,734	1,805	280	250	106	89	92	69	2,211	1.0%	2,213	1.0%
<i>Czech Republic</i>	35,021	28,155	504	574	295	112	401	198	36,221	16.3%	29,038	13.7%
<i>Hungary</i>	10,328	8,880	921	1,126	68	318	183	158	11,499	5.2%	10,481	4.9%
<i>Ukraine</i>	492	387	472	270	59	46	3	5	1,026	0.5%	708	0.3%
Other EU	33,437	35,918	978	1,084	88	69	233	190	34,736	15.6%	37,261	17.6%
Other industrialised countries	8,552	10,214	263	240	73	25	65	41	8,953	4.0%	10,519	5.0%
Emerging markets	5,207	5,359	486	536	49	144	16	44	5,759	2.6%	6,083	2.9%
<i>Southeastern Europe / CIS</i>	1,654	1,272	112	174	2	86	6	2	1,774	0.8%	1,534	0.7%
<i>Asia</i>	981	1,482	75	60	32	35	2	34	1,091	0.5%	1,611	0.8%
<i>Latin America</i>	881	868	71	34	9	12	5	5	965	0.4%	919	0.4%
<i>Middle East / Africa</i>	1,691	1,738	228	267	7	11	3	3	1,929	0.9%	2,019	1.0%
Total	191,338	179,643	20,704	23,496	4,804	4,105	5,346	4,763	222,192	100.0%	212,007	100.0%
Share of total	86.1%	84.7%	9.3%	11.1%	2.2%	1.9%	2.4%	2.2%	100.0%		100.0%	
Risk provisions	173	72	180	152	366	466	2,918	2,671	3,637		3,362	
Coverage ratio	0.1%	0.0%	0.9%	0.6%	7.6%	11.4%	54.6%	56.1%	1.6%		1.6%	

*) Including loans and advances to customers and banks, fixed income securities (in trading portfolio, investments available for sale or financial investments) and derivatives as well as off-balance sheet credit risks (warranties, guarantees and letters of credit) and unused credit lines.

Key topics: Overview of international exposures – Credit risk by industry sectors*



ERSTE GROUP

in EUR million	Low risk		Mgmt attention		Substandard		Non-performing		Total exposure			
	Jun 08	Dec 07	Jun 08	Dec 07	Jun 08	Dec 07	Jun 08	Dec 07	Jun 08		Dec 07	
									Share of total		Share of total	
Banking and insurance	50,585	53,876	1,360	1,137	162	155	45	40	52,152	23.5%	55,208	26.0%
Private households	43,480	36,913	3,354	5,439	959	685	1,801	1,485	49,594	22.3%	44,522	21.0%
Public administration	25,088	25,005	523	495	39	17	15	14	25,665	11.6%	25,531	12.0%
Real estate and other business activities	26,694	23,827	4,247	4,898	402	431	826	728	32,168	14.5%	29,883	14.1%
Manufacturing	12,798	11,787	2,764	2,747	713	524	514	510	16,789	7.6%	15,568	7.3%
Trade	10,305	8,896	2,873	3,334	437	515	603	561	14,218	6.4%	13,306	6.3%
Construction	5,038	4,569	1,594	1,331	265	225	357	339	7,254	3.3%	6,464	3.0%
Tourism	2,516	2,040	1,210	1,158	226	258	513	443	4,465	2.0%	3,900	1.8%
Transport and communication	3,682	3,102	1,011	894	245	236	206	189	5,145	2.3%	4,422	2.1%
Other services	3,317	2,129	376	570	75	110	200	149	3,969	1.8%	2,957	1.4%
Energy and water supply	2,611	2,214	372	242	80	67	38	62	3,102	1.4%	2,585	1.2%
Agriculture and forestry	1,339	1,094	649	631	178	182	127	127	2,293	1.0%	2,033	1.0%
Healthcare and social services	1,325	1,146	237	252	58	38	66	73	1,686	0.8%	1,509	0.7%
Other	1,601	2,281	58	152	952	634	22	33	2,632	1.2%	3,101	1.5%
Mining	959	764	76	214	12	28	12	11	1,059	0.5%	1,016	0.5%
Total	191,338	179,643	20,704	23,496	4,804	4,105	5,346	4,763	222,192	100.0%	212,007	100.0%
Share of total	86.1%	84.7%	9.3%	11.1%	2.2%	1.9%	2.4%	2.2%	100.0%		100.0%	
Risk provisions	173	72	180	152	366	466	2,918	2,671	3,637		3,362	
Coverage ratio	0.1%	0.0%	0.9%	0.6%	7.6%	11.4%	54.6%	56.1%	1.6%		1.6%	

*) Including loans and advances to customers and banks, fixed income securities (in trading portfolio, investments available for sale or financial investments) and derivatives as well as off-balance sheet credit risks (warranties, guarantees and letters of credit) and unused credit lines.

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 - **ABS portfolio (details)**
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Key topics: ABS/CDO portfolio – Details on ABS portfolio



ERSTE GROUP

- Erste Group has no exposure to US RMBS and US CMBS

– Criteria for RMBS investments

- Investments exclusively in UK prime RMBS
- Originators with proven track record
- Seasoning – Proven payment ability of borrowers
- Borrowers must have meaningful equity stakes

– Criteria for CMBS investments

- Reputation of sponsors, originators and servicers
- Quality of underlying properties and rental income
- Loan structures – eg subordination terms and prepayment waterfall

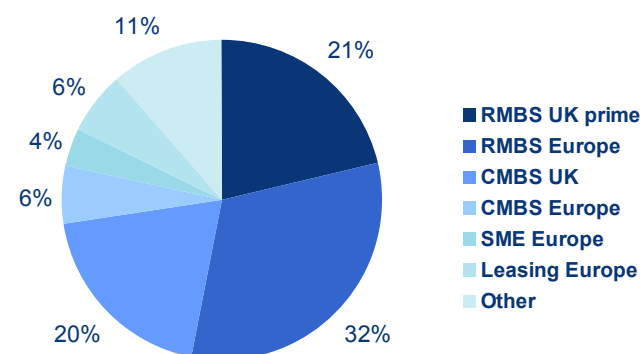
– Well diversified portfolio

- Well distributed per region or product categories

ABS portfolio by ratings (June 2008)*				
in EUR m	Face Value	Market Value	+/-%	% of total (market value)
AAA	275	263	(4.2%)	16.6%
AA	494	465	(5.8%)	29.3%
A	634	553	(12.7%)	34.9%
BBB	353	306	(13.4%)	19.3%
BB	0	0	-	0.0%
B	0	0	-	0.0%
CCC	0	0	-	0.0%
unrated	0	0	-	0.0%
Total	1,756	1,588	(9.6%)	100.0%

* Excluding savings banks portfolio

ABS portfolio - geographic/product split (H1 08)



Key topics: ABS/CDO portfolio – Details on CDO portfolio



ERSTE GROUP

- **Cash CLOs with strong corporate fundamental value make up 82% of portfolio**

- 65% of US CLOs are AAA rated
- Remainder is minimum A

- **Underlying quality of CLOs remained unchanged:**

- 24% for AAA; 19% for AA; 15% for A
- IE: loss in “A” tranche will only occur if default rate tops 37.5% and recovery rates drop below 60% in one year
- Default rate in 2006: 1.7%; 2007: 0.9%; H1 08: 1.2%; historical average: 4.5%, peak in recession years: 10%
- Recovery rates are presently above 85%

- **CBOs are all AAA rated**

- Vintages 1999 – 2001

- **CDO squared are all AAA rated**

- **Synthetic CDOs are A and AA rated**

- EUR 51m will mature August 2008

- **Other CDOs consist of 9 deals**

- Biggest investment EUR 43m AAA to A tranches of a cash CDO

CDO portfolio by products (June 2008)*

in EUR m	Face Value	Market Value	+/-%	% of total (market value)
Cash CLOs	1,103	934	(15.4%)	84.9%
<i>European CLOs</i>	293	240	(18.0%)	21.9%
<i>US CLOs</i>	810	693	(14.4%)	63.1%
CBO	16	15	(2.4%)	1.4%
CDO-squared	4	3	(13.4%)	0.3%
Synthetic CDO	88	80	(9.1%)	7.3%
Other CDOs	74	67	(9.8%)	6.1%
Total	1,284	1,099	(14.4%)	100.0%





CDO portfolio by ratings (June 2008)




in EUR m	Face Value	Market Value	+/-%	% of total (market value)
AAA	675	622	(7.9%)	56.6%
AA	196	161	(17.9%)	14.6%
A	377	292	(22.7%)	26.6%
BBB	35	23	(33.5%)	2.1%
BB	2	1	(8.4%)	0.1%
B	0	0	-	0.0%
CCC	0	0	-	0.0%
Unrated	0	0	-	0.0%
Total	1,284	1,099	(14.4%)	100.0%

* Excluding savings banks portfolio

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Summary financials of CEE subsidiaries – Results (IFRS) as reported by local entities*

	 97.99%			 69.17%			 100.00%			 99.94%		
in EUR million	1-6 08	1-6 07	Change	1-6 08	1-6 07	Change	1-6 08	1-6 07	Change	1-6 08	1-6 07	Change
Net profit after minorities	260.2	206.2	26.2%	206.6	126.4	63.5%	73.0	70.1	4.1%	57.1	38.6	47.7%
ROE based on net profit	22.9%	21.0%		30.4%	21.2%		21.1%	21.7%		21.5%	16.8%	
Cost/income ratio	46.8%	52.8%		41.6%	54.0%		51.5%	54.4%		54.0%	59.4%	
	Jun 08	Dec 07	Change	Jun 08	Dec 07	Change	Jun 08	Dec 07	Change	Jun 08	Dec 07	Change
Total assets	36,576	34,074	7.3%	17,798	17,399	2.3%	10,803	10,062	7.4%	9,077	8,862	2.4%
Employees	10,971	10,842	1.2%	11,794	12,224	(3.5%)	4,934	4,763	3.6%	3,163	3,056	3.5%

	 65.03%			 80.49%			 100.00%		
in EUR million	1-6 08	1-6 07	Change	1-6 08	1-6 07	Change	1-6 08	1-6 07	Change
Net profit after minorities	51.1	38.3	33.3%	5.9	(1.7)	na	5.1	(1.0)	na
ROE based on net profit	16.5%	18.7%		9.4%	na		na	na	
Cost/income ratio	43.0%	48.0%		78.6%	na		75.4%	82.7%	
	Jun 08	Dec 07	Change	Jun 08	Dec 07	Change	Jun 08	Dec 07	Change
Total assets	5,818	5,609	3.7%	550	477	15.4%	795	602	32.1%
Employees	2,009	1,886	6.5%	962	958	0.4%	1,682	1,130	48.8%

*) To eliminate currency effects, H1 08 exchange rates were used for P&L and balance sheet conversion.
Pro rata consolidation of Erste Bank Ukraine commenced 24 January 2007.

Financials (IFRS) of CEE subsidiaries – Česká spořitelna *



ERSTE GROUP



in EUR million	1-6 08	1-6 07	Change
Net interest income	566.3	455.9	24.2%
Risk provisions for loans and advances	(57.5)	(36.3)	58.5%
Net fee and commission income	211.1	187.9	12.3%
Net trading result	48.4	27.6	75.3%
General administrative expenses	(390.8)	(357.9)	9.2%
Profit from discontinued operations	9.3	6.4	45.2%
Other operating result	(30.9)	(18.1)	(70.7%)
Result from financial assets - FV	(26.9)	(4.1)	na
Result from financial assets - AfS	4.6	11.7	(60.5%)
Result from financial assets - HtM	(0.0)	0.5	na
Pre-tax profit	333.5	273.6	21.9%
Net profit after minorities	260.2	206.2	26.2%
EUR FX rate (ave)	25.3	25.3	
	Jun 08	Dec 07	Change
Total assets	36,576	34,074	7.3%
Loans and advances to customers	18,121	17,512	3.5%
Customer accounts	26,916	24,761	8.7%
EUR FX rate (eop)	23.9	23.9	

*) To eliminate currency effects, H1 08 exchange rates were used for P&L and balance sheet conversion

Local results are not fully comparable to segment results as impact from unwinding on NII and risk provisions are allocated to the Corporate Center .

Financials (IFRS) of CEE subsidiaries – Banca Comercială Română (post restruct. costs) *



ERSTE GROUP



in EUR million	1-6 08	1-6 07	Change
Net interest income	390.6	240.0	62.8%
Risk provisions for loans and advances	(74.0)	(26.6)	>100,0%
Net fee and commission income	134.2	95.3	40.8%
Net trading result	34.8	47.7	(27.0%)
General administrative expenses	(231.9)	(213.1)	8.9%
Profit from discontinued operations	(2.1)	11.4	na
Other operating result	(4.2)	(4.9)	14.2%
Result from financial assets - FV	(4.0)	(0.1)	>100,0%
Result from financial assets - AfS	4.5	1.0	>100,0%
Result from financial assets - HtM	0.0	0.0	na
Pre-tax profit	248.0	150.7	64.5%
Net profit after minorities	206.6	126.4	63.5%
EUR FX rate (ave)	3.68	3.68	
	Jun 08	Dec 07	Change
Total assets	17,798	17,399	2.3%
Loans and advances to customers	11,730	10,820	8.4%
Customer accounts	8,790	8,275	6.2%
EUR FX rate (eop)	3.64	3.64	

*) To eliminate currency effects, H1 08 exchange rates were used for P&L and balance sheet conversion

Local results are not fully comparable to segment results as impact from unwinding on NII and risk provisions are allocated to the Corporate Center .

Financials (IFRS) of CEE subsidiaries – Slovenská sporiteľňa *



ERSTE GROUP



in EUR million	1-6 08	1-6 07	Change
Net interest income	172.5	158.7	8.7%
Risk provisions for loans and advances	(24.8)	(17.3)	43.3%
Net fee and commission income	54.0	48.7	10.8%
Net trading result	18.5	10.0	84.6%
General administrative expenses	(126.1)	(118.2)	6.7%
Profit from discontinued operations	0.0	0.0	na
Other operating result	(0.8)	(4.6)	82.7%
Result from financial assets - FV	(5.9)	0.6	na
Result from financial assets - AfS	0.0	0.1	na
Result from financial assets - HtM	0.0	(0.0)	na
Pre-tax profit	87.4	78.0	12.0%
Net profit after minorities	73.0	70.1	4.1%
EUR FX rate (ave)	32.2	32.2	
	Jun 08	Dec 07	Change
Total assets	10,803	10,062	7.4%
Loans and advances to customers	5,498	5,190	5.9%
Customer accounts	7,708	7,615	1.2%
EUR FX rate (eop)	30.2	30.2	

*) To eliminate currency effects, H1 08 exchange rates were used for P&L and balance sheet conversion

Local results are not fully comparable to segment results as impact from unwinding on NII and risk provisions are allocated to the Corporate Center .

Financials (IFRS) of CEE subsidiaries – Erste Bank Hungary *



ERSTE GROUP



in EUR million	1-6 08	1-6 07	Change
Net interest income	143.8	119.3	20.6%
Risk provisions for loans and advances	(29.9)	(21.9)	36.4%
Net fee and commission income	68.4	59.0	15.9%
Net trading result	19.7	20.2	(2.2%)
General administrative expenses	(125.2)	(117.9)	6.2%
Profit from discontinued operations	0.0	0.0	na
Other operating result	1.2	(11.1)	na
Result from financial assets - FV	0.0	0.0	na
Result from financial assets - AfS	0.0	0.3	na
Result from financial assets - HtM	0.0	0.0	na
Pre-tax profit	77.9	47.7	63.2%
Net profit after minorities	57.1	38.6	47.7%
EUR FX rate (ave)	252.4	252.4	
	Jun 08	Dec 07	Change
Total assets	9,077	8,862	2.4%
Loans and advances to customers	6,780	6,453	5.1%
Customer accounts	3,630	3,999	(9.2%)
EUR FX rate (eop)	235.4	235.4	

*) To eliminate currency effects, H1 08 exchange rates were used for P&L and balance sheet conversion

Local results are not fully comparable to segment results as impact from unwinding on NII and risk provisions are allocated to the Corporate Center .

Financials (IFRS) of CEE subsidiaries – Erste Bank Croatia *



ERSTE GROUP



in EUR million	1-6 08	1-6 07	Change
Net interest income	91.0	76.6	18.7%
Risk provisions for loans and advances	(9.3)	(6.2)	51.1%
Net fee and commission income	27.0	22.2	21.5%
Net trading result	9.8	2.8	>100,0%
General administrative expenses	(55.0)	(48.8)	12.6%
Profit from discontinued operations	0.0	0.0	na
Other operating result	(0.5)	0.7	na
Result from financial assets - FV	0.0	0.0	na
Result from financial assets - AfS	0.7	0.6	12.7%
Result from financial assets - HtM	0.0	0.0	na
Pre-tax profit	63.6	48.0	32.5%
Net profit after minorities	51.1	38.3	33.3%
EUR FX rate (ave)	7.3	7.3	
	Jun 08	Dec 07	Change
Total assets	5,818	5,609	3.7%
Loans and advances to customers	3,958	3,685	7.4%
Customer accounts	3,697	3,560	3.9%
EUR FX rate (eop)	7.2	7.2	

*) To eliminate currency effects, H1 08 exchange rates were used for P&L and balance sheet conversion

Local results are not fully comparable to segment results as impact from unwinding on NII and risk provisions are allocated to the Corporate Center .

Financials (IFRS) of CEE subsidiaries – Erste Bank Serbia *



ERSTE GROUP



in EUR million	1-6 08	1-6 07	Change
Net interest income	16.2	7.7	>100,0%
Risk provisions for loans and advances	(2.9)	(0.3)	>100,0%
Net fee and commission income	3.4	2.1	61.5%
Net trading result	1.1	0.7	67.5%
General administrative expenses	(16.3)	(13.2)	23.7%
Profit from discontinued operations	0.0	0.0	na
Other operating result	(0.4)	1.3	na
Result from financial assets - FV	0.0	0.0	na
Result from financial assets - AfS	4.8	0.0	>100,0%
Result from financial assets - HtM	0.0	0.0	na
Pre-tax profit	5.9	(1.7)	na
Net profit after minorities	5.9	(1.7)	na
EUR FX rate (ave)	81.6	81.6	
	Jun 08	Dec 07	Change
Total assets	550	477	15.4%
Loans and advances to customers	311	265	17.3%
Customer accounts	240	238	1.1%
EUR FX rate (eop)	78.7	78.7	

*) To eliminate currency effects, H1 08 exchange rates were used for P&L and balance sheet conversion

Local results are not fully comparable to segment results as impact from unwinding on NII and risk provisions are allocated to the Corporate Center .

Financials (IFRS) of CEE subsidiaries – Erste Bank Ukraine *



ERSTE GROUP

in EUR million	1-6 08	1-6 07	Change
Net interest income	24.2	5.9	>100.0%
Risk provisions for loans and advances	(2.3)	(2.5)	(6.4%)
Net fee and commission income	1.6	0.2	>100.0%
Net trading result	4.1	2.2	85.9%
General administrative expenses	(22.5)	(6.9)	>100.0%
Profit from discontinued operations	0.0	0.0	na
Other operating result	0.1	0.1	16.3%
Result from financial assets - FV	0.0	0.0	na
Result from financial assets - AfS	0.0	0.0	na
Result from financial assets - HtM	0.0	0.0	na
Pre-tax profit	5.1	(1.0)	na
Net profit after minorities	5.1	(1.0)	na
EUR FX rate (ave)	7.51	7.51	
	Jun 08	Dec 07	Change
Total assets	795	602	32.1%
Loans and advances to customers	516	297	73.8%
Customer accounts	29	13	>100.0%
EUR FX rate (eop)	7.16	7.16	

*) To eliminate currency effects, H1 08 exchange rates were used for P&L and balance sheet conversion.
Consolidation commenced 24 January 2007.

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- Summary and H1 2008 highlights
 - H1 2008 key topics
 - Outlook and targets
 - Financials and segment reporting
 - **Appendix**
 - Segment reporting (details)
 - Asset quality (details)
 - ABS portfolio (details)
 - CEE local statements
 - Quarterly results

Erste Group historic financials – Quarterly income statement (IFRS)



ERSTE GROUP

in EUR million	Q3 06	Q4 06	Q1 07	Q2 07	Q3 07	Q4 07	Q1 08	Q2 08
Net interest income	779.7	927.8	903.7	953.8	986.6	1,101.7	1,151.1	1,154.9
Net fee and commission income	338.8	409.4	438.9	446.0	469.3	503.7	491.9	510.3
Net trading result	51.6	90.1	124.8	94.8	72.4	59.1	82.3	102.1
Profit from discontinued operations	10.3	10.5	15.6	13.9	2.8	2.7	5.7	6.9
Operating income	1,180.3	1,437.8	1,483.0	1,508.5	1,531.1	1,667.2	1,731.0	1,774.2
Personnel expenses	(414.3)	(518.9)	(506.7)	(533.1)	(548.2)	(601.3)	(561.4)	(599.2)
Other administrative expenses	(210.7)	(223.7)	(268.4)	(289.4)	(276.0)	(236.7)	(309.8)	(343.1)
Depreciation and amortisation	(79.7)	(98.4)	(95.5)	(98.7)	(93.9)	(94.2)	(93.6)	(94.5)
Operating expenses	(704.7)	(841.0)	(870.6)	(921.2)	(918.1)	(932.2)	(964.8)	(1,036.8)
Operating result	475.6	596.8	612.4	587.3	613.0	735.0	766.2	737.4
Risk provisions for loans and advances	(112.9)	(107.9)	(128.4)	(110.9)	(96.6)	(118.8)	(163.1)	(221.0)
Other operating result	(35.2)	(57.7)	(33.3)	(56.1)	(43.9)	(36.0)	(22.9)	(61.9)
Result from financial assets - FV	(1.0)	(5.0)	11.1	(7.1)	(42.3)	(9.5)	(72.9)	(7.0)
Result from financial assets - AfS	7.3	48.9	14.3	13.1	17.5	6.1	(12.8)	6.3
Result from financial assets - HtM	0.4	0.9	0.5	0.0	0.1	0.1	0.0	0.1
Pre-tax profit	334.3	476.0	476.6	426.3	447.8	576.9	494.5	453.9
Taxes on income	(75.3)	(104.2)	(102.5)	(91.6)	(96.3)	(87.2)	(98.7)	(91.0)
Minority interests	(56.3)	(94.9)	(72.0)	(70.8)	(79.6)	(152.9)	(80.2)	(41.9)
Net profit after minorities	202.7	276.9	302.1	263.9	271.9	336.8	315.6	321.0
Cost/income ratio	59.7%	58.5%	58.7%	61.1%	60.0%	55.9%	55.7%	58.4%
Return on equity	11.7%	14.7%	15.0%	12.6%	12.9%	15.8%	14.8%	14.7%

Erste Group historic financials – Quarterly balance sheet (IFRS)



ERSTE GROUP

in EUR million	Sep 06	Dec 06	Mar 07	Jun 07	Sep 07	Dec 07	Mar 08	Jun 08
Cash and balances with central banks	2,355	7,378	6,861	6,753	7,311	7,615	7,783	6,854
Loans and advances to credit institutions	18,307	16,616	20,877	21,405	21,261	14,937	15,938	19,253
Loans and advances to customers	87,230	97,107	100,468	104,389	107,218	113,956	115,828	121,684
Risk provisions for loans and advances	(2,823)	(3,133)	(3,189)	(3,239)	(3,314)	(3,296)	(3,447)	(3,574)
Trading assets	6,006	6,188	6,645	6,682	6,358	6,637	7,469	7,502
Financial assets - at fair value through profit or loss	4,480	4,682	4,786	5,045	4,754	4,534	4,452	4,397
Financial assets - available for sale	14,608	14,927	15,325	15,200	15,784	16,200	15,907	16,147
Financial assets - held to maturity	16,295	16,700	16,733	18,139	18,396	16,843	15,770	15,922
Investments of insurance companies	7,575	7,329	7,514	7,556	7,878	8,054	0	0
Equity holdings in associates accounted for at equity	330	383	389	389	384	285	237	239
Intangible assets	1,919	6,092	6,113	6,528	6,246	5,962	5,822	5,915
Property and equipment	1,649	2,165	2,186	2,252	2,273	2,289	2,357	2,529
Tax assets	136	317	323	349	364	446	416	446
Assets held for sale and discontinued operations	0	0	0	0	0	0	9,555	9,582
Other assets	4,523	4,952	5,522	5,905	5,659	6,057	6,380	7,262
Total assets	162,590	181,703	190,553	197,353	200,572	200,519	204,467	214,158
Deposits by banks	34,135	37,688	38,038	40,989	40,400	35,165	35,073	35,915
Customer accounts	80,660	90,849	94,956	93,235	98,184	100,116	103,863	108,842
Debt securities in issue	18,603	21,814	24,989	29,128	27,834	31,078	28,681	30,770
Trading liabilities	491	1,200	1,625	1,704	1,942	1,756	2,720	2,575
Underwriting provisions	7,570	7,920	8,096	8,260	8,396	8,638	0	0
Other provisions	1,503	1,780	1,766	1,749	1,737	1,792	1,770	1,762
Tax liabilities	105	291	290	286	320	329	323	262
Liabilities associated with assets held for sale and disc	0	0	0	0	0	0	9,407	9,526
Other liabilities	4,898	4,047	4,070	5,150	5,029	4,653	4,966	6,415
Subordinated liabilities	5,261	5,210	5,500	5,484	5,423	5,589	5,776	6,045
Total equity	9,364	10,904	11,223	11,368	11,307	11,403	11,888	12,046
Shareholder's equity	7,115	7,979	8,242	8,483	8,438	8,452	8,586	8,911
Minority interests	2,249	2,925	2,981	2,885	2,869	2,951	3,302	3,135
Total liabilities and equity	162,590	181,703	190,553	197,353	200,572	200,519	204,467	214,158

Quarterly segment reporting – Overview of core segments



ERSTE GROUP

in EUR million	Austria					Central and Eastern Europe				
	Q2 07	Q3 07	Q4 07	Q1 08	Q2 08	Q2 07	Q3 07	Q4 07	Q1 08	Q2 08
Net interest income	408.2	412.6	429.6	477.1	429.4	516.0	548.7	602.0	637.6	698.0
Risk provisions	(66.1)	(72.2)	(7.0)	(71.4)	(110.7)	(45.1)	(26.2)	(55.9)	(72.3)	(89.7)
Net fee and commission income	227.4	224.5	238.7	237.7	232.7	218.1	240.0	264.9	247.5	264.1
Net trading result	31.7	4.8	22.3	20.8	31.1	56.3	67.3	42.8	63.3	74.0
General administrative expenses	(428.9)	(424.7)	(402.9)	(448.5)	(452.2)	(450.1)	(464.4)	(488.6)	(459.5)	(523.1)
Profit from discontinued operation	6.1	0.4	0.3	4.9	0.4	7.8	2.4	2.4	0.8	6.5
Other result	0.6	(24.0)	(12.1)	(38.8)	(15.5)	(22.7)	(29.1)	(12.2)	(40.7)	(17.4)
Pre-tax profit	179.0	121.4	269.0	181.8	115.2	280.4	338.6	355.4	376.8	412.3
Taxes on income	(41.6)	(27.9)	(47.5)	(59.0)	(23.6)	(51.8)	(70.0)	(57.0)	(73.9)	(76.2)
Minority interests	(43.3)	(42.4)	(115.2)	(40.5)	7.7	(34.0)	(43.7)	(36.9)	(46.3)	(52.6)
Net profit after minorities	94.1	51.1	106.3	82.4	99.3	194.5	224.9	261.5	256.6	283.5

in EUR million	International Business					Corporate Center				
	Q2 07	Q3 07	Q4 07	Q1 08	Q2 08	Q2 07	Q3 07	Q4 07	Q1 08	Q2 08
Net interest income	37.1	38.4	40.7	40.1	43.2	(7.5)	(13.2)	29.3	(3.6)	(15.6)
Risk provisions	0.1	1.7	13.4	(5.9)	(5.1)	0.1	0.1	(69.4)	(13.6)	(15.5)
Net fee and commission income	8.1	8.4	8.8	10.6	11.0	(7.5)	(3.6)	(8.6)	(3.9)	2.5
Net trading result	(0.0)	(0.0)	0.1	0.0	(0.0)	6.8	0.3	(5.9)	(1.8)	(3.0)
General administrative expenses	(8.3)	(9.0)	(11.1)	(8.9)	(8.4)	(33.9)	(20.0)	(29.5)	(48.0)	(53.3)
Profit from discontinued operation	0.0	0.0	0.0	0.0	0.0	(0.0)	0.0	(0.0)	0.0	0.0
Other result	0.2	3.3	(0.3)	1.2	(0.3)	(28.3)	(18.7)	(14.7)	(30.4)	(29.1)
Pre-tax profit	37.2	42.8	51.6	37.0	40.5	(70.3)	(55.1)	(98.9)	(101.2)	(114.0)
Taxes on income	(10.2)	(11.6)	(10.2)	(9.6)	(10.0)	11.9	13.3	27.4	43.7	18.7
Minority interests	0.0	0.0	0.0	0.0	0.0	6.6	6.5	(0.8)	6.6	3.0
Net profit after minorities	27.1	31.2	41.4	27.5	30.5	(51.8)	(35.4)	(72.3)	(50.8)	(92.3)

Quarterly segment reporting – Austria sub-segments



ERSTE GROUP

in EUR million

	Savings Banks					Retail & Mortgage				
	Q2 07	Q3 07	Q4 07	Q1 08	Q2 08	Q2 07	Q3 07	Q4 07	Q1 08	Q2 08
Net interest income	213.5	221.6	223.0	258.0	203.0	136.0	135.7	144.5	147.1	143.5
Risk provisions	(39.5)	(42.9)	29.3	(37.2)	(73.4)	(24.9)	(22.4)	(24.4)	(22.9)	(23.4)
Net fee and commission income	91.2	95.0	91.2	98.6	97.9	90.4	81.1	86.9	83.0	83.1
Net trading result	5.3	(0.1)	8.1	4.7	5.4	3.2	2.9	3.0	3.1	2.3
General administrative expenses	(211.8)	(211.9)	(193.5)	(229.1)	(235.7)	(161.8)	(155.0)	(147.5)	(157.2)	(155.8)
Profit from discontinued operation	0.0	0.0	0.0	0.0	0.0	6.1	0.4	0.3	4.9	0.4
Other result	(3.7)	(4.8)	(12.4)	(13.3)	(8.9)	(2.3)	(5.4)	(7.6)	(10.4)	(0.7)
Pre-tax profit	55.1	56.7	145.8	81.8	(11.8)	46.7	37.3	55.2	47.6	49.4
Taxes on income	(13.9)	(13.8)	(22.6)	(36.4)	0.9	(10.2)	(7.9)	(11.4)	(10.5)	(10.2)
Minority interests	(37.8)	(39.3)	(115.6)	(41.5)	11.8	(4.0)	(2.1)	(2.6)	1.2	(2.4)
Net profit after minorities	3.3	3.6	7.6	3.9	0.8	32.4	27.3	41.2	38.3	36.8

in EUR million

	Large Corporates					Treasury & Investment Banking				
	Q2 07	Q3 07	Q4 07	Q1 08	Q2 08	Q2 07	Q3 07	Q4 07	Q1 08	Q2 08
Net interest income	43.6	45.7	48.9	56.5	55.2	15.1	9.7	13.2	15.5	27.7
Risk provisions	(1.7)	(6.9)	(11.9)	(11.2)	(13.9)	0.0	0.0	0.0	0.0	(0.0)
Net fee and commission income	21.5	21.4	33.5	27.2	25.4	24.2	27.1	27.1	29.0	26.3
Net trading result	0.9	0.6	0.5	0.3	0.3	22.3	1.3	10.8	12.6	23.0
General administrative expenses	(27.2)	(28.8)	(30.7)	(33.3)	(31.6)	(28.1)	(29.0)	(31.2)	(28.9)	(29.1)
Profit from discontinued operation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other result	7.1	(0.8)	13.3	(0.8)	0.2	(0.5)	(13.0)	(5.5)	(14.4)	(6.1)
Pre-tax profit	44.2	31.2	53.5	38.7	35.7	33.0	(3.9)	14.5	13.8	41.9
Taxes on income	(10.0)	(6.9)	(10.8)	(7.8)	(7.2)	(7.5)	0.7	(2.7)	(4.3)	(7.0)
Minority interests	(1.5)	(0.9)	3.1	(0.2)	(1.7)	(0.0)	(0.0)	(0.0)	0.0	0.0
Net profit after minorities	32.7	23.4	45.8	30.7	26.7	25.6	(3.2)	11.8	9.5	35.0

Quarterly segment reporting – Central and Eastern Europe sub-segments (1)



ERSTE GROUP

in EUR million	Czech Republic					Romania				
	Q2 07	Q3 07	Q4 07	Q1 08	Q2 08	Q2 07	Q3 07	Q4 07	Q1 08	Q2 08
Net interest income	195.2	214.4	233.4	259.9	273.1	136.7	143.6	168.5	180.4	200.5
Risk provisions	(18.3)	(16.6)	(21.4)	(22.3)	(28.5)	(2.8)	23.0	10.6	(17.5)	(27.2)
Net fee and commission income	85.4	85.2	100.1	102.0	109.1	60.1	74.3	76.7	67.2	67.0
Net trading result	8.4	17.1	20.6	26.1	22.3	32.7	24.7	(0.9)	16.1	18.7
General administrative expenses	(164.9)	(162.8)	(177.9)	(184.0)	(206.8)	(127.1)	(140.1)	(153.1)	(106.1)	(125.8)
Profit from discontinued operation	2.2	7.2	4.8	2.2	7.1	5.6	(4.8)	(2.4)	(1.4)	(0.6)
Other result	(6.3)	(11.2)	8.6	(40.0)	(13.3)	(2.9)	(3.2)	(4.6)	(4.7)	1.0
Pre-tax profit	101.7	133.2	168.2	144.0	163.1	102.2	117.6	94.9	133.9	133.6
Taxes on income	(22.8)	(35.3)	(17.7)	(30.9)	(32.5)	(17.5)	(20.5)	(15.2)	(22.1)	(21.8)
Minority interests	(0.8)	(3.3)	(3.2)	(1.4)	(5.9)	(27.9)	(31.8)	(27.8)	(35.5)	(35.6)
Net profit after minorities	78.0	94.6	147.3	111.6	124.7	56.8	65.3	51.8	76.2	76.2

in EUR million	Slovakia					Hungary				
	Q2 07	Q3 07	Q4 07	Q1 08	Q2 08	Q2 07	Q3 07	Q4 07	Q1 08	Q2 08
Net interest income	73.6	74.3	80.7	77.1	87.3	64.9	67.8	69.4	67.2	70.6
Risk provisions	(8.5)	(8.9)	(12.3)	(10.4)	(12.1)	(10.3)	(14.2)	(23.1)	(13.1)	(15.0)
Net fee and commission income	23.5	23.8	26.0	25.8	28.2	29.8	35.0	38.9	32.6	35.7
Net trading result	5.1	6.3	5.2	6.2	12.3	10.1	8.3	8.9	7.4	12.3
General administrative expenses	(55.8)	(58.3)	(52.9)	(57.5)	(68.6)	(58.1)	(57.2)	(54.2)	(61.0)	(64.2)
Profit from discontinued operation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other result	(2.2)	(7.8)	(16.3)	(3.6)	(3.0)	(10.5)	(5.8)	5.4	3.3	(2.1)
Pre-tax profit	35.7	29.5	30.3	37.5	44.1	25.9	34.0	45.4	36.5	37.3
Taxes on income	(3.0)	(2.4)	(3.2)	(6.1)	(7.1)	(5.0)	(6.8)	(15.6)	(10.3)	(9.5)
Minority interests	(0.0)	(0.0)	(0.0)	0.0	(0.0)	(0.1)	(0.1)	(0.1)	0.0	(0.0)
Net profit after minorities	32.6	27.1	27.1	31.4	36.9	20.8	27.1	29.7	26.2	27.8

Quarterly segment reporting – Central and Eastern Europe sub-segments (2)



ERSTE GROUP

in EUR million	Croatia					Serbia				
	Q2 07	Q3 07	Q4 07	Q1 08	Q2 08	Q2 07	Q3 07	Q4 07	Q1 08	Q2 08
Net interest income	40.3	41.1	44.0	43.5	49.0	3.4	4.6	4.6	6.0	8.7
Risk provisions	(3.5)	(5.8)	(6.1)	(4.4)	(6.4)	0.3	0.8	(0.4)	(2.1)	(0.8)
Net fee and commission income	17.9	19.7	20.8	17.8	21.2	1.3	1.4	1.8	1.6	1.8
Net trading result	0.6	10.5	5.0	4.7	6.0	0.5	0.2	0.6	0.6	0.6
General administrative expenses	(31.0)	(32.3)	(32.5)	(32.4)	(34.2)	(6.9)	(6.8)	(8.1)	(7.8)	(8.6)
Profit from discontinued operation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other result	(0.8)	(1.0)	(5.6)	(0.2)	0.1	(0.1)	(0.1)	0.6	4.5	(0.1)
Pre-tax profit	23.4	32.3	25.6	28.9	35.7	(1.5)	0.1	(0.9)	2.8	1.5
Taxes on income	(4.8)	(6.5)	(6.8)	(5.9)	(7.1)	0.1	(0.0)	0.3	0.2	0.2
Minority interests	(5.4)	(8.4)	(5.8)	(8.7)	(10.6)	0.2	(0.1)	0.1	(0.7)	(0.5)
Net profit after minorities	13.2	17.4	12.9	14.4	17.9	(1.2)	(0.0)	(0.5)	2.3	1.3

in EUR million	Ukraine				
	Q2 07	Q3 07	Q4 07	Q1 08	Q2 08
Net interest income	2.0	2.9	1.5	3.5	8.8
Risk provisions	(1.8)	(4.6)	(3.2)	(2.6)	0.3
Net fee and commission income	0.1	0.4	0.5	0.6	1.0
Net trading result	(1.0)	0.1	3.4	2.4	1.7
General administrative expenses	(6.3)	(6.8)	(9.9)	(10.8)	(14.8)
Profit from discontinued operation	0.0	0.0	0.0	0.0	0.0
Other result	0.0	(0.0)	(0.2)	0.1	0.1
Pre-tax profit	(6.9)	(7.9)	(8.0)	(6.8)	(3.0)
Taxes on income	1.3	1.4	1.2	1.4	1.7
Minority interests	0.0	0.0	0.0	0.0	0.0
Net profit after minorities	(5.7)	(6.5)	(6.8)	(5.4)	(1.4)

Group capital adequacy* – Tier 1 and solvency ratios within target ranges



ERSTE GROUP

in EUR million	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Jun 08
Tier 1 Capital pursuant to § Austrian Banking Act	1,611	1,753	2,125	2,337	3,800	3,912	4,377	5,112	6,185	6,674	7,090
Total own funds pursuant to § Austrian Banking Act ¹	3,176	3,296	3,956	4,308	6,983	7,009	7,286	8,611	10,111	11,114	11,541
Risk weighted assets	26,488	27,750	31,879	37,803	60,257	62,188	65,384	75,078	94,129	95,091	102,331
Tier 1 ratio (%)	6.1	6.3	6.7	6.2	6.3	6.3	6.7	6.8	6.6	7.0	6.9
Solvency ratio (%)	11.0	10.8	11.2	10.7	11.0	10.7	10.7	11.0	10.3	10.5	10.1
Market capitalisation	2,020	1,950	2,417	3,006	3,837	5,873	9,489	11,442	18,319	15,340	12,535
Book value per share ²	7.4	8.1	9.2	9.5	10.4	11.6	14.3	17.1	25.6	27.0	28.5
Price-book value ratio ²	1.5	1.4	1.3	1.6	1.5	2.1	2.8	2.7	2.3	1.8	1.4

* Data reflects implementation of Basel II as of 1 January 2007

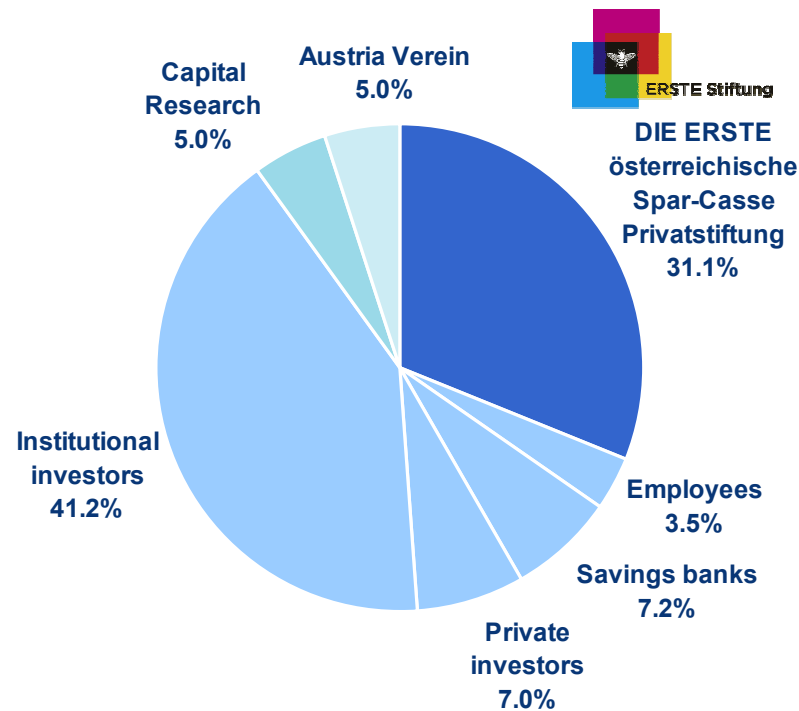
¹ Total eligible qualifying capital

² 1998 – 2003 data adjusted for 4:1 stock split

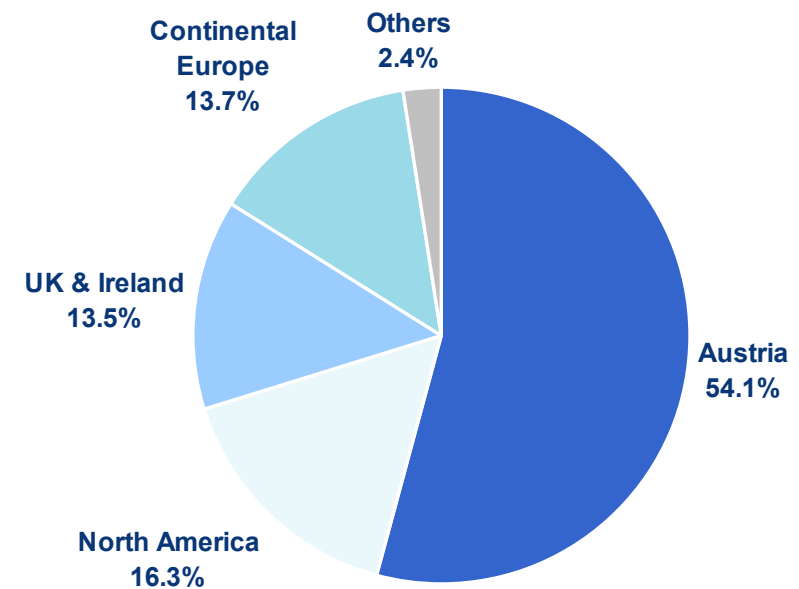
Shareholder structure –

Total number of shares: 317,011,863

By investor



By region



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