[The German text of this Report shall be binding. The English translation is for information purposes only.]

REPORT

of the

Supervisory Board

of

Erste Group Bank AG
Graben 21, 1010 Vienna, FN 33209 m (hereinafter "Erste Group")

with regard to the

de-merger of the Business Division GLC&GRE-Austria (Business Division Group Large Corporate Austria&Group Real Estate&Leasing Austria)

from Erste Bank der oesterreichischen Sparkassen AG (hereinafter „Erste Bank“) by transfer to Erste Group according to the De-Merger and Acquisition Agreement

With regard to the intended de-merger of the Business Division GLC&GRE-Austria from Erste Bank by transfer to Erste Group, the Supervisory Board of Erste Group has made the review provided for by sec 6 Austrian De-Merger Act (Spaltungsgesetz, "SpaltG“) in connection with sec 17 No 5 SpaltG in connection with sec 220c Austrian Stock Corporation Act (“Aktiengesetz “ AktG”) and herewith issues the following report:

1. The following de-merger procedure is the basis for this report:

   Erste Bank as Transferring Company and Erste Group as Acquiring Company prepared on 2 March 2010 a De-Merger and Acquisition Agreement with regard to the transfer of the Business Division GLC&GRE-Austria from Erste Bank by way of a de-merger by transfer to Erste Group. This agreement (hereinafter „Agreement") is a draft document and constitutes the basis of this report. Thus, as further described in the Agreement, the Business Division GLC&GRE-Austria will be transferred by a de-merger by way of universal succession to Erste Group.

2. According to sec 6 SpaltG in connection with sec 17 No 5 SpaltG and sec 220c AktG, the supervisory board of the acquiring company has to review the de-merger, on the basis of the de-merger report of the management board of the acquiring Company and the report of the de-merger auditor, and has to issue a written report.

3. The Supervisory Board has inspected the draft Agreement dated 2 March 2010. Furthermore, the Supervisory Board has inspected the joint de-merger report of the Management Boards of Erste Bank and Erste Group (the „De-merger Report“) as well as the report of the court appointed joint de-merger auditor. In addition, it has made further reviews which the Supervisory Board has deemed to be necessary.

4. In this review, the Supervisory Board has determined in connection with the de-merger that

   4.1 Erste Group as Acquiring Company has – in compliance with the legal provisions - granted neither existing nor new shares to Erste Bank as Transferring Company or to Erste Bank´s shareholders;

   4.2 no share exchange, no capital increase or capital reduction, and no additional payments in cash take place and, therefore, no additional reviews of such elements of a de-merger procedure are necessary;

   4.3 the statements of the Management Board in the De-merger Report concerning the economic and legal consequences of the de-merger are complete and correct;

   4.4 the report of the court appointed joint de-merger auditor is based on appropriate actual assumptions; and

   4.5 the applicable legal provisions and the Articles of Association have been complied with.

This report was resolved unanimously in the meeting of the Supervisory Board of Erste Group on 16 March 2010.

Vienna, 16 March 2010

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Dr. Heinz Kessler
as Chairman of the Supervisory Board
of
Erste Group Bank AG