

# **Erste Group – H1 09 results presentation**

30 July 2009, Vienna

## **Strong operating performance continues in Q2 09**

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# Disclaimer –

## Cautionary note regarding forward-looking statements



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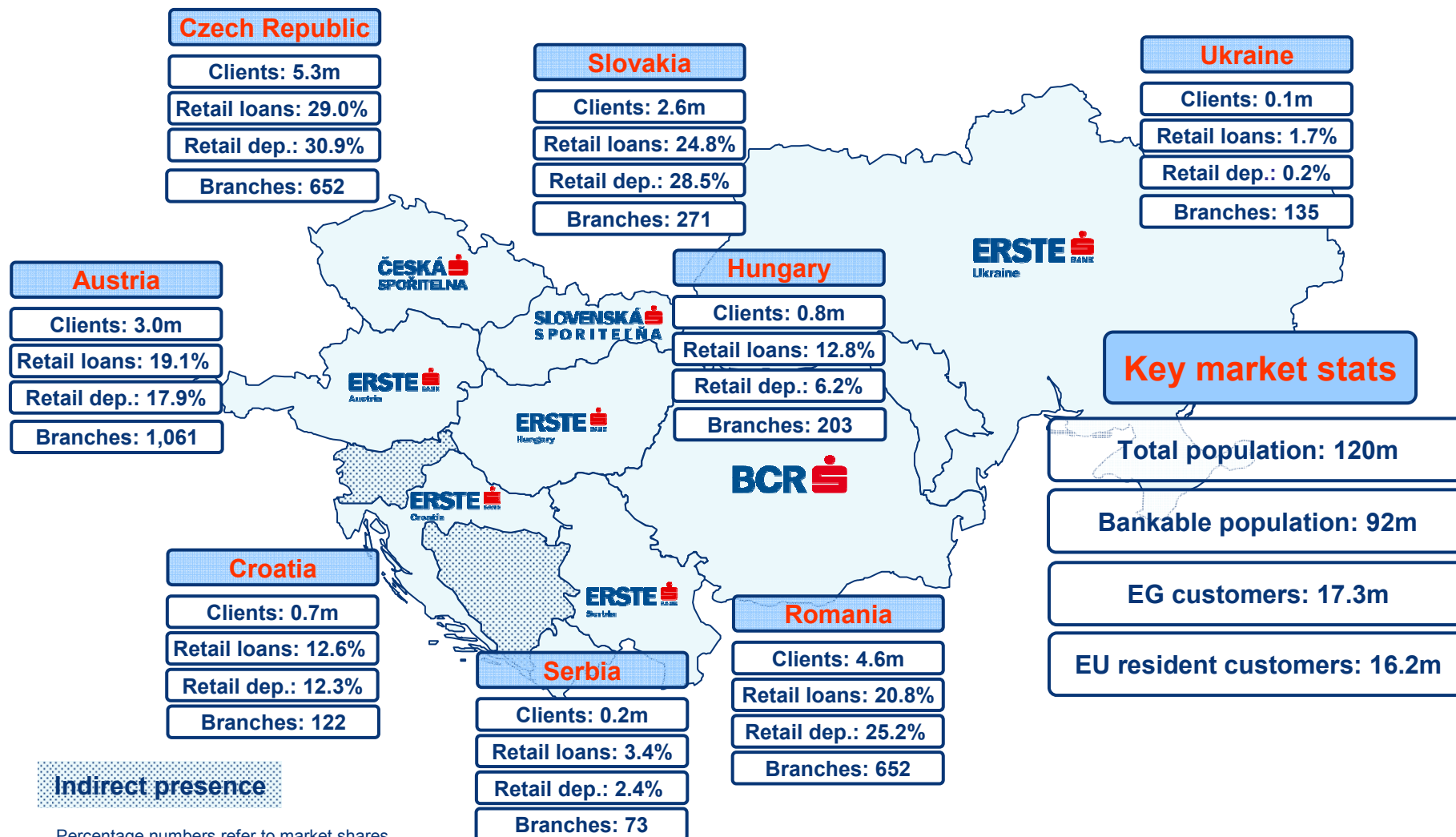
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- **Overview of key ratios and macro trends**
- Summary and H1 2009 highlights
- H1 2009 key topics
- H1 2009 financials and segment reporting
- Appendix

# Erste Group – Overview of key facts



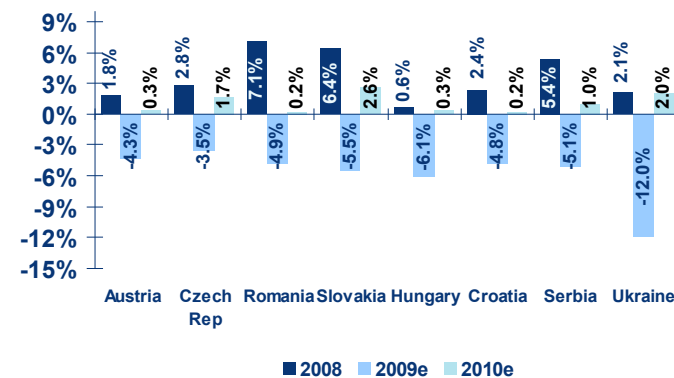
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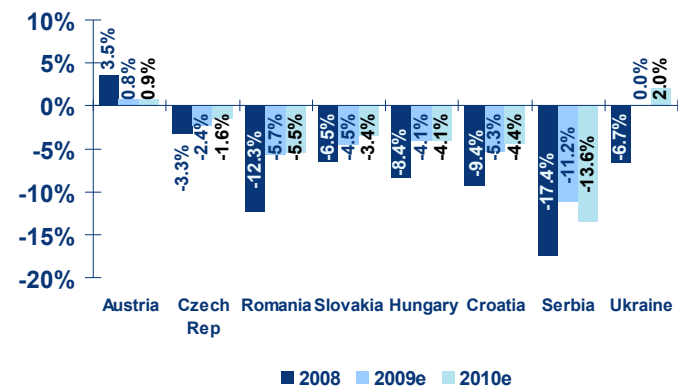
# Erste Group – Overview of macro trends

- **CEE economies expected to contract in 2009 but intensity of macro pressure is easing**
  - GDP growth outlook remains challenging
  - First signs of stabilisation emerging (e.g. in manufacturing), supported by global stabilisation packages
  - Rebound expected in all of Erste's markets in 2010
- **Consumer confidence on the rise**
  - Gradual improvement in CZ, RO, HU and SK
- **Improving current account balances**
  - Cons: Stronger negative cyclical component in the short-term
  - Pros: Less external financing needed leading to a stabilisation of CEE currencies
    - Romanian C/A fully covered by FDIs
- **Stronger fiscal discipline compared to EU average**
  - Deficits have increased on lower tax revenues rather than increased spending and bailouts
  - Much lower level of public debt compared to Euro-zone average
- **Increasing focus on fundamentals**
  - Private capital has started to flow back into the region
  - CEE production more competitive
  - Lower levels of consumer debt
  - Unsaturated markets

**Real GDP growth outlook for CEE**



**Current account balance outlook for CEE**



Source: Eurostat, Erste Group Research

- Overview of key ratios and macro trends
- **Summary and H1 2009 highlights**
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# H1 09 financial highlights – Executive summary



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- **Deterioration of macro environment continued both in Austria and the CEE region**
  - But support packages of EUR 55.3bn in total provided by the IMF and EU for the region with a stabilising effect and easing the pressure on CEE currencies
- **Operating environment remained challenging in Q2 09**
  - Low loan demand both from retail and corporate customers in Austria and CEE
    - Total customer loans at Erste Group increased by 1.4% compared to Q1 09
  - Asset quality trend in line with economic environment
    - NPLs <sup>1</sup> increased to 3.6% in H1 09 (3.3% in Q1 09)
    - Risk costs rose to a new high of 141bps on average loans in H1 09
- **Erste Group's operating performance continued to withstand the negative trends in Q2 09 – backed by solid business model**
  - Operating result increased by 19.1% reaching a record level of EUR 1,776.4m (H1 08: EUR 1,490.9m) – supported by a 7.0% increase in revenues and a 2.1% decline in costs
  - NIM on average interest bearing assets<sup>2</sup> remained stable at 2.9%
    - Pressure on liability margins partly mitigated by strong deposit collection franchise, improved asset pricing and positive contribution from money market business of Group Markets division
- **Reported Tier 1 ratio improved to 8.4% (YE 08: 7.2%)**
  - Including EUR 1.76bn of participation capital issued in H1 09

1) NPLs on total loans increased to 5.9% (after 5.2% at Q1 09)

2) Average interest bearing assets (IBA): EUR 171.5bn at H1 09 (Definition: loans to banks + loans to customers – risk provisions + financial assets + investments at equity)

# Q2 09 financial highlights – Strong operating performance supported by GM division



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in EUR million	1-6 09	1-6 08	Change	Q2 09	Q1 09	Q2 08
<b>Retail &amp; SME</b>	<b>1,295.4</b>	<b>1,227.1</b>	<b>5.6%</b>	<b>678.8</b>	<b>616.6</b>	<b>586.0</b>
<b>Austria</b>	<b>355.5</b>	<b>334.9</b>	<b>6.1%</b>	<b>166.1</b>	<b>189.4</b>	<b>137.8</b>
EB Oesterreich	147.8	132.1	11.9%	76.2	71.6	67.3
Savings Banks	207.7	202.8	2.4%	89.9	117.7	70.5
<b>Central and Eastern Europe</b>	<b>939.9</b>	<b>892.1</b>	<b>5.4%</b>	<b>512.7</b>	<b>427.2</b>	<b>448.1</b>
Czech Republic	395.5	358.9	10.2%	213.6	181.8	170.8
Romania	266.0	275.7	(3.5%)	133.9	132.1	138.8
Slovakia	94.0	98.1	(4.2%)	51.1	42.9	50.6
Hungary	105.8	93.3	13.4%	72.6	33.2	50.2
Croatia	73.3	70.9	3.4%	39.9	33.4	38.5
Serbia	6.4	2.9	>100.0%	3.3	3.1	2.5
Ukraine	(1.0)	(7.6)	87.0%	(1.8)	0.8	(3.3)
<b>GCIB</b>	<b>262.7</b>	<b>209.4</b>	<b>25.4%</b>	<b>131.4</b>	<b>131.3</b>	<b>105.6</b>
<b>Group Markets</b>	<b>342.0</b>	<b>203.9</b>	<b>67.7%</b>	<b>174.3</b>	<b>167.7</b>	<b>118.9</b>
<b>Corporate Center</b>	<b>(123.6)</b>	<b>(149.4)</b>	<b>17.3%</b>	<b>(46.6)</b>	<b>(77.0)</b>	<b>(80.1)</b>
<b>Total Erste Group</b>	<b>1,776.4</b>	<b>1,490.9</b>	<b>19.1%</b>	<b>937.8</b>	<b>838.6</b>	<b>730.4</b>

\*) Changes in scope of consolidation leading to only minor distortion: 1 additional savings bank (Kufstein) joined the Haftungsverbund in Jan 2009; Opportunity Bank, Montenegro was acquired by EBCR in Mar 2009. Investbanka, Macedonia was acquired by the Styrian savings bank in Oct 2008.

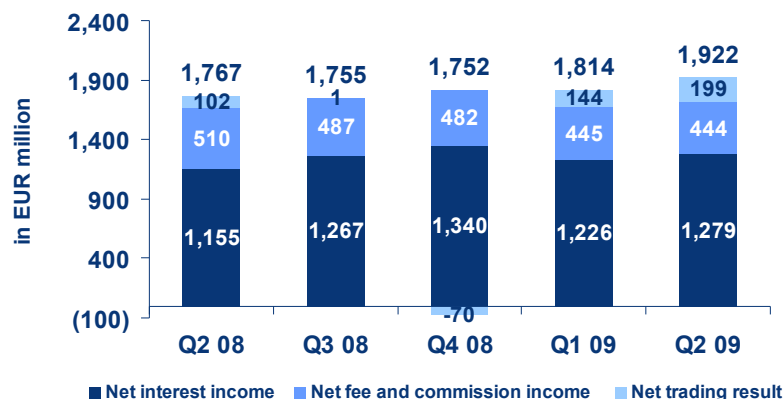


# H1 09 financial highlights – Solid NII and strong trading result - costs under control

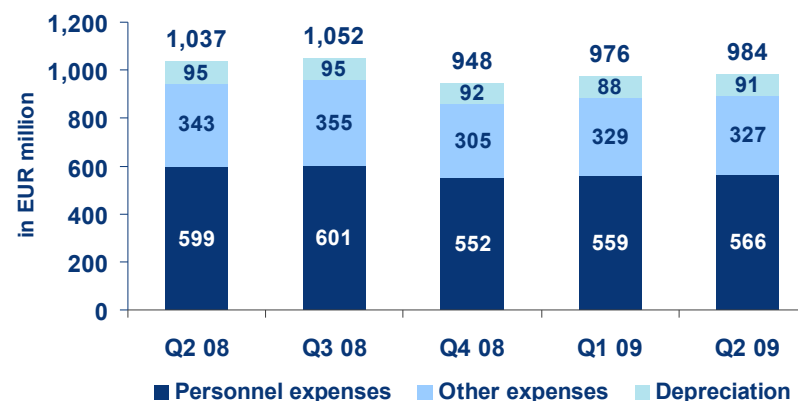


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Operating income per quarter



Operating expenses per quarter



## – Operating income up 7.0% on H1 08 and 5.9 qoq

- NII continued its solid performance (+8.6% yoy / +4.3% qoq) supported by improving asset margins in CEE and positive contribution from Group Markets division offsetting higher funding costs, low loan demand as well as negative effect of lower interest rates on liability margins mainly in CZ and SK
- Fee income was down 11.4% compared to H1 08, but stabilising on Q1 09 (-0.2% qoq) with continued impact of weak securities business in Austria and lower transaction and lending volumes in CEE
- Trading result continued to outperform in Q2 09 (+38.6% on strong Q1 09) up 86.1% yoy on H1 08 mainly supported by positive contribution from customer business and fixed income as well as money market desks

## – Operating expenses declined by 2.1% on H1 08 (+0.9% qoq)

- Strong cost control resulting in declining personnel costs (-3.1% yoy) and depreciation (-4.7% yoy) and nearly unchanged other administrative expenses (+0.6% yoy)
- Focus on cost management to continue throughout 2009

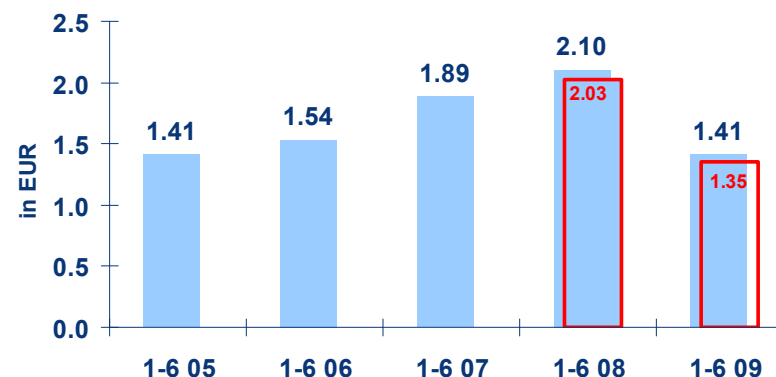
## – Operating result<sup>1</sup> up strongly by 19.1% yoy with substantial improvement on the previous quarter (+11.9%)

1) Operating result = Operating income (NII + fee & commission income + trading result) minus general administrative expenses

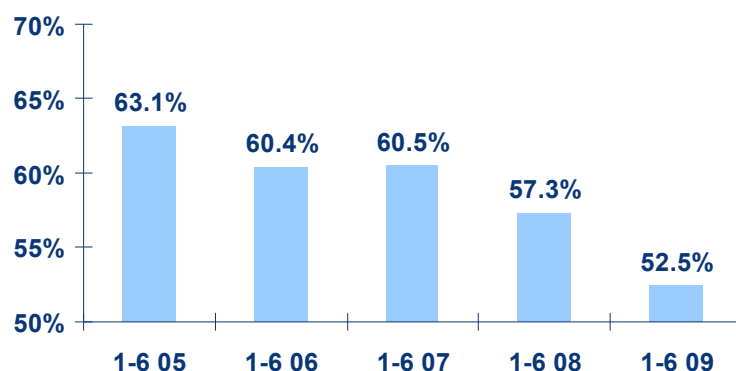
# H1 09 financial highlights – Operating performance absorbing increased risk costs

- **Net profit decreased by 22.7% yoy reaching EUR 492.1m (EUR 636.6m H1 08)**
  - Mainly due to 132.3% increase in risk costs (to EUR 892.1m) partly offset by strong operating performance
- **Cash EPS declined by 32.9%\***
  - Adjusted for participation capital dividend
- **Cash ROE stood at 11.6%**
  - While showing a significant decline compared to H1 08, cash ROE improved from 10.1% at YE 2008 despite a higher capital base (EUR 1.76bn participation capital issued in H1 09)
- **CIR improved to record low of 52.5%**
  - Substantially improved on H1 08 as well as on 57.2% at YE 08

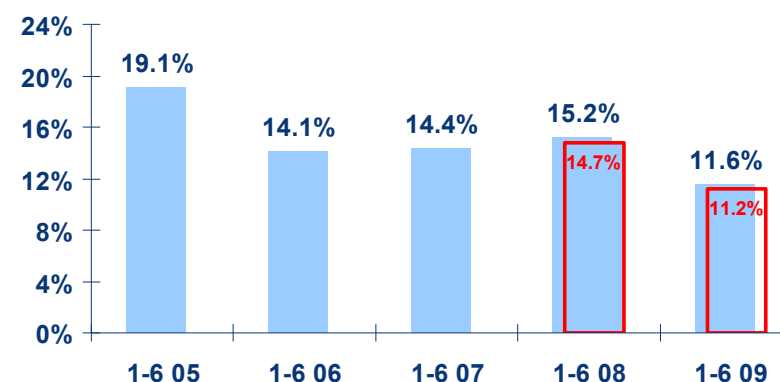
Cash earnings per share \*



Cost/income ratio



Cash return on equity \*



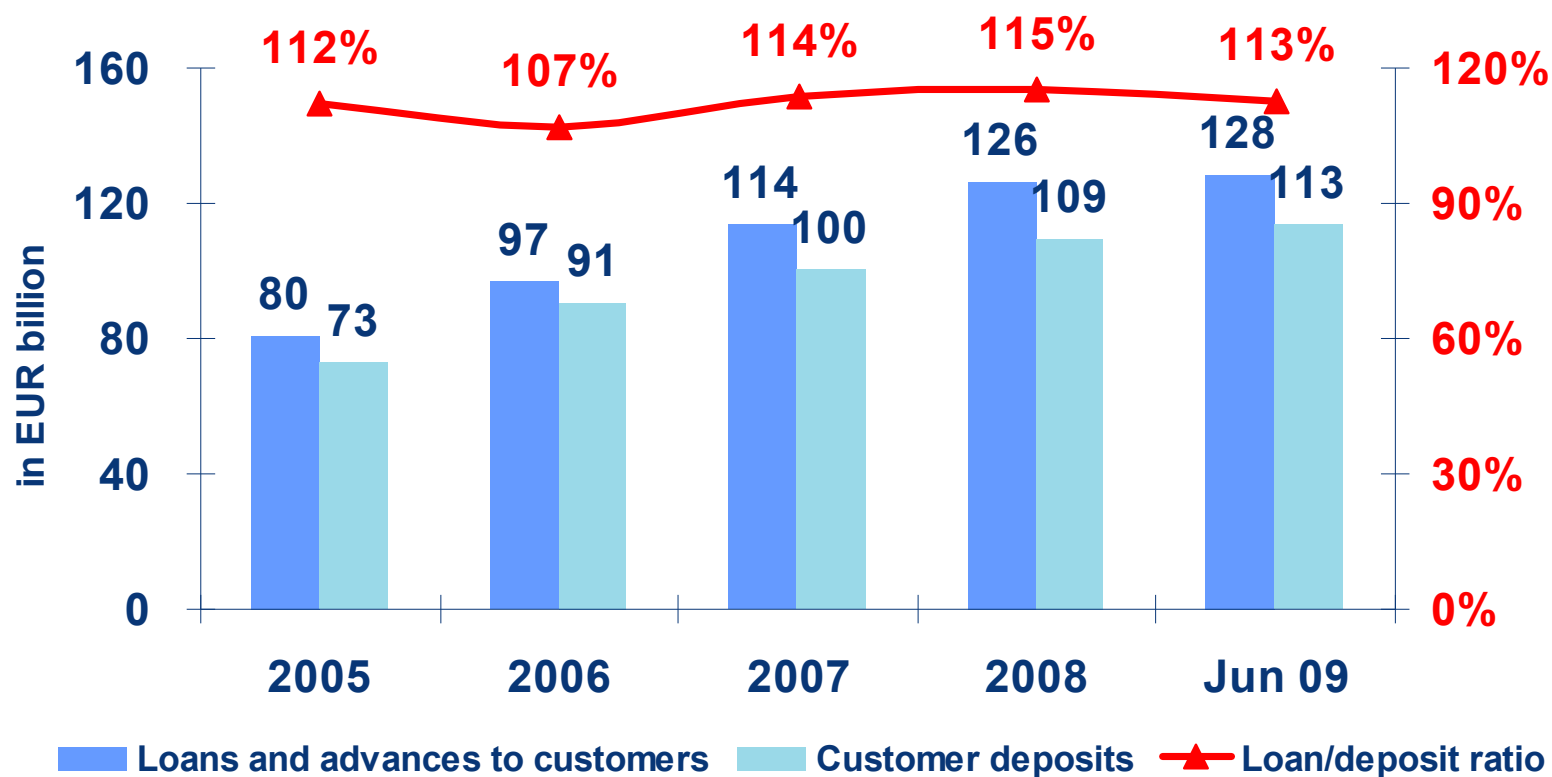
\*) Red bars denote reported EPS and ROE respectively.

Cash EPS and EPS are calculated on average number of shares for the period (ex treasury shares and shares owned by savings banks with EB participations), adjusted for non cash items amounting to EUR 18.2m in H1 09 (linear depreciation of customer relationship value after tax and minorities) as well as the dividend for the participation capital (EUR 71m).

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# Loan to deposit ratio – Supported by solid deposit growth

## Loan vs deposit development



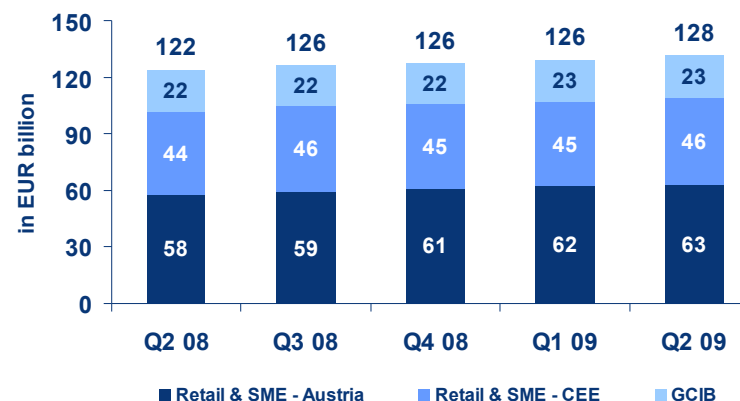
# Erste Group's loan book – Quarterly loan book trends by segment



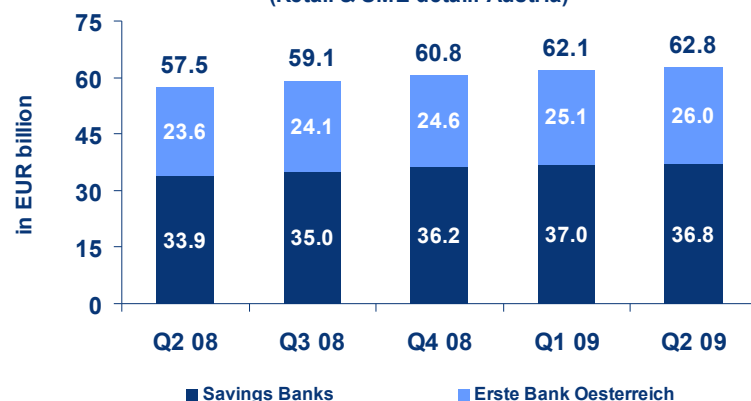
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- **Total customer loans increased by 5.2% yoy on continued low demand in first half of 2009**
  - Low growth of 1.5% on YE 08 also impacted by strong decline of all CEE currencies in Q1 09
- **Loans in core Retail & SME increased by 7.1% yoy**
  - Mainly driven by solid growth in Austria (+ 9.2% yoy) while CEE retail & SME lending increased at a lower pace (+ 4.4% yoy) also due to the negative FX impact
- **GCIB loan stock grew by 3.4% yoy**
  - Loan growth accelerated in H1 09 (+ 6% ytd), benefitting from selective opportunities

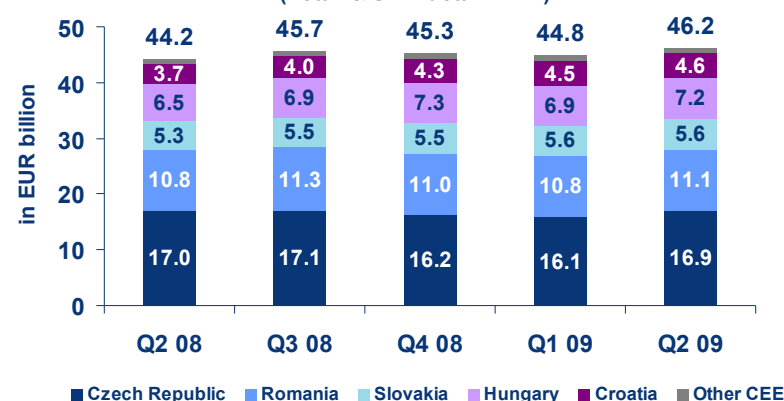
Customer loans by main segments \*



Quarterly loan book trends  
(Retail & SME detail: Austria)



Quarterly loan book trends  
(Retail & SME detail: CEE)



\*) Segments do not exactly add up to total due to consolidation effects

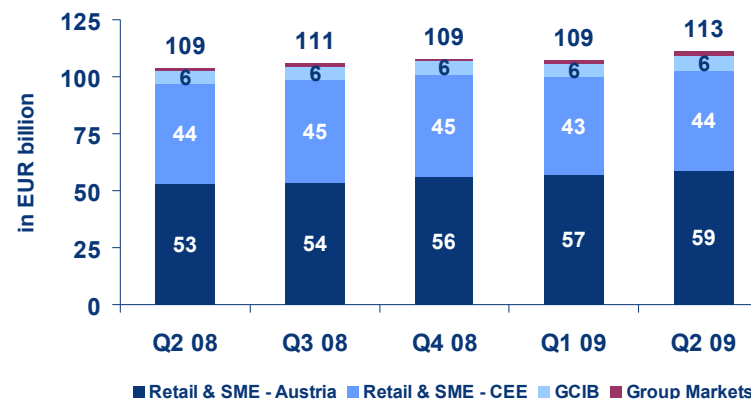
# Erste Group's customer deposits – Quarterly deposit trends by segment



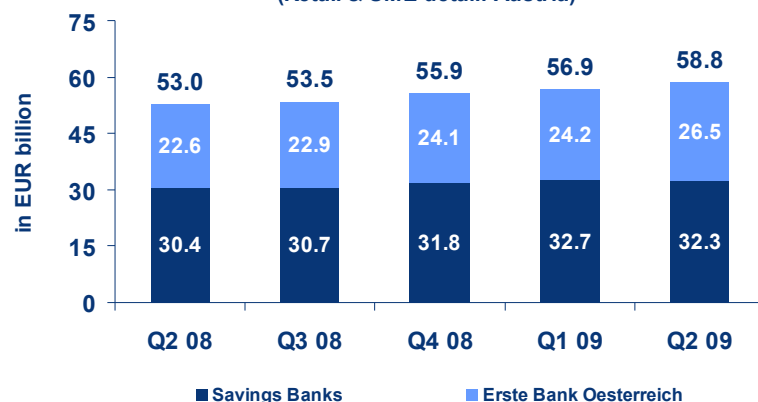
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- **Total customer deposits increased by 4.4% yoy**
  - Deposit inflows and stabilising of CEE currencies in Q2 09 supported deposit growth
- **Retail & SME deposit growth of 5.5% yoy**
  - Strong inflows in Austria (+ 10.8% yoy) – supported by + 17.3% yoy at EB Oesterreich
  - Deposits increased across the region, with the exception of SLSP (currency adjusted)
- **Continued strong growth in GCIB (+ 13% yoy)**
  - Supported by focus on core customer relationships

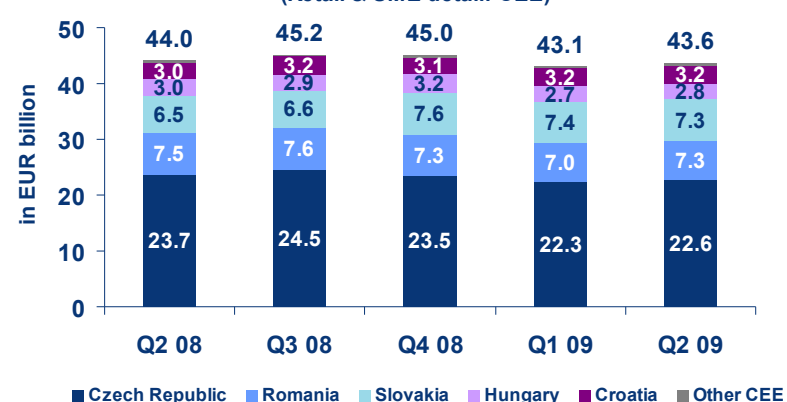
Customer deposit trends by main segments \*



Customer deposit trends by subsegments  
(Retail & SME detail: Austria)



Customer deposit trends by subsegments  
(Retail & SME detail: CEE)



\*) Segments do not exactly add up to total due to consolidation effects.

# Erste Group's asset quality – Key developments in H1 09



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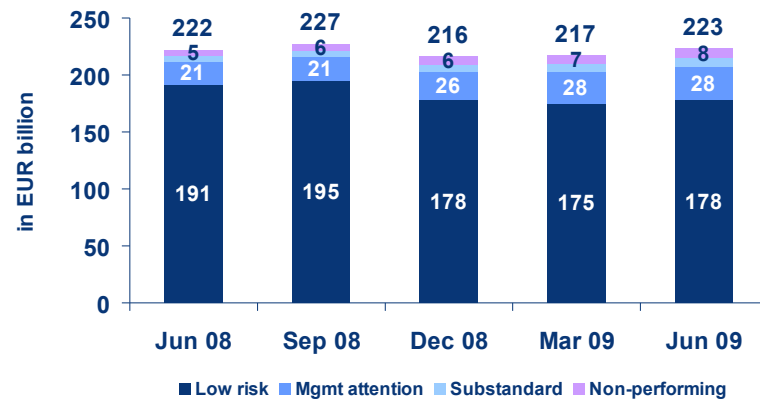
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- **Slight increase in total exposure by 3.3% ytd to EUR 222.8bn (YE 08: EUR 215.7 bn)**
    - Industry distribution of exposure remained well diversified with households and finance/insurance industries contributing the largest shares
    - Asset quality varies considerably across CEE mainly affected by deteriorating macro and rise in unemployment
  - **NPL ratio increased to 3.6% (YE 08: 2.9%)**
    - NPLs increased by 29.0% (EUR 1.8bn) compared to YE 08
      - Corporate NPLs rose by 39.5% while retail NPLs increased by 21.9% compared to YE 08
    - NPL ratio based on customer loans stood at 5.9% (compared to 4.7% at YE 08)
  - **Risk provisions up 15.2% to EUR 4,504m in Q2 09 (EUR 3,911m at YE 08)**
  - **NPL coverage (excluding collateral) declined to 55.5% (61.6% at YE 08)**
    - Decrease in NPL coverage mainly driven by CEE, in particular by BCR and EBH
    - Coverage ratio of 62.6% (excluding collateral) in CEE declined further on the account of accelerated NPL growth
      - Including collateral coverage ratio remained above 100 % in CEE
    - NPL coverage in GCIB division stood at 60.4% (excluding collateral)

# Erste Group's asset quality – Exposure overview



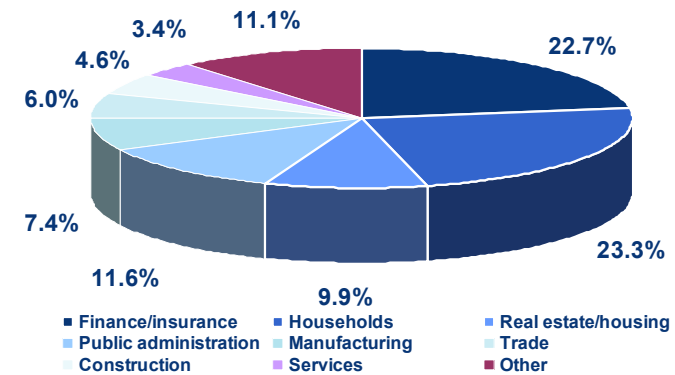
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Exposure by risk category



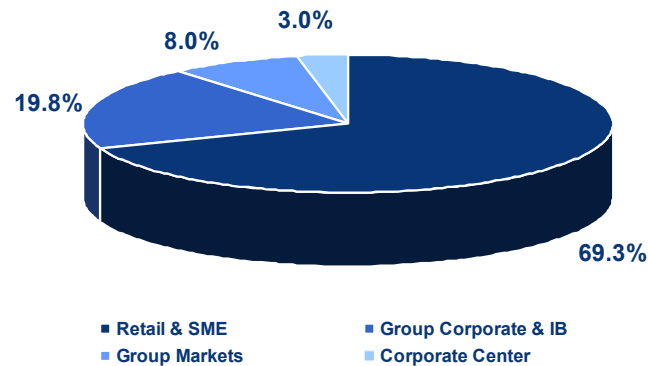
Exposure by industries

(30 June 2009: EUR 222.8 bn)



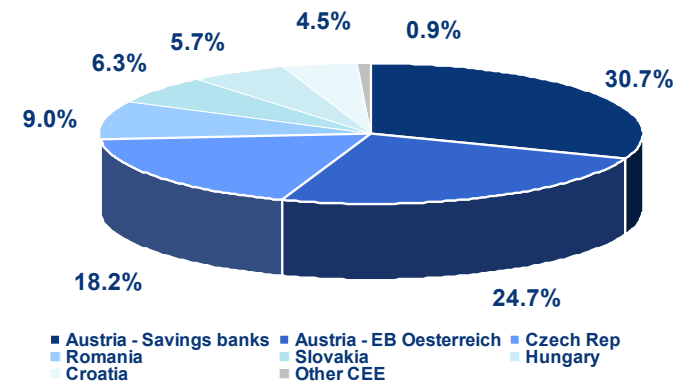
Exposure by main segments

(30 June 2009: EUR 222.8 bn)



Exposure by subsegments

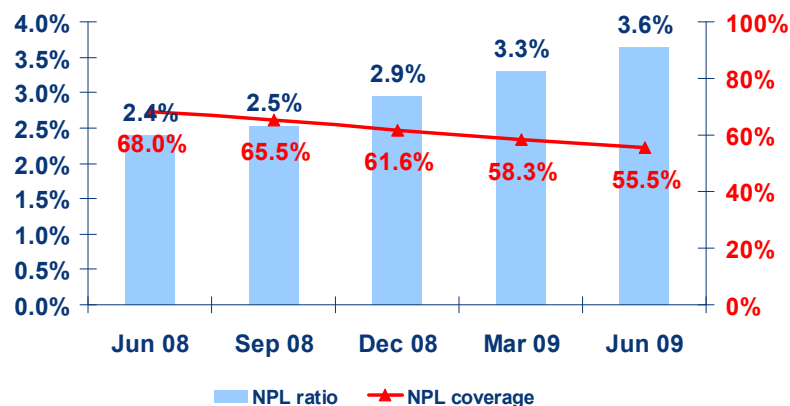
(Retail & SME: EUR 154.3 bn)



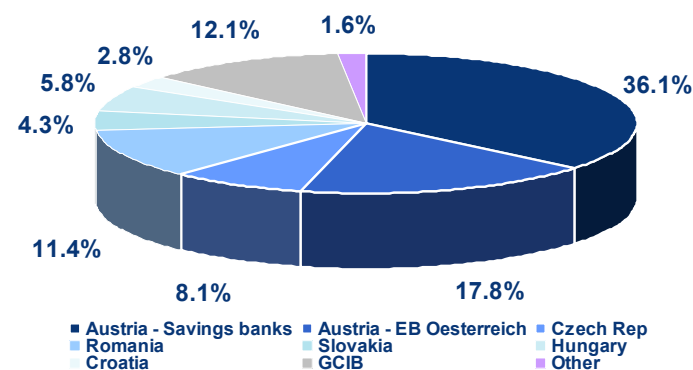


# Erste Group's asset quality – Non-performing loans and NPL coverage

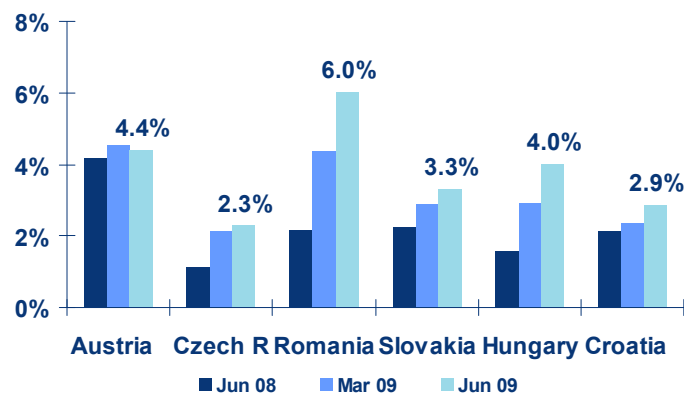
Group NPL ratio vs group NPL coverage



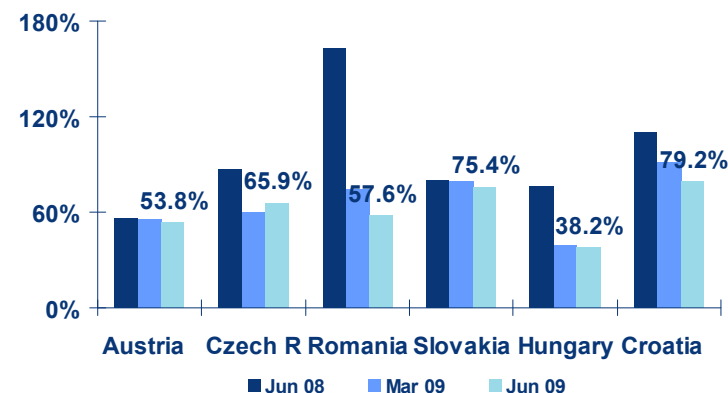
NPL distribution by segment  
(30 June 2009: EUR 8.1 bn)



NPL ratios in key markets \*

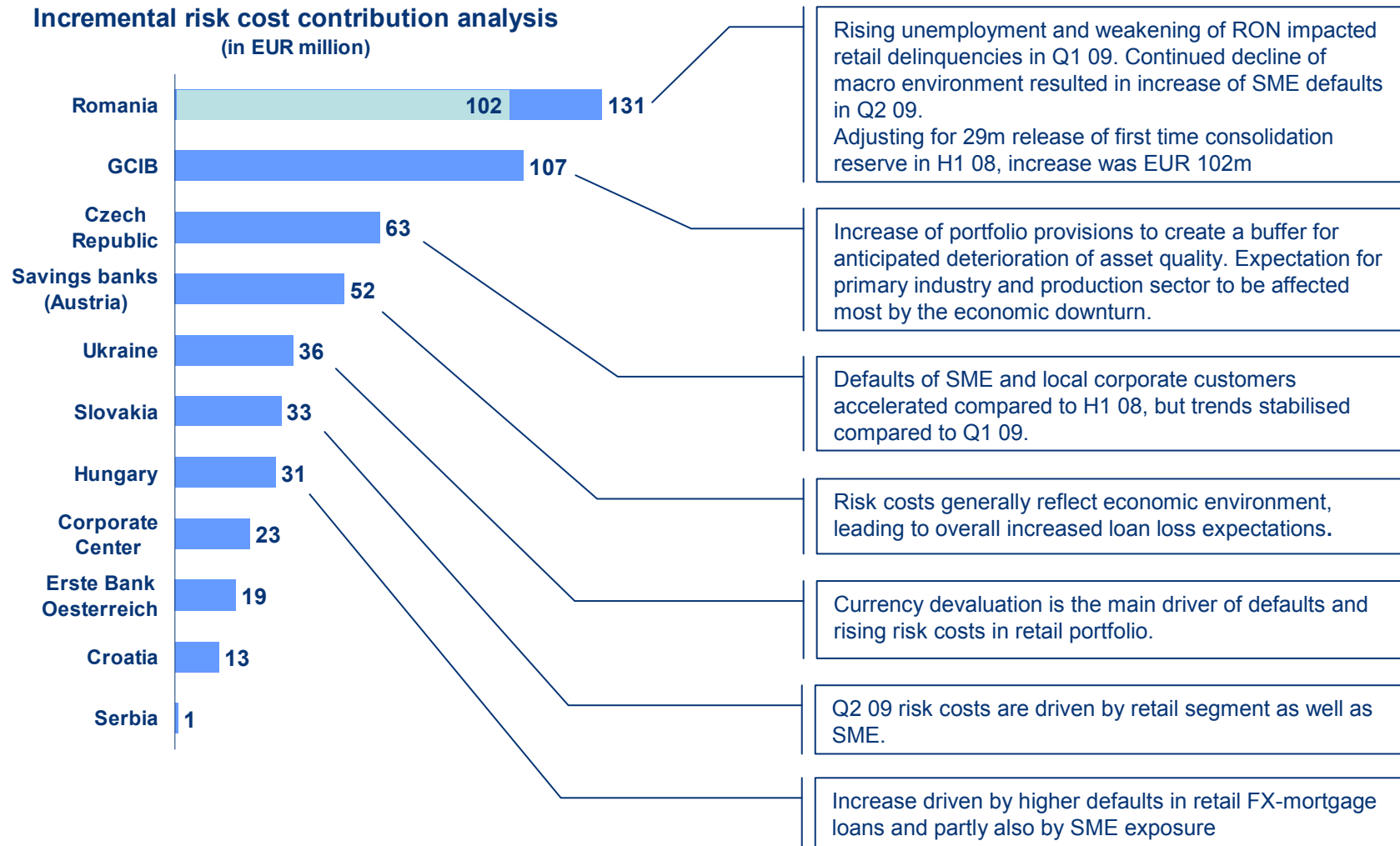


NPL coverage ratios in key markets \*



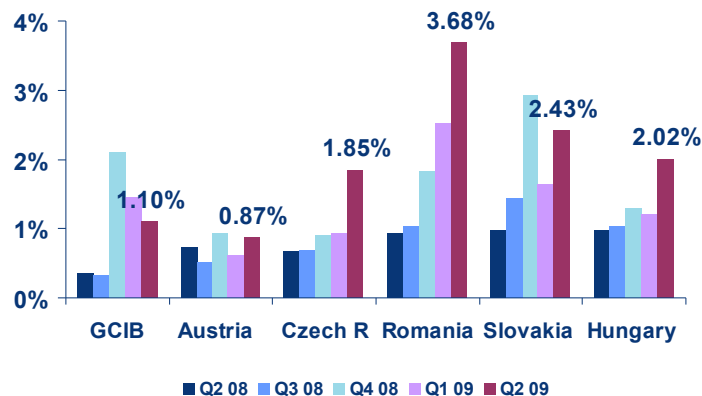
\*) NPL and NPL coverage ratios are based on country of origination concept, not segment view, in order to show longer time series

# Erste Group's risk costs – Major risk cost drivers in H1 09 yoy (segment view)

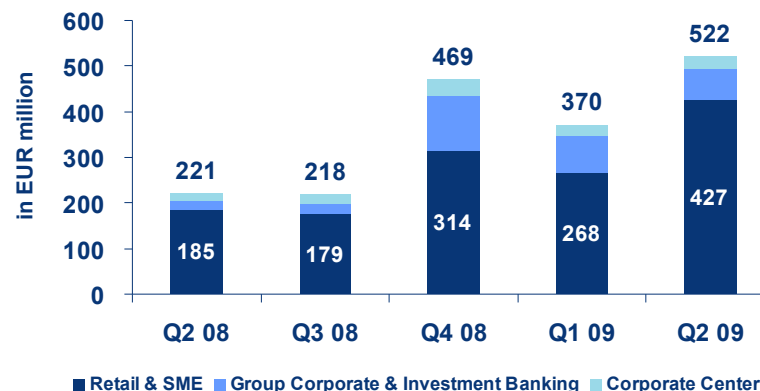


# Erste Group's risk costs – Quarterly risk costs (segment view)

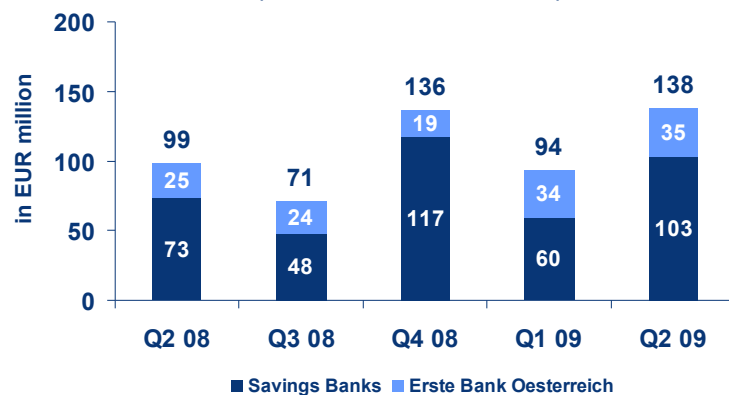
Risk costs in key segments



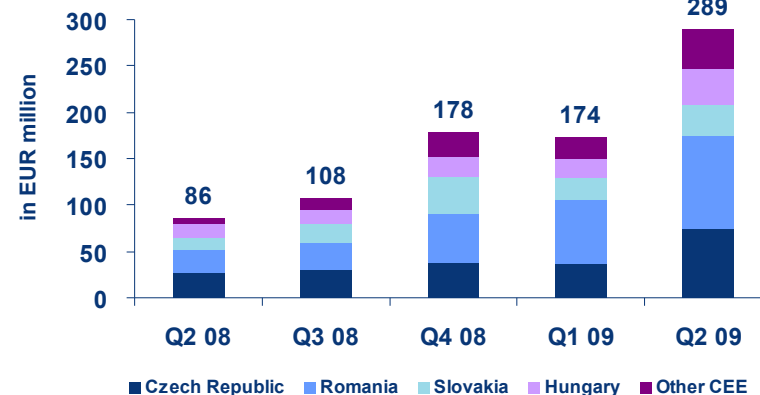
Quarterly risk cost development  
(main segments)



Quarterly risk cost development  
(Retail & SME detail: Austria)



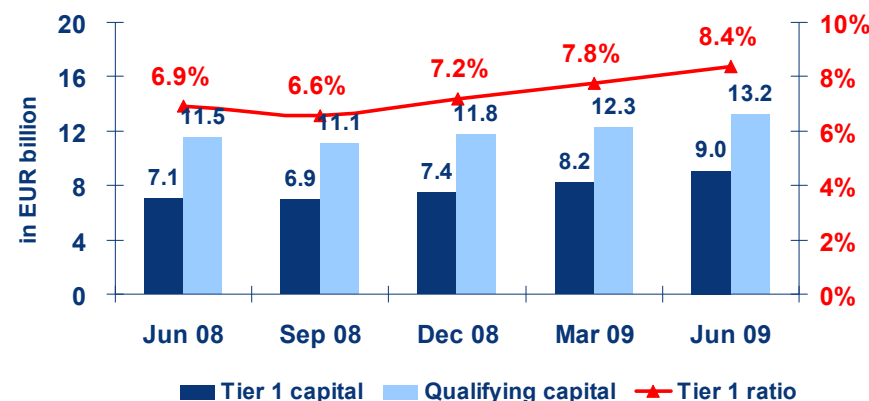
Quarterly risk cost development  
(Retail & SME detail: CEE)



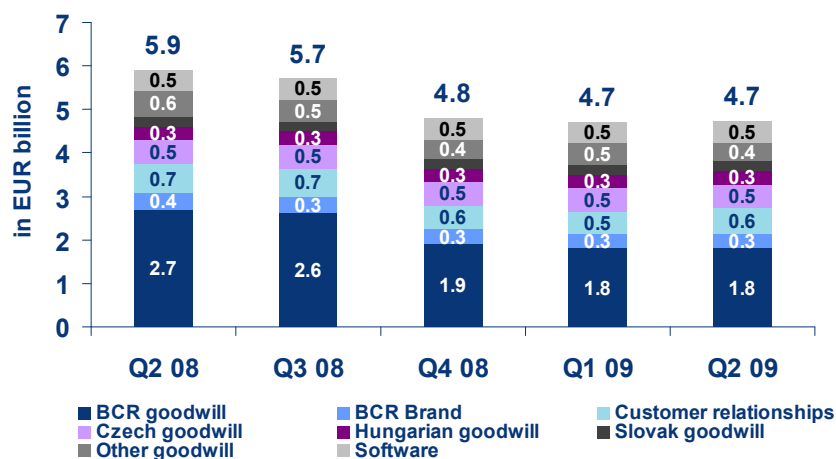
# Erste Group's capital position – Regulatory capital versus equity

- **Total participation capital at EUR 1.760m**
  - Republic of Austria has subscribed to EUR 1.22bn
  - EUR 540m placed with institutional and private investors
- **Reported Tier 1 ratio at 8.4%**
  - 7.2% at YE 08
- **Tier 1 ratio inc. market & ops risk: 7.6%**
- **Core Tier 1 ratio improved to 6.6%**
  - Excl. hybrid capital and inc. market & ops risk

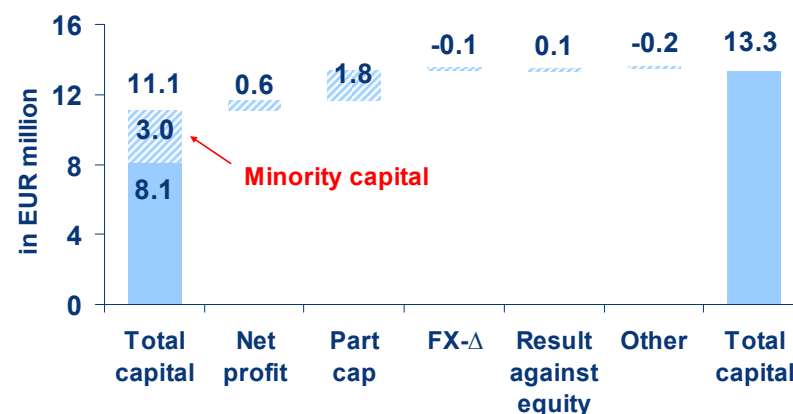
Regulatory capital development (ABA)



Erste Group's intangibles composition



Total capital reconciliation (H1 09)



# Conclusion – Remaining positive, but cautious

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## – Our core markets are EU-member states

- We are market leaders in all our core markets and thus have pricing power
- We are operating in underpenetrated retail banking markets
- We are operating in markets with floating currencies, converging towards the Euro

## – NPLs are rising and risk costs will remain high

- Recession driving downward migration, but there are also technical effects (workout vs sale of NPLs)
- Promising workout and collection efforts will support containment of NPL growth
- Pricing power facilitates stable margins which in turn partially mitigate higher risk costs

## – Operating performance remains strong

- First six months showing record operating income in accelerating economic slowdown
- Knowing and controlling our businesses enables us to grow selectively and be efficient in controlling costs

## – Long-term growth prospects remain unchanged

- We are in a strong position to support our more than 17 million customers through the crisis and after the crisis

- Overview of key ratios and macro trends
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# Group income statement (IFRS) – Higher risk costs impact bottom line performance



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in EUR million	1-6 09	1-6 08	Change	Q2 09	Q1 09	Q2 08
Net interest income	2,505.3	2,306.0	8.6%	1,279.3	1,226.0	1,154.9
Risk provisions for loans and advances	(892.1)	(384.1)	>100.0%	(521.9)	(370.2)	(221.0)
Net fee and commission income	888.2	1,002.2	(11.4%)	443.6	444.6	510.3
Net trading result	343.1	184.4	86.1%	199.3	143.8	102.1
General administrative expenses	(1,960.2)	(2,001.6)	(2.1%)	(984.3)	(975.9)	(1,036.8)
Other operating result	(87.5)	(84.8)	(3.2%)	(47.6)	(39.9)	(61.9)
Result from financial assets - FV	(12.1)	(79.9)	84.9%	32.0	(44.1)	(7.0)
Result from financial assets - AfS	(18.7)	(6.5)	na	(7.9)	(10.8)	6.3
Result from financial assets - HtM	(0.9)	0.1	na	(0.8)	(0.1)	0.1
<b>Pre-tax profit from continuing operations</b>	<b>765.1</b>	<b>935.8</b>	<b>(18.2%)</b>	<b>391.7</b>	<b>373.4</b>	<b>447.0</b>
Taxes on income	(191.3)	(187.2)	2.2%	(107.3)	(84.0)	(89.4)
Post-tax profit from discontinuing ops	0.0	10.1	na	0.0	0.0	5.3
Minority interests	(81.7)	(122.1)	(33.1%)	(24.4)	(57.3)	(41.9)
<b>Net profit after minorities</b>	<b>492.1</b>	<b>636.6</b>	<b>(22.7%)</b>	<b>260.0</b>	<b>232.1</b>	<b>321.0</b>
Operating income	3,736.6	3,492.6	7.0%	1,922.2	1,814.4	1,767.3
Operating expenses	(1,960.2)	(2,001.6)	(2.1%)	(984.3)	(975.9)	(1,036.8)
<b>Operating result</b>	<b>1,776.4</b>	<b>1,491.0</b>	<b>19.1%</b>	<b>937.9</b>	<b>838.5</b>	<b>730.5</b>
Cost/income ratio	52.5%	57.3%		51.2%	53.8%	58.7%
Return on equity	11.2%	14.7%		11.0%	11.4%	14.7%

# Group balance sheet (IFRS) – Slow loan growth – RWA driven by recalibration



ERSTE GROUP

in EUR million	Jun 09	Dec 08	Change
Cash and balances with central banks	6,897	7,556	(8.7%)
Loans and advances to credit institutions	13,800	14,344	(3.8%)
Loans and advances to customers	128,110	126,185	1.5%
Risk provisions for loans and advances	(4,311)	(3,783)	14.0%
Trading assets	8,147	7,534	8.1%
Financial assets - FV	3,574	4,058	(11.9%)
Financial assets - AfS	17,586	16,033	9.7%
Financial assets - HtM	13,968	14,145	(1.3%)
At-equity holdings	261	260	0.4%
Intangible assets	4,738	4,805	(1.4%)
Property and equipment	2,363	2,386	(1.0%)
Tax assets	838	859	(2.4%)
Assets held for sale	60	526	(88.6%)
Other assets	8,136	6,533	24.5%
<b>Total assets</b>	<b>204,167</b>	<b>201,441</b>	<b>1.4%</b>
<b>Risk-weighted assets</b>	<b>107,834</b>	<b>103,663</b>	<b>4.0%</b>



# Group balance sheet (IFRS) – Solid deposit growth



ERSTE GROUP

in EUR million	Jun 09	Dec 08	Change
Deposits by banks	29,776	34,672	(14.1%)
Customer deposits	113,489	109,305	3.8%
Debt securities in issue	30,130	30,483	(1.2%)
Trading liabilities	2,690	2,519	6.8%
Other provisions	1,681	1,620	3.8%
Tax liabilities	302	389	(22.4%)
Liabilities associated with assets held for sale	0	343	na
Other liabilities	6,665	4,968	34.2%
Subordinated liabilities	6,141	6,047	1.6%
Total equity	13,293	11,095	19.8%
Shareholders' equity	10,098	8,079	25.0%
Minority interests	3,195	3,016	5.9%
<b>Total liabilities and equity</b>	<b>204,167</b>	<b>201,441</b>	<b>1.4%</b>
 <b>Tier 1 ratio</b>	 <b>8.4%</b>	 <b>7.2%</b>	
<b>Solvency ratio</b>	<b>11.1%</b>	<b>10.1%</b>	

# Core segments – Group Markets division continues to outperform



ERSTE GROUP

in EUR million	Retail & SME		GCIB		Group Markets		Corporate Center		Total group	
	1-6 09	1-6 08	1-6 09	1-6 08	1-6 09	1-6 08	1-6 09	1-6 08	1-6 09	1-6 08
Net interest income	2,145.9	2,034.8	268.1	216.8	123.1	110.1	(31.8)	(55.7)	2,505.3	2,306.0
Risk provisions	(694.3)	(315.8)	(145.9)	(39.2)	0.0	0.0	(51.9)	(29.0)	(892.1)	(384.1)
Net fee and commission income	741.6	848.0	77.8	77.4	60.3	74.5	8.5	2.2	888.2	1,002.2
Net trading result	83.9	80.3	2.3	1.0	259.6	115.3	(2.7)	(12.2)	343.1	184.4
General administrative expenses	(1,676.0)	(1,736.1)	(85.5)	(85.8)	(101.0)	(96.1)	(97.7)	(83.7)	(1,960.2)	(2,001.7)
Other result	(57.6)	(91.7)	(13.3)	(3.3)	(2.2)	(3.3)	(46.1)	(72.7)	(119.2)	(171.0)
<b>Pre-tax profit</b>	<b>543.5</b>	<b>819.5</b>	<b>103.4</b>	<b>166.9</b>	<b>339.8</b>	<b>200.5</b>	<b>(221.6)</b>	<b>(251.1)</b>	<b>765.1</b>	<b>935.9</b>
Taxes on income	(121.7)	(177.3)	(23.0)	(36.7)	(65.5)	(42.7)	19.0	69.6	(191.3)	(187.2)
Post-tax profit from discontinuing ops	0.0	10.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	10.1
Minority interests	(78.6)	(118.8)	0.6	(5.8)	(15.8)	(8.2)	12.1	10.7	(81.7)	(122.1)
<b>Net profit after minorities</b>	<b>343.2</b>	<b>533.5</b>	<b>81.0</b>	<b>124.3</b>	<b>258.5</b>	<b>149.6</b>	<b>(190.5)</b>	<b>(170.8)</b>	<b>492.1</b>	<b>636.6</b>
Average risk-weighted assets	73,990.7	71,039.1	25,441.2	22,620.2	3,250.6	1,781.1	3,810.1	3,026.8	106,492.6	98,467.1
Average attributed equity	3,978.7	3,205.0	1,998.0	1,392.9	332.2	171.2	2,509.8	3,870.9	8,818.6	8,640.3
<b>Cost/income ratio</b>	<b>56.4%</b>	<b>58.6%</b>	<b>24.6%</b>	<b>29.1%</b>	<b>22.8%</b>	<b>32.0%</b>	<b>(376.5%)</b>	<b>(127.4%)</b>	<b>52.5%</b>	<b>57.3%</b>
<b>ROE based on net profit</b>	<b>17.3%</b>	<b>33.3%</b>	<b>8.1%</b>	<b>17.9%</b>	<b>155.6%</b>	<b>174.8%</b>	<b>(15.2%)</b>	<b>(8.8%)</b>	<b>11.2%</b>	<b>14.7%</b>
EOP customer loans	108,951.6	101,732.3	23,130.9	22,362.6	73.9	0.0	(4,046.7)	(2,411.0)	128,109.8	121,683.9
EOP customer deposits	102,389.3	97,073.2	6,407.7	5,668.9	2,790.5	1,254.2	1,901.9	4,845.5	113,489.4	108,841.9

- With the introduction of the new segment reporting published results of the individual subsidiaries cannot be compared with the segment results. In segment reporting the contribution by the local subsidiaries to the new business divisions GCIB and GCM is allocated to these divisions accordingly.
- In addition 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.
- Effects of the unwinding have been allocated NII and risk provision in the corporate center (H1 09: EUR 52m / H1 08: EUR 29m)

# Core segment – Austria

## Solid performance of Erste Bank Oesterreich



ERSTE GROUP

in EUR million	Savings Banks		EB Oesterreich		Austria	
	1-6 09	1-6 08	1-6 09	1-6 08	1-6 09	1-6 08
Net interest income	455.6	461.0	319.6	291.2	775.2	752.2
Risk provisions	(162.6)	(110.7)	(68.9)	(50.1)	(231.5)	(160.7)
Net fee and commission income	189.5	196.5	140.4	158.1	329.9	354.5
Net trading result	31.8	10.1	5.3	13.4	37.2	23.5
General administrative expenses	(469.2)	(464.7)	(317.6)	(330.5)	(786.8)	(795.3)
Other result	(30.3)	(22.2)	3.8	(17.5)	(26.5)	(39.7)
<b>Pre-tax profit</b>	<b>14.7</b>	<b>69.9</b>	<b>82.7</b>	<b>64.6</b>	<b>97.4</b>	<b>134.5</b>
Taxes on income	(6.9)	(35.5)	(19.7)	(12.2)	(26.6)	(47.7)
Post-tax profit from discontinuing ops	0.0	0.0	0.0	4.3	0.0	4.3
Minority interests	(19.1)	(29.7)	(3.5)	0.6	(22.6)	(29.2)
<b>Net profit after minorities</b>	<b>(11.2)</b>	<b>4.7</b>	<b>59.5</b>	<b>57.3</b>	<b>48.3</b>	<b>62.0</b>
Average risk-weighted assets	24,762.3	24,200.9	13,824.7	13,935.5	38,587.0	38,136.4
Average attributed equity	289.9	223.4	1,119.5	953.4	1,409.3	1,176.7
<b>Cost/income ratio</b>	<b>69.3%</b>	<b>69.6%</b>	<b>68.2%</b>	<b>71.4%</b>	<b>68.9%</b>	<b>70.4%</b>
<b>ROE based on net profit</b>	<b>(7.7%)</b>	<b>4.2%</b>	<b>10.6%</b>	<b>12.0%</b>	<b>6.9%</b>	<b>10.5%</b>
EOP customer loans	36,792.8	33,916.6	26,003.9	23,592.9	62,796.7	57,509.5
EOP customer deposits	32,253.2	30,420.5	26,528.6	22,618.9	58,781.7	53,039.4

# Core segment Central and Eastern Europe (1) – NII continues to improve in Q2 09 ...



ERSTE GROUP

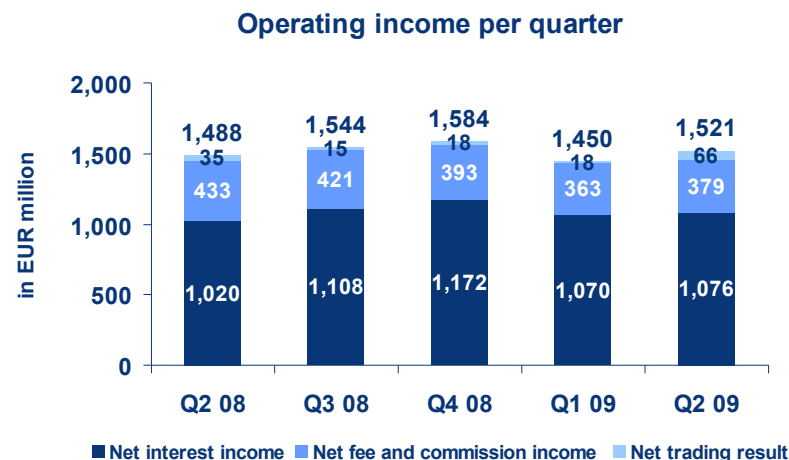
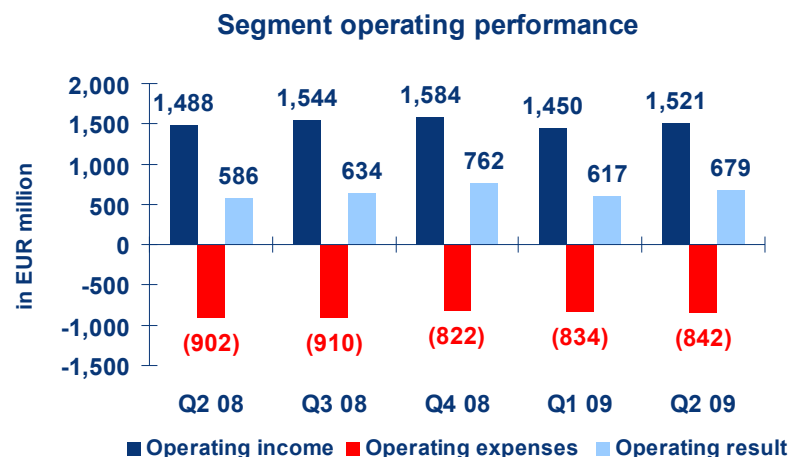
in EUR million	Czech Republic		Romania		Slovakia		Hungary	
	1-6 09	1-6 08	1-6 09	1-6 08	1-6 09	1-6 08	1-6 09	1-6 08
Net interest income	520.7	511.7	383.9	356.7	175.1	160.6	159.8	135.0
Risk provisions	(111.6)	(48.9)	(169.8)	(39.0)	(55.0)	(22.4)	(60.1)	(29.0)
Net fee and commission income	203.2	206.4	77.7	128.5	50.7	51.2	38.8	65.2
Net trading result	21.2	13.2	5.1	15.6	1.5	9.9	12.4	8.1
General administrative expenses	(349.7)	(372.4)	(200.7)	(225.1)	(133.4)	(123.5)	(105.3)	(115.0)
Other result	(58.4)	(51.4)	38.1	0.5	(16.5)	(6.7)	9.5	1.2
<b>Pre-tax profit</b>	<b>225.5</b>	<b>258.6</b>	<b>134.3</b>	<b>237.3</b>	<b>22.4</b>	<b>69.0</b>	<b>55.3</b>	<b>65.5</b>
Taxes on income	(45.8)	(53.4)	(22.9)	(38.9)	(4.3)	(11.1)	(13.9)	(17.5)
Post-tax profit from discontinuing ops	0.0	7.5	0.0	(1.7)	0.0	0.0	0.0	0.0
Minority interests	(4.1)	(6.7)	(37.4)	(63.1)	(0.3)	(0.0)	(0.0)	(0.0)
<b>Net profit after minorities</b>	<b>175.6</b>	<b>206.1</b>	<b>74.0</b>	<b>133.6</b>	<b>17.9</b>	<b>57.9</b>	<b>41.3</b>	<b>47.9</b>
Average risk-weighted assets	10,906.0	11,048.4	9,768.9	8,666.0	5,190.8	3,858.5	4,568.7	4,562.8
Average attributed equity	910.7	782.8	554.8	418.5	435.0	277.0	377.8	314.8
<b>Cost/income ratio</b>	<b>46.9%</b>	<b>50.9%</b>	<b>43.0%</b>	<b>44.9%</b>	<b>58.7%</b>	<b>55.7%</b>	<b>49.9%</b>	<b>55.2%</b>
<b>ROE based on net profit</b>	<b>38.6%</b>	<b>52.6%</b>	<b>26.7%</b>	<b>63.9%</b>	<b>8.2%</b>	<b>41.8%</b>	<b>21.9%</b>	<b>30.4%</b>
EOP customer loans	16,912.5	17,026.9	11,063.3	10,840.5	5,578.8	5,306.2	7,192.3	6,516.7
EOP customer deposits	22,565.9	23,747.5	7,304.5	7,523.6	7,264.8	6,489.5	2,841.9	2,983.2

# Core segment Central and Eastern Europe (2) – ... but bottom line impacted by rising risk costs

in EUR million	Croatia		Serbia		Ukraine		CEE	
	1-6 09	1-6 08	1-6 09	1-6 08	1-6 09	1-6 08	1-6 09	1-6 08
Net interest income	100.9	91.9	15.8	14.6	14.3	12.3	1,370.7	1,282.6
Risk provisions	(24.0)	(10.5)	(4.0)	(2.9)	(38.4)	(2.3)	(462.8)	(155.1)
Net fee and commission income	36.5	37.3	4.8	3.4	0.1	1.6	411.7	493.5
Net trading result	1.4	4.8	1.5	1.1	3.7	4.1	46.7	56.8
General administrative expenses	(65.5)	(63.0)	(15.6)	(16.3)	(19.1)	(25.5)	(889.2)	(940.8)
Other result	(2.9)	(0.1)	(0.5)	4.4	(0.4)	0.1	(31.1)	(52.0)
<b>Pre-tax profit</b>	<b>46.5</b>	<b>60.2</b>	<b>1.9</b>	<b>4.3</b>	<b>(39.8)</b>	<b>(9.8)</b>	<b>446.1</b>	<b>685.0</b>
Taxes on income	(9.6)	(12.1)	(0.2)	0.4	1.6	3.0	(95.1)	(129.6)
Post-tax profit from discontinuing ops	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.8
Minority interests	(13.9)	(18.7)	(0.4)	(1.2)	0.0	0.0	(56.1)	(89.7)
<b>Net profit after minorities</b>	<b>23.0</b>	<b>29.4</b>	<b>1.3</b>	<b>3.5</b>	<b>(38.2)</b>	<b>(6.8)</b>	<b>294.9</b>	<b>471.6</b>
Average risk-weighted assets	3,668.3	3,504.7	759.5	789.0	541.5	473.2	35,403.7	32,902.6
Average attributed equity	194.3	154.5	50.2	43.9	46.6	36.8	2,569.3	2,028.3
<b>Cost/income ratio</b>	<b>47.2%</b>	<b>47.1%</b>	<b>70.9%</b>	<b>85.0%</b>	<b>105.5%</b>	<b>142.5%</b>	<b>48.6%</b>	<b>51.3%</b>
<b>ROE based on net profit</b>	<b>23.6%</b>	<b>38.0%</b>	<b>5.3%</b>	<b>16.1%</b>	<b>(164.1%)</b>	<b>(36.9%)</b>	<b>23.0%</b>	<b>46.5%</b>
EOP customer loans	4,570.1	3,705.5	331.6	311.3	556.5	515.6	46,154.9	44,222.9
EOP customer deposits	3,236.5	3,020.7	321.0	240.3	72.9	29.1	43,607.5	44,033.8

# Segment Retail & SME – Macro deterioration reflected in rising cost of risk

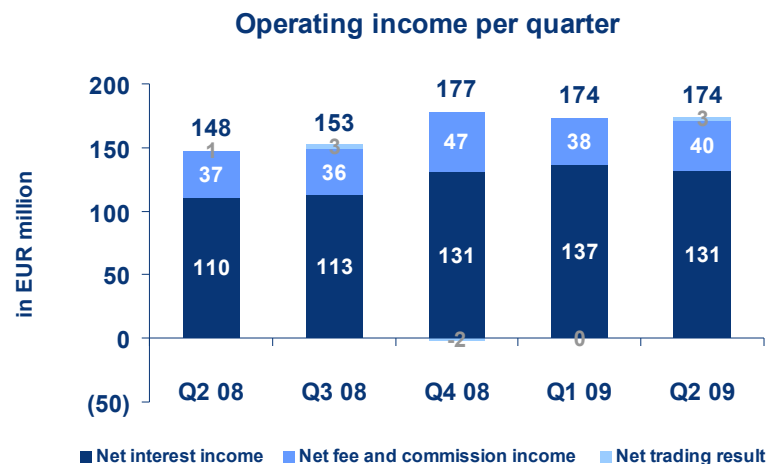
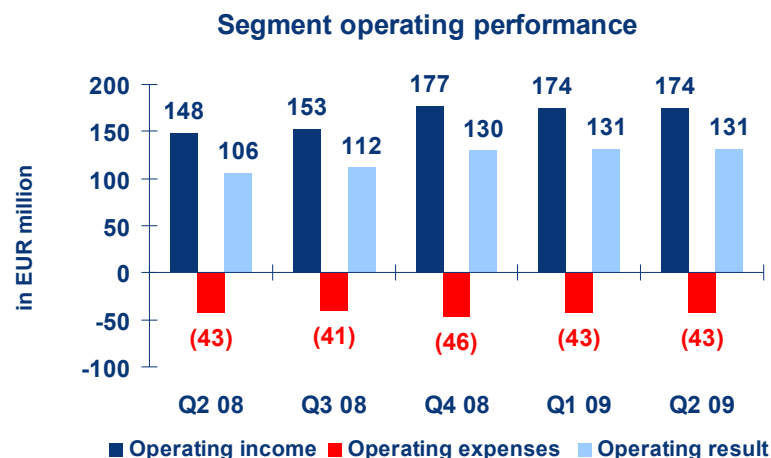
- **Retail & SME segment is the key profit contributor at Erste Group**
  - Comprises retail, SME, local corporates, local ALM and local corporate centers in Austria and CEE
  - Ensures comparability across all geographies
  - Higher allocation of equity to business segments (8% of RWA) led to decline in ROE compared to previous periods
- **Net profit contribution of the Group's core business declined by 35.7% yoy but stabilised vs Q1 09 (-3.7% qoq)**
  - Weaker performance of all retail operations with the exception of EB Oesterreich
  - Higher risk costs and lower loan demand
  - Substantial depreciation of most CEE currencies, despite stabilisation in Q2 09
- **Operating result improved by 5.6% yoy despite weaker currencies**
  - Operating income was flat yoy
  - Supported by NII (+ 5.5% yoy) compensating for 12.5% decline in fee income due to lower business volumes
  - Continued focus on cost control resulting in 3.5% yoy decline in expenses
- **ROE decreased to 17.3% (H1 08: 33.3%)**
- **CIR improved to 56.4% (H1 08: 58.6%)**



# Segment GCIB –

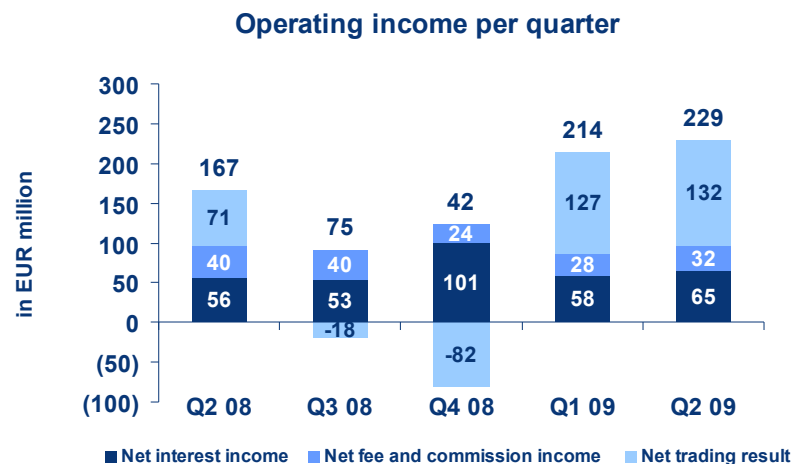
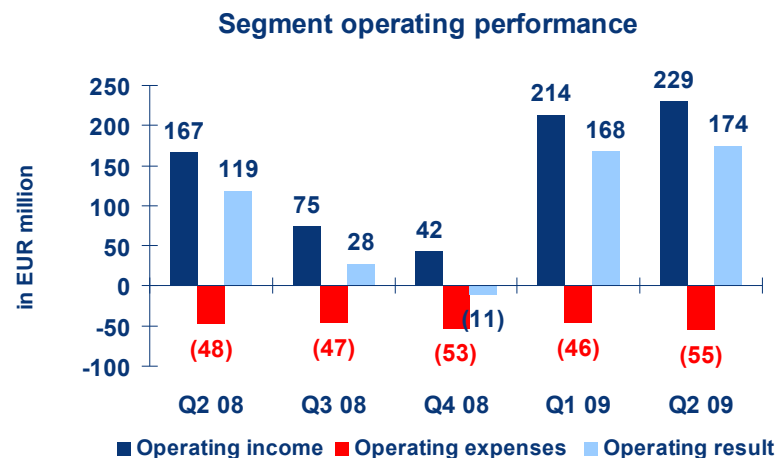
## Strong operating performance - higher risk costs

- **Operating profit up 25.4% yoy (unchanged qoq) at EUR 262.7m**
  - Revenues improved by 18.0% yoy driven by increase in NII (+23.6% yoy) and stable fee income
  - Loan growth of 3.4% ytd and 13% ytd increase in deposits by capitalising on selective business opportunities
  - Costs remained flat yoy and qoq helping to mitigate market impacts
- **Net profit contribution was down 34.9% yoy but improved 33.8% on Q1 09**
  - Mainly impacted by higher risk costs
- **Higher risk costs reflecting the current market environment**
  - Risk costs increased by EUR 107m to EUR 145.9 in H1 09 including portfolio provisions; but declined by 18.3% qoq
- **ROE declined to 8.1% (H1 08: 17.9%)**
  - Recalibration of portfolio leading to increase in RWA (+12.5% yoy) resulting in higher equity allocation
- **Cost/income ratio remained low at 24.6% qoq (H1 08: 29.1%)**



# Segment Group Markets – Excellent performance continued in Q2 09

- **Operating result was up 67.7% yoy at EUR 342.0m, improving by 3.9% on strong Q1 09 based on:**
  - Solid NII (+11.8% yoy and +10.8% qoq) driven by strong money market operations, supported by steep yield curve
  - Fee income was down 19.1% yoy despite an increase of 16.1% qoq on continued difficult markets for structured products and asset management
  - Trading result more than doubled yoy to EUR 259.6m driven by almost all business segments but mainly by money market and fixed income, particularly for clients
- **Operating expenses increased by 5.2% yoy mainly due to the integration of asset management business unit**
- **Net profit improved by 72.7% yoy to EUR 258.5m**
- **ROE increased to 155.6%**
- **CIR remained at low 22.8%**





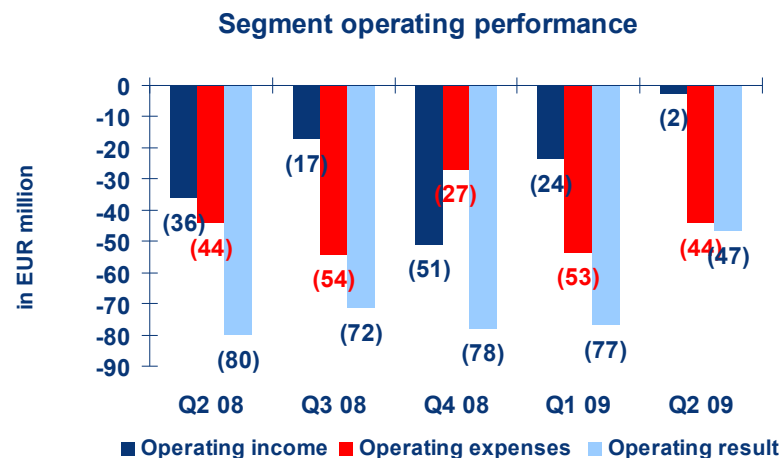
# Segment Corporate Center – Returning a normalised run-rate

## – What is in the Corporate Center?

- Business areas which cannot be allocated to relevant business lines, one-offs and Group ALM

## – Line-item analysis

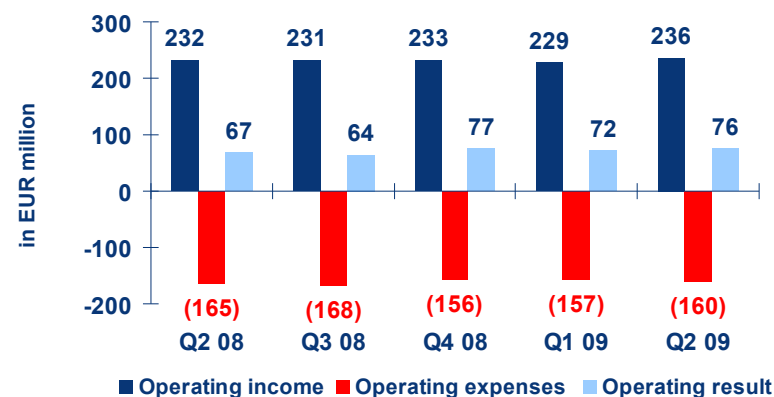
- NII substantially improved by 43.0% yoy to EUR 31.5m due to positive contribution from:
  - Unwinding effect: EUR 51.9m in H1 09 (up by EUR 22.9m compared to H1 08)
  - ALM on beneficial yield curve in Q2 09, offsetting higher funding costs
  - Interest on participation capital
- Risk provisions mirror unwinding effect (EUR 51.9m)
- Increase in general administrative expense (+16.7%) is due to unallocated costs for set up of holding functions and intra-group eliminations and is partly compensated by EUR 6.3m higher fee income
- Improvement in other result driven by positive revaluation of financial assets in Q2 09. Linear amortisation of client stock in BCR and ECC in (EUR 36.8m)



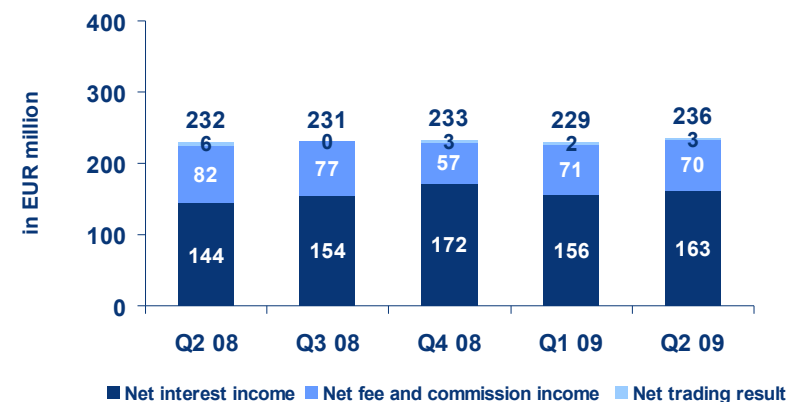
# Retail & SME: Austria – EB Oesterreich

- **Operating result improved by 11.9% yoy (+6.4% qoq)**
  - 17% ytd increase in deposits and 10% ytd loan growth at stable margins driving NII (up 9.8% yoy) to EUR 319.6m (+ 4.3% qoq)
  - Fee income declined as anticipated – (-11.1% yoy) but remained flat qoq; higher fees from insurance business partially compensated the very weak securities business
  - Trading result declined by 60.2% yoy to EUR 5.3m
- **Operating expenses declined by 3.9%**
  - Costs slightly increased by 1.9% on very low Q1 09
- **Risk provisions increased in line with market deterioration – up 37.6% (unchanged qoq)**
- **Other result improved to EUR 3.8m from EUR -17.5m in H1 08 on positive valuations**
- **Net profit improved by 3.9% to EUR 59.5m driven by strong performance in Q2 09**
- **Cost/income ratio improved to 68.2% from 71.4% in H1 08**
- **ROE was 10.6% up from 8.6% in Q1 09**

Segment operating performance



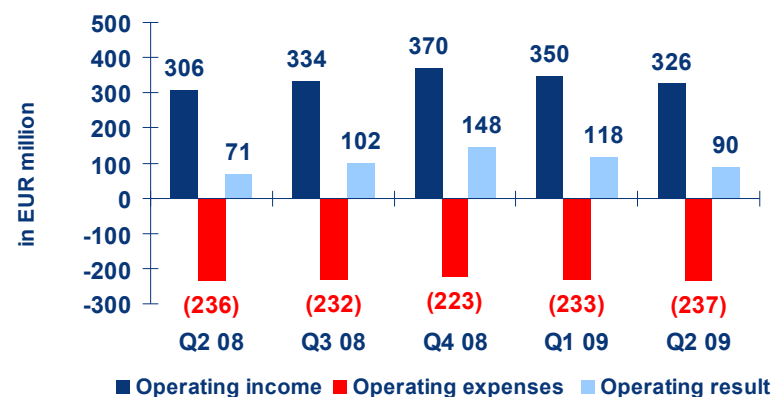
Operating income per quarter



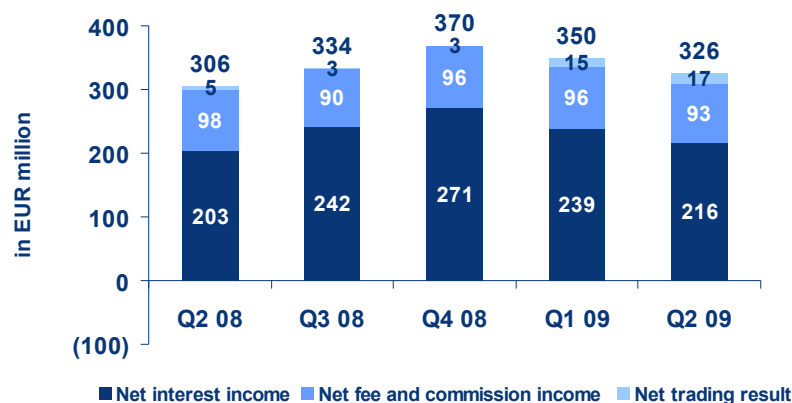
# Retail & SME: Austria – Savings banks

- Operating result improved marginally by 2.4% yoy but was down 23.6% qoq due to:
  - Decline in NII by 1.2% yoy and lower fee income (down 3.6% yoy) driven by reduced securities transactions
  - Compensated by strong improvement in trading result (>100%) to EUR 31.8m
  - Cost growth remained contained at + 1.0% yoy
- Risk costs continued to increase – up 46.9% yoy partly on portfolio provisions as a result of rating migrations
- Other result remained negative mainly due to sale of securities outside the trading book
- Negative contribution to Group results was EUR 11.2m
- ROE continued to be negative in H1 09
- CIR increased slightly to 69.3%

Segment operating performance



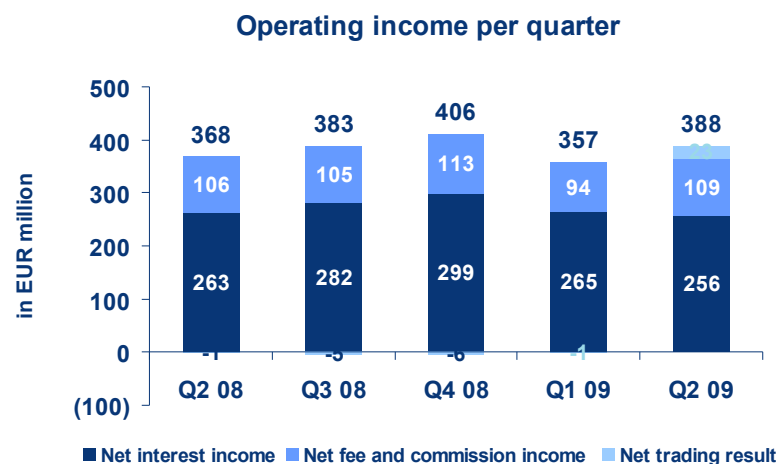
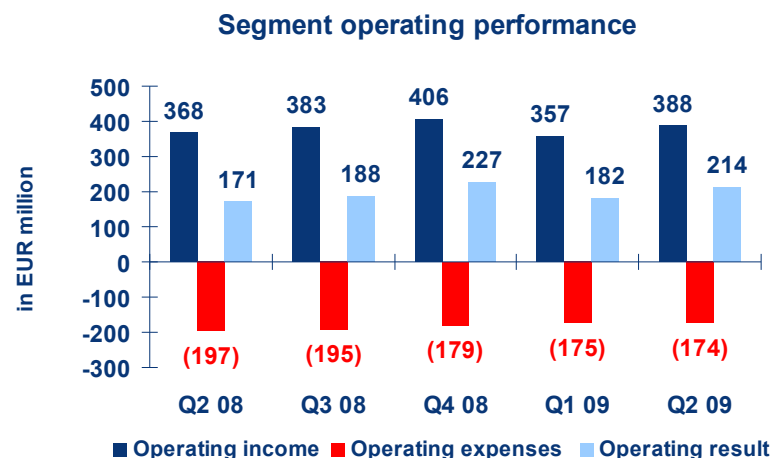
Operating income per quarter



Rates of change are affected by 1 new savings banks included in the cross guarantee system since Jan 2009

# Retail & SME: Czech Republic – Strong performance in a difficult environment

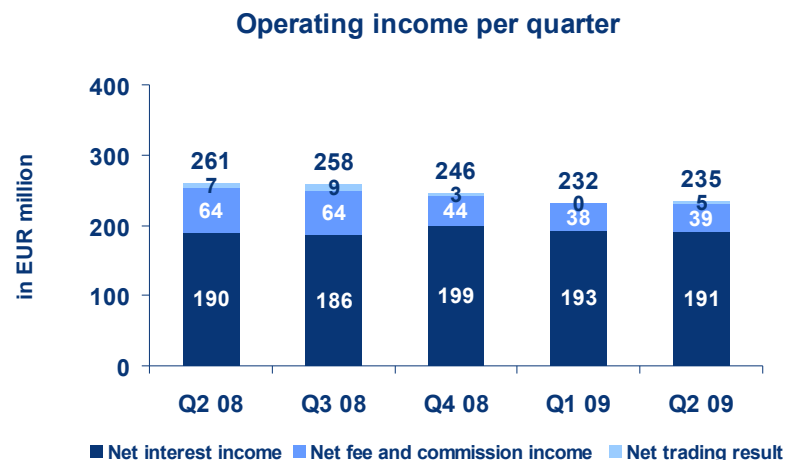
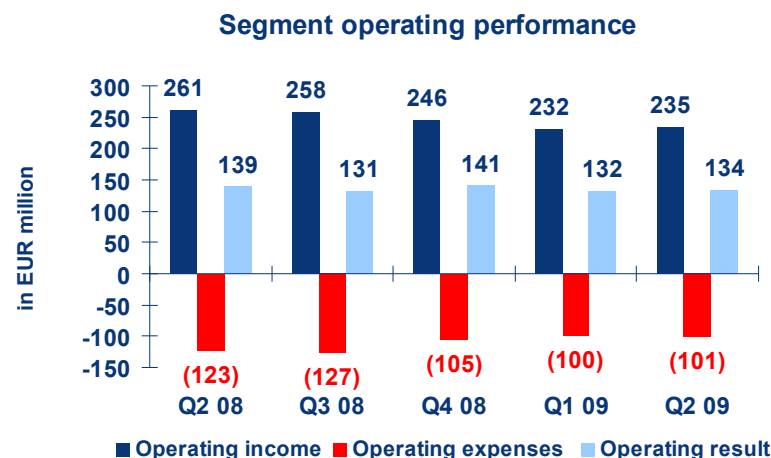
- **Operating result improved strongly by 10.2% (+17.8%)<sup>1</sup> yoy to EUR 395.5m driven by:**
  - Solid improvement in NII: up 1.8% yoy (+8.8% FX adjusted) on continued ability to compensate 2.25% lower interest rates by re-pricing of assets and new business at higher margins
    - NII declined 6.4% qoq FX adjusted
  - Fee income down 1.5% yoy (but up 5.3% FX adjusted) – mainly driven by strong demand for new account products, offsetting decline in securities income
    - Fees improved 12.4% qoq - FX adjusted
  - Trading result improved by 60% yoy (+71%) supported by FX business
  - Costs substantially declined by 6.1% (up 0.4%) due to strict cost management – keeping expenses flat qoq
- **NIM stable at 4.2%**
- **Risk costs more than doubled to EUR 111.6m in H1 09 driven by**
  - Higher defaults in local SME and corporate portfolio
  - Impact of economic slowdown on retail portfolio
  - Increase of higher margin consumer loans
- **Other result was down 13.6% yoy (21.5%) to EUR -58.4m on revaluation losses of other financial assets**
  - Negative impact from ABS/CDO MTM revaluations improved to EUR 16.3m in H1 09
- **Net profit declined by 14.8% yoy (-8.9%) to EUR 176m**
- **CIR improved to 46.9% and ROE remained high at 39%**



1) Figures in brackets refer to rate of change excluding impact of 8.8% currency depreciation

# Retail & SME: Romania – Solid operating result offset by higher risk costs

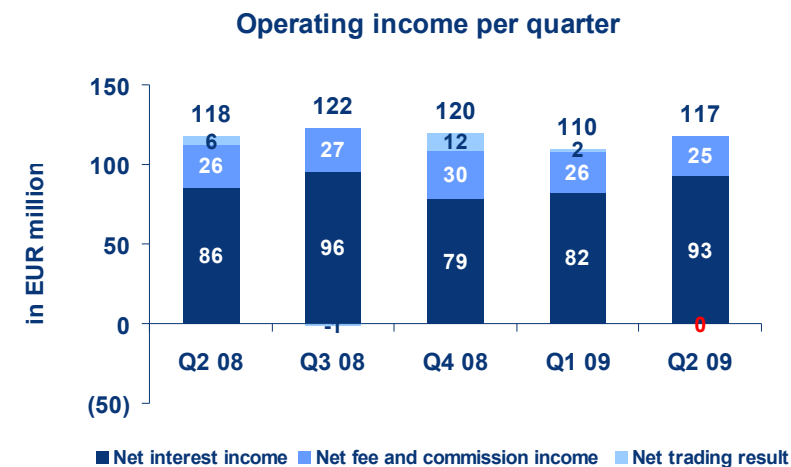
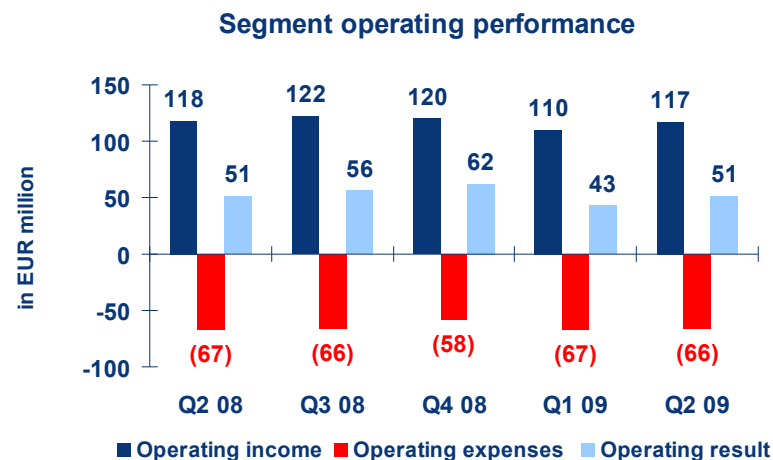
- **Operating result declined by 3.5% yoy (but was up 10.4% FX adjusted)<sup>1</sup>**
  - Resilient NII up 7.6% (23.2%) on strong 2008 loan growth and improved margins. Loan growth has slowed down significantly to 4.3% ytd (FX adusted) in 2009
  - Fees declined by 39.5% (30.8%) on substantially lower volumes both in payment transactions and lending
  - Trading income declined sharply by EUR 10.5m to EUR 5.1m in H1 09 mainly on FX valuations
  - Costs declined by 10.8% (up 2.19% FX adjusted) on lower personnel costs (headcount down by 8% to 9170 FTEs – from final integration measures) partly offset by other expenses mainly from network expansion (+ 63 outlets yoy) and IT expenses
- **NIM stable at 6.8%**
- **Risk provisions increased by EUR 131m**
  - On low H1 08 base due to release of EUR 28.8m from first time consolidation effects
- **Other result improved to EUR 38.1m impacted by required release of provisions**
- **Net profit declined by 44.6% (- 36.6%) to EUR 74.0m**
- **ROE at 26.7% also due to 32% higher equity allocation**
- **CIR at 43% unchanged qoq**



1) Figures in brackets refer to rate of change excluding impact of 14.5% currency depreciation

# Retail & SME: Slovakia – Revenues impacted by interest rates and volumes

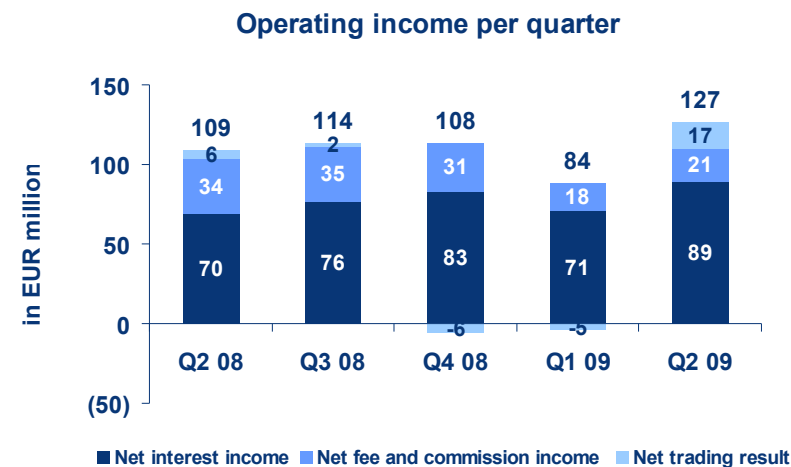
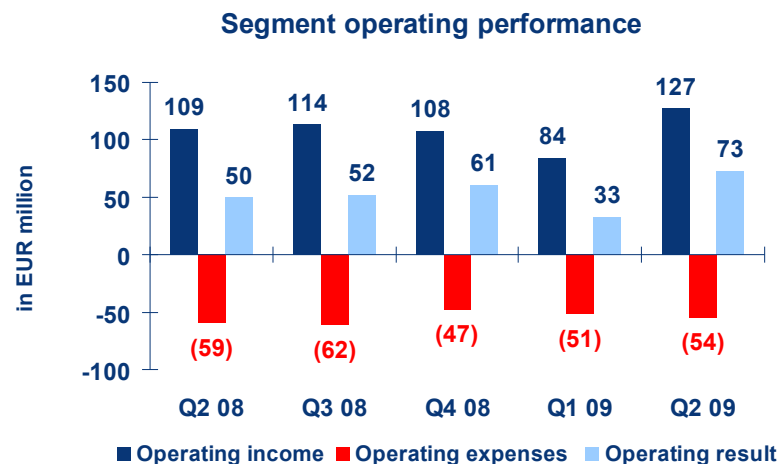
- **Operating result declined by 4.2% (-10.3%)<sup>1</sup>**
  - Improved NII +9.1% yoy (+2.1%) but substantially up 13.5% qoq with lower interest rates offset by higher business volumes at improved margins
  - Fees declined by 1.0% yoy (-7.2%) due to lower payment transactions, FX business and fee restrictions due to Euro introduction
  - Trading result declined by EUR 8.4m to EUR 1.5m following introduction of the Euro
  - Slowdown of cost growth to 8.0% yoy (+1.1% adjusted) supported by lower bonuses, and 9.8% headcount reduction compensating for IT investments
- **NIM slightly improved to 3.8%**
- **Risk provisions more than doubled to EUR 55.0m in line with macro deterioration**
- **Net profit declined to EUR 17.9% in H1 09 from EUR 57.9 in the previous year**
- **ROE decreased to 8.2%**
- **CIR improved to 58.7% from 61.0% Q1 09**



1) Figures in brackets refer to rate of change excluding impact of 6.4% currency appreciation

# Retail & SME: Hungary – Substantial improvement of operating performance

- **Operating result strongly improved by 13.4% (+29.5%)<sup>1</sup> yoy more than doubling qoq**
  - NII significantly increased by 18.4% yoy (35.3%) backed by strong loan growth in 2008 (avg customer loans increased by 35% yoy – in LCY) and ability to re-price assets
  - NIM improved to 4.1% in H1 09 from 4.0% at YE 08
  - Fee income was down 40.5% yoy (32.1%) on decline in securities and lending transactions as well as reclassification of loan conversion fees into trading result.
  - Trading result improved to EUR 12.4m partly on results from cross currency interest rate swaps, but also supported by reclassification of fees
- **Operating expenses declined by 8.5% (+4.5%)**
  - LCY increased mainly driven by other expenses due to higher IT costs and marketing
- **Risk costs sharply increased by EUR 31.1m yoy reflecting impact of weak currency as well as the weak economy**
- **Net profit declined by 13.7% yoy (-1.5%)**
- **ROE increased strongly to 21.9% qoq**
- **CIR substantially improved 49.9% from 52.1% at YE 08**

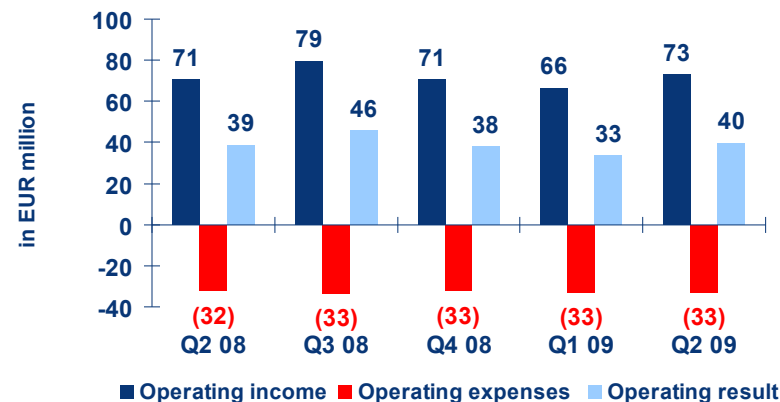


1) Figures in brackets refer to rate of change excluding impact of 14.2% currency depreciation

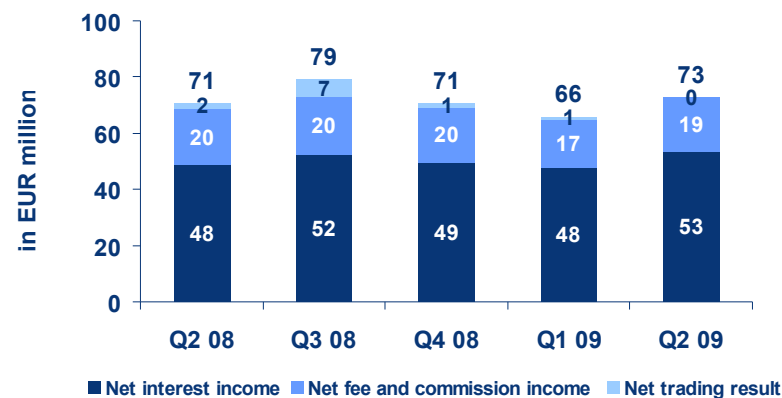
# Retail & SME: Croatia – Continued resilient operating performance

- Operating result improved by 3.4% yoy (5.0%)<sup>1</sup> to EUR 73.3m
- Operating income up 3.7% yoy (+5.3%)
  - Solid NII +9.9% (+11.6%) despite continued strict regulation of loan growth and increased competition for retail deposits
  - NIM stable at 3.4%
  - Fees slightly declined by 2.1% (flat FX adjusted) and trading result was down by 70% as currency depreciation impacted Erste Card Club
- Operating expenses increased by 4.0% yoy (+5.6%)
  - Personnel costs remained unchanged yoy
  - Higher IT costs and office expenses
- Risk costs more than doubled yoy to EUR 24.0m - in line with markets
- Net profit declined by 21.8% yoy to EUR 23.0m
- (-20.6% FX adjusted)
- ROE declined to 23.6%
- CIR stable at 47.2% compared to Q1 09

Segment operating performance



Operating income per quarter



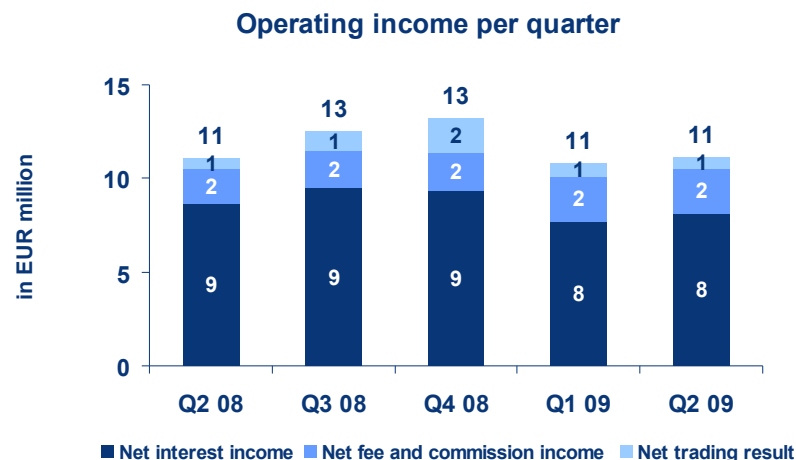
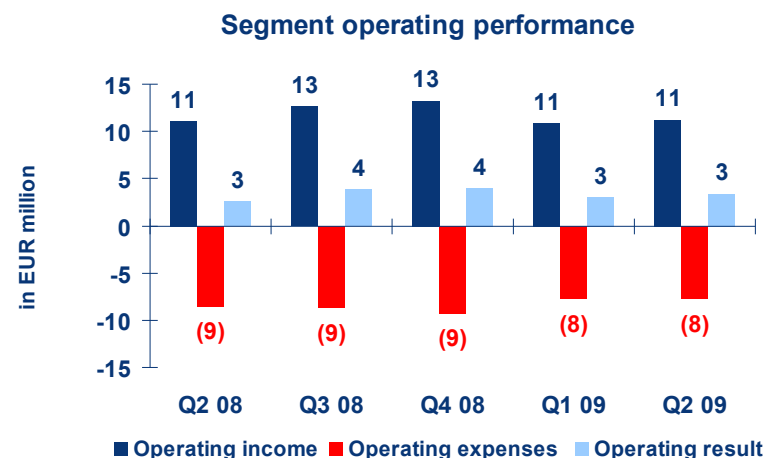
1) Figures in brackets refer to rate of change excluding impact of 1.6% currency depreciation



# Retail & SME: Serbia

## Improving operating performance

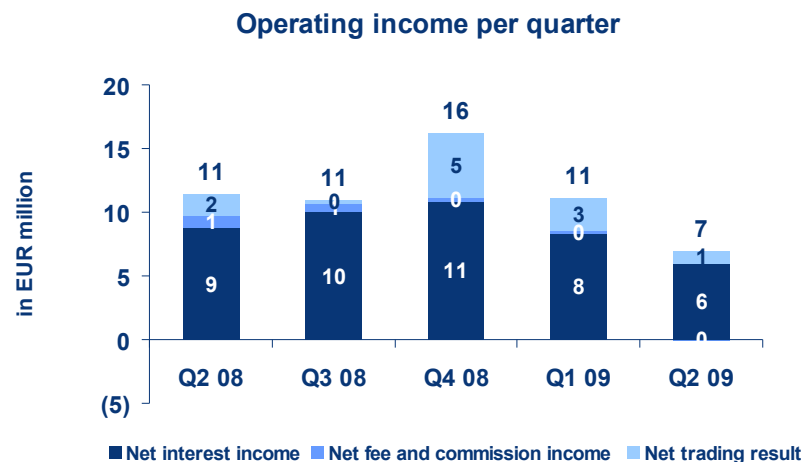
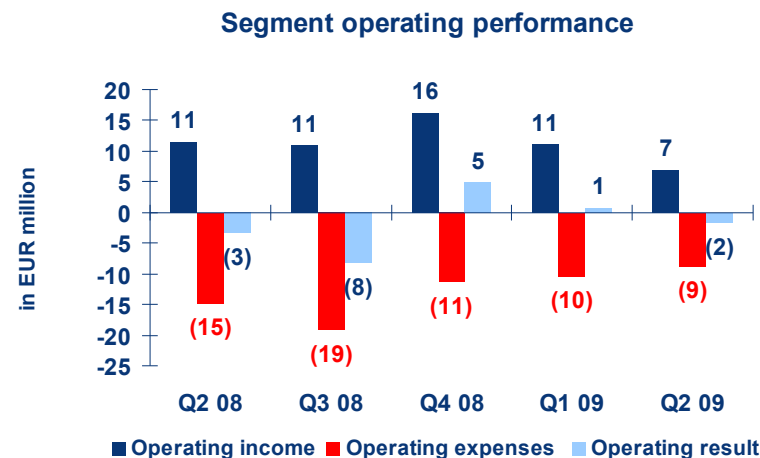
- Operating result improved by >100% yoy to EUR 6.4m in H1 09 despite 15% lower exchange rate
- Operating income improved strongly by 14.7% yoy (+32.0%)<sup>1</sup> across all line items
  - Supported by strong NIM expansion to 7.3%
  - Customer deposits increased by 17% in LCY ytd while loan growth remained moderate at 4.9% ytd
- Costs declined by 4.3% yoy (+10.1%)
  - Headcount declined by 2% to 992 employees in Q1 09
  - Personnel expenses were slightly up due to inflation and salary adjustments
  - Other administrative expenses were up on branch network expansion
- Net profit contribution was EUR 1.3m in H1 09
- Risk costs increased by 37.6% (58%) yoy to EUR 4.0m
- ROE at 5.3%
- CIR continued to improve to 70.9%



1) Figures in brackets refer to rate of change excluding impact of 15.1% currency depreciation

# Retail & SME: Ukraine – Scaling down the business

- Operating result was negative at EUR -1.0m; but improved compared to H1 08
  - Revenues increased by 0.9% yoy 43%)<sup>1</sup> on strong NII
  - Administrative expenses down by 25.3% yoy; but increased by 6.2% currency adjusted mainly driven by 2008 headcount increase and branch network expansion as well as severance payments
- Risk costs strongly increased to EUR 38.4m driven by overall macro deterioration
- Net loss of EUR 38.2m versus EUR -6.8m in H1 08
- EB Ukraine has reacted the crisis with a number of measures:
  - No new lending since September 2008
  - Branch network to stay at current level of 135 outlets
  - Headcount has been reduced by about 300 employees (12%)
  - Business focus has successfully shifted to deposit gathering
    - Deposits increased by 63% ytd while the loan book declined by nearly 10% since YE 08



1) Figures in brackets refer to rate of change excluding impact of 42.1% currency depreciation

- 
- Overview of key ratios and macro trends
  - Summary and H1 2009 highlights
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  - H1 2009 financials and segment reporting
  - **Appendix**
    - Funding & liquidity
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# Erste Group's long-term funding profile – 2009 funding completed



ERSTE GROUP

## Long Term Funding YTD 2009

- **Total funding needs for 2009 – estimated to be maximum EUR 5-7bn - already raised**
- **Possibility of issuing up to EUR 6bn of Government guaranteed bonds**
  - EUR 4bn already issued at around EURIBOR + 53-65bps and 90bps guarantee fee
- **Cover pools for Pfandbrief issues will reach EUR 6bn by year end 2009**
  - Successful issuance of first Austrian Jumbo Pfandbrief : EUR 1bn, 7 years, at EURIBOR +117bps

### Funding structure 2008

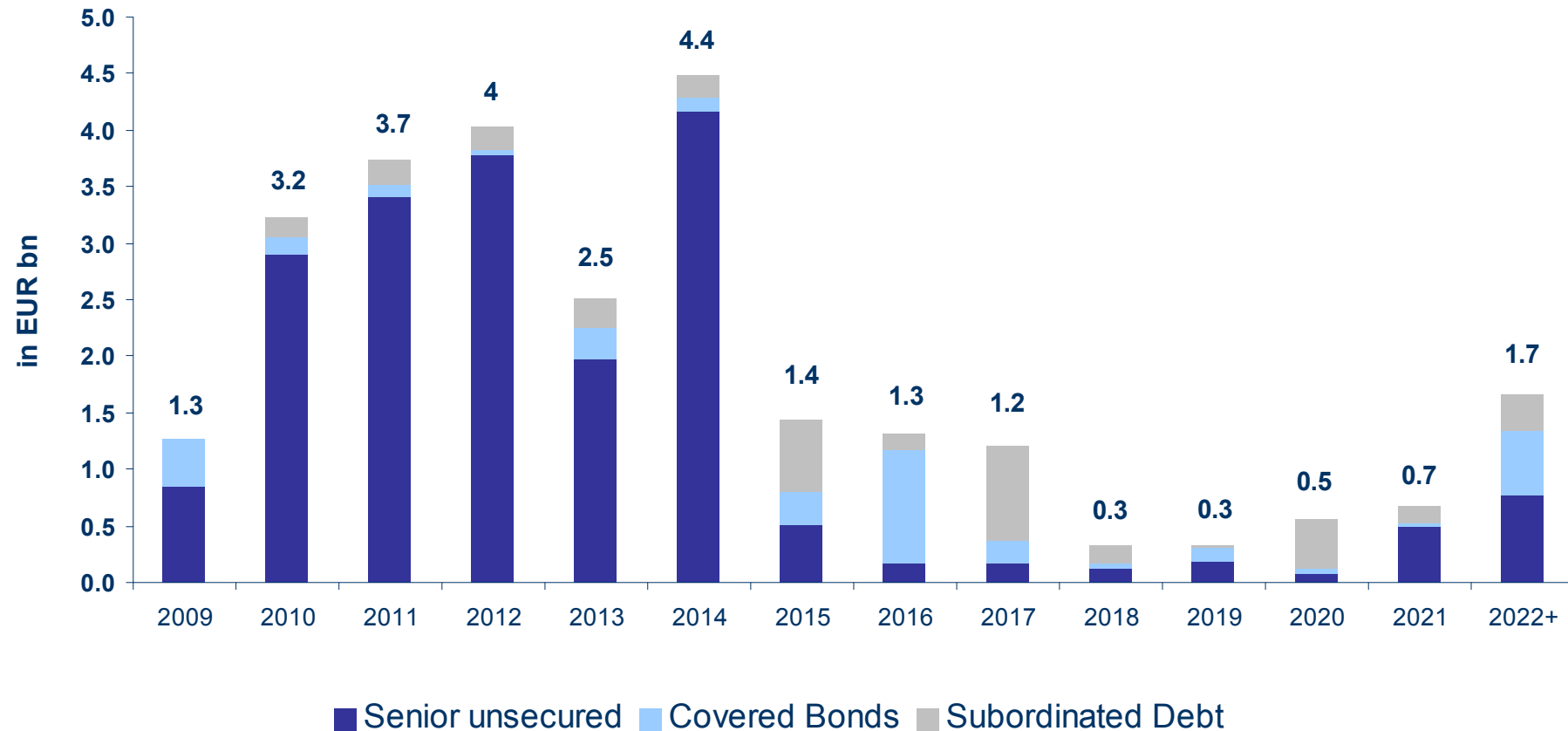
in € mn	Amounts	Total issues	Ave. Maturity
Senior	5,073	186	2.7
Pfandbrief	770	26	4.7
LT2	577	10	11.4
UT2	97	1	8.5
T1	3	1	6.0
<b>TOTAL</b>	<b>6,519</b>	<b>224</b>	<b>3.8</b>

### Funding structure YTD 2009

in € mn	Amounts	Total issues	Ave. Maturity
Senior	1,938	162	4.8
Pfandbrief	1,317	24	7.5
GGB	4,050	4	3.1
LT2	113	2	12.0
UT2	-	-	-
T1	-	-	-
<b>TOTAL</b>	<b>7,418</b>	<b>192</b>	<b>4.5</b>

# Long-term funding in detail – Only 1 year has redemptions exceeding EUR 4bn

## Redemption Profile of Erste Group



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# Key topics: ABS/CDO portfolio

## Prices stabilised but ratings migrated downward

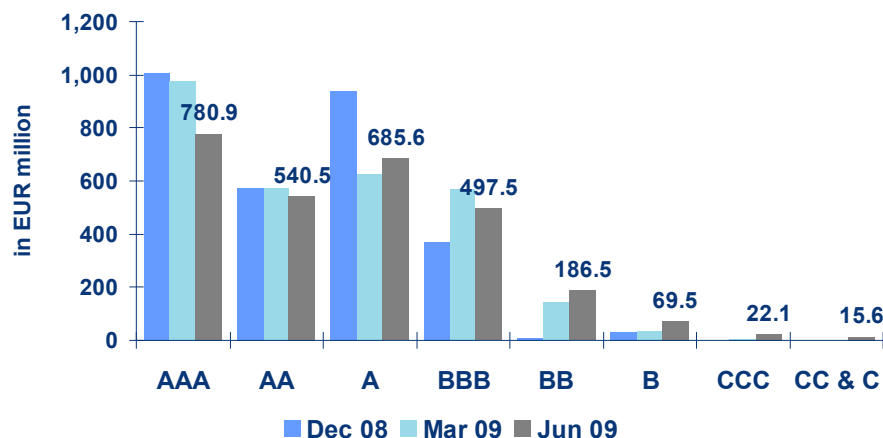
- **Face value of ABS/CDO exposure declined by EUR 131m since YE 08**
  - Redemptions of EUR 137m in H2 09 partly offset by currency effects
  - Upgrades of EUR 115m vs downgrades of EUR 626m
    - Downgrades mainly through methodology change by Moody's (CLOs)
- **Total market value of ABS portfolio EUR 1,551m at Erste and EUR 123m at SBs at H1 09 (YE 08: EUR 1839m and 150m)**
- **Prices stabilised during Q2 09 reducing the negative MTM valuation**
  - H1 09 pre-tax impact on P&L of EUR -66.1m (Q1 09: EUR -54.8m / Q2 09: EUR +4.8m MTM valuation and EUR -16.1m impairment and realised losses from AfS portfolio)
  - H1 09 pre-tax EUR 43.0m negative MTM valuation in AfS reserve (Q1 09: EUR -88.0m / Q2 08: EUR +45m)
    - Thereof EUR +5.6m at SBs (Q1 09: EUR -7.9m)
- **Impairment of EUR 5.9m since beginning of crisis**
- 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 2009)\***

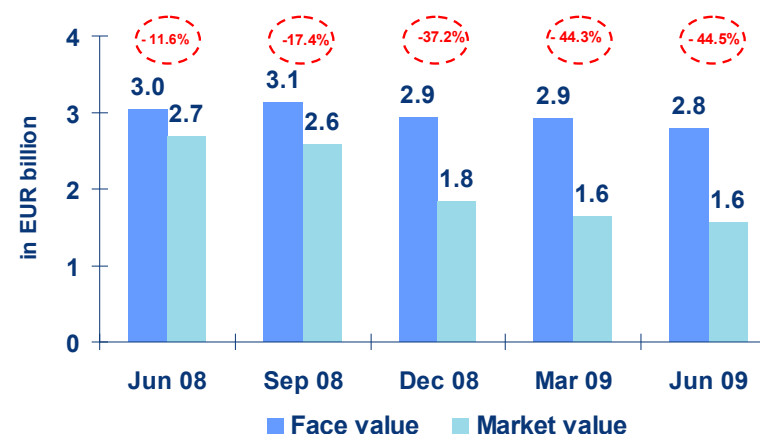
in EUR m	Face Value	Market Value	Change	+/- %
<b>FV (m-t-m)</b>	432	187	(245)	<b>(56.7%)</b>
<b>AfS (m-t-m)</b>	1,485	839	(647)	<b>(43.5%)</b>
<b>HtM (at cost)</b>	879	525	(354)	<b>(40.3%)</b>
<b>Total</b>	<b>2,796</b>	<b>1,551</b>	<b>(1,245)</b>	<b>(44.5%)</b>

\* Excluding savings banks portfolio

**Rating migration\***  
(including redemptions and reinvestments)



**ABS & CDO exposure development\***  
(including redemptions and reinvestments)



# Key topics: ABS/CDO portfolio

## Detailed portfolio analysis

ABS/CDO portfolio by region June 2009)*				
in EUR m	Face Value	Market Value	+/-%	% of total (market value)
USA	936	574	(38.7%)	37.0%
Continental Europe	1,037	576	(44.4%)	37.2%
UK & Ireland	540	194	(64.0%)	12.5%
Far East and Australia	144	131	(8.9%)	8.5%
Other (inc CEE)	139	75	(46.0%)	4.8%
<b>Total</b>	<b>2,796</b>	<b>1,551</b>	<b>(44.5%)</b>	<b>100.0%</b>

CDO portfolio by products June 2009)*				
in EUR m	Face Value	Market Value	+/-%	% of total (market value)
Cash CLOs	1,204	647	(46.3%)	86.4%
<i>European CLOs</i>	297	97	(67.4%)	12.9%
<i>US CLOs</i>	907	550	(39.4%)	73.4%
CBO	20	17	(12.8%)	2.3%
CDO-squared	23	6	(75.1%)	0.8%
Synthetic CDO	38	19	(49.1%)	2.5%
Other CDOs	96	60	(37.6%)	8.0%
<b>Total</b>	<b>1,381</b>	<b>749</b>	<b>(45.7%)</b>	<b>100.0%</b>

ABS portfolio by ratings June 2009)*				
in EUR m	Face Value	Market Value	+/-%	% of total (market value)
AAA	218	183	(16.0%)	22.8%
AA	276	182	(34.1%)	22.7%
A	532	300	(43.6%)	37.4%
BBB	330	118	(64.2%)	14.7%
BB	26	14	-	1.8%
B	22	4	-	0.5%
CCC	0	0	-	0.0%
CC & C	11	1	-	0.1%
<b>Total</b>	<b>1,415</b>	<b>802</b>	<b>(43.4%)</b>	<b>100.0%</b>

CDO portfolio by ratings June 2009)				
in EUR m	Face Value	Market Value	+/-%	% of total (market value)
AAA	563	425	(24.6%)	56.7%
AA	264	132	(50.2%)	17.6%
A	154	100	(34.6%)	13.4%
BBB	167	39	(76.7%)	5.2%
BB	160	35	(78.1%)	4.7%
B	47	16	(66.2%)	2.1%
CCC	22	2	-	0.3%
CC & C	3	0	-	0.0%
<b>Total</b>	<b>1,381</b>	<b>749</b>	<b>(45.8%)</b>	<b>100.0%</b>



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# Asset quality – Key definitions

– **Exposure is a measure of the entire credit risk of Erste Group, covering:**

- Loans and advances to customers and banks
- Fixed income securities in all portfolios (trading, fair value, available for sale, held to maturity)
- Derivative products
- Off-balance sheet credit risks, such as warranties, guarantees and letters of credit
- Unused credit lines
  
- Pros and cons
  - Pro: covers all credit risk of Erste Group
  - Contra: understates NPL ratio compared to customer loans as base

Risk category	Agency ratings
Low risk	AAA to BB / Aaa to Ba
Management attention	B
Substandard	CCC to C / Caa to C
Non-performing	D, R, RD, SD

– **Reported NPL and NPL coverage ratios exclude collateral**

– **Broad NPL definition**

- 90-day overdue or less than 90-day overdue if:
  - Customer unlikely to pay, e.g. because customer defaulted against third party
  - Customer view instead of product view has been adopted. The former is the case with all corporate customers and all retail customers in Austria. In CEE retail product view prevails. Accordingly, if an Austrian retail customer defaults on one product all performing products are classified as NPLs as well.

# Asset quality – Credit risk by segments \*



ERSTE GROUP

	Low risk		Mgmt attention		Substandard		Non-performing		Total exposure		Risk provisions		NPL coverage		NPL ratio	
	Jun 09	Dec 08	Jun 09	Dec 08	Jun 09	Dec 08	Jun 09	Dec 08	Jun 09	Dec 08	Jun 09	Dec 08	Jun 09	Dec 08	Jun 09	Dec 08
<b>Retail &amp; SME</b>	<b>120,004</b>	<b>118,606</b>	<b>22,168</b>	<b>19,931</b>	<b>5,047</b>	<b>4,242</b>	<b>7,118</b>	<b>5,665</b>	<b>154,337</b>	<b>148,444</b>	<b>3,906</b>	<b>3,514</b>	<b>54.9%</b>	<b>62.0%</b>	<b>4.6%</b>	<b>3.8%</b>
<b>Austria</b>	<b>67,553</b>	<b>67,181</b>	<b>11,681</b>	<b>9,618</b>	<b>1,860</b>	<b>1,418</b>	<b>4,379</b>	<b>3,874</b>	<b>85,473</b>	<b>82,091</b>	<b>2,191</b>	<b>2,063</b>	<b>50.0%</b>	<b>53.3%</b>	<b>5.1%</b>	<b>4.7%</b>
EB Oesterreich	32,397	30,545	3,705	3,031	504	363	1,447	1,245	38,053	35,185	697	680	48.2%	54.6%	3.8%	3.5%
Savings banks	35,156	36,636	7,976	6,587	1,357	1,055	2,931	2,629	47,419	46,906	1,494	1,383	51.0%	52.6%	6.2%	5.6%
<b>CEE</b>	<b>52,451</b>	<b>51,426</b>	<b>10,487</b>	<b>10,313</b>	<b>3,186</b>	<b>2,823</b>	<b>2,740</b>	<b>1,791</b>	<b>68,865</b>	<b>66,353</b>	<b>1,715</b>	<b>1,451</b>	<b>62.6%</b>	<b>81.0%</b>	<b>4.0%</b>	<b>2.7%</b>
Czech Republic	24,112	25,078	2,834	2,576	531	421	654	539	28,131	28,613	423	322	64.6%	59.8%	2.3%	1.9%
Romania	7,830	7,297	3,394	3,769	1,709	1,676	928	502	13,862	13,243	536	532	57.8%	106.0%	6.7%	3.8%
Slovakia	8,228	7,188	915	829	250	234	346	275	9,740	8,526	268	226	77.4%	82.3%	3.6%	3.2%
Hungary	6,646	6,858	1,384	1,198	316	245	474	248	8,820	8,549	179	124	37.8%	50.1%	5.4%	2.9%
Croatia	5,095	4,295	1,331	1,272	222	171	230	186	6,877	5,923	208	176	90.3%	94.7%	3.3%	3.1%
Serbia	280	358	382	342	16	21	35	29	714	750	41	39	119.0%	135.7%	4.9%	3.8%
Ukraine	259	353	247	327	142	55	72	12	720	747	60	31	83.1%	263.8%	10.0%	1.6%
<b>GCIB</b>	<b>36,160</b>	<b>39,554</b>	<b>5,745</b>	<b>5,377</b>	<b>1,122</b>	<b>681</b>	<b>980</b>	<b>638</b>	<b>44,007</b>	<b>46,250</b>	<b>592</b>	<b>395</b>	<b>60.4%</b>	<b>61.9%</b>	<b>2.2%</b>	<b>1.4%</b>
Group Large Corporates	10,044	11,350	1,810	2,275	269	171	410	235	12,532	14,031	254	154	62.1%	65.6%	3.3%	1.7%
Group Real Estate	7,181	7,611	2,562	2,158	527	165	317	219	10,588	10,154	168	109	52.9%	49.7%	3.0%	2.2%
International Business	18,935	20,593	1,372	944	327	344	253	184	20,887	22,065	170	132	67.1%	71.9%	1.2%	0.8%
<b>Group Markets</b>	<b>16,696</b>	<b>15,277</b>	<b>262</b>	<b>240</b>	<b>750</b>	<b>353</b>	<b>11</b>	<b>42</b>	<b>17,718</b>	<b>15,912</b>	<b>1</b>	<b>1</b>	<b>12.6%</b>	<b>3.3%</b>	<b>0.1%</b>	<b>0.3%</b>
<b>Corporate Center</b>	<b>5,575</b>	<b>4,325</b>	<b>238</b>	<b>145</b>	<b>905</b>	<b>593</b>	<b>13</b>	<b>0</b>	<b>6,731</b>	<b>5,063</b>	<b>5</b>	<b>1</b>	<b>36.3%</b>	<b>157.3%</b>	<b>0.2%</b>	<b>0.0%</b>
<b>Total group</b>	<b>178,435</b>	<b>177,762</b>	<b>28,412</b>	<b>25,692</b>	<b>7,825</b>	<b>5,869</b>	<b>8,121</b>	<b>6,345</b>	<b>222,793</b>	<b>215,668</b>	<b>4,504</b>	<b>3,911</b>	<b>55.5%</b>	<b>61.6%</b>	<b>3.6%</b>	<b>2.9%</b>

\*) 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.

# Asset quality – Credit risk by regions \*



ERSTE GROUP

in EUR million	Low risk		Mgmt attention		Substandard		Non-performing		Total exposure			
	Jun 09	Dec 08	Jun 09	Dec 08	Jun 09	Dec 08	Jun 09	Dec 08	Jun 09		Dec 08	
									Share of total		Share of total	
<b>Core market</b>	<b>137,801</b>	<b>138,299</b>	<b>25,450</b>	<b>23,354</b>	<b>7,170</b>	<b>5,418</b>	<b>7,213</b>	<b>5,719</b>	<b>177,634</b>	<b>79.7%</b>	<b>172,789</b>	<b>80.1%</b>
<i>Austria</i>	73,004	70,374	10,903	8,816	3,353	2,277	4,002	3,667	91,261	41.0%	85,135	39.5%
<i>Croatia</i>	6,444	6,239	2,004	1,742	247	189	257	187	8,951	4.0%	8,358	3.9%
<i>Romania</i>	9,357	9,347	4,323	5,089	1,879	1,718	998	532	16,557	7.4%	16,686	7.7%
<i>Serbia</i>	654	419	442	556	66	27	64	45	1,226	0.6%	1,046	0.5%
<i>Slovakia</i>	9,723	11,325	1,122	1,081	263	259	382	281	11,489	5.2%	12,946	6.0%
<i>Slovenia</i>	1,762	1,916	223	286	125	96	160	81	2,271	1.0%	2,379	1.1%
<i>Czech Republic</i>	26,387	27,354	3,937	3,689	709	542	732	610	31,765	14.3%	32,195	14.9%
<i>Hungary</i>	10,223	10,798	1,833	1,571	373	253	522	303	12,951	5.8%	12,925	6.0%
<i>Ukraine</i>	247	527	664	523	154	56	97	12	1,162	0.5%	1,119	0.5%
<b>Other EU</b>	<b>27,887</b>	<b>26,253</b>	<b>1,633</b>	<b>1,287</b>	<b>291</b>	<b>72</b>	<b>538</b>	<b>343</b>	<b>30,349</b>	<b>13.6%</b>	<b>27,956</b>	<b>13.0%</b>
<b>Other industrialised countries</b>	<b>7,166</b>	<b>7,216</b>	<b>602</b>	<b>385</b>	<b>199</b>	<b>328</b>	<b>298</b>	<b>240</b>	<b>8,264</b>	<b>3.7%</b>	<b>8,170</b>	<b>3.8%</b>
<b>Emerging markets</b>	<b>5,581</b>	<b>5,993</b>	<b>728</b>	<b>666</b>	<b>165</b>	<b>51</b>	<b>72</b>	<b>44</b>	<b>6,546</b>	<b>2.9%</b>	<b>6,753</b>	<b>3.1%</b>
<i>Southeastern Europe / CIS</i>	1,326	1,807	194	212	107	10	46	17	1,673	0.8%	2,046	0.9%
<i>Asia</i>	1,818	1,554	245	122	42	40	4	3	2,108	0.9%	1,719	0.8%
<i>Latin America</i>	766	837	107	81	12	0	12	15	898	0.4%	933	0.4%
<i>Middle East / Africa</i>	1,671	1,796	182	251	5	0	9	9	1,867	0.8%	2,056	1.0%
<b>Total</b>	<b>178,435</b>	<b>177,762</b>	<b>28,412</b>	<b>25,692</b>	<b>7,825</b>	<b>5,869</b>	<b>8,121</b>	<b>6,345</b>	<b>222,793</b>	<b>100.0%</b>	<b>215,668</b>	<b>100.0%</b>
Share of total	80.1%	82.4%	12.8%	11.9%	3.5%	2.7%	3.6%	2.9%	100.0%		100.0%	
<b>Risk provisions</b>	<b>131</b>	<b>135</b>	<b>327</b>	<b>178</b>	<b>279</b>	<b>325</b>	<b>3,767</b>	<b>3,273</b>	<b>4,504</b>		<b>3,911</b>	
Coverage ratio	0.1%	0.1%	1.2%	0.7%	3.6%	5.5%	46.4%	51.6%	2.0%		1.8%	

\*) 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.

# Asset quality – Credit risk by industry sectors \*



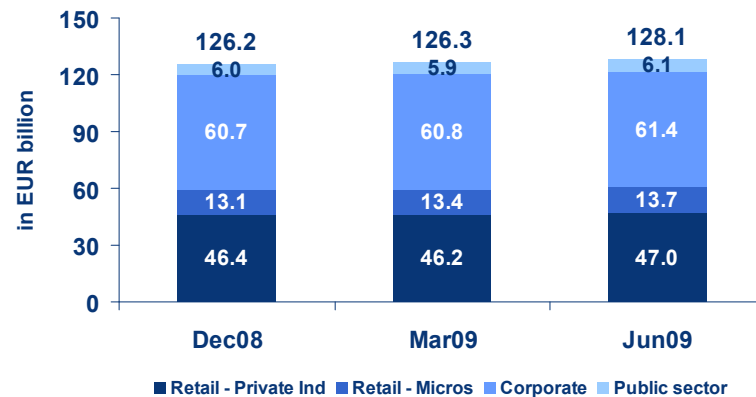
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in EUR million	Low risk		Mgmt attention		Substandard		Non-performing		Total exposure			
	Jun 09	Dec 08	Jun 09	Dec 08	Jun 09	Dec 08	Jun 09	Dec 08	Jun 09		Dec 08	
									Share of total		Share of total	
Agriculture and forestry	1,092	1,139	668	588	139	156	143	138	2,041	0.9%	2,021	0.9%
Mining	515	735	108	66	53	21	138	11	813	0.4%	834	0.4%
Manufacturing	10,071	10,908	4,118	3,501	960	773	945	697	16,094	7.2%	15,879	7.4%
Energy and water supply	2,777	2,779	418	509	75	99	92	74	3,363	1.5%	3,461	1.6%
Construction	6,620	6,682	2,209	1,861	635	460	463	362	9,927	4.5%	9,364	4.3%
Construction - building project development	1,899	2,023	595	415	287	226	47	31	2,827	1.3%	2,694	1.2%
Trade	8,620	9,190	3,095	3,313	624	448	811	694	13,150	5.9%	13,646	6.3%
Transport and communication	5,859	4,239	1,319	1,262	355	349	336	252	7,869	3.5%	6,102	2.8%
Hotels and restaurants	2,253	2,495	1,619	1,278	287	270	536	469	4,695	2.1%	4,512	2.1%
Financial and insurance services	49,718	48,306	1,621	1,775	320	105	471	364	52,129	23.4%	50,551	23.4%
Fin. and ins. services: holding companies	5,491	5,938	568	296	188	40	193	130	6,440	2.9%	6,405	3.0%
Real estate and housing	15,791	16,059	4,551	3,995	484	410	891	590	21,717	9.7%	21,054	9.8%
Services	5,549	6,055	1,391	1,192	230	174	492	425	7,661	3.4%	7,846	3.6%
Public administration	24,818	23,015	771	776	57	20	10	13	25,655	11.5%	23,824	11.0%
Education, health and art	2,320	2,423	634	566	129	270	158	132	3,240	1.5%	3,392	1.6%
Private households	41,611	42,394	5,871	4,978	1,734	1,279	2,634	2,120	51,850	23.3%	50,771	23.5%
Other	825	1,342	20	32	1,743	1,033	1	4	2,589	1.2%	2,412	1.1%
<b>Total</b>	<b>178,435</b>	<b>177,762</b>	<b>28,412</b>	<b>25,692</b>	<b>7,825</b>	<b>5,869</b>	<b>8,121</b>	<b>6,345</b>	<b>222,793</b>	<b>100.0%</b>	<b>215,668</b>	<b>100.0%</b>
Share of total	80.1%	82.4%	12.8%	11.9%	3.5%	2.7%	3.6%	2.9%	100.0%		100.0%	
<b>Risk provisions</b>	<b>131</b>	<b>135</b>	<b>327</b>	<b>178</b>	<b>279</b>	<b>325</b>	<b>3,767</b>	<b>3,273</b>	<b>4,504</b>		<b>3,911</b>	
Coverage ratio	0.1%	0.1%	1.2%	0.7%	3.6%	5.5%	46.4%	51.6%	2.0%		1.8%	

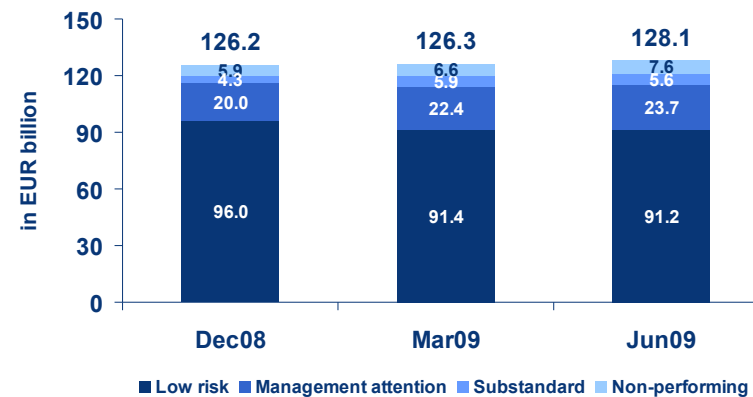
\*) Including loans and advances to customers and banks, fixed income securities (in trading portfolio, investments available for sale or financial investments) and derivatives as well as off-balance sheet credit risks (warranties, guarantees and letters of credit) and unused credit lines.

# Asset quality – Group loan book

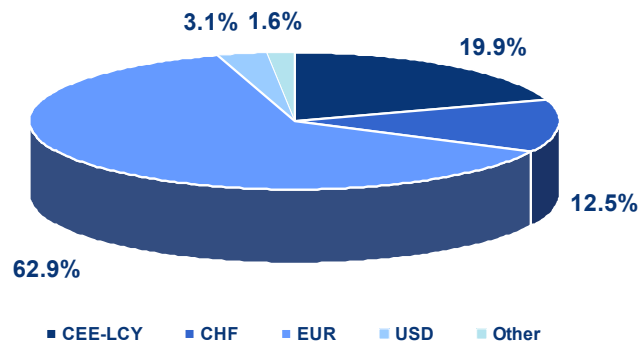
Customer loans by Basel II customer segments



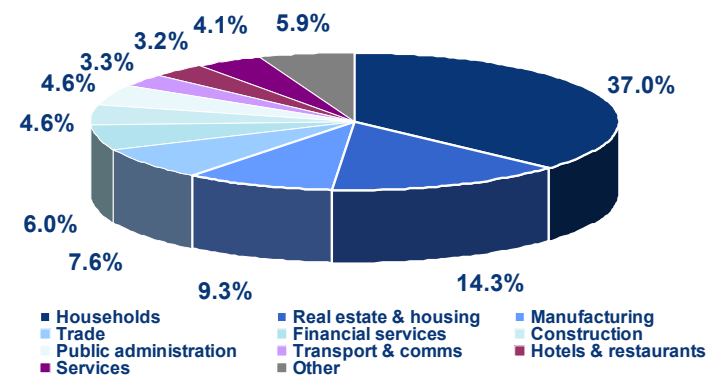
Customer loans by risk classes



Customer loans by currency  
(30 June 2009: EUR 128.1 bn)

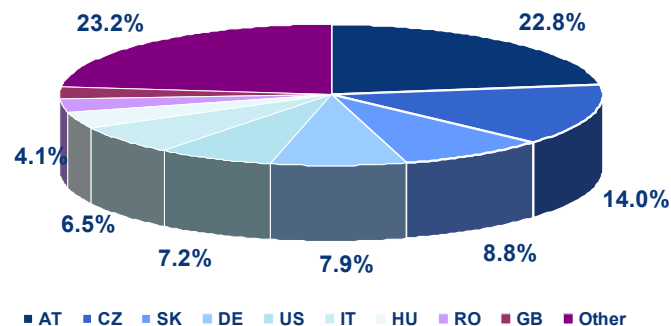


Customer loans by industries  
(30 June 2009: EUR 128.1 bn)

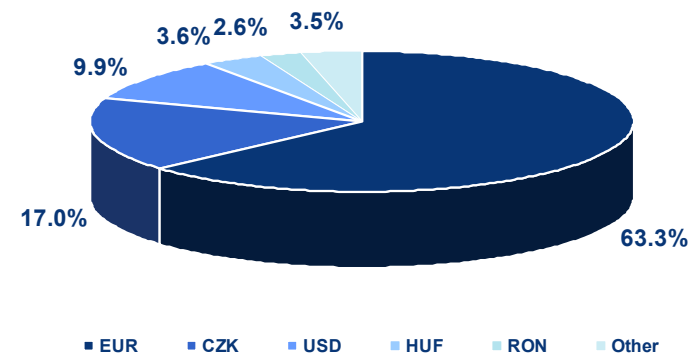


# Asset quality – Financial assets

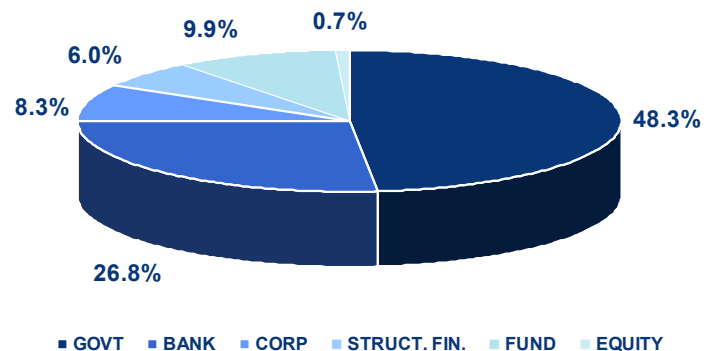
**Financial assets by country of origination**  
(30 June 2009: EUR 35.1 bn)



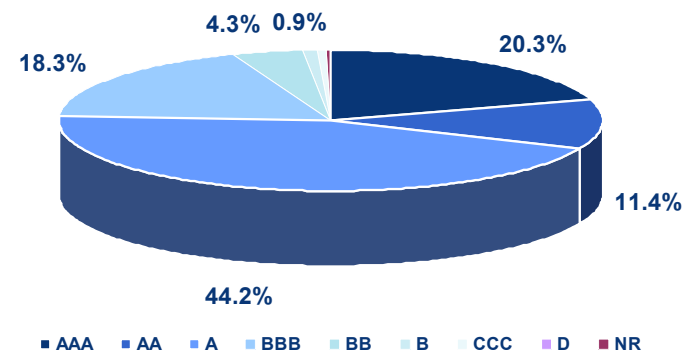
**Financial assets by currency**  
(30 June 2009: EUR 35.1 bn)



**Financial assets by issuer/product**  
(30 June 2009: EUR 35.1 bn)



**Financial assets by rating**  
(30 June 2009: EUR 35.1 bn)

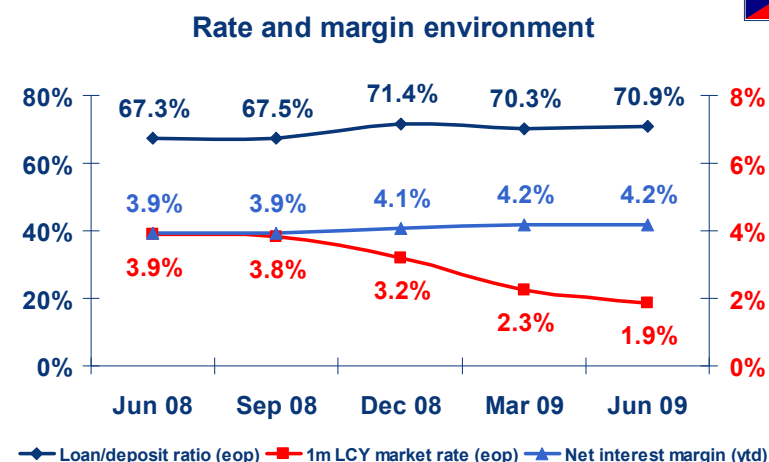


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- Overview of key ratios and macro trends
  - Summary and H1 2009 highlights
  - H1 2009 key topics
  - H1 2009 financials and segment reporting
  - **Appendix**
    - Funding & liquidity
    - ABS & CDO portfolio (details)
    - Asset quality (details)
    - CEE local statements
    - Quarterly results
    - Key ratios and shareholder structure



# Key local entity data (IFRS, consolidated) – Ceska sporitelna

Key figures and ratios	1-6 09	1-6 08	Change
<b>Cost/income ratio</b>	<b>42.5%</b>	<b>47.3%</b>	<b>(10.3%)</b>
Return on equity	19.9%	22.9%	
<b>Net interest margin</b>	<b>4.2%</b>	<b>3.9%</b>	<b>6.1%</b>
	<b>Jun 09</b>	<b>Dec 08</b>	<b>Change</b>
<b>Loan/deposit ratio</b>	<b>70.9%</b>	<b>71.4%</b>	<b>(0.8%)</b>
<b>Solvency ratio</b>	<b>12.2%</b>	<b>9.9%</b>	
Employees	10,813	10,865	(0.5%)
Branches	652	646	0.9%
Customers (in m)	5.3	5.3	(0.2%)
<b>Market share - retail loans</b>	<b>28.6%</b>	<b>29.2%</b>	
<b>Market share - retail deposits</b>	<b>30.5%</b>	<b>31.3%</b>	
Market share - corporate loans	18.7%	18.1%	
Market share - corporate deposits	10.4%	11.2%	
Market share - total assets	20.6%	20.7%	

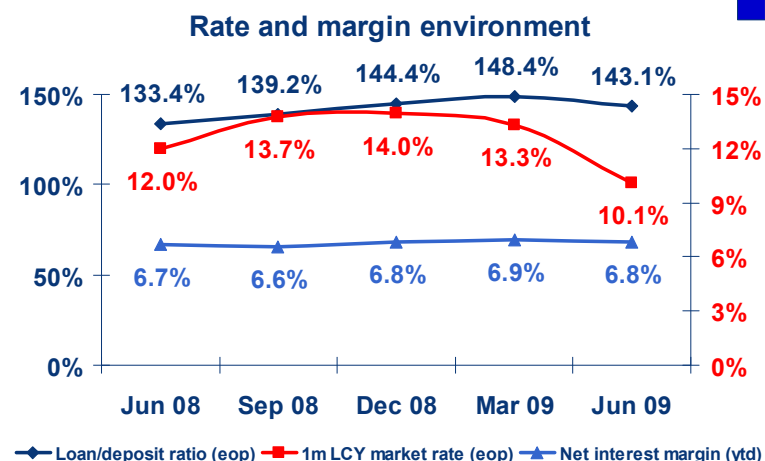


in EUR million	1-6 09	1-6 08	Change
Net interest income	572.5	528.9	8.2%
Risk provisions for loans and advances	(141.4)	(53.8)	>100.0%
Net fee and commission income	203.4	197.3	3.1%
Net trading result	83.0	45.2	83.6%
General administrative expenses	(364.9)	(365.2)	(0.1%)
Other operating result	(37.8)	(29.3)	(29.0%)
Result from financial assets - FV	(17.5)	(24.7)	29.1%
Result from financial assets - AfS	(4.2)	4.4	na
Result from financial assets - HtM	0.0	0.0	na
<b>Pre-tax profit from continuing operations</b>	<b>293.1</b>	<b>302.8</b>	<b>(3.2%)</b>
Taxes on income	(59.9)	(63.1)	(5.1%)
Post-tax profit from discontinuing ops	0.0	7.1	na
Minority interests	(0.4)	(3.8)	(89.5%)
<b>Net profit after minorities</b>	<b>232.8</b>	<b>243.0</b>	<b>(4.2%)</b>
EUR FX rate (ave)	27.2	27.2	

in EUR million	Jun 09	Dec 08	Change
Loans and advances to credit institutions	3,862	3,605	7.1%
<b>Loans and advances to customers</b>	<b>18,112</b>	<b>17,828</b>	<b>1.6%</b>
Risk provisions for loans and advances	(456)	(345)	32.1%
Financial assets - at fair value through profit or loss	430	743	(42.2%)
Financial assets - available for sale	1,363	1,367	(0.3%)
Financial assets - held to maturity	4,729	4,595	2.9%
Other assets	5,129	5,520	(7.1%)
<b>Total assets</b>	<b>33,168</b>	<b>33,314</b>	<b>(0.4%)</b>
<b>Interest-bearing assets</b>	<b>28,040</b>	<b>27,793</b>	<b>0.9%</b>
Deposits by banks	1,611	2,224	(27.5%)
<b>Customer deposits</b>	<b>25,547</b>	<b>24,957</b>	<b>2.4%</b>
Debt securities in issue	1,735	1,543	12.4%
Other liabilities	2,117	2,086	1.5%
<b>Shareholders' equity</b>	<b>2,157</b>	<b>2,504</b>	<b>(13.8%)</b>
EUR FX rate (eop)	25.9	25.9	

# Key local entity data (IFRS, consolidated) – BCR

Key figures and ratios	1-6 09	1-6 08	Change
<b>Cost/income ratio</b>	<b>39.5%</b>	<b>41.5%</b>	<b>(4.8%)</b>
Return on equity	18.8%	30.4%	0.0%
<b>Net interest margin</b>	<b>6.8%</b>	<b>6.7%</b>	<b>2.6%</b>
	<b>Jun 09</b>	<b>Dec 08</b>	<b>Change</b>
<b>Loan/deposit ratio</b>	<b>143.1%</b>	<b>144.4%</b>	<b>(0.9%)</b>
<b>Solvency ratio</b>	<b>10.4%</b>	<b>11.3%</b>	
Employees	9,170	9,985	(8.2%)
Branches	652	641	1.7%
Customers (in m)	4.6	4.5	2.0%
<b>Market share - retail loans</b>	<b>20.8%</b>	<b>21.1%</b>	
<b>Market share - retail deposits</b>	<b>25.2%</b>	<b>25.9%</b>	
Market share - corporate loans	24.2%	22.6%	
Market share - corporate deposits	14.9%	15.4%	
Market share - total assets	na	20.3%	

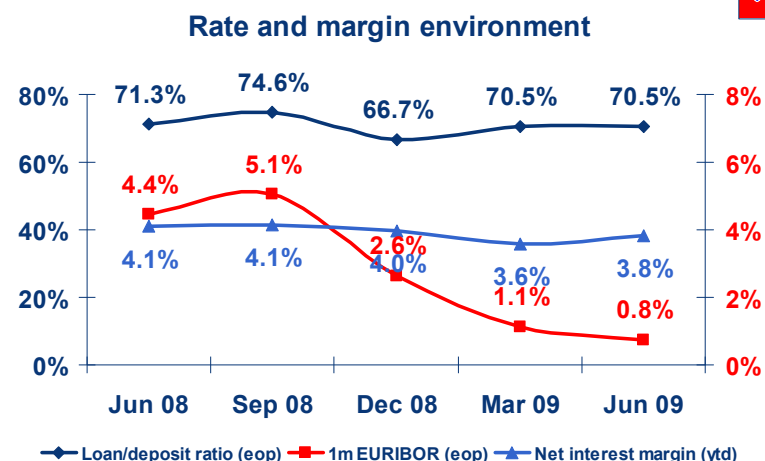


in EUR million	1-6 09	1-6 08	Change
Net interest income	410.4	339.3	21.0%
Risk provisions for loans and advances	(185.3)	(64.3)	>100.0%
Net fee and commission income	74.9	116.5	(35.7%)
Net trading result	47.0	30.2	55.6%
General administrative expenses	(210.0)	(201.5)	4.2%
Other operating result	(4.7)	(3.7)	(27.0%)
Result from financial assets - FV	6.1	(3.5)	na
Result from financial assets - AfS	33.5	4.0	>100.0%
Result from financial assets - HtM	0.0	0.0	na
<b>Pre-tax profit from continuing operations</b>	<b>171.9</b>	<b>217.0</b>	<b>(20.8%)</b>
Taxes on income	(28.7)	(36.3)	(20.9%)
Post-tax profit from discontinuing ops	0.0	(1.5)	na
Minority interests	0.0	0.1	na
<b>Net profit after minorities</b>	<b>143.2</b>	<b>179.3</b>	<b>(20.1%)</b>
EUR FX rate (ave)	4.2	4.2	

in EUR million	Jun 09	Dec 08	Change
Loans and advances to credit institutions	260	269	(3.3%)
<b>Loans and advances to customers</b>	<b>11,882</b>	<b>11,332</b>	<b>4.9%</b>
Risk provisions for loans and advances	(556)	(512)	8.5%
Financial assets - at fair value through profit or loss	36	46	(20.5%)
Financial assets - available for sale	581	334	73.8%
Financial assets - held to maturity	249	166	49.8%
Other assets	4,798	4,785	0.3%
<b>Total assets</b>	<b>17,250</b>	<b>16,420</b>	<b>5.1%</b>
<b>Interest-bearing assets</b>	<b>12,452</b>	<b>11,635</b>	<b>7.0%</b>
Deposits by banks	6,096	5,365	13.6%
<b>Customer deposits</b>	<b>8,301</b>	<b>7,846</b>	<b>5.8%</b>
Debt securities in issue	169	234	(28.0%)
Other liabilities	1,203	1,470	(18.2%)
<b>Shareholders' equity</b>	<b>1,481</b>	<b>1,504</b>	<b>(1.5%)</b>
EUR FX rate (eop)	4.2	4.2	

# Key local entity data (IFRS, consolidated) – Slovenska sporitelna

Key figures and ratios	1-6 09	1-6 08	Change
<b>Cost/income ratio</b>	<b>55.8%</b>	<b>51.5%</b>	<b>8.3%</b>
Return on equity	7.6%	21.1%	0.0%
<b>Net interest margin</b>	<b>3.8%</b>	<b>4.1%</b>	<b>(7.3%)</b>
	<b>Jun 09</b>	<b>Dec 08</b>	<b>Change</b>
<b>Loan/deposit ratio</b>	<b>70.5%</b>	<b>66.7%</b>	<b>5.7%</b>
<b>Solvency ratio</b>	<b>10.9%</b>	<b>9.8%</b>	
Employees	4,466	4,953	(9.8%)
Branches	271	275	(1.5%)
Customers (in m)	2.7	2.6	3.5%
<b>Market share - retail loans</b>	<b>24.8%</b>	<b>23.9%</b>	
<b>Market share - retail deposits</b>	<b>28.5%</b>	<b>29.4%</b>	
Market share - corporate loans	13.9%	13.9%	
Market share - corporate deposits	11.2%	9.7%	
Market share - total assets	20.7%	19.7%	



in EUR million	1-6 09	1-6 08	Change
Net interest income	188.1	172.5	9.0%
Risk provisions for loans and advances	(57.8)	(24.8)	>100.0%
Net fee and commission income	53.2	54.0	(1.4%)
Net trading result	3.8	18.5	(79.4%)
General administrative expenses	(136.7)	(126.1)	8.4%
Other operating result	(8.1)	(0.8)	na
Result from financial assets - FV	(1.5)	(5.9)	74.3%
Result from financial assets - Afs	(4.4)	0.0	na
Result from financial assets - HtM	0.0	0.0	na
<b>Pre-tax profit from continuing operations</b>	<b>36.5</b>	<b>87.4</b>	<b>(58.3%)</b>
Taxes on income	(6.7)	(14.4)	(53.6%)
Post-tax profit from discontinuing ops	0.0	0.0	na
Minority interests	(0.3)	0.1	na
<b>Net profit after minorities</b>	<b>29.5</b>	<b>73.1</b>	<b>(59.6%)</b>

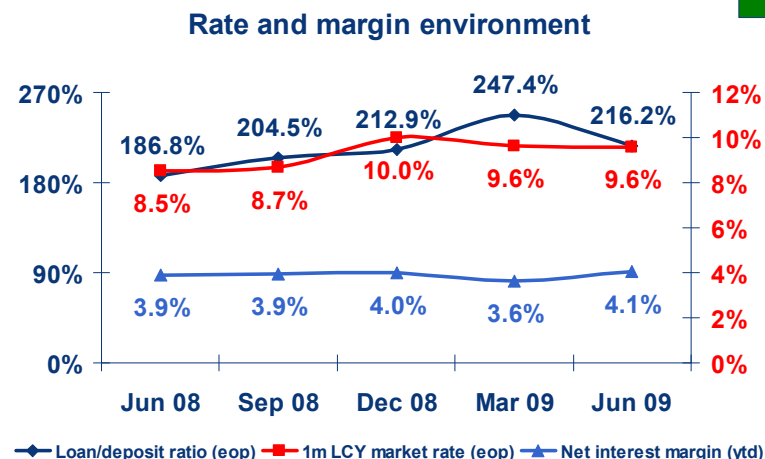
in EUR million	Jun 09	Dec 08	Change
Loans and advances to credit institutions	1,095	2,713	(59.6%)
<b>Loans and advances to customers</b>	<b>5,965</b>	<b>5,711</b>	<b>4.4%</b>
Risk provisions for loans and advances	(265)	(222)	19.3%
Financial assets - at fair value through profit or loss	77	49	57.2%
Financial assets - available for sale	1,293	840	54.0%
Financial assets - held to maturity	1,966	1,402	40.2%
Other assets	1,056	2,064	(48.8%)
<b>Total assets</b>	<b>11,188</b>	<b>12,557</b>	<b>(10.9%)</b>
<b>Interest-bearing assets</b>	<b>10,167</b>	<b>10,531</b>	<b>(3.5%)</b>
Deposits by banks	1,037	2,268	(54.3%)
<b>Customer deposits</b>	<b>8,461</b>	<b>8,563</b>	<b>(1.2%)</b>
Debt securities in issue	457	473	(3.5%)
Other liabilities	468	452	3.3%
<b>Shareholders' equity</b>	<b>766</b>	<b>800</b>	<b>(4.2%)</b>

# Key local entity data (IFRS, consolidated) – Erste Bank Hungary



ERSTE GROUP

Key figures and ratios	1-6 09	1-6 08	Change
<b>Cost/income ratio</b>	<b>47.0%</b>	<b>53.9%</b>	<b>(12.9%)</b>
Return on equity	20.3%	21.5%	
<b>Net interest margin</b>	<b>4.1%</b>	<b>3.9%</b>	<b>4.4%</b>
	<b>Jun 09</b>	<b>Dec 08</b>	<b>Change</b>
<b>Loan/deposit ratio</b>	<b>216.2%</b>	<b>212.9%</b>	<b>1.5%</b>
<b>Solvency ratio</b>	<b>12.2%</b>	<b>10.4%</b>	
Employees	3,161	3,255	(2.9%)
Branches	203	203	0.0%
Customers (in m)	0.8	0.8	0.0%
<b>Market share - retail loans</b>	<b>12.8%</b>	<b>12.3%</b>	
<b>Market share - retail deposits</b>	<b>6.2%</b>	<b>6.9%</b>	
Market share - corporate loans	8.4%	8.6%	
Market share - corporate deposits	5.5%	5.4%	
Market share - total assets	8.1%	7.8%	



in EUR million	1-6 09	1-6 08	Change
Net interest income	170.9	125.2	36.5%
Risk provisions for loans and advances	(64.0)	(26.0)	>100.0%
Net fee and commission income	40.6	59.6	(31.9%)
Net trading result	30.7	17.1	79.5%
General administrative expenses	(113.8)	(108.9)	4.5%
Other operating result	9.5	0.9	>100.0%
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
<b>Pre-tax profit from continuing operations</b>	<b>73.8</b>	<b>67.9</b>	<b>8.7%</b>
Taxes on income	(19.6)	(18.0)	9.1%
Post-tax profit from discontinuing ops	0.0	0.0	na
Minority interests	(0.0)	(0.1)	(62.0%)
<b>Net profit after minorities</b>	<b>54.1</b>	<b>49.8</b>	<b>8.7%</b>
EUR FX rate (ave)	290.2	290.2	

in EUR million	Jun 09	Dec 08	Change
Loans and advances to credit institutions	95	228	(58.3%)
<b>Loans and advances to customers</b>	<b>7,688</b>	<b>7,417</b>	<b>3.6%</b>
Risk provisions for loans and advances	(182)	(128)	42.0%
Financial assets - at fair value through profit or loss	0	0	na
Financial assets - available for sale	17	21	(17.0%)
Financial assets - held to maturity	945	691	36.8%
Other assets	1,838	1,458	26.0%
<b>Total assets</b>	<b>10,401</b>	<b>9,687</b>	<b>7.4%</b>
<b>Interest-bearing assets</b>	<b>8,563</b>	<b>8,229</b>	<b>4.1%</b>
Deposits by banks	5,451	4,908	11.1%
<b>Customer deposits</b>	<b>3,555</b>	<b>3,483</b>	<b>2.1%</b>
Debt securities in issue	121	69	74.7%
Other liabilities	680	662	2.7%
<b>Shareholders' equity</b>	<b>594</b>	<b>564</b>	<b>5.3%</b>
EUR FX rate (eop)	271.6	271.6	

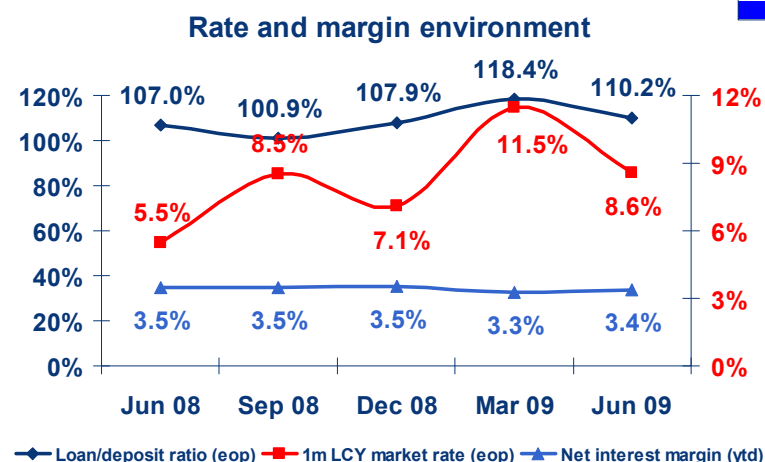
# Key local entity data (IFRS, consolidated) – Erste Bank Croatia



ERSTE GROUP



Key figures and ratios	1-6 09	1-6 08	Change
<b>Cost/income ratio</b>	<b>41.8%</b>	<b>43.0%</b>	<b>(2.8%)</b>
Return on equity	13.2%	16.5%	
<b>Net interest margin</b>	<b>3.4%</b>	<b>3.5%</b>	<b>(2.3%)</b>
	<b>Jun 09</b>	<b>Dec 08</b>	<b>Change</b>
<b>Loan/deposit ratio</b>	<b>110.2%</b>	<b>107.9%</b>	<b>2.1%</b>
<b>Solvency ratio</b>	<b>12.2%</b>	<b>12.1%</b>	
Employees	2,306	2,061	11.9%
Branches	122	119	2.5%
Customers (in m)	0.7	0.7	1.3%
<b>Market share - retail loans</b>	<b>12.6%</b>	<b>12.3%</b>	
<b>Market share - retail deposits</b>	<b>12.3%</b>	<b>12.1%</b>	
Market share - corporate loans	13.6%	13.5%	
Market share - corporate deposits	13.7%	14.0%	
Market share - total assets	12.8%	12.4%	



in EUR million	1-6 09	1-6 08	Change
Net interest income	99.1	89.5	10.7%
Risk provisions for loans and advances	(19.1)	(9.2)	>100.0%
Net fee and commission income	26.8	26.6	0.8%
Net trading result	12.8	9.6	33.3%
General administrative expenses	(58.0)	(54.1)	7.2%
Other operating result	(3.2)	(0.5)	na
Result from financial assets - FV	0.0	0.0	na
Result from financial assets - AfS	0.3	0.7	(57.1%)
Result from financial assets - HtM	0.0	0.0	na
<b>Pre-tax profit from continuing operations</b>	<b>58.7</b>	<b>62.6</b>	<b>(6.2%)</b>
Taxes on income	(11.4)	(12.4)	8.1%
Post-tax profit from discontinuing ops	0.0	0.0	na
Minority interests	(0.3)	(0.2)	(50.0%)
<b>Net profit after minorities</b>	<b>47.0</b>	<b>50.0</b>	<b>(6.0%)</b>
EUR FX rate (ave)	7.4	7.4	

in EUR million	Jun 09	Dec 08	Change
Loans and advances to credit institutions	1,491	1,278	16.7%
<b>Loans and advances to customers</b>	<b>4,583</b>	<b>4,238</b>	<b>8.1%</b>
Risk provisions for loans and advances	(183)	(156)	17.6%
Financial assets - at fair value through profit or loss	0	0	na
Financial assets - available for sale	277	318	(12.9%)
Financial assets - held to maturity	46	46	(1.0%)
Other assets	495	547	(9.6%)
<b>Total assets</b>	<b>6,709</b>	<b>6,272</b>	<b>7.0%</b>
<b>Interest-bearing assets</b>	<b>6,224</b>	<b>5,733</b>	<b>8.6%</b>
Deposits by banks	1,669	1,458	14.5%
<b>Customer deposits</b>	<b>4,161</b>	<b>3,929</b>	<b>5.9%</b>
Debt securities in issue	0	0	na
Other liabilities	153	179	(14.1%)
<b>Shareholders' equity</b>	<b>725</b>	<b>707</b>	<b>2.6%</b>
EUR FX rate (eop)	7.3	7.3	

# Key local entity data (IFRS, consolidated) – Erste Bank Serbia

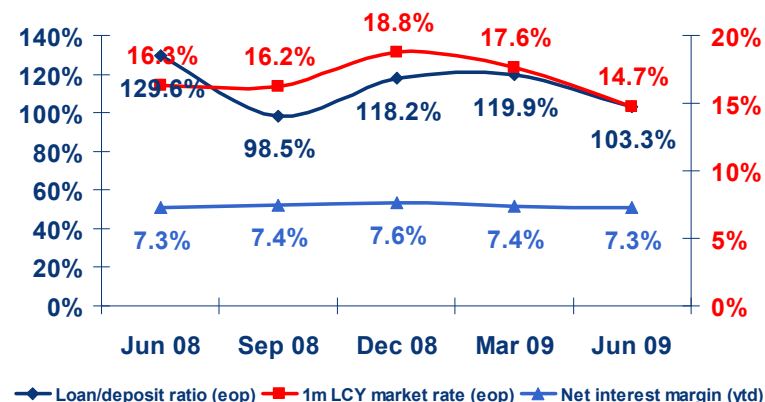


ERSTE GROUP



Key figures and ratios	1-6 09	1-6 08	Change
<b>Cost/income ratio</b>	<b>70.6%</b>	<b>78.5%</b>	<b>(10.0%)</b>
Return on equity	3.3%	9.4%	
<b>Net interest margin</b>	<b>7.3%</b>	<b>7.3%</b>	<b>(0.1%)</b>
	<b>Jun 09</b>	<b>Dec 08</b>	<b>Change</b>
<b>Loan/deposit ratio</b>	<b>103.3%</b>	<b>118.2%</b>	<b>(12.6%)</b>
<b>Solvency ratio</b>	<b>24.7%</b>	<b>26.6%</b>	
Employees	992	1,009	(1.7%)
Branches	73	68	7.4%
Customers (in m)	0.2	0.2	3.3%
<b>Market share - retail loans</b>	<b>3.4%</b>	<b>3.3%</b>	
<b>Market share - retail deposits</b>	<b>2.4%</b>	<b>2.5%</b>	
Market share - corporate loans	1.9%	2.1%	
Market share - corporate deposits	3.5%	3.3%	
Market share - total assets	2.6%	2.6%	

Rate and margin environment



in EUR million	1-6 09	1-6 08	Change
Net interest income	15.8	14.1	12.1%
Risk provisions for loans and advances	(4.0)	(2.5)	60.0%
Net fee and commission income	4.8	3.0	60.0%
Net trading result	1.5	1.0	50.0%
General administrative expenses	(15.6)	(14.2)	9.9%
Other operating result	(0.5)	(0.4)	(25.0%)
Result from financial assets - FV	0.0	0.0	na
Result from financial assets - AfS	0.0	4.2	na
Result from financial assets - HtM	0.0	0.0	na
<b>Pre-tax profit from continuing operations</b>	<b>2.0</b>	<b>5.2</b>	<b>(61.5%)</b>
Taxes on income	0.0	0.0	na
Post-tax profit from discontinuing ops	0.0	0.0	na
Minority interests	0.0	0.0	na
<b>Net profit after minorities</b>	<b>2.0</b>	<b>5.2</b>	<b>(61.5%)</b>
EUR FX rate (ave)	94.0	94.0	

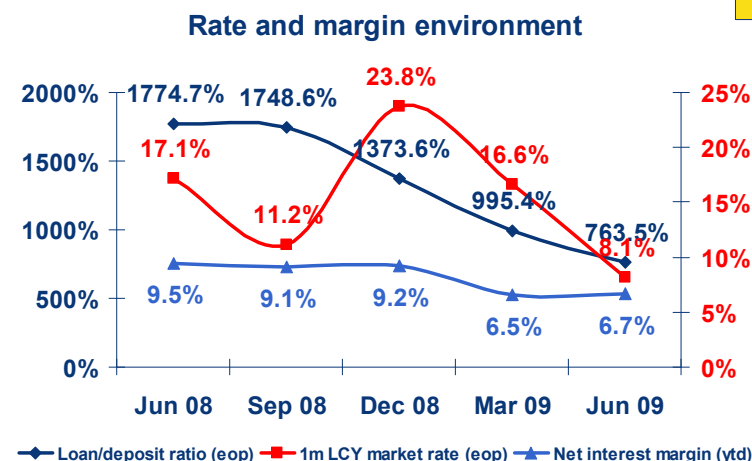
in EUR million	Jun 09	Dec 08	Change
Loans and advances to credit institutions	69	106	(34.7%)
<b>Loans and advances to customers</b>	<b>332</b>	<b>324</b>	<b>2.2%</b>
Risk provisions for loans and advances	(38)	(34)	12.0%
Financial assets - at fair value through profit or loss	0	0	na
Financial assets - available for sale	1	1	1.2%
Financial assets - held to maturity	78	24	>100.0%
Other assets	112	104	8.1%
<b>Total assets</b>	<b>553</b>	<b>523</b>	<b>5.7%</b>
<b>Interest-bearing assets</b>	<b>441</b>	<b>420</b>	<b>5.1%</b>
Deposits by banks	87	110	(21.3%)
<b>Customer deposits</b>	<b>321</b>	<b>274</b>	<b>17.0%</b>
Debt securities in issue	0	0	na
Other liabilities	31	27	17.7%
<b>Shareholders' equity</b>	<b>114</b>	<b>112</b>	<b>1.6%</b>
EUR FX rate (eop)	94.0	94.0	

# Key local entity data (IFRS, consolidated) – Erste Bank Ukraine



ERSTE GROUP

Key figures and ratios	1-6 09	1-6 08	Change
<b>Cost/income ratio</b>	<b>73.7%</b>	<b>75.5%</b>	<b>(2.8%)</b>
Return on equity	na	na	
<b>Net interest margin</b>	<b>6.7%</b>	<b>9.5%</b>	<b>(2.4%)</b>
	<b>Jun 09</b>	<b>Dec 08</b>	<b>Change</b>
<b>Loan/deposit ratio</b>	<b>763.5%</b>	<b>1373.6%</b>	<b>2.1%</b>
<b>Solvency ratio</b>	<b>15.2%</b>	<b>15.1%</b>	
Employees	1,782	2,120	11.9%
Branches	135	135	2.5%
Customers (in m)	0.1	0.1	1.3%
<b>Market share - retail loans</b>	<b>1.7%</b>	<b>1.6%</b>	
<b>Market share - retail deposits</b>	<b>0.2%</b>	<b>0.1%</b>	
Market share - corporate loans	0.4%	0.5%	
Market share - corporate deposits	0.3%	0.2%	
Market share - total assets	1.2%	1.2%	



in EUR million	1-6 09	1-6 08	Change
Net interest income	21.7	17.2	26.2%
Risk provisions for loans and advances	(30.6)	(1.7)	>100.0%
Net fee and commission income	0.1	1.1	(90.9%)
Net trading result	3.7	2.9	27.6%
General administrative expenses	(18.8)	(16.0)	17.5%
Other operating result	(0.4)	0.1	na
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
<b>Pre-tax profit from continuing operations</b>	<b>(24.3)</b>	<b>3.6</b>	<b>na</b>
Taxes on income	0.0	0.0	na
Post-tax profit from discontinuing ops	0.0	0.0	na
Minority interests	0.0	0.0	na
<b>Net profit after minorities</b>	<b>(24.3)</b>	<b>3.6</b>	<b>na</b>
EUR FX rate (ave)	10.6	10.6	

in EUR million	Jun 09	Dec 08	Change
Loans and advances to credit institutions	88	149	(41.1%)
<b>Loans and advances to customers</b>	<b>556</b>	<b>613</b>	<b>(9.3%)</b>
Risk provisions for loans and advances	(60)	(31)	93.9%
Financial assets - at fair value through profit or loss	0	0	na
Financial assets - available for sale	0	0	(0.0%)
Financial assets - held to maturity	0	0	na
Other assets	230	190	20.7%
<b>Total assets</b>	<b>814</b>	<b>922</b>	<b>(11.7%)</b>
<b>Interest-bearing assets</b>	<b>585</b>	<b>732</b>	<b>(20.1%)</b>
Deposits by banks	566	677	(16.4%)
<b>Customer deposits</b>	<b>73</b>	<b>45</b>	<b>63.2%</b>
Debt securities in issue	0	0	na
Other liabilities	76	77	(1.7%)
<b>Shareholders' equity</b>	<b>99</b>	<b>123</b>	<b>(19.1%)</b>
EUR FX rate (eop)	10.9	10.9	

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- Overview of key ratios and macro trends
  - Summary and H1 2009 highlights
  - H1 2009 key topics
  - H1 2009 financials and segment reporting
  - **Appendix**
    - Funding & liquidity
    - ABS & CDO portfolio (details)
    - Asset quality (details)
    - CEE local statements
    - **Quarterly results**
    - Key ratios and shareholder structure



# Erste Group historic financials – Quarterly income statement (IFRS)



ERSTE GROUP

in EUR million	Q3 07	Q4 07	Q1 08	Q2 08	Q3 08	Q4 08	Q1 09	Q2 09
Net interest income	986.6	1,101.7	1,151.1	1,154.9	1,267.3	1,339.8	1,226.0	1,279.3
Net fee and commission income	469.3	503.7	491.9	510.3	486.8	482.1	444.6	443.6
Net trading result	72.4	59.1	82.3	102.1	0.5	(70.2)	143.8	199.3
<b>Operating income</b>	<b>1,528.3</b>	<b>1,664.5</b>	<b>1,725.3</b>	<b>1,767.3</b>	<b>1,754.6</b>	<b>1,751.7</b>	<b>1,814.4</b>	<b>1,922.2</b>
Personnel expenses	(548.2)	(601.3)	(561.4)	(599.2)	(601.4)	(551.8)	(558.6)	(565.6)
Other administrative expenses	(276.0)	(236.7)	(309.8)	(343.1)	(355.4)	(304.8)	(329.4)	(327.3)
Depreciation and amortisation	(93.9)	(94.2)	(93.6)	(94.5)	(95.3)	(91.6)	(87.9)	(91.4)
<b>Operating expenses</b>	<b>(918.1)</b>	<b>(932.2)</b>	<b>(964.8)</b>	<b>(1,036.8)</b>	<b>(1,052.1)</b>	<b>(948.2)</b>	<b>(975.9)</b>	<b>(984.3)</b>
<b>Operating result</b>	<b>610.2</b>	<b>732.3</b>	<b>760.5</b>	<b>730.5</b>	<b>702.5</b>	<b>803.5</b>	<b>838.5</b>	<b>937.9</b>
Risk provisions for loans and advances	(96.6)	(118.8)	(163.1)	(221.0)	(218.2)	(469.1)	(370.2)	(521.9)
Other operating result	(43.9)	(36.0)	(22.9)	(61.9)	(56.2)	(637.8)	(39.9)	(47.6)
Result from financial assets - FV	(42.3)	(9.5)	(72.9)	(7.0)	(35.0)	(180.7)	(44.1)	32.0
Result from financial assets - AfS	17.5	6.1	(12.8)	6.3	(5.1)	(202.2)	(10.8)	(7.9)
Result from financial assets - HtM	0.1	0.1	0.0	0.1	(2.0)	(59.3)	(0.1)	(0.8)
<b>Pre-tax profit from continuing operations</b>	<b>445.0</b>	<b>574.2</b>	<b>488.8</b>	<b>447.0</b>	<b>386.0</b>	<b>(745.6)</b>	<b>373.4</b>	<b>391.7</b>
Taxes on income	(95.1)	(87.5)	(97.8)	(89.4)	(77.2)	87.1	(84.0)	(107.3)
Post-tax profit from discontinuing ops	1.6	3.0	4.8	5.3	600.1	29.5	0.0	0.0
Net profit before minorities	351.5	489.7	395.8	362.9	908.9	(629.0)	289.4	284.4
Minority interests	(79.6)	(152.9)	(80.2)	(41.9)	(82.5)	25.6	(57.3)	(24.4)
<b>Net profit after minorities</b>	<b>271.9</b>	<b>336.8</b>	<b>315.6</b>	<b>321.0</b>	<b>826.4</b>	<b>(603.4)</b>	<b>232.1</b>	<b>260.0</b>
<b>Cost/income ratio</b>	<b>60.1%</b>	<b>56.0%</b>	<b>55.9%</b>	<b>58.7%</b>	<b>60.0%</b>	<b>54.1%</b>	<b>53.8%</b>	<b>51.2%</b>
<b>Return on equity</b>	<b>12.9%</b>	<b>15.8%</b>	<b>14.8%</b>	<b>14.7%</b>	<b>34.2%</b>	<b>(27.0%)</b>	<b>11.4%</b>	<b>11.0%</b>

# Erste Group historic financials – Quarterly balance sheet (IFRS)



ERSTE GROUP

in EUR million	Sep 07	Dec 07	Mar 08	Jun 08	Sep 08	Dec 08	Mar 09	Jun 09
Cash and balances with central banks	7,311	7,615	7,783	6,854	7,692	7,556	5,897	6,897
Loans and advances to credit institutions	21,261	14,937	15,938	19,253	19,088	14,344	12,088	13,800
Loans and advances to customers	107,218	113,956	115,828	121,684	125,673	126,185	126,337	128,110
Risk provisions for loans and advances	(3,314)	(3,296)	(3,447)	(3,574)	(3,699)	(3,783)	(4,008)	(4,311)
Trading assets	6,358	6,637	7,469	7,502	8,090	7,534	7,864	8,147
Financial assets - at fair value through profit or loss	4,754	4,534	4,452	4,397	4,238	4,058	3,667	3,574
Financial assets - available for sale	15,784	16,200	15,907	16,147	16,664	16,033	17,127	17,586
Financial assets - held to maturity	18,396	16,843	15,770	15,922	14,777	14,145	14,117	13,968
Investments of insurance companies	7,878	8,054	0	0	0	0	0	0
Equity holdings in associates accounted for at equity	384	285	237	239	237	260	263	261
Intangible assets	6,246	5,962	5,822	5,915	5,707	4,805	4,730	4,738
Property and equipment	2,273	2,289	2,357	2,529	2,537	2,386	2,341	2,363
Tax assets	364	446	416	446	524	859	831	838
Assets held for sale	0	0	9,555	9,582	658	526	477	60
Other assets	5,659	6,057	6,380	7,262	7,234	6,533	7,340	8,136
<b>Total assets</b>	<b>200,572</b>	<b>200,519</b>	<b>204,467</b>	<b>214,158</b>	<b>209,420</b>	<b>201,441</b>	<b>199,071</b>	<b>204,167</b>
Deposits by banks	40,400	35,165	35,073	35,915	37,420	34,672	30,747	29,776
Customer deposits	98,184	100,116	103,863	108,842	110,964	109,305	108,707	113,489
Debt securities in issue	27,834	31,078	28,681	30,770	29,802	30,483	30,951	30,130
Trading liabilities	1,942	1,756	2,720	2,575	2,726	2,519	2,695	2,690
Underwriting provisions	8,396	8,638	0	0	0	0	0	0
Other provisions	1,737	1,792	1,770	1,762	1,757	1,620	1,654	1,681
Tax liabilities	320	329	323	262	345	389	325	302
Liabilities associated with assets held for sale	0	0	9,407	9,526	501	343	291	0
Other liabilities	5,029	4,653	4,966	6,415	7,077	4,968	5,571	6,665
Subordinated liabilities	5,423	5,589	5,776	6,045	5,969	6,047	6,070	6,141
Total equity	11,307	11,403	11,888	12,046	12,859	11,095	12,060	13,293
Shareholders' equity	8,438	8,452	8,586	8,911	9,728	8,079	8,895	10,098
Minority interests	2,869	2,951	3,302	3,135	3,131	3,016	3,165	3,195
<b>Total liabilities and equity</b>	<b>200,572</b>	<b>200,519</b>	<b>204,467</b>	<b>214,158</b>	<b>209,420</b>	<b>201,441</b>	<b>199,071</b>	<b>204,167</b>

30 July 2009  
Vienna

# Quarterly segment reporting – Overview of main segments



ERSTE GROUP

in EUR million	Retail & SME					Group Corporate & Investment Banking				
	Q2 08	Q3 08	Q4 08	Q1 09	Q2 09	Q2 08	Q3 08	Q4 08	Q1 09	Q2 09
Net interest income	1,020.4	1,108.4	1,171.9	1,070.0	1,075.9	110.3	113.0	130.8	136.6	131.5
Risk provisions	(184.8)	(178.8)	(314.2)	(267.7)	(426.6)	(20.7)	(18.4)	(119.7)	(80.3)	(65.6)
Net fee and commission income	433.0	420.6	393.5	362.9	378.8	37.5	36.4	47.5	37.7	40.1
Net trading result	34.6	15.3	18.1	17.6	66.3	0.6	3.3	(1.5)	(0.3)	2.6
General administrative expenses	(902.0)	(910.4)	(821.6)	(833.9)	(842.1)	(42.7)	(40.6)	(46.5)	(42.7)	(42.8)
Other result	(29.8)	(26.3)	(351.7)	(47.8)	(9.9)	(3.6)	(19.7)	(21.4)	(4.0)	(9.4)
<b>Pre-tax profit</b>	<b>371.4</b>	<b>428.8</b>	<b>96.0</b>	<b>301.1</b>	<b>242.4</b>	<b>81.2</b>	<b>74.0</b>	<b>(10.8)</b>	<b>47.0</b>	<b>56.4</b>
Taxes on income	(68.9)	(82.1)	(5.0)	(68.4)	(53.3)	(17.4)	(17.2)	2.3	(10.0)	(13.0)
Post-tax profit from discontinuing ops	5.3	(1.7)	(0.4)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minority interests	(37.3)	(84.9)	(4.1)	(57.9)	(20.7)	(3.6)	(2.5)	(0.3)	(2.4)	3.0
<b>Net profit after minorities</b>	<b>270.5</b>	<b>260.1</b>	<b>86.6</b>	<b>174.8</b>	<b>168.4</b>	<b>60.2</b>	<b>54.3</b>	<b>(8.8)</b>	<b>34.6</b>	<b>46.3</b>

in EUR million	Group Markets					Corporate Center				
	Q2 08	Q3 08	Q4 08	Q1 09	Q2 09	Q2 08	Q3 08	Q4 08	Q1 09	Q2 09
Net interest income	56.0	53.2	100.5	58.4	64.7	(31.7)	(7.2)	(63.4)	(39.0)	7.3
Risk provisions	0.0	0.0	0.0	0.0	0.0	(15.5)	(21.0)	(35.2)	(22.3)	(29.7)
Net fee and commission income	40.0	39.5	23.7	27.9	32.4	(0.2)	(9.7)	17.4	16.2	(7.7)
Net trading result	71.1	(17.8)	(81.8)	127.2	132.4	(4.2)	(0.3)	(5.1)	(0.7)	(2.0)
General administrative expenses	(48.1)	(46.8)	(53.2)	(45.8)	(55.2)	(44.0)	(54.3)	(26.9)	(53.4)	(44.2)
Other result	0.0	(1.2)	(5.6)	(1.1)	(1.1)	(29.0)	(51.3)	(701.2)	(42.1)	(4.0)
<b>Pre-tax profit</b>	<b>118.9</b>	<b>26.9</b>	<b>(16.4)</b>	<b>166.6</b>	<b>173.2</b>	<b>(124.5)</b>	<b>(143.9)</b>	<b>(814.3)</b>	<b>(141.3)</b>	<b>(80.3)</b>
Taxes on income	(24.6)	(6.3)	3.1	(35.9)	(29.6)	21.5	28.4	86.7	30.4	(11.4)
Post-tax profit from discontinuing ops	0.0	0.0	0.0	0.0	0.0	0.0	601.8	29.8	0.0	0.0
Minority interests	(4.6)	(3.9)	(1.6)	(6.1)	(9.7)	3.5	8.8	31.5	9.1	3.1
<b>Net profit after minorities</b>	<b>89.8</b>	<b>16.7</b>	<b>(14.9)</b>	<b>124.6</b>	<b>133.8</b>	<b>(99.5)</b>	<b>495.2</b>	<b>(666.3)</b>	<b>(101.8)</b>	<b>(88.6)</b>

# Quarterly segment reporting – Austria sub-segments



ERSTE GROUP

in EUR million	Erste Bank Oesterreich					Savings Banks				
	Q2 08	Q3 08	Q4 08	Q1 09	Q2 09	Q2 08	Q3 08	Q4 08	Q1 09	Q2 09
Net interest income	143.6	154.3	171.8	156.4	163.2	203.0	241.8	271.4	239.2	216.3
Risk provisions	(25.2)	(23.6)	(18.8)	(34.1)	(34.8)	(73.4)	(47.6)	(117.5)	(59.5)	(103.1)
Net fee and commission income	82.1	76.9	57.5	70.6	69.8	97.9	89.5	95.9	96.2	93.3
Net trading result	6.3	0.1	3.4	1.9	3.4	5.4	2.7	3.0	15.0	16.9
General administrative expenses	(164.7)	(167.6)	(156.0)	(157.3)	(160.3)	(235.7)	(232.3)	(222.5)	(232.7)	(236.5)
Other result	(6.4)	(19.7)	(47.7)	(5.4)	9.2	(8.9)	(22.0)	(111.7)	(18.5)	(11.8)
<b>Pre-tax profit</b>	<b>35.7</b>	<b>20.4</b>	<b>10.2</b>	<b>32.1</b>	<b>50.7</b>	<b>(11.8)</b>	<b>32.0</b>	<b>(81.4)</b>	<b>39.7</b>	<b>(25.0)</b>
Taxes on income	(5.5)	(6.3)	(1.5)	(7.8)	(11.9)	0.8	(1.5)	31.6	(14.3)	7.5
Post-tax profit from discontinuing ops	0.1	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minority interests	(1.5)	(1.8)	2.7	(0.8)	(2.7)	11.8	(29.8)	18.3	(26.9)	7.8
<b>Net profit after minorities</b>	<b>28.8</b>	<b>12.9</b>	<b>11.3</b>	<b>23.4</b>	<b>36.1</b>	<b>0.7</b>	<b>0.7</b>	<b>(31.5)</b>	<b>(1.5)</b>	<b>(9.7)</b>

in EUR million	Austria				
	Q2 08	Q3 08	Q4 08	Q1 09	Q2 09
Net interest income	346.5	396.1	443.2	395.6	379.5
Risk provisions	(98.7)	(71.3)	(136.3)	(93.6)	(137.9)
Net fee and commission income	180.0	166.4	153.3	166.8	163.1
Net trading result	11.7	2.8	6.3	16.9	20.3
General administrative expenses	(400.4)	(399.9)	(378.5)	(390.0)	(396.8)
Other result	(15.3)	(41.7)	(159.4)	(23.9)	(2.6)
<b>Pre-tax profit</b>	<b>23.9</b>	<b>52.5</b>	<b>(71.2)</b>	<b>71.8</b>	<b>25.7</b>
Taxes on income	(4.7)	(7.8)	30.1	(22.2)	(4.4)
Post-tax profit from discontinuing ops	0.1	0.6	0.0	0.0	0.0
Minority interests	10.3	(31.7)	21.0	(27.7)	5.2
<b>Net profit after minorities</b>	<b>29.5</b>	<b>13.6</b>	<b>(20.2)</b>	<b>21.9</b>	<b>26.4</b>

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



ERSTE GROUP

in EUR million	Czech Republic					Romania				
	Q2 08	Q3 08	Q4 08	Q1 09	Q2 09	Q2 08	Q3 08	Q4 08	Q1 09	Q2 09
Net interest income	262.6	282.5	298.6	264.6	256.1	190.1	185.8	199.1	193.2	190.7
Risk provisions	(27.0)	(29.4)	(38.3)	(37.0)	(74.6)	(25.0)	(30.6)	(51.6)	(69.0)	(100.8)
Net fee and commission income	105.8	105.1	113.5	94.0	109.2	63.8	64.0	43.8	38.3	39.4
Net trading result	(0.5)	(4.8)	(5.8)	(1.4)	22.6	7.3	8.5	3.3	0.2	4.9
General administrative expenses	(197.1)	(194.6)	(179.5)	(175.4)	(174.3)	(122.5)	(127.2)	(105.3)	(99.7)	(101.0)
Other result	(13.9)	(22.6)	(143.3)	(28.5)	(29.9)	4.6	40.4	(27.7)	11.2	26.9
<b>Pre-tax profit</b>	<b>129.9</b>	<b>136.2</b>	<b>45.2</b>	<b>116.3</b>	<b>109.1</b>	<b>118.4</b>	<b>140.9</b>	<b>61.6</b>	<b>74.3</b>	<b>60.0</b>
Taxes on income	(26.0)	(27.5)	(8.9)	(23.6)	(22.2)	(19.4)	(24.0)	(10.3)	(12.7)	(10.2)
Post-tax profit from discontinuing ops	5.7	0.5	1.7	0.0	0.0	(0.5)	(2.8)	(2.0)	0.0	0.0
Minority interests	(5.5)	(3.1)	(0.3)	(2.1)	(1.9)	(31.6)	(37.3)	(19.6)	(19.9)	(17.5)
<b>Net profit after minorities</b>	<b>104.2</b>	<b>106.1</b>	<b>37.7</b>	<b>90.6</b>	<b>85.0</b>	<b>66.9</b>	<b>76.9</b>	<b>29.6</b>	<b>41.7</b>	<b>32.3</b>

in EUR million	Slovakia					Hungary				
	Q2 08	Q3 08	Q4 08	Q1 09	Q2 09	Q2 08	Q3 08	Q4 08	Q1 09	Q2 09
Net interest income	85.7	95.6	78.7	82.0	93.1	69.6	76.5	82.9	70.8	89.0
Risk provisions	(12.1)	(18.9)	(40.1)	(22.7)	(32.3)	(15.0)	(17.0)	(23.0)	(21.3)	(38.8)
Net fee and commission income	26.3	27.3	29.9	26.1	24.6	34.0	34.9	30.6	18.0	20.8
Net trading result	6.0	(1.4)	11.7	1.8	(0.4)	5.7	2.2	(5.9)	(4.6)	17.0
General administrative expenses	(67.3)	(65.6)	(58.2)	(67.0)	(66.3)	(59.1)	(61.8)	(47.0)	(51.1)	(54.2)
Other result	(3.0)	(3.7)	(24.1)	(4.3)	(12.1)	(2.1)	(0.5)	10.1	(1.5)	11.0
<b>Pre-tax profit</b>	<b>35.5</b>	<b>33.5</b>	<b>(2.1)</b>	<b>15.8</b>	<b>6.6</b>	<b>33.0</b>	<b>34.3</b>	<b>47.6</b>	<b>10.4</b>	<b>44.9</b>
Taxes on income	(5.8)	(7.0)	0.4	(2.9)	(1.4)	(8.4)	(7.9)	(12.2)	(2.6)	(11.4)
Post-tax profit from discontinuing ops	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minority interests	(0.0)	0.0	(0.0)	(0.2)	(0.1)	(0.0)	(0.0)	(0.1)	(0.0)	0.0
<b>Net profit after minorities</b>	<b>29.7</b>	<b>26.5</b>	<b>(1.7)</b>	<b>12.8</b>	<b>5.1</b>	<b>24.6</b>	<b>26.3</b>	<b>35.3</b>	<b>7.8</b>	<b>33.5</b>

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

in EUR million	Croatia					Serbia				
	Q2 08	Q3 08	Q4 08	Q1 09	Q2 09	Q2 08	Q3 08	Q4 08	Q1 09	Q2 09
Net interest income	48.4	52.4	49.4	47.6	53.3	8.7	9.5	9.3	7.7	8.1
Risk provisions	(6.4)	(5.3)	(8.8)	(8.1)	(15.9)	(0.8)	(1.4)	(2.4)	(1.4)	(2.6)
Net fee and commission income	20.3	20.3	20.1	17.1	19.4	1.8	2.0	2.0	2.4	2.4
Net trading result	2.1	6.6	1.4	1.3	0.2	0.6	1.1	1.9	0.8	0.6
General administrative expenses	(32.3)	(33.4)	(32.5)	(32.6)	(33.0)	(8.6)	(8.7)	(9.3)	(7.8)	(7.8)
Other result	0.1	1.9	(3.4)	(0.1)	(2.8)	(0.1)	(0.1)	(2.5)	(0.3)	(0.2)
<b>Pre-tax profit</b>	<b>32.2</b>	<b>42.4</b>	<b>26.1</b>	<b>25.2</b>	<b>21.2</b>	<b>1.5</b>	<b>2.4</b>	<b>(0.8)</b>	<b>1.4</b>	<b>0.5</b>
Taxes on income	(6.5)	(8.6)	(5.2)	(5.0)	(4.6)	0.2	0.0	0.0	(0.1)	(0.1)
Post-tax profit from discontinuing ops	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minority interests	(10.0)	(12.4)	(5.0)	(7.6)	(6.4)	(0.5)	(0.5)	0.1	(0.3)	(0.0)
<b>Net profit after minorities</b>	<b>15.7</b>	<b>21.4</b>	<b>15.9</b>	<b>12.7</b>	<b>10.3</b>	<b>1.3</b>	<b>1.9</b>	<b>(0.7)</b>	<b>0.9</b>	<b>0.4</b>

in EUR million	Ukraine					Central and Eastern Europe				
	Q2 08	Q3 08	Q4 08	Q1 09	Q2 09	Q2 08	Q3 08	Q4 08	Q1 09	Q2 09
Net interest income	8.8	10.0	10.8	8.3	6.0	673.8	712.3	728.7	674.4	696.3
Risk provisions	0.3	(4.9)	(13.8)	(14.6)	(23.8)	(86.1)	(107.6)	(178.0)	(174.0)	(288.7)
Net fee and commission income	1.0	0.7	0.3	0.1	(0.1)	253.0	254.2	240.1	196.0	215.7
Net trading result	1.7	0.3	5.1	2.7	1.0	22.9	12.5	11.8	0.7	46.0
General administrative expenses	(14.8)	(19.3)	(11.4)	(10.3)	(8.7)	(501.6)	(510.5)	(443.1)	(443.9)	(445.3)
Other result	0.1	0.1	(1.4)	(0.3)	(0.1)	(14.5)	15.4	(192.3)	(23.8)	(7.3)
<b>Pre-tax profit</b>	<b>(3.0)</b>	<b>(13.1)</b>	<b>(10.4)</b>	<b>(14.1)</b>	<b>(25.7)</b>	<b>347.5</b>	<b>376.4</b>	<b>167.3</b>	<b>229.4</b>	<b>216.7</b>
Taxes on income	1.6	0.6	1.1	0.6	1.0	(64.2)	(74.3)	(35.1)	(46.2)	(48.9)
Post-tax profit from discontinuing ops	0.0	0.0	0.0	0.0	0.0	5.2	(2.3)	(0.4)	0.0	0.0
Minority interests	0.0	0.0	0.0	0.0	0.0	(47.6)	(53.3)	(25.0)	(30.2)	(25.9)
<b>Net profit after minorities</b>	<b>(1.4)</b>	<b>(12.6)</b>	<b>(9.3)</b>	<b>(13.6)</b>	<b>(24.7)</b>	<b>241.0</b>	<b>246.5</b>	<b>106.8</b>	<b>152.9</b>	<b>142.0</b>

- 
- Overview of key ratios and macro trends
  - Summary and H1 2009 highlights
  - H1 2009 key topics
  - H1 2009 financials and segment reporting
  - **Appendix**
    - Funding & liquidity
    - ABS & CDO portfolio (details)
    - Asset quality (details)
    - CEE local statements
    - Quarterly results
    - Key ratios and shareholder structure

# 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	2008	Jun 09
<b>Tier 1 Capital pursuant to Austrian Banking Act</b>	1,611	1,753	2,125	2,337	3,800	3,912	4,377	5,112	6,185	6,674	7,448	9,038
<b>Total own funds pursuant to Austrian Banking Act <sup>1</sup></b>	3,176	3,296	3,956	4,308	6,983	7,009	7,286	8,611	10,111	11,114	11,758	13,230
<b>Risk weighted assets</b>	26,488	27,750	31,879	37,803	60,257	62,188	65,384	75,078	94,129	95,091	103,663	107,834
<b>Tier 1 ratio (%)</b>	6.1	6.3	6.7	6.2	6.3	6.3	6.7	6.8	6.6	7.0	7.2	8.4
<b>Solvency ratio (%)</b>	11.0	10.8	11.2	10.7	11.0	10.7	10.7	11.0	10.3	10.5	10.1	11.1
<b>Market capitalisation</b>	2,020	1,950	2,417	3,006	3,837	5,873	9,489	11,442	18,319	15,340	5,136	5,408
<b>Book value per share <sup>2</sup></b>	7.4	8.1	9.2	9.5	10.4	11.6	14.3	17.1	25.6	27.0	25.8	26.4
<b>Price-book value ratio <sup>2</sup></b>	1.5	1.4	1.3	1.6	1.5	2.1	2.8	2.7	2.3	1.8	0.6	0.6

\* Reporting under Basel II as of 1 January 2007

<sup>1</sup> Total eligible qualifying capital

<sup>2</sup> 1998 – 2003 data adjusted for 4:1 stock split



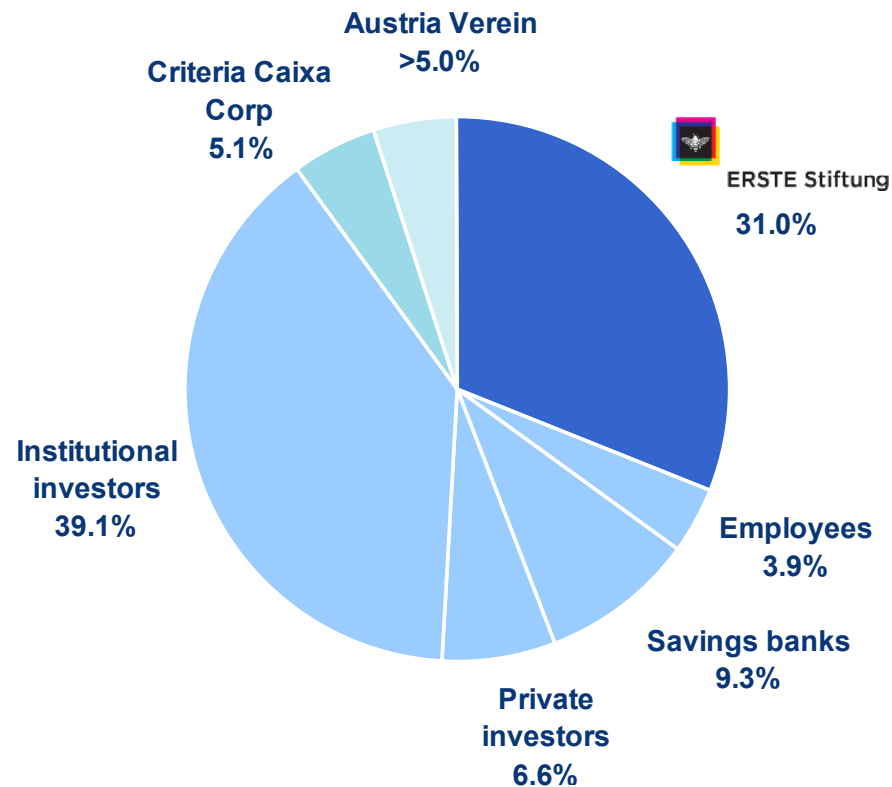
# Shareholder structure –

## Total number of shares: 317,925,086

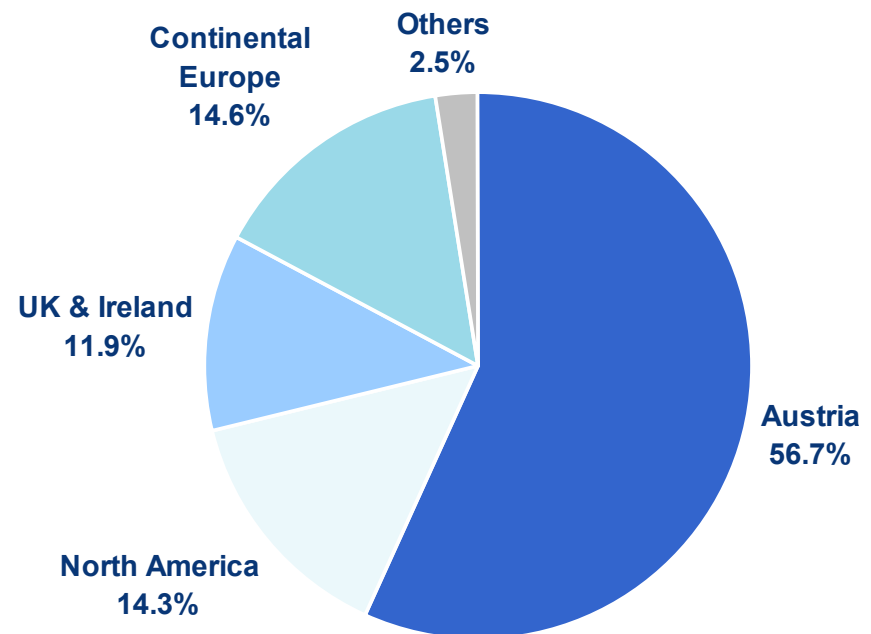


ERSTE GROUP

### By investor



### By region



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