

Erste Group investor presentation

Q1 2015 results

7 May 2015

Erste Group posts net profit of EUR 226m in Q1 15 amid robust CEE business environment; outlook for 2015 confirmed

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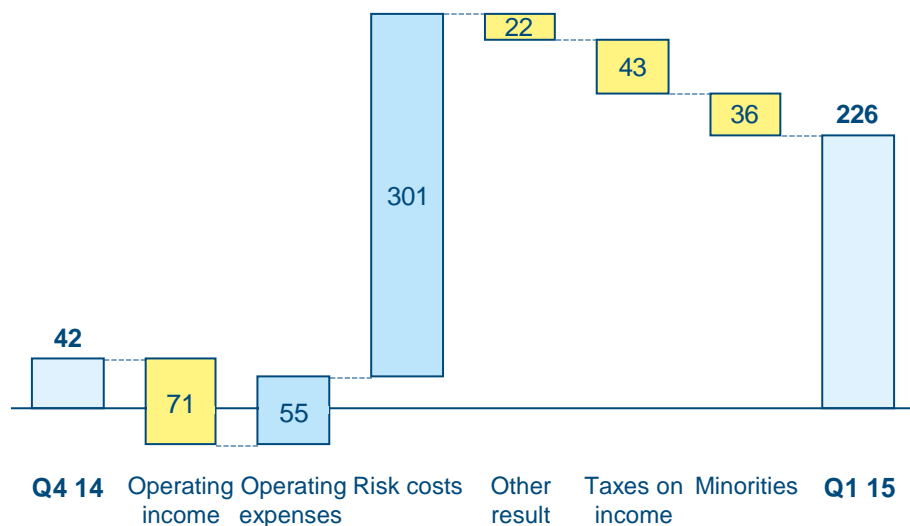
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Presentation topics

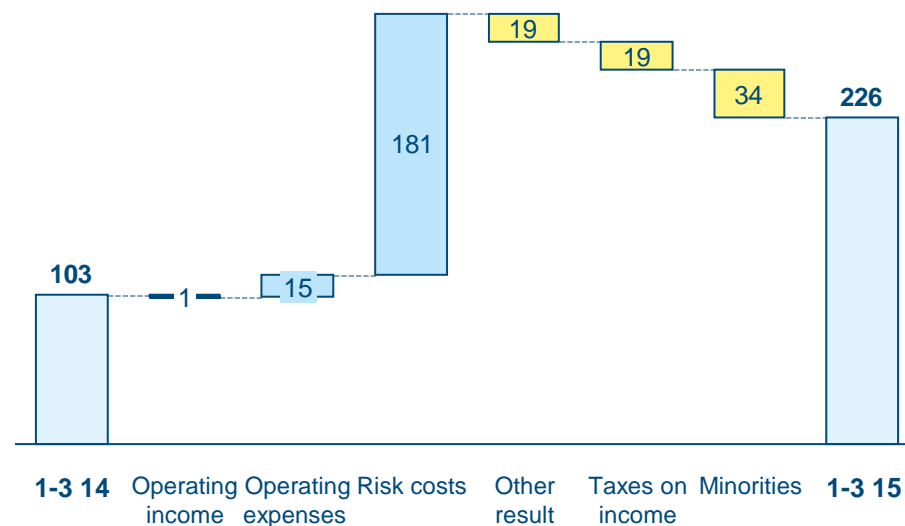
- Executive summary
- Business environment
- Business performance
- Assets and liabilities
- Outlook
- Additional information

Executive summary – Group income statement performance

QoQ net profit reconciliation (EUR m)



YoY net profit reconciliation (EUR m)



- Erste Group posts net profit of EUR 225.8m in Q1 15 despite booking full annual HU banking tax and full annual resolution funds contributions, and supported by seasonally lower risk costs
- Seasonally lower risk costs driven by savings banks with corresponding impact on minorities
- On track to achieve risk cost guidance in RO and HU

- Stable yoy operating revenues as slippage in net interest income is offset by better net trading result in CZ (derivatives valuation)
- Weaker yoy other result exclusively due to resolution funds contributions

Executive summary –

Group income statement performance: Q1 15 extras & banking charges

Extraordinary effects

- Full annual resolution funds contributions of EUR 54.9m booked in other operating result of all segments
 - Pre-booking of EUR 41.2m of European resolution funds contribution for Q2-Q4 15 in Q1 15
 - Currently treated as non tax-deductible, though not yet confirmed, leading to slightly higher than guided tax rate (25-27%) in Q1 15
- Full annual Hungarian banking tax of EUR 46.0m booked in other operating result of Hungary segment
 - Pre-booking of EUR 34.5m of banking tax for Q2-Q4 15 in Q1 15
 - Booked in other operating result of ALM & Local Corporate Center (BL) and Hungary segment (geo)
- Risk costs seasonally lower than run rate in Q1 15
 - Due to seasonally low risk costs at savings banks with corresponding impact on profit attributable to minorities
 - Low risk costs in Hungary and Romania, following extraordinarily high provisioning in 2014
- Capital ratios impacted by about 40bps due to temporary deduction of unaudited risk costs and exclusion of interim unaudited profit

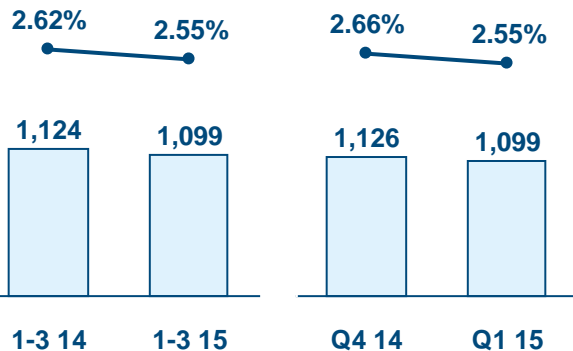
Direct charges and levies on banking activities

- Ex ante deposit insurance contributions (excluding European deposit insurance charges) of EUR 19.2m booked in opex
- Resolution funds contributions of EUR 54.9m (see left)
- Banking taxes and FTT of EUR 91.8m
 - Austria: EUR 29.5m banking tax
 - Hungary: EUR 46.0m banking tax, EUR 10.5m FTT
 - Slovakia: EUR 5.8m banking tax

Executive summary – Key income statement data

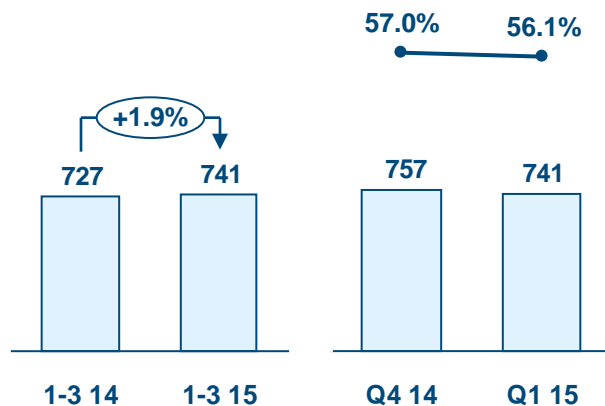
Net interest income & margin

in EUR m



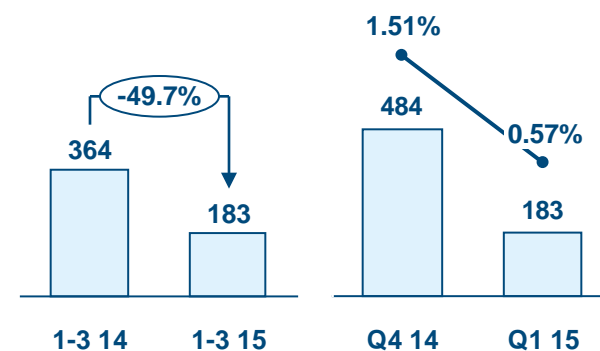
Operating result & cost/income ratio

in EUR m



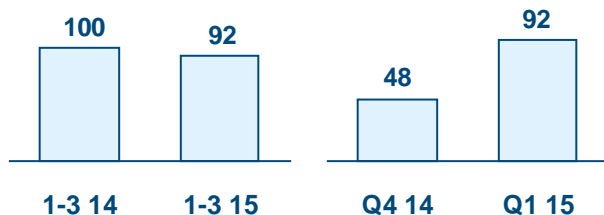
Cost of risk

in EUR m



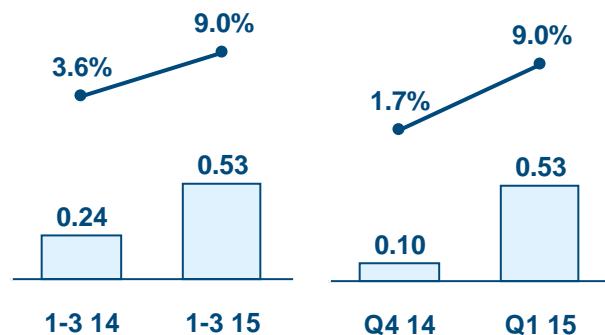
Banking levies

in EUR m



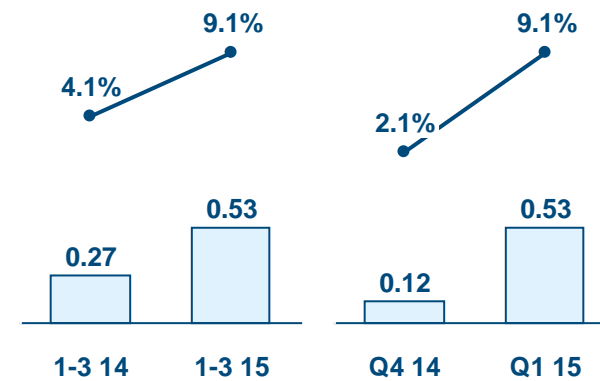
Reported EPS & ROE

in EUR



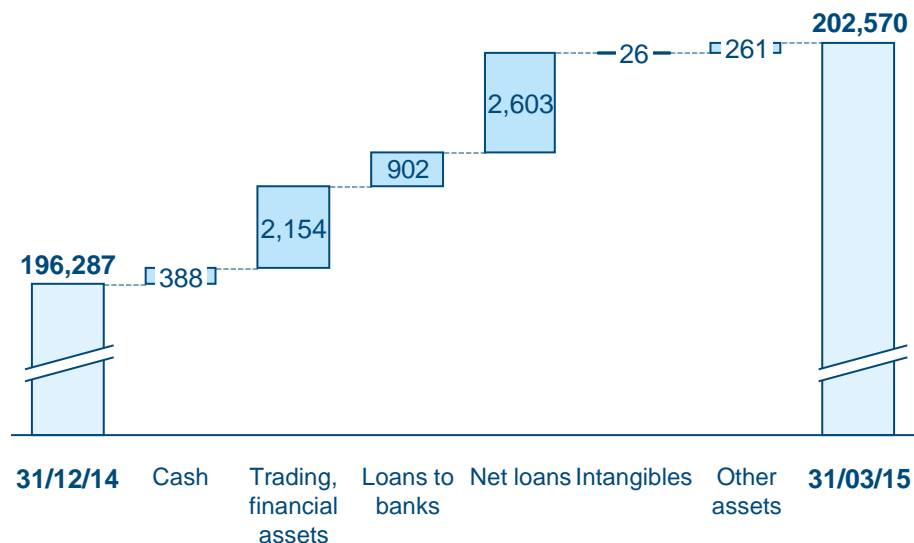
Cash EPS & cash ROE

in EUR



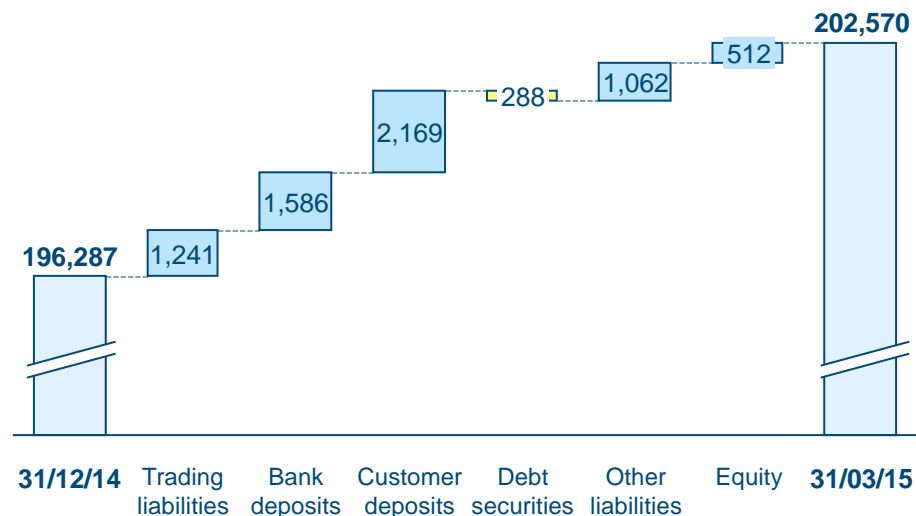
Executive summary – Group balance sheet performance

YTD total asset reconciliation (EUR m)



- Balance sheet total rises by 3.2% ytd, driven by net loans, financial assets and interbank lending
- Net customer loans rise by 2.2% ytd, driven by retail and corporate loans as well as CHF strength (net updrift of about EUR 0.6bn)

YTD equity & total liability reconciliation (EUR m)

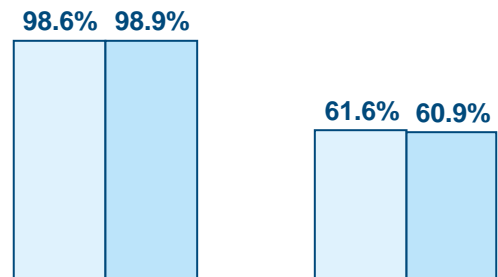


- Solid increase in customer deposits main driver for expanding liabilities
- Increase in trading liabilities and interbank deposits in line with overall balance sheet expansion
- Rise in total equity mainly driven by equity attributable to owners of the parent

Executive summary – Key balance sheet data

31/12/14
31/03/15

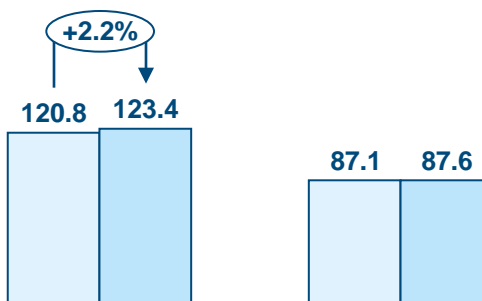
Loan/deposit & loan/TA ratio



Loan/deposit ratio Loans/total assets

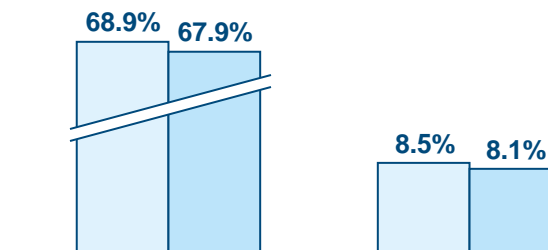
Net loans & credit RWA*

in EUR bn



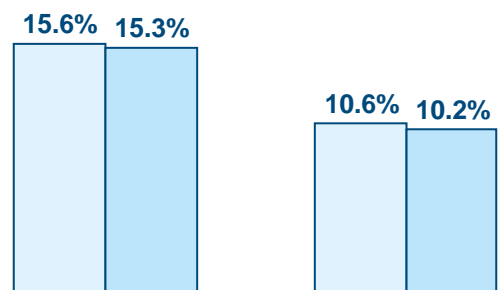
Net loans Credit RWA

NPL coverage ratio & NPL ratio



NPL coverage NPL ratio

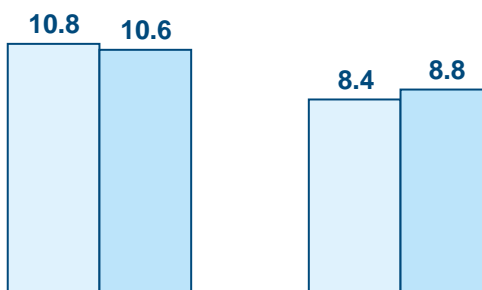
B3FL capital ratios*



Total capital CET 1

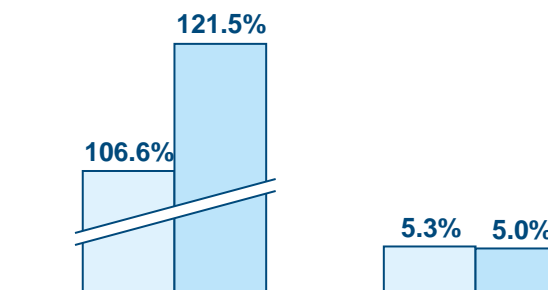
B3FL capital* & tangible equity

in EUR bn



CET1 Tangible equity

Liquidity coverage & leverage ratio*



LCR LR (B3FL)

* Capital ratios impacted by temporary deduction of unaudited risk costs and exclusion of interim unaudited profit.

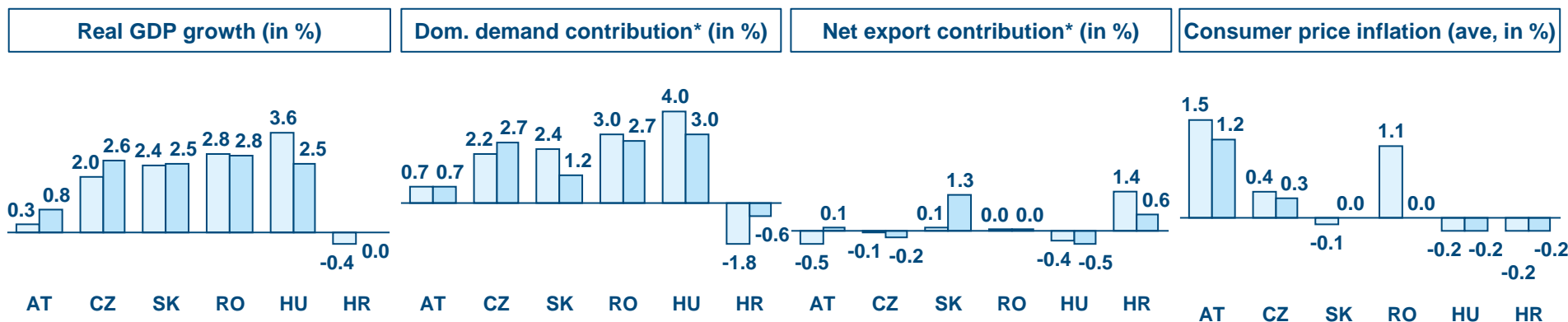
Presentation topics

- Executive summary
- **Business environment**
- Business performance
- Assets and liabilities
- Outlook
- Additional information

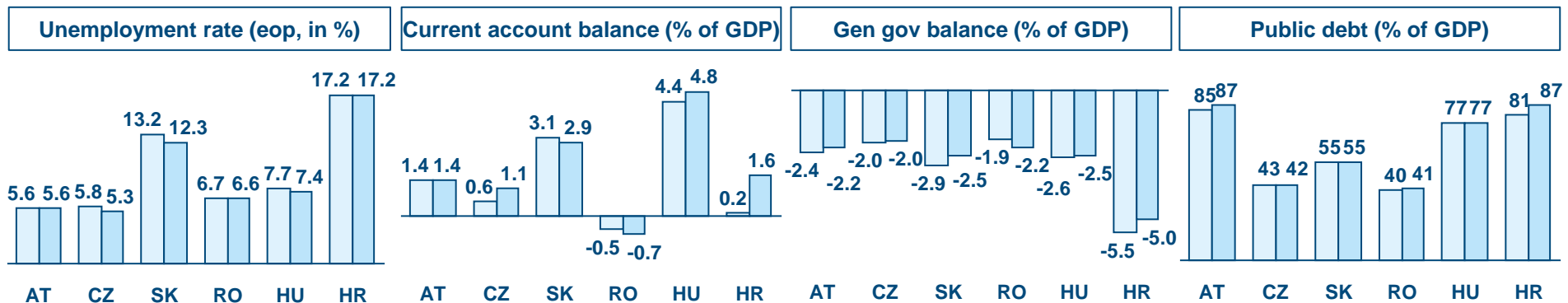
Business environment –

Solid domestic demand expected to drive economic growth in 2015

2014
2015



- CEE economies grew faster than the euro zone in Q4 2014 (euro zone GDP grew by 0.9% yoy in Q4)
 - Positive outlook for 2015 supported by Q4 GDP data: AT (-0.2%), CZ (+1.4%), RO (+2.6%), SK (+2.4%), HU (+3.4%)
 - Domestic demand has visibly improved across the region while exports are supported by improving German economy (+1.5% yoy in Q4)



- Solid public finances across Erste Group's core markets
- Sustainable current account balances, supported by competitive economies with lower unemployment rates

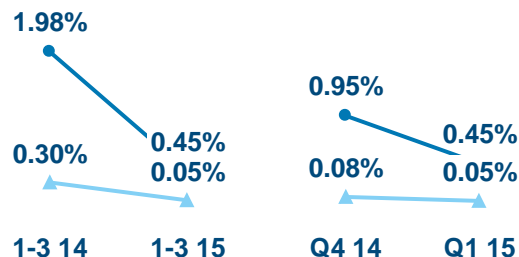
* Contribution to real GDP growth. Domestic demand contribution includes inventory change. Source: Erste Group Research, EU Winter Economic Forecast 2014.

Business environment –

Continuously decreasing interest rates driven by ECB policy

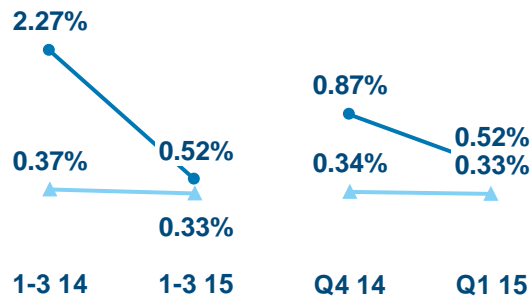
—▲ 3M Interbank
—● 10YR GOV

Austria



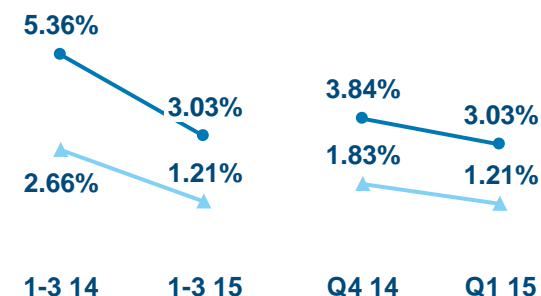
- ECB cut discount rate to 0.05% in Sept 14
- Maintains expansionary monetary policy stance

Czech Republic



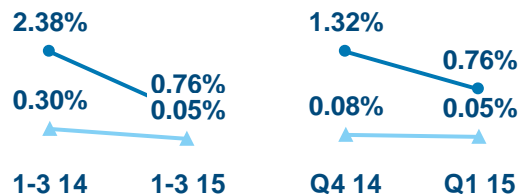
- National bank maintains ultra-low interest rates since November 2012 at 0.05%

Romania



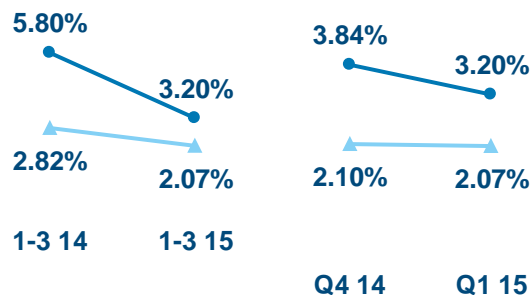
- Central bank cut policy rate to historic low of 1.75% in May 2015

Slovakia



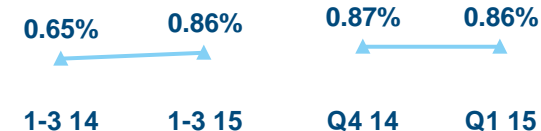
- As part of euro zone ECB rates are applicable in SK

Hungary



- National bank restarted easing cycle in Feb 2015; base rate cut to historic low of 1.8% in April 2015

Croatia

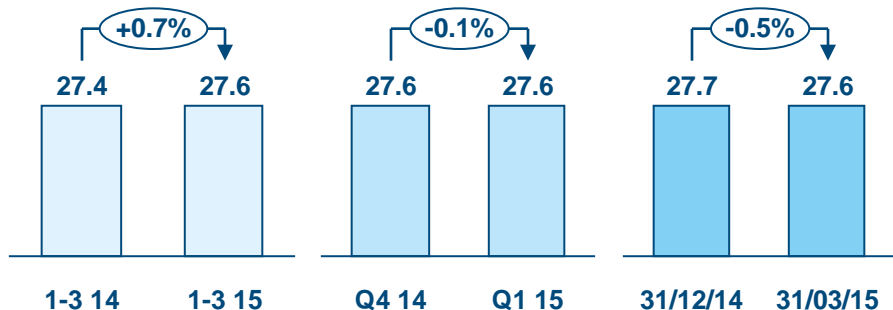


- Central bank maintains discount rate at 7.0% since mid-2011

Source: Bloomberg.

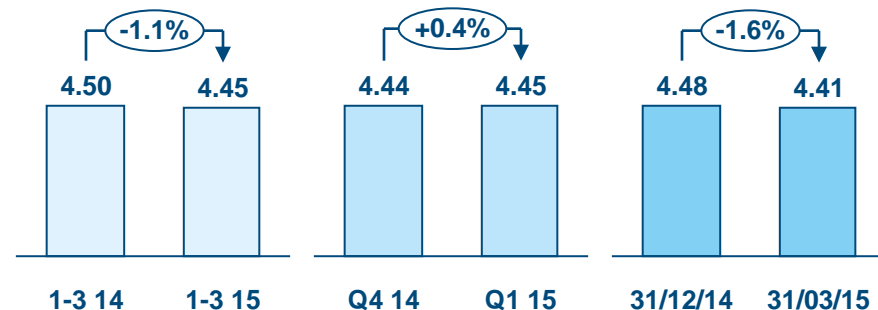
Business environment – Limited currency volatility in CEE

EUR/CZK



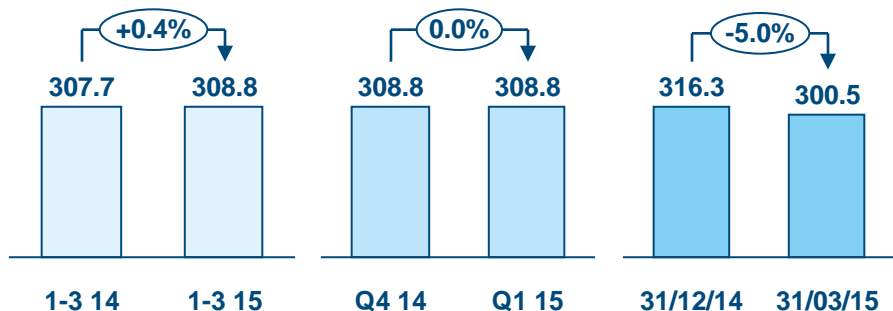
- Czech National Bank maintains exchange rate stability; discount rate also stable at 0.05% in Q1 15

EUR/RON



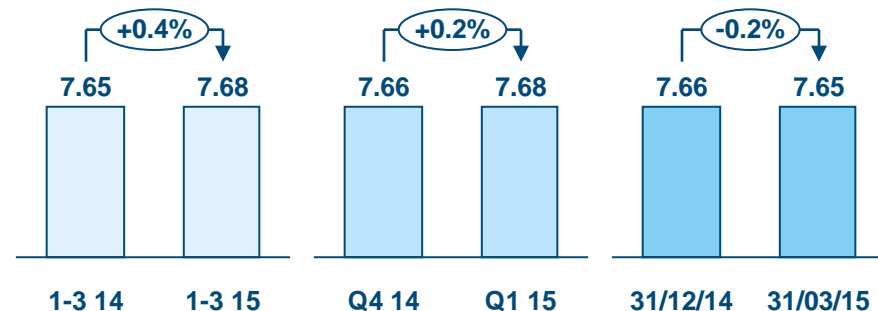
- RON movements marked by limited volatility, despite decreasing interest rates: policy rate cut by 75bps to 2% in Q1 15

EUR/HUF



- YTD appreciation supported by ECB policy and solid economic performance; new easing cycle started in February 2015

EUR/HRK



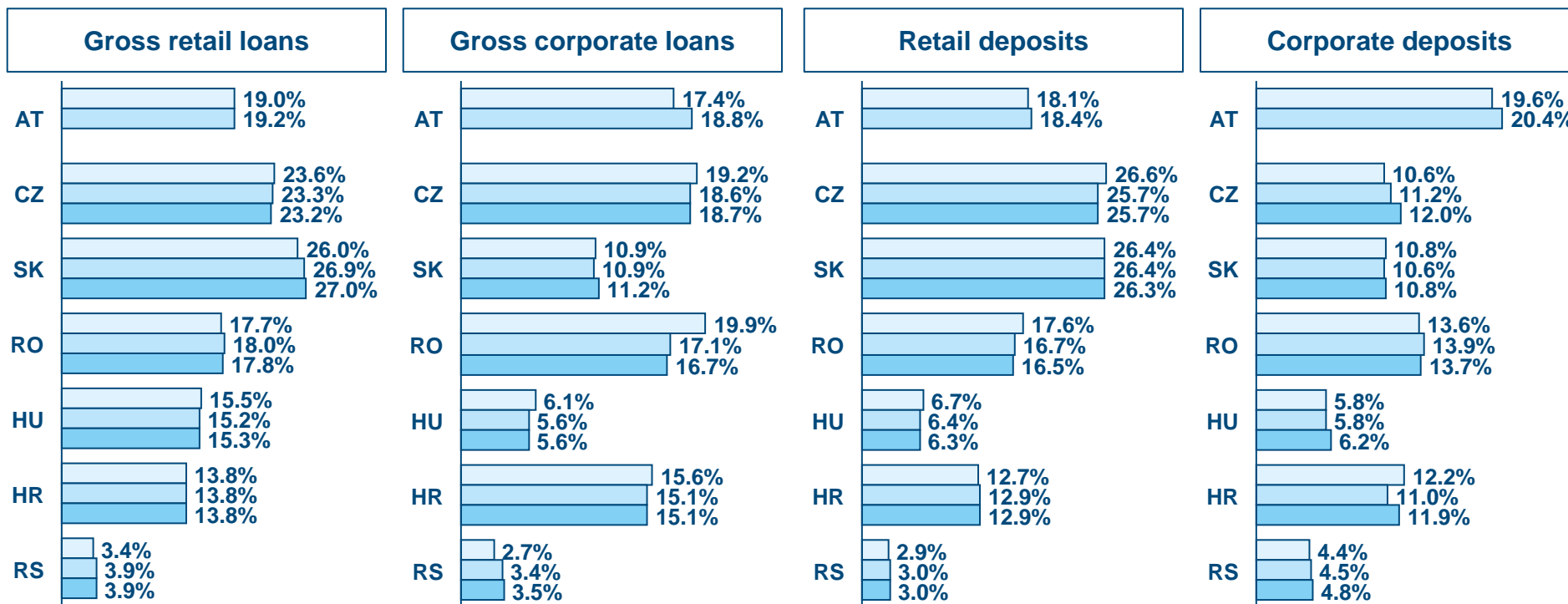
- Strong grip of national bank on HRK is reflected in lack of volatility

Source: Bloomberg.

Business environment –

Market shares: stability in all markets, challenges in RO corporate

31/03/14
31/12/14
31/03/15



- RO: continued rise in new business volumes (Q1 15: EUR 228m, +23.7% yoy)
- HU: market share development is a function of legacy FX business
- SK: market share gains in a growing market

- RO: selective lending policy with focus on quality customers and NPL sales
- HU: portfolio concentration to preferred sectors

- RO: declining markets share mainly due to deposit repricing
- HU: focus also on alternative savings products such as investment funds where EBH has double-digit market share

- SK: successful acquisition of new clients
- RO: continued corporate deposit inflows
- HU: reviewing deposit repricing

AT market share for 31/03/2015 not yet available

Presentation topics

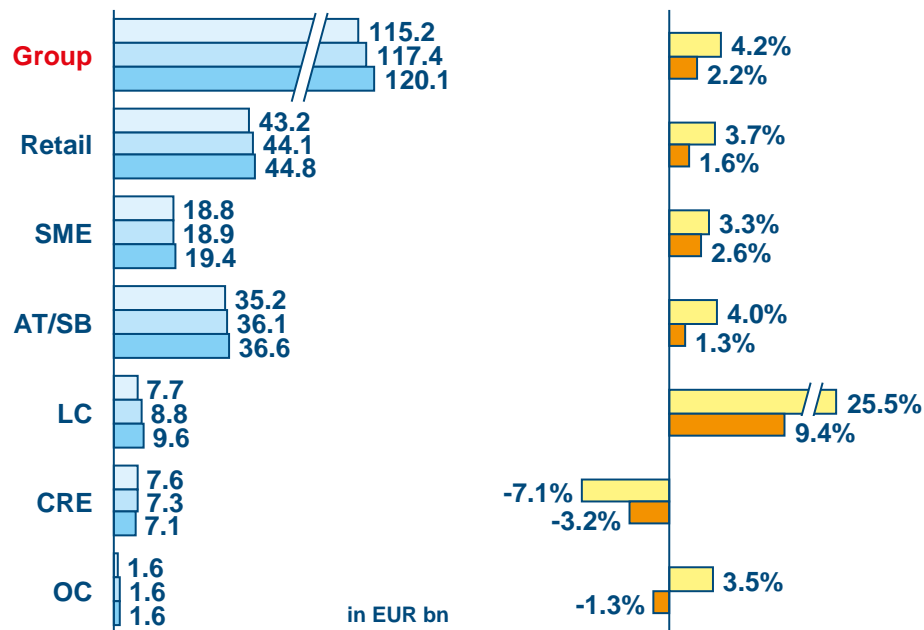
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Business performance: performing loan stock & growth –

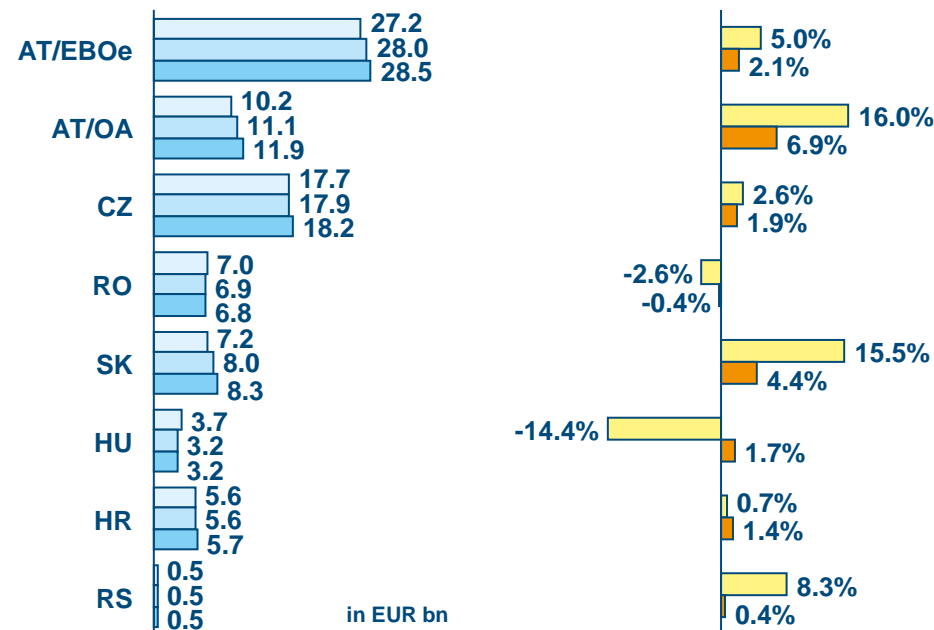
Performing loan volume grows by 2.2% in Q1 15

■ YoY ■ 31/03/14
■ QoQ ■ 31/12/14
■ 31/03/15

Business line view (BL)



Geographic view (geo)



- Fourth consecutive quarter with rising performing loans supported by underlying growth and CHF translation effect of about EUR 600m
- Retail: solid growth in Retail with almost offsetting effects of CHF conversion in Hungary and CHF appreciation in Austria and Croatia
- Large Corporate (LC): increased demand for term loans

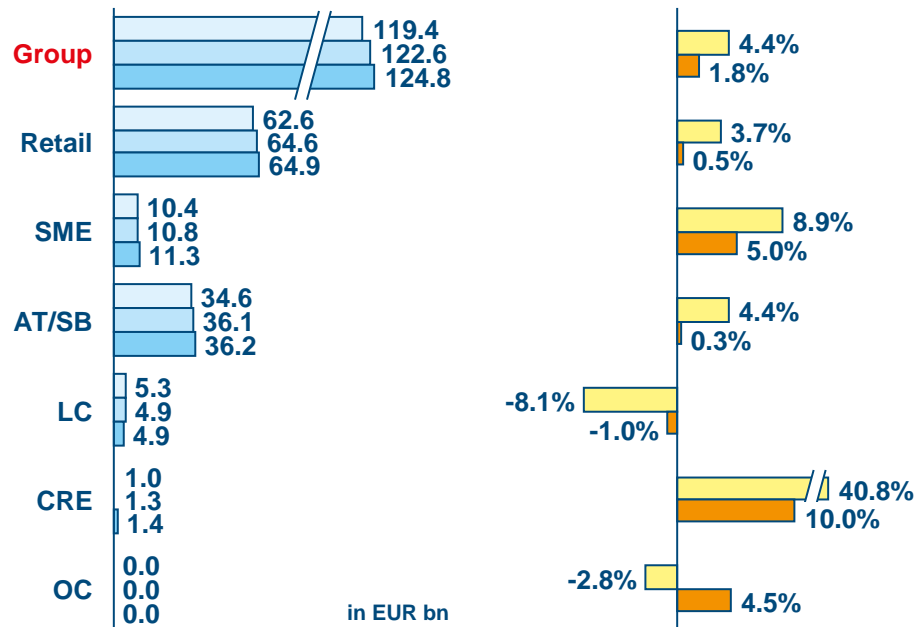
- AT: volume up by EUR 1.8bn in Q1 15 driven mainly by increased large corporate lending, improved retail and SME demand, and CHF translation effect (about EUR 500m)
- RO: continued volume stabilisation on low level, supported by Retail
- SK: remains growth driver based on continued Retail strength
- HU: qoq stabilisation following CHF retail loan conversion

Business performance: customer deposit stock & growth –

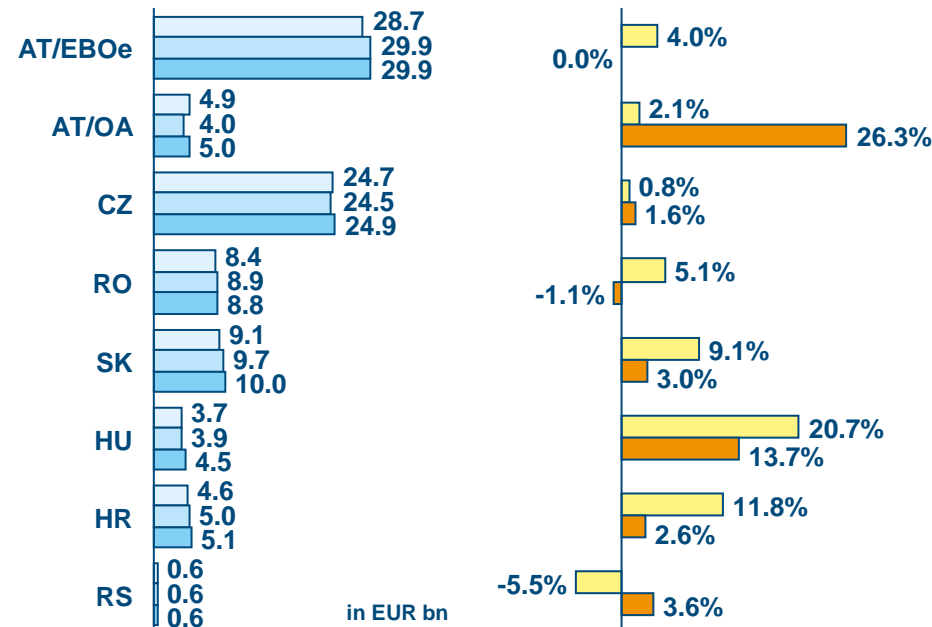
Deposits grow by 1.8% in Q1 15

■ YoY ■ 31/03/14
■ QoQ ■ 31/12/14
■ 31/03/15

Business line view (BL)



Geographic view (geo)



- Deposit inflows (EUR +2.2bn) mainly driven by Group Markets segment (not shown above), due to higher certificate of deposit levels
- Retail: qoq inflows mainly in Romania, Hungary and Slovakia
- SME: qoq inflows mainly driven by Czech Republic and Hungary

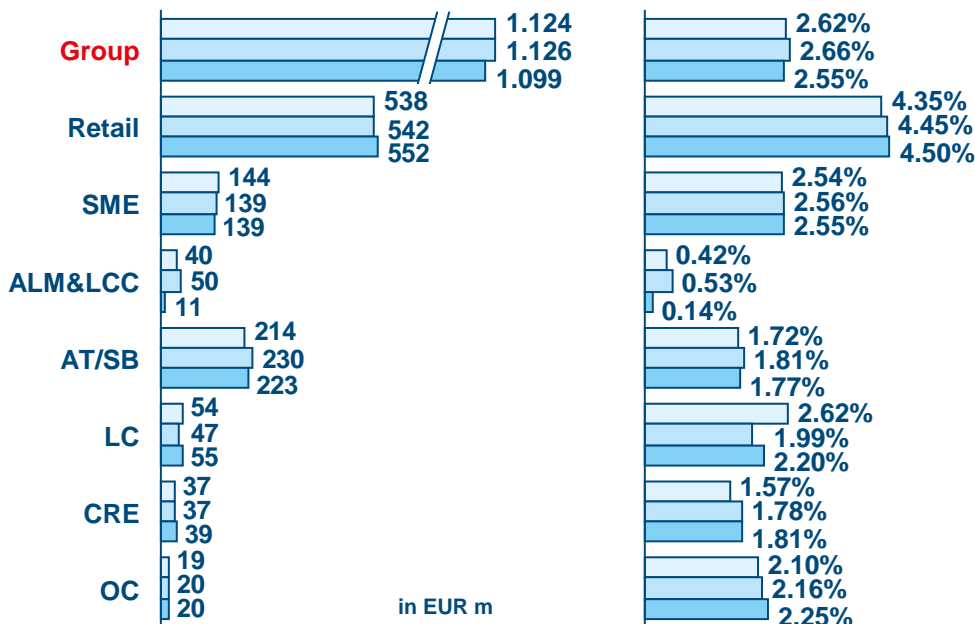
- AT/OA: strong inflows of large corporate deposits in Q1 15
- SK: deposit growth in line with loan growth in Q1 15
- HU: qoq increase in Hungary due to corporate and retail deposit inflows as well as currency translation effect

Business performance: NII and NIM –

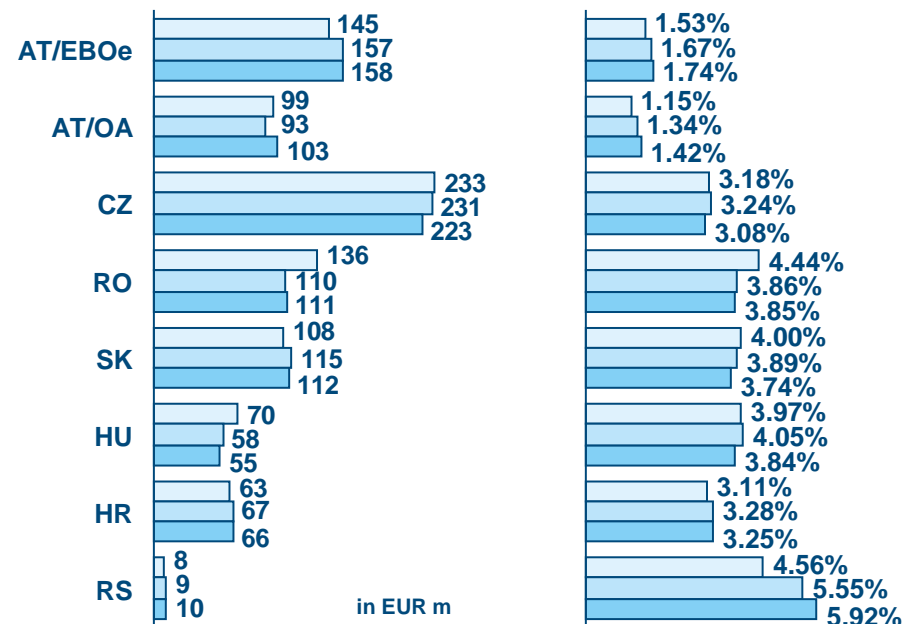
NII impacted by lower unwinding in RO and lower volumes in HU

Q1 14
Q4 14
Q1 15

Business line view (BL)



Geographic view (geo)

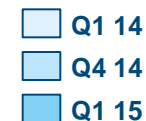


- Group NII down yoy mainly due to lower unwinding effect in RO and shrinking loan volume as a result of CHF conversion in HU
- Retail: improvements yoy and qoq in EBOe and SLSP on increasing loan volumes, higher mortgage volumes in CZ
- ALM&LCC: yoy and qoq decline mainly on lower result from structural contribution
- SB: yoy increase due to lower interest expense, qoq decline on lower interest rates on bond portfolio

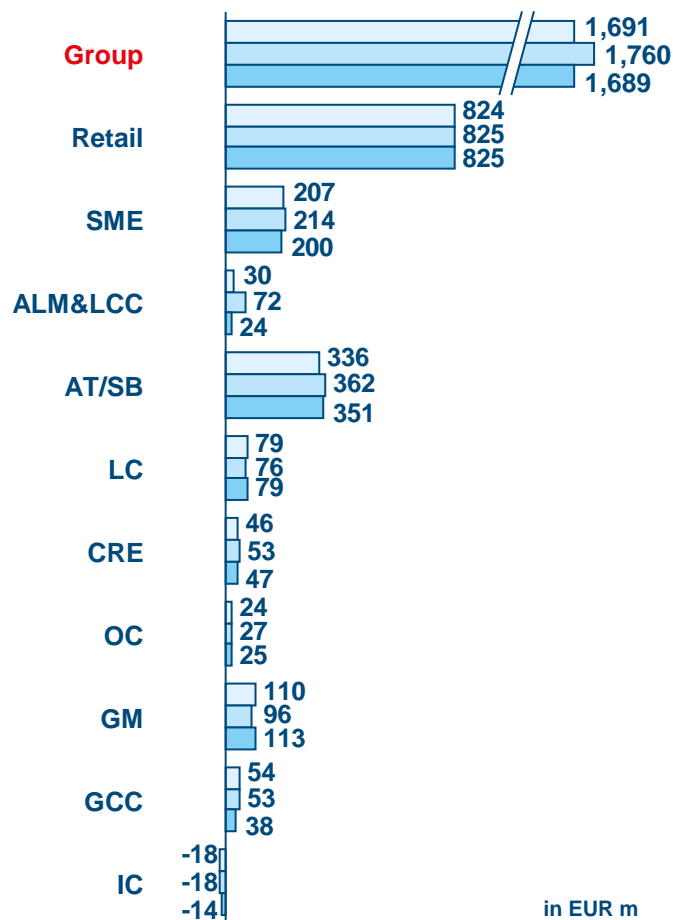
- RO: yoy decrease driven by significantly lower average loan volumes and lower unwinding impact; qoq stable as no NPL sales
- AT/EBOe: yoy up due to higher loan and deposit volumes
- AT/OA: qoq improvements primarily on increased money market activities in the holding and better performance in LC
- CZ: yoy and qoq decline mainly on low interest rates
- HU: decline driven by CHF conversion induced lower volumes

Business performance: operating income –

Stable yoy on one-off, down qoq on lower NII and higher fees in Q4 14

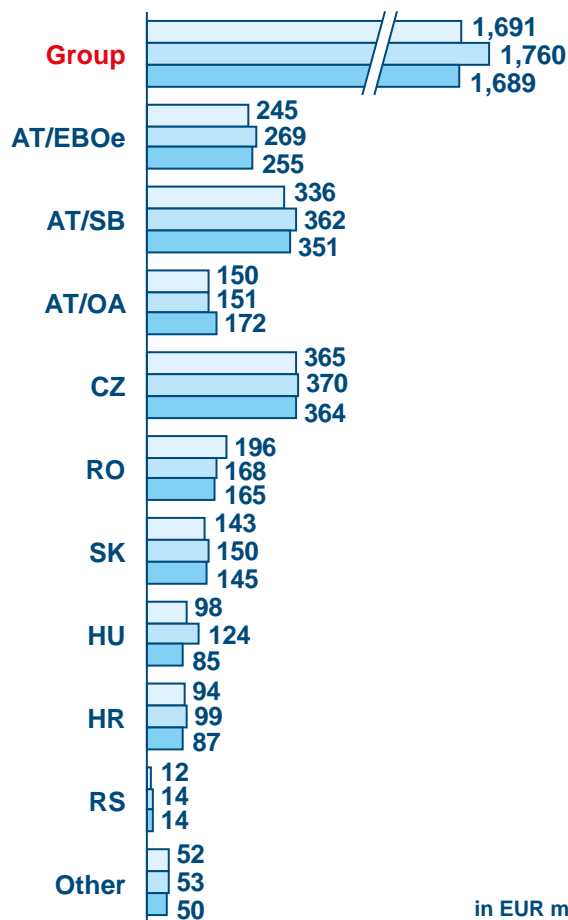


Business line view (BL)



in EUR m

Geographic view (geo)



in EUR m

Highlights

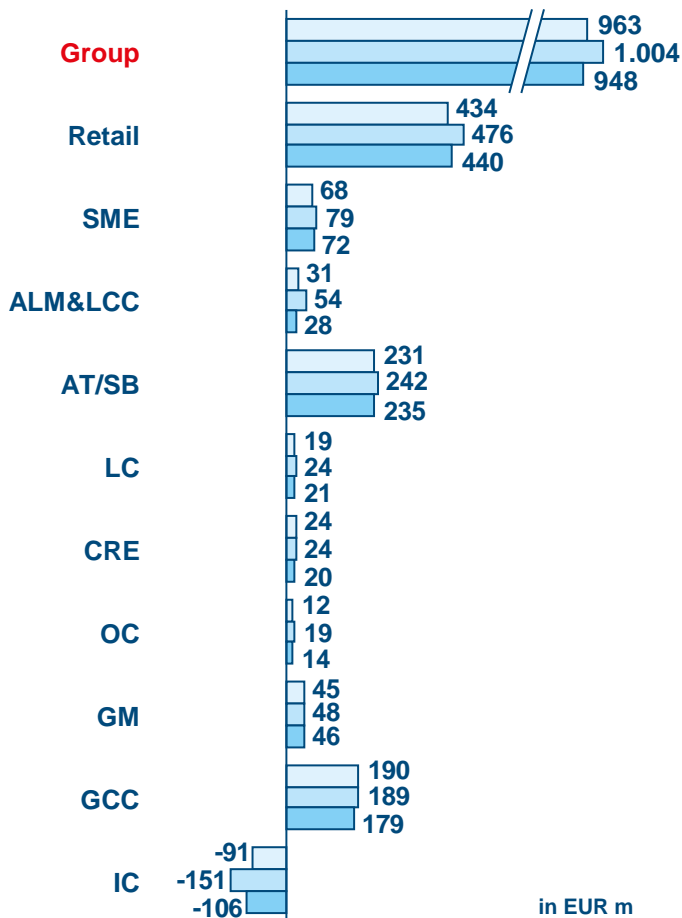
- QOQ decline in group operating income driven by lower NII in Q1 15 and strong fee performance in Q4 14, stable yoy due to higher net trading and fair value result, which benefitted from EUR 25.0m one-off
- ALM&CC: decline driven mainly by lower result from structural contribution (yoy in CZ, SK, EBOe, qoq in holding and RO) and qoq also in EBOe
- SME: yoy decline on unwinding in RO, qoq down on valuation effects in EBOe and lower fee income in CZ and HU
- SBs: yoy increase driven by fees (securities, insurance) and NII (deposit repricing), qoq NII down on lower interest rates on bond portfolio
- GM: up qoq on MM business and improved origination and syndication business
- GCC (prior to intragroup elimination): NII (yoy and qoq) impacted by declining 5y moving average rate applied to free capital
- AT/EBOe: up yoy on increased NII (higher loan volumes, deposit pricing), decline qoq on lower fees and valuation effects
- AT/OA: higher NII on money market business, higher fee income due to asset management
- RO: yoy decline due to NII (lower unwinding)
- HU: yoy decline in NII due to shrinking loan volumes as a result of CHF conversion; qoq down due to conversion-related one-off in Q4 14
- HR: yoy and qoq decline mainly driven by one-off due to CHF fixing

Business performance: operating expenses –

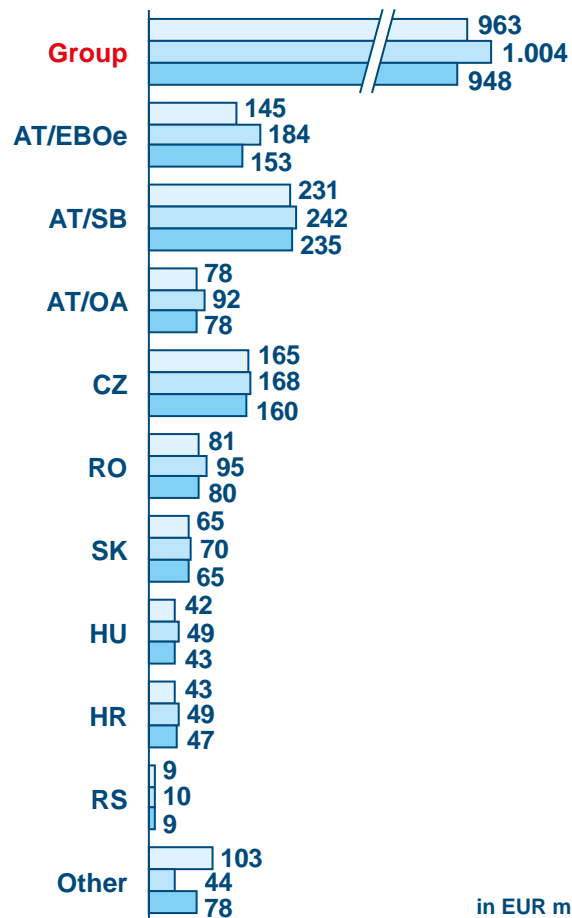
Costs down qoq and yoy on lower administrative expenses

□ Q1 14
 □ Q4 14
 □ Q1 15

Business line view (BL)



Geographic view (geo)



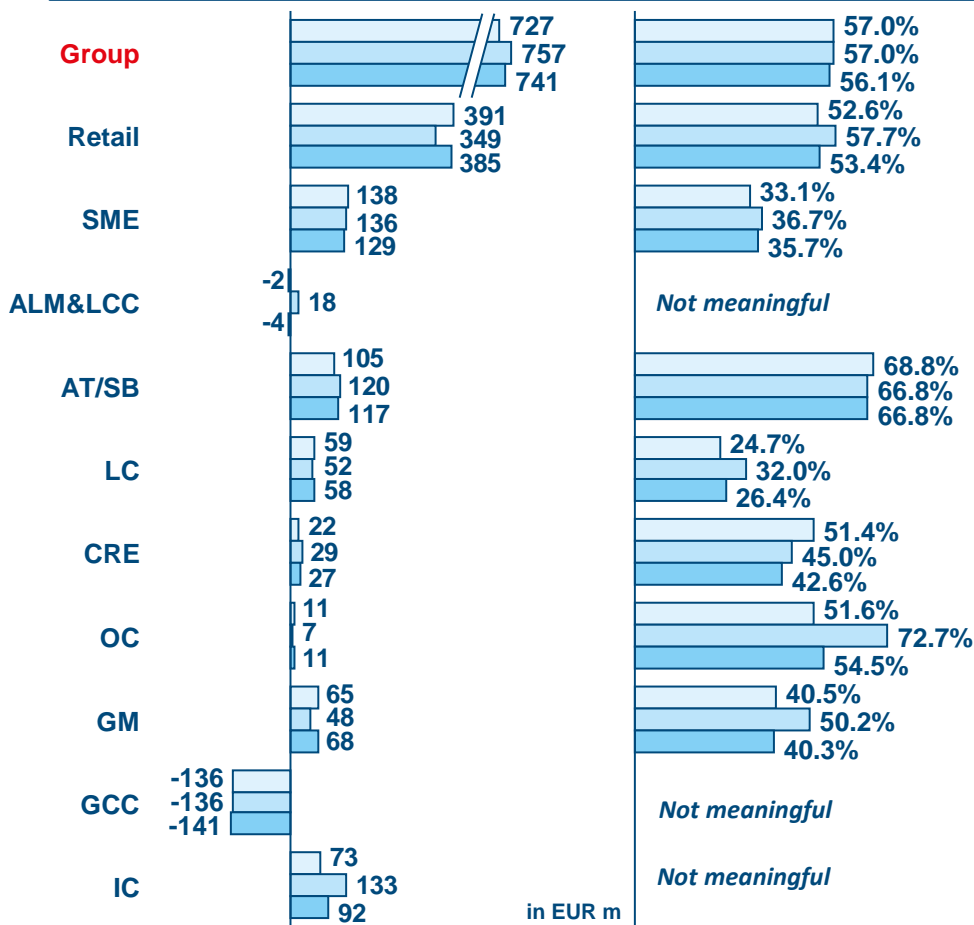
Highlights

- Costs down qoq on seasonality, yoy lower on decline in administrative expenses and lower depreciation (no amortisation of customer relationships for BCR)
- Retail: qoq decline mainly due to seasonality with higher costs in Q4 14 in most countries; yoy rise in EBOe driven by new entities integration
- ALM&LCC: yoy down in EBOe subsidiaries, qoq improvement mainly due to one-off partial retirement expense contribution in Q4 14
- AT/SB: qoq down on lower personnel expenses
- GCC (prior to intragroup elimination): yoy improvement as there is no further amortisation of customer relationships for BCR; qoq decline driven by seasonality
- AT/EBOe: strong qoq decline due to one-off partial retirement expense and seasonally higher marketing costs and personnel expenses, yoy up on higher IT costs
- AT/OA: down qoq on seasonality of costs at holding entity
- RO: qoq decline due to lower consulting and IT costs
- Other: mirrors GCC and IC developments

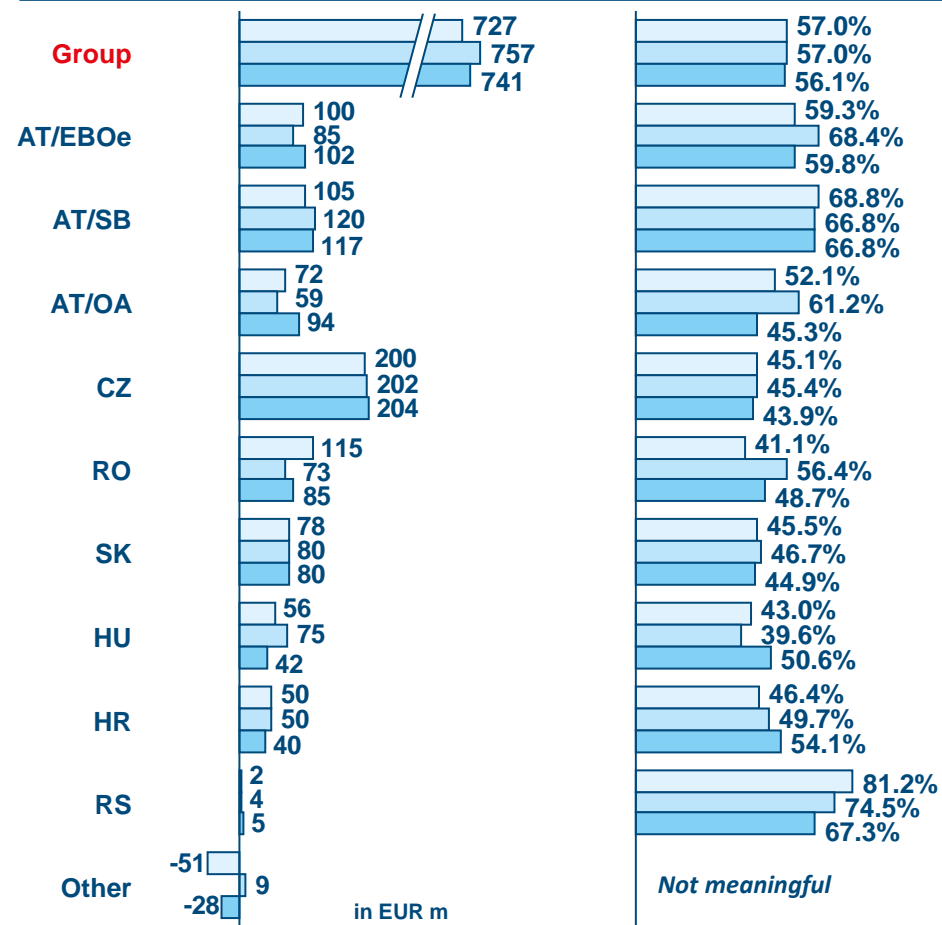
Business performance: operating result and CIR – Solid operating performance in Q1 15

Q1 14
Q4 14
Q1 15

Business line view (BL)

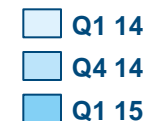


Geographic view (geo)

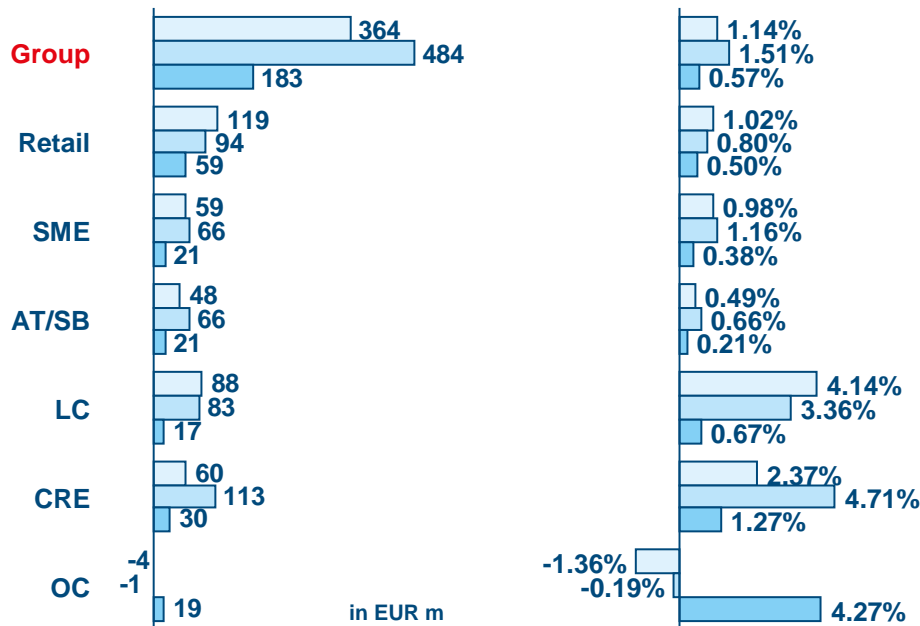


Business performance: risk costs (abs/rel*) –

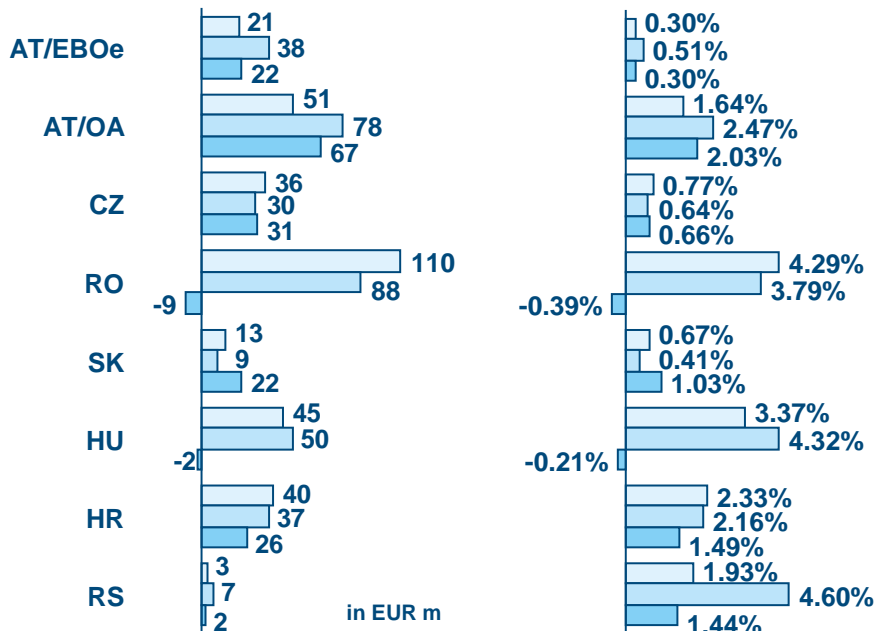
Risk costs decline substantially in RO and HU, both yoy and qoq



Business line view (BL)



Geographic view (geo)



- Decline across all business segments yoy and qoq, mainly driven by RO and HU as well as seasonality at savings banks
- Retail: decrease mainly in RO, more than offsets increase in SK
- SME: decline yoy in RO, qoq improvements in EBOe, HR and RO
- LC: improvements yoy and qoq almost solely in RO, qoq also in holding entity and EBOe
- CRE: decline qoq due to higher portfolio provisions in Q4 14, yoy improvements mainly in HU and in holding entity

- RO: significant decline yoy and qoq in provisioning following extra provisions booked for accelerated NPL resolution in 2014
- HU: improvements mainly in retail (yoy and qoq)
- AT/OA: yoy increase mainly due investment banking and leasing, decline qoq in CRE and LC
- SK: increase in Q1 15 due to single event
- HR: decline yoy and qoq mainly in SME business, despite CHF fixing impact in Q1 15

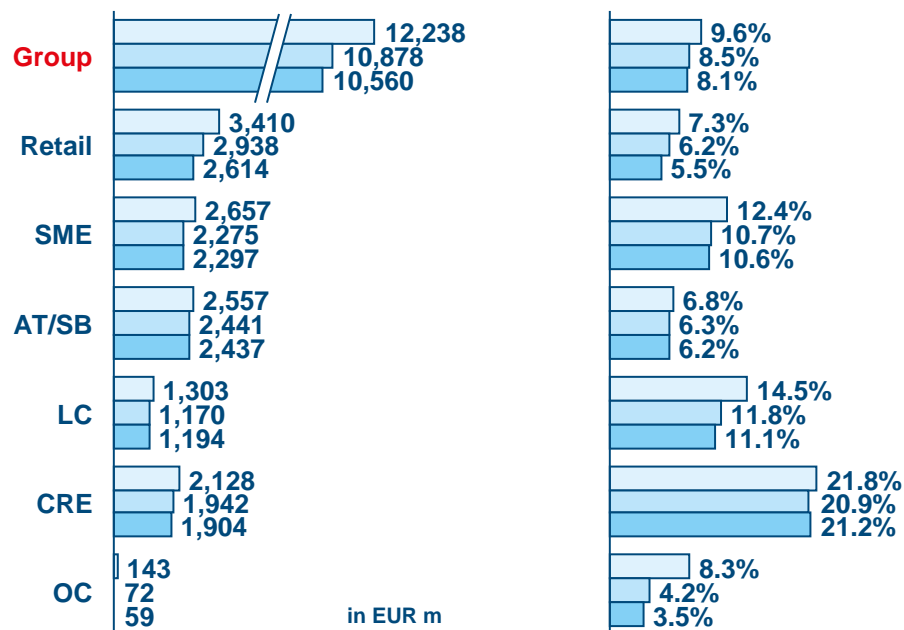
*) Relative risk costs are defined as annualised quarterly risk costs over average gross customer loans.

Business performance: non-performing loans and NPL ratio –

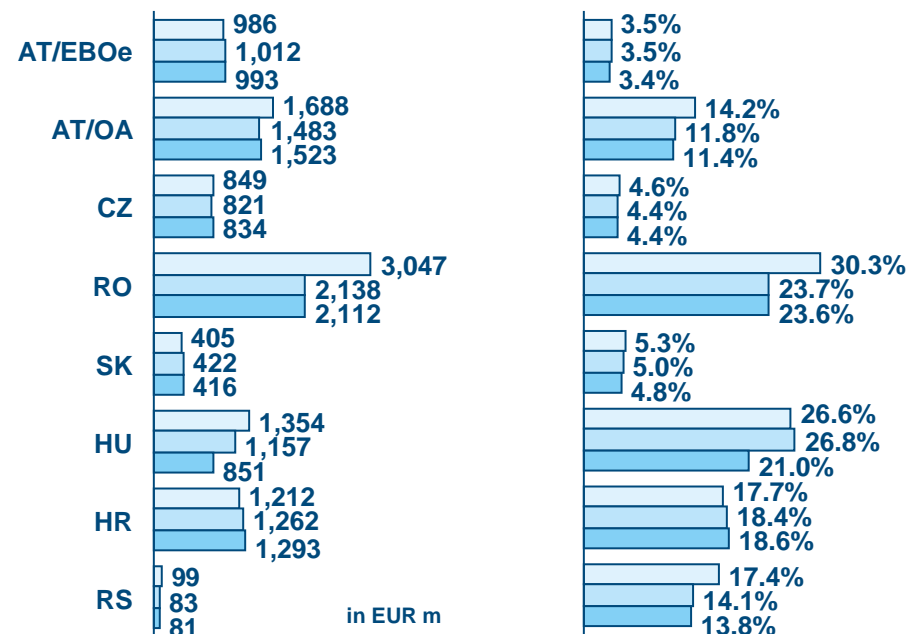
Asset quality improvement continues apace: NPL ratio down to 8.1%

31/03/14
31/12/14
31/03/15

Business line view (BL)



Geographic view (geo)



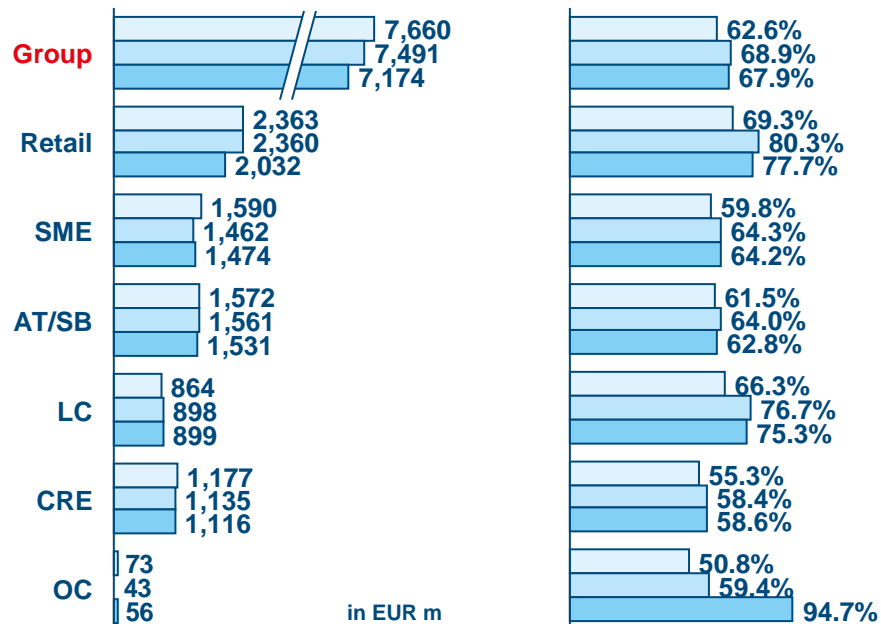
- Continued decline of group NPL volume mainly driven by CHF conversion in HU in Q1 15
- Group NPL ratio also supported by growing loan volume
- Continued improvement in migration trends with low risk share reaching highest level since Q3 08 at 77.3%
- Improvement driven by Retail (Hungary), stability in all other business lines

- Limited NPL sales of EUR 61.6m in Q1 15 (Q4 14: EUR 575.2m)
 - Retail: EUR 20.9m (Q4 14: EUR 90.6m)
 - Corporate: EUR 40.7m (Q4 14: EUR 484.6m)
- Minor sales in AT, HU, SK, CZ and RO

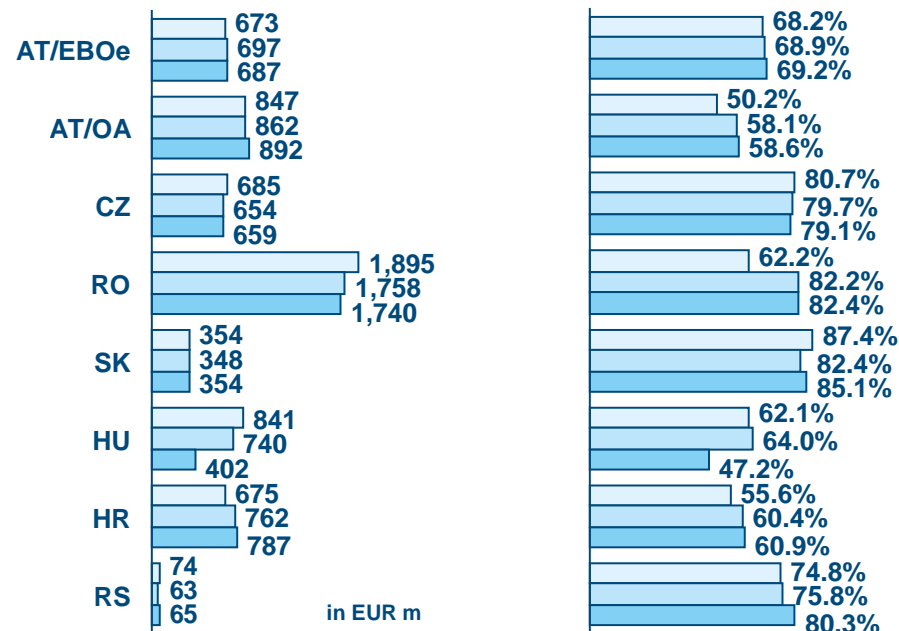
Business performance: allowances for loans and NPL coverage – NPL coverage at comfortable 67.9%

31/03/14
31/12/14
31/03/15

Business line view (BL)



Geographic view (geo)



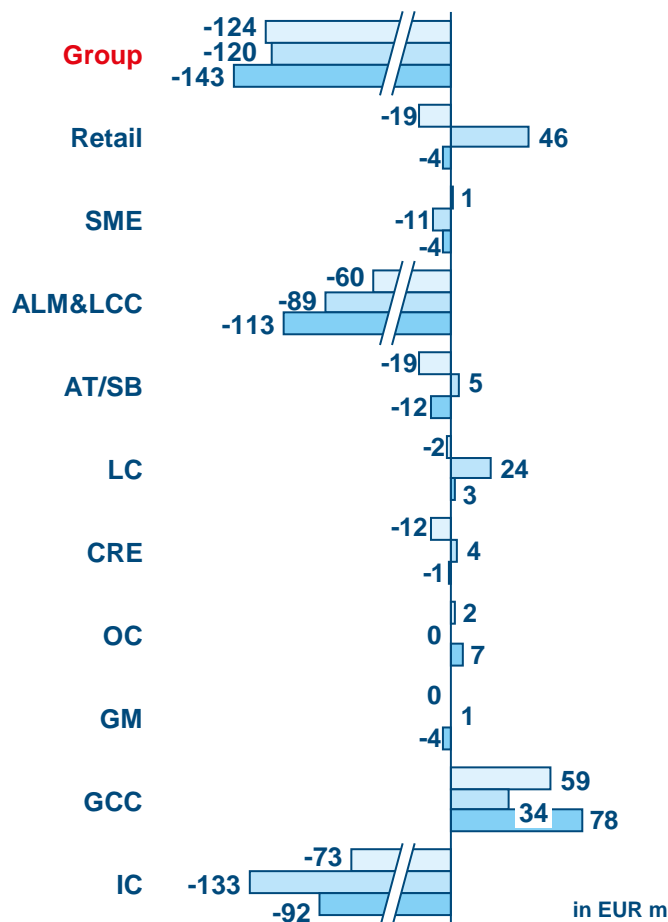
- Slight qoq decline in NPL exclusively due to CHF conversion in Hungary (geo segment) affecting Retail business line
- Strong yoy rise in NPL coverage by extensive provision creation in RO in 2014 to fund accelerated NPL resolution
- AT/SB: QoQ and yoy decline at savings banks due to seasonally low provisioning in Q1 15
- Stability in all other business lines

- HU: NPL coverage decline a function of CHF conversion in Q1 15
- All other geo segments show stable or improving NPL coverage ratios

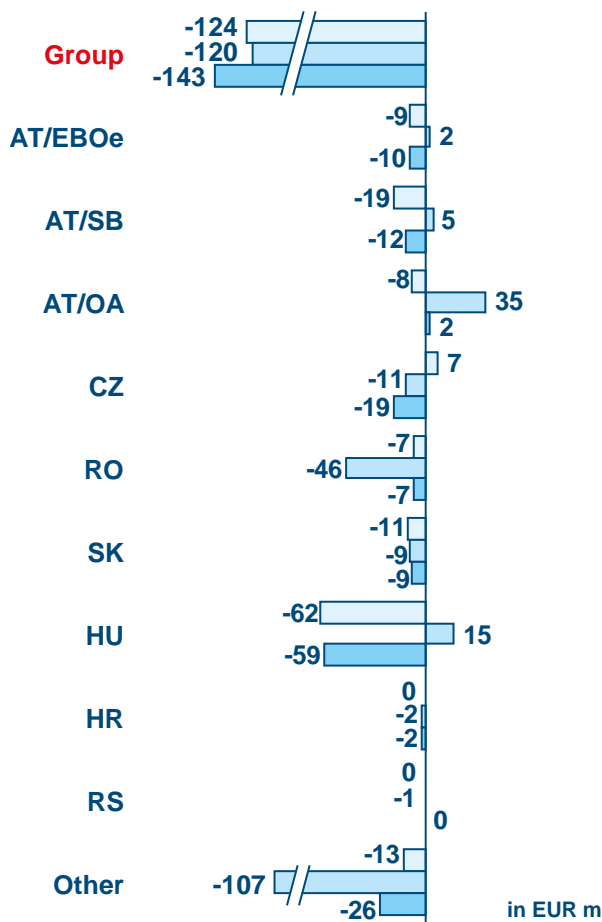
Business performance: other result – Resolution funds contributions and HU banking tax weigh on other result

Q1 14
Q4 14
Q1 15

Business line view



Geographic view



Highlights

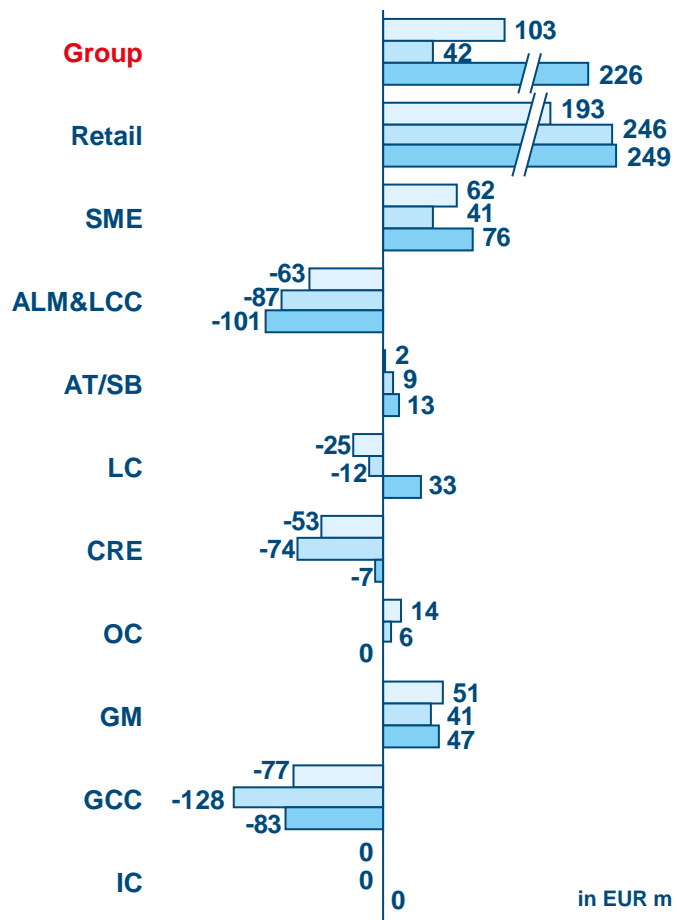
- YOY deterioration in group other result due to booking of full annual European resolution funds contribution in Q1 15; qoq deterioration also due to booking of full annual HU banking tax
- Retail: qoq driven by booking of full annual banking tax in HU
- ALM&LCC: yoy and qoq deterioration mainly on resolution funds contributions
- LC: qoq decline driven by releases of risk provisions for contingent credit risk liabilities in Q4 14, yoy improvement on lower provisions for commitments and guarantees
- GCC: qoq up on goodwill impairments in Q4 14; yoy improvement due to lower banking tax in Austria; GCC has to be read in conjunction with IC elimination
- HU: qoq deterioration due to booking of full annual banking tax, yoy stable
- AT/OA: yoy improvement on releases of risk provisions for contingent credit risk liabilities, but lower qoq on LC developments (see above)
- RO: up qoq on non-recurrence of revaluation of real estate
- CZ: down qoq and yoy other result driven by booking of resolution fund contribution in Q1 15
- Other: volatility in Other segment mirrors developments in GCC and IC elimination

Business performance: net result –

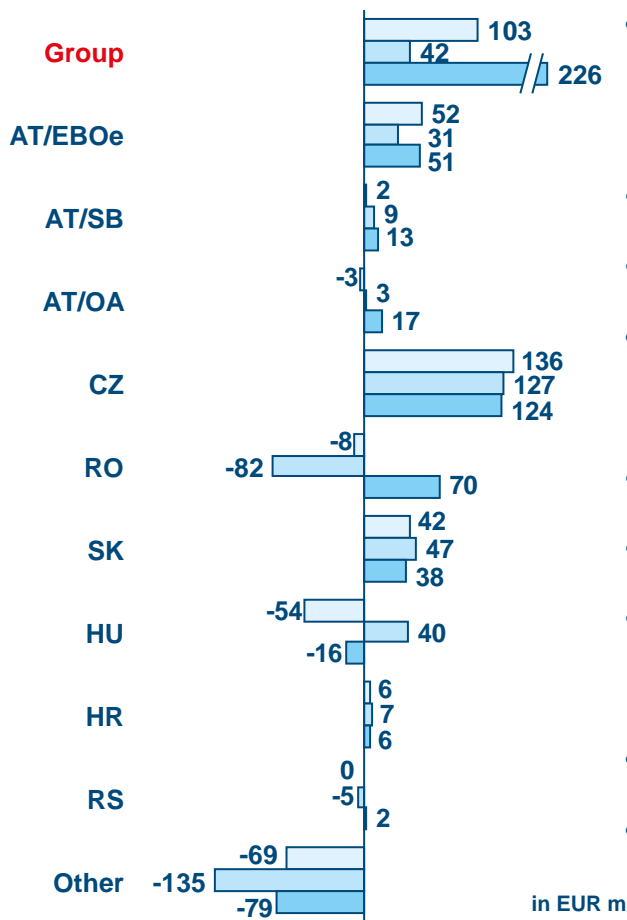
Strong net result on lower risk costs and solid operating performance



Net result by business line



Net result by geography



Highlights

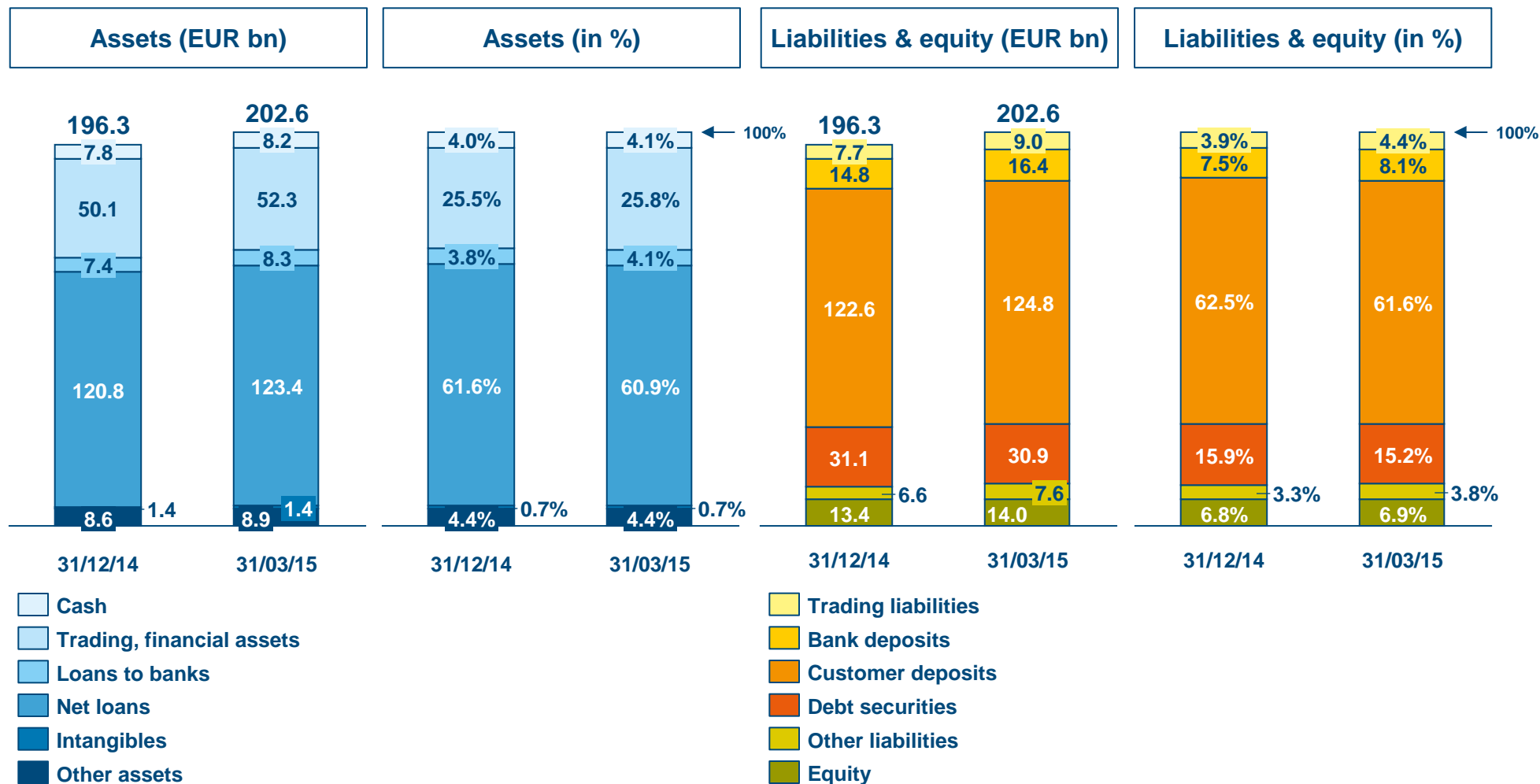
- Substantially improved net profit as extraordinary effects almost offset each other (regulatory contributions vs lower risk costs) in Q1 15
- Retail, LC and CRE improve almost entirely on risk cost reduction
- ALM&LCC: qoq and yoy decline driven by resolution funds contributions
- GCC and Other segments: qoq improvement driven by impairments on financial assets in Q4 14
- RO: big swing in profitability in Q1 15 on significant risk cost reduction
- AT/SB: strong qoq and yoy rise in profitability on seasonally lower risk costs
- HU: improved yoy profitability on lower risk costs in Q1 15; qoq decline on CHF conversion related positive one-off in Q4 14
- Return on equity at 9.0% in Q1 15, following 3.6% in Q1 14 and 1.7% in Q4 14
- Cash return on equity at 9.1% in Q1 15, following 4.1% in Q1 14 and 2.1% in Q1 14

Presentation topics

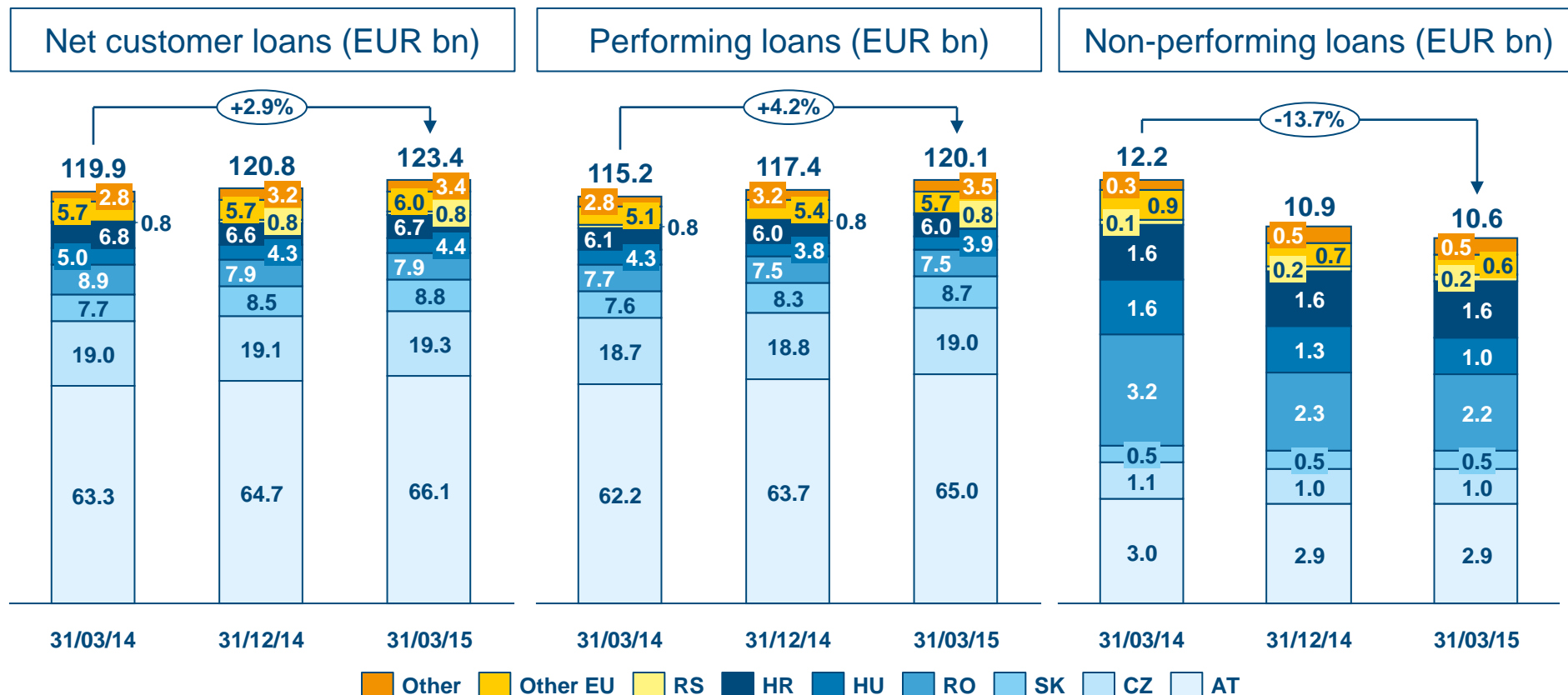
- Executive summary
- Business environment
- Business performance
- **Assets and liabilities**
- Outlook
- Additional information

Assets and liabilities: YTD overview –

Loan/deposit ratio stable at 98.9% (Dec 14: 98.6%)



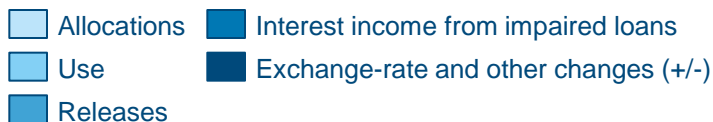
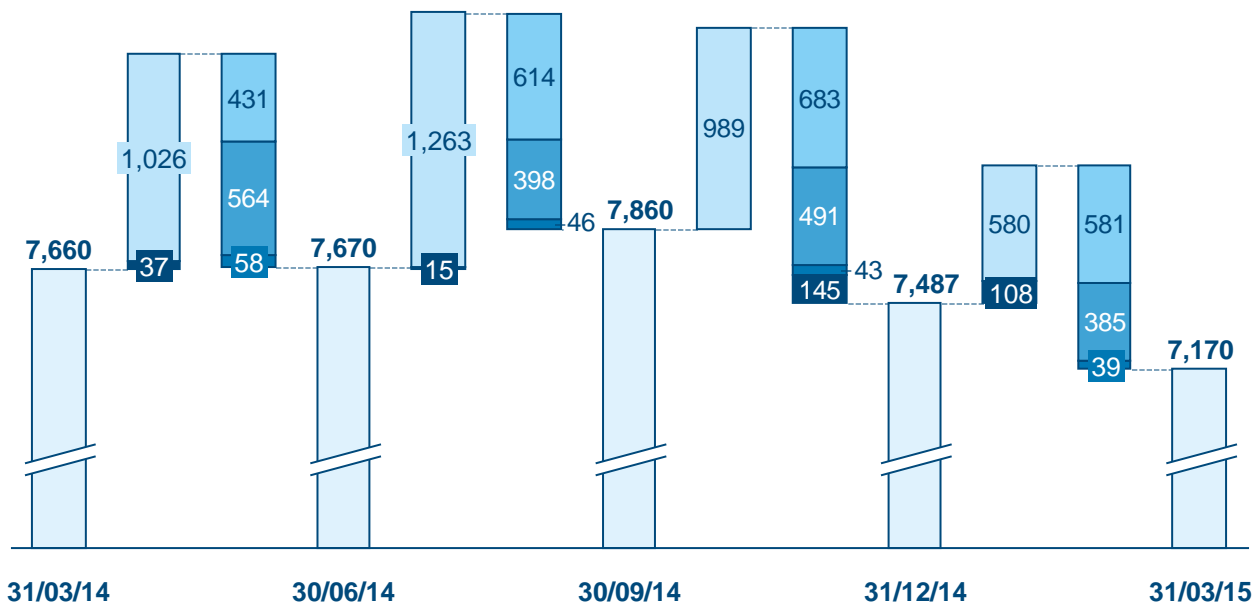
Assets and liabilities: customer loans by country of risk – Performing loans up 4.2% yoy, NPLs down 13.7%



- Performing loan growth accelerates, driven by Austria, Slovakia and Czech Republic, Other EU and Other:
 - QOQ increase in Austria due to underlying growth and CHF appreciation (about EUR 500m)
 - Stabilisation of performing loans in Romania, slight increase in Hungary
- 13.7% yoy decline in NPL stock mainly driven by NPL sales in Romania, qoq decline driven by CHF conversion in Hungary

Assets and liabilities: allowances for customer loans – Decrease in allowances mainly due to CHF conversion in Hungary in Q1 15

Quarterly development (EUR m)



Highlights

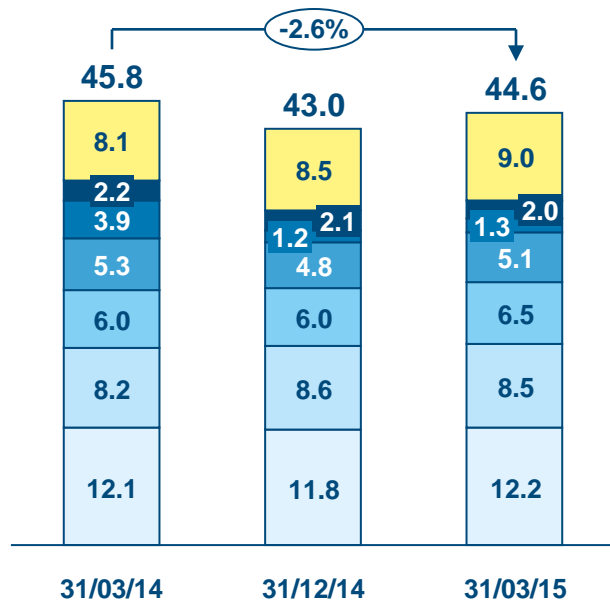
- Low gross NPL inflows result in lower allocations and lower risk costs in Q1 15
- Insignificant level of NPL sales in Q1 15
- P&L unwinding impact = interest income from impaired loans = EUR 39m in Q1 15 (Q1 14: EUR 55m)

Unwinding impact explained

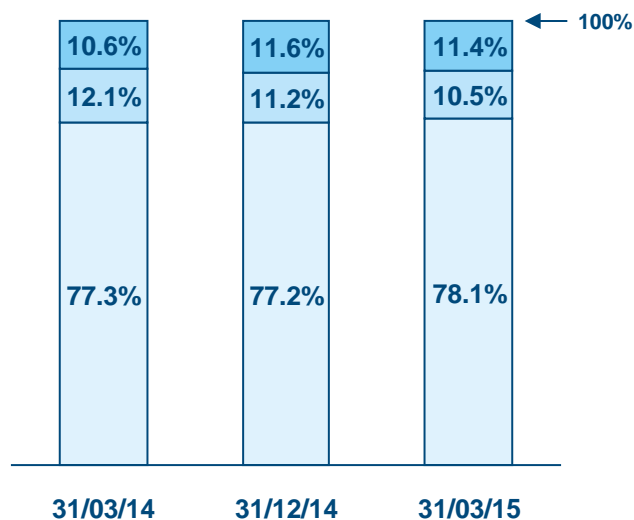
- Erste Group does not accrue interest on NPLs
- When a loan turns NPL Erste Group estimates the recoverable amount and the time frame of recovery
- The recoverable amount is discounted to present (at the effective interest rate of the underlying contract) and a provision reflecting the time value of money is created, ie a higher provision than without discounting
- The time value is released through NII until recovery realisation

Assets and liabilities: financial and trading assets * – LCR at comfortable 121.5%

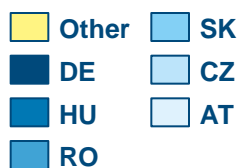
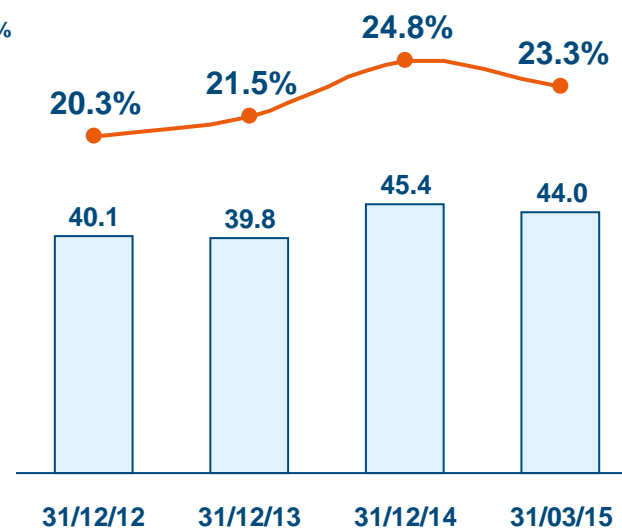
By geography (EUR bn)



By debtor type



Liquidity buffer (EUR bn)



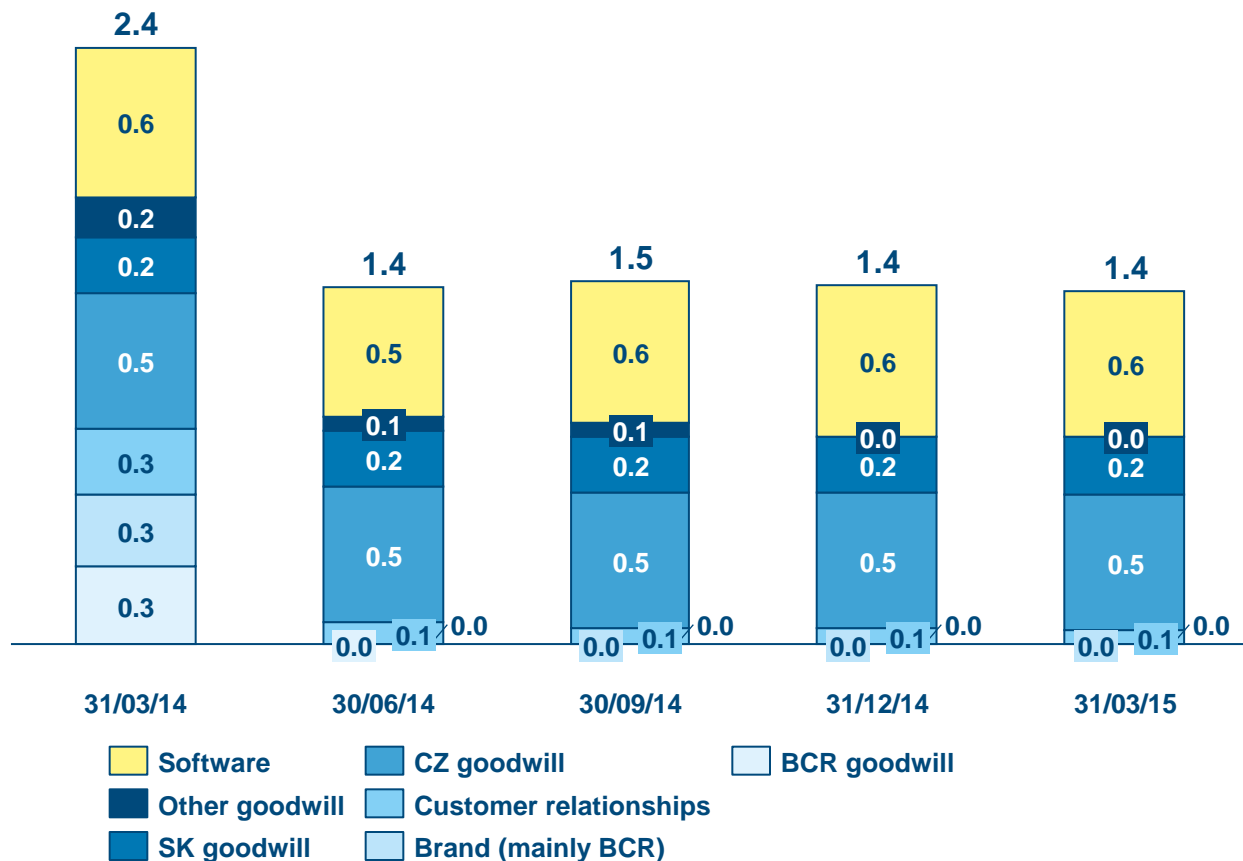
- Liquidity buffer is defined as unencumbered collateral plus cash
- Total liabilities are defined as total on balance sheet liabilities excluding total equity

* Excludes derivatives held for trading.

Assets and liabilities: intangibles –

Intangibles amount to only 13.8% of book value

Quarterly development of intangibles (EUR bn)



Highlights

- Regular customer relationship amortisation amounted to EUR 2.5m booked in operating expenses in Q1 15
- CZ and SK goodwill are carried in EUR
- No goodwill related to Hungary
- No goodwill related to Romania

Assets and liabilities: customer deposit funding –

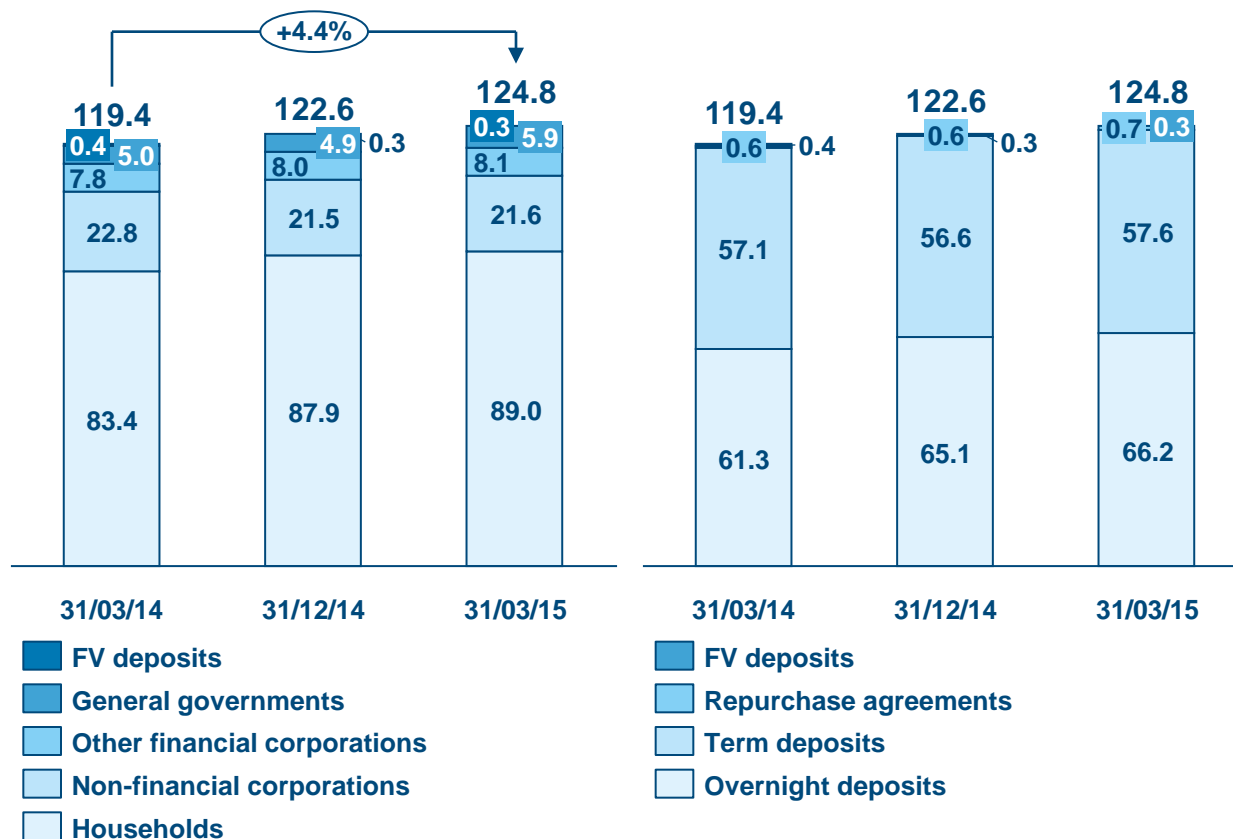
Customer deposits grow by 1.8% in Q1 15, up 4.4% yoy

By customer type

By product type

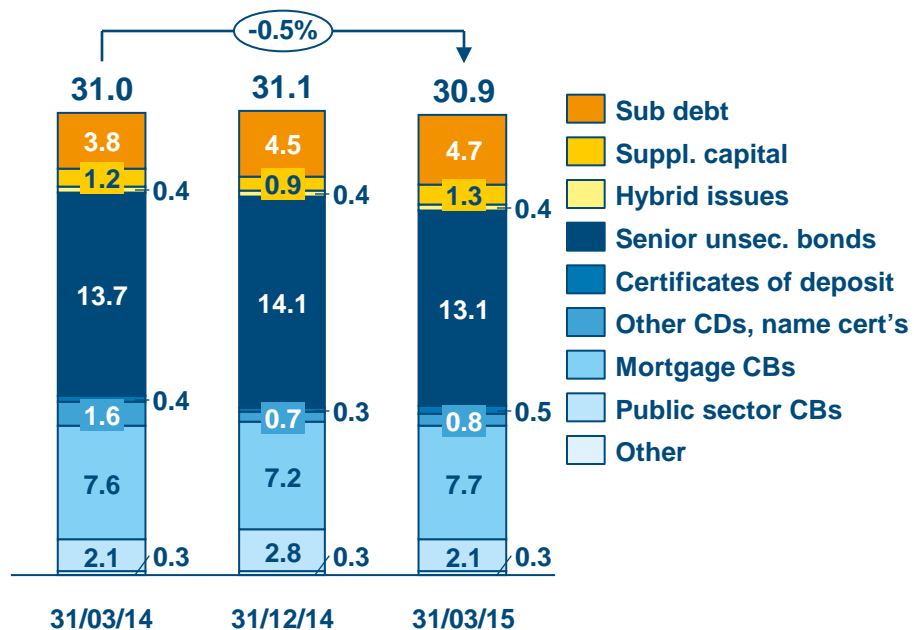
Highlights

- YTD increase driven by Retail and SME
- Stable product structure



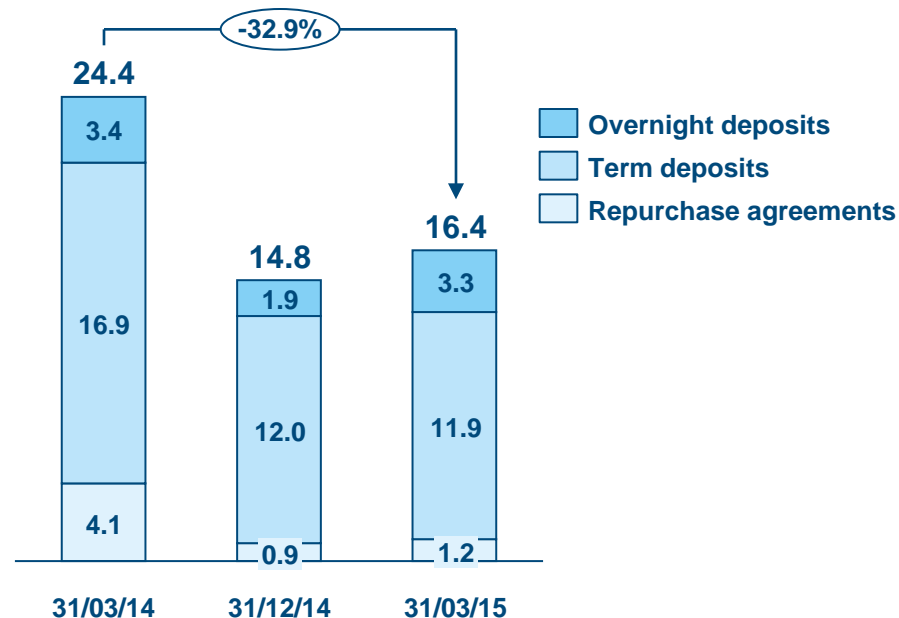
Assets and liabilities: debt vs interbank funding – Stable wholesale funding base

Debt securities issued (EUR bn)



- YOY increase in subordinated debt attributable to tier 2 benchmark issue in November 2014 and private placements in Q1 15
- QOQ increase in mortgage covered bonds due to issuance of 10y EUR 500m CB at MS+6bps
- Decline in senior unsecured bonds due to maturities

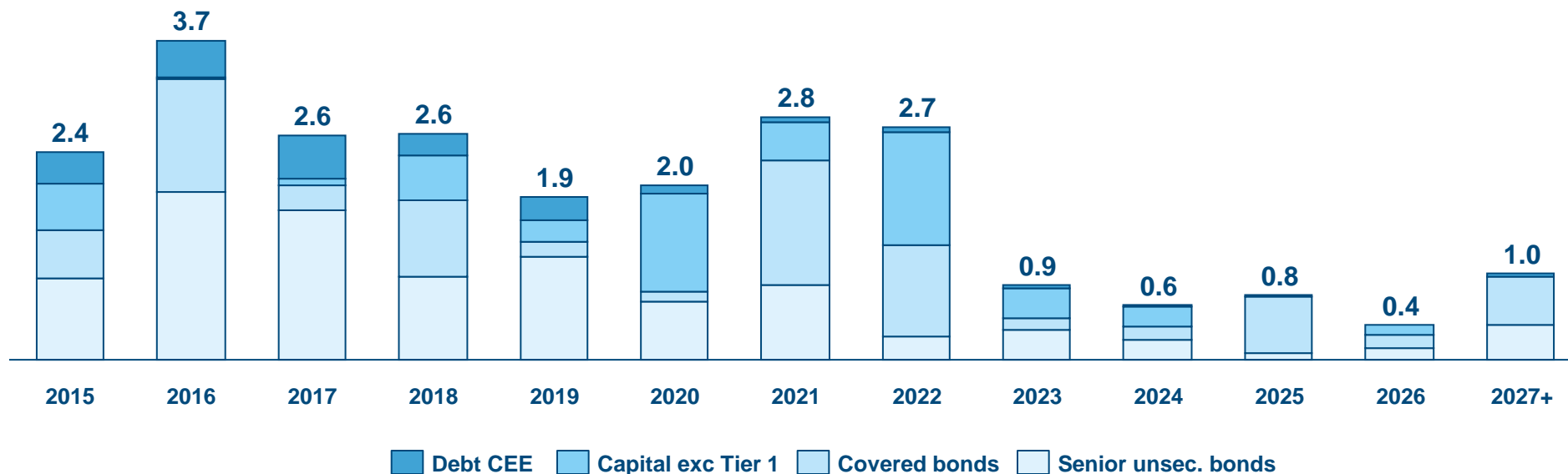
Interbank deposits (EUR bn)



- QOQ increase in interbank deposits mainly due to slight balance sheet expansion

Assets and liabilities: ST vs LT funding – Limited LT funding needs

Maturity profile of debt (EUR bn)



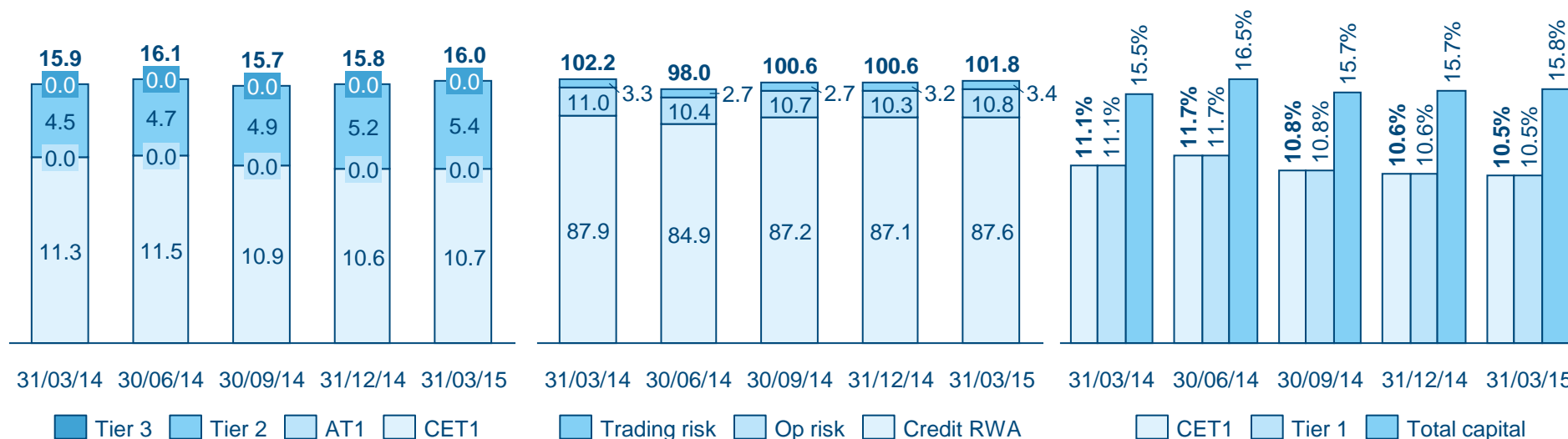
- Increased appetite for issues in covered bond format led to a successful EUR 500m 10y mortgage Pfandbrief (MS + 6 bps) in the first quarter
- Historically low refinancing cost result in an ongoing prolongation of the redemption profile (average maturity of issues during 2014 amounted to 8 years)

Assets and liabilities: capital position – Unaudited quarterly profit not yet reflected in CET1 capital

Basel 3 capital (phased-in)

Risk-weighted assets (phased-in)

Basel 3 capital ratios (phased-in)



- Decrease in B3FL CET1 capital by EUR 258m in Q1 15 attributable to regulatory requirement to deduct risk costs from CET1 capital as well as non-inclusion of retained earnings
- Following interim review in H1 15 CET1 capital to include interim profit and exclude risk cost deduction

- Credit RWA up due to EUR depreciation vs major currencies in Q1 15 (EUR +0.9bn)
- All other credit RWA effects marginal
- Increased op risk due to AT, HU and CZ
- B3FL RWA slightly up qoq to EUR 103.2bn, mainly driven by EUR depreciation

- B3FL CET1 ratio at 10.2% at 31 March 2015 (YE 2014: 10.6%) mainly driven by temporary capital effects (see left) and slight increase in RWAs

Presentation topics

- Executive summary
- Business environment
- Business performance
- Assets and liabilities
- **Outlook**
- Additional information

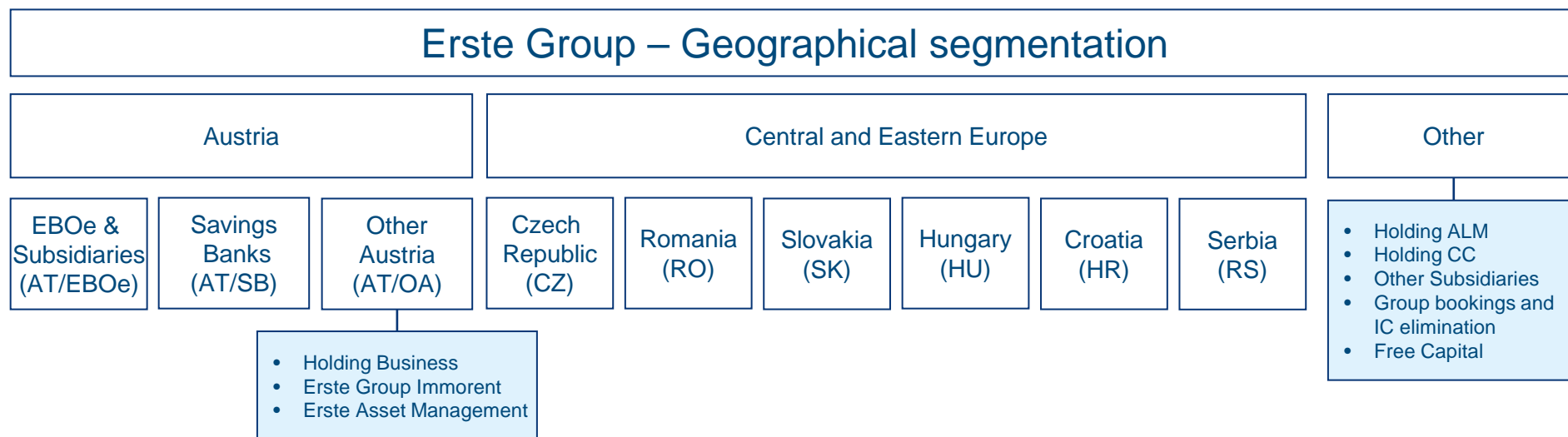
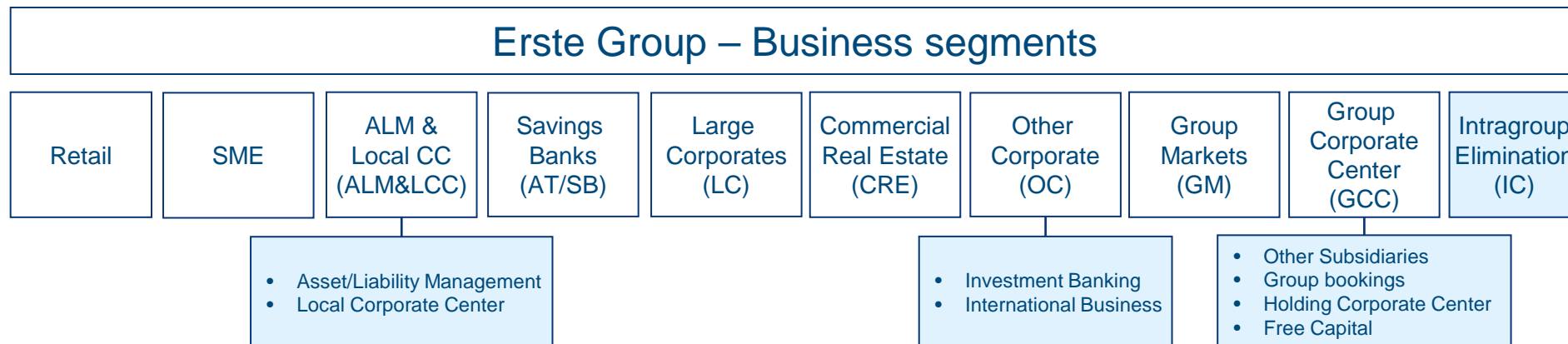
Conclusion – Outlook

- **Operating environment anticipated to be conducive to credit expansion**
 - Real GDP growth of between 2-3% expected in 2015 in all major CEE markets, except Croatia
 - Real GDP growth to be driven by solid domestic demand
 - Real GDP growth in Austria expected at below 1% in 2015
- **Return on tangible equity (ROTE) expected at 8-10% in 2015 (YE 14 TE: EUR 8.4bn)**
 - Operating result expected to decline in the mid-single digits on the back of lower but sustainable operating results in Hungary (due to FX conversion related effect of lower average volume) and Romania (lower unwinding impact) as well as persistent low interest rate environment
 - Loan growth expected in the low single digits in 2015
 - Risk costs expected to decline to about EUR 1.0-1.2bn in 2015
 - Banking levies expected at about EUR 360m in 2015, including parallel contributions to national as well as European bank resolution and deposit insurance funds; related discussions with Austrian government still ongoing
- **Risks to guidance**
 - Consumer protection initiatives
 - Geopolitical risks resulting in potentially negative economic impacts

Presentation topics

- Executive summary
- Business environment
- Business performance
- Assets and liabilities
- Outlook
- Additional information

Additional information: new segmentation – Business line and geographic view



Additional information: income statement – Year-to-date and quarterly view

in EUR million	Year-to-date view			Quarterly view				
	1-3 14	1-3 15	YOY-Δ	Q1 14	Q4 14	Q1 15	YOY-Δ	QOQ-Δ
Net interest income	1,123.9	1,098.5	-2.3%	1,123.9	1,125.6	1,098.5	-2.3%	-2.4%
Net fee and commission income	452.1	461.0	2.0%	452.1	497.1	461.0	2.0%	-7.3%
Dividend income	14.6	7.4	-49.5%	14.6	11.3	7.4	-49.5%	-34.8%
Net trading and fair value result	50.4	72.4	43.8%	50.4	75.8	72.4	43.8%	-4.4%
Net result from equity method investments	3.1	4.7	48.0%	3.1	4.2	4.7	48.0%	9.9%
Rental income from investment properties & other operating leases	46.5	45.1	-3.0%	46.5	46.5	45.1	-3.0%	-2.9%
Personnel expenses	-545.9	-554.0	1.5%	-545.9	-577.2	-554.0	1.5%	-4.0%
Other administrative expenses	-292.4	-281.1	-3.9%	-292.4	-315.1	-281.1	-3.9%	-10.8%
Depreciation and amortisation	-125.0	-112.9	-9.6%	-125.0	-111.3	-112.9	-9.6%	1.5%
Gains/losses from financial assets and liabilities not measured at fair value through profit or loss, net	-3.7	10.9	n/a	-3.7	4.0	10.9	n/a	>100.0%
Net impairment loss on financial assets not measured at fair value through profit or loss	-364.2	-183.1	-49.7%	-364.2	-484.3	-183.1	-49.7%	-62.2%
Other operating result	-119.8	-153.5	28.1%	-119.8	-124.3	-153.5	28.1%	23.5%
Levies on banking activities	-99.8	-91.8	-8.0%	-99.8	-47.6	-91.8	-8.0%	92.8%
Pre-tax result from continuing operations	239.5	415.2	73.4%	239.5	152.2	415.2	73.4%	>100.0%
Taxes on income	-99.7	-118.6	19.0%	-99.7	-75.5	-118.6	19.0%	57.1%
Net result for the period	139.8	296.6	>100.0%	139.8	76.7	296.6	>100.0%	>100.0%
Net result attributable to non-controlling interests	36.5	70.8	94.0%	36.5	34.7	70.8	94.0%	>100.0%
Net result attributable to owners of the parent	103.3	225.8	>100.0%	103.3	42.0	225.8	>100.0%	>100.0%
Operating income	1,690.6	1,689.1	-0.1%	1,690.6	1,760.5	1,689.1	-0.1%	-4.1%
Operating expenses	-963.3	-948.1	-1.6%	-963.3	-1,003.6	-948.1	-1.6%	-5.5%
Operating result	727.3	741.0	1.9%	727.3	756.9	741.0	1.9%	-2.1%

Additional information: group balance sheet – Assets

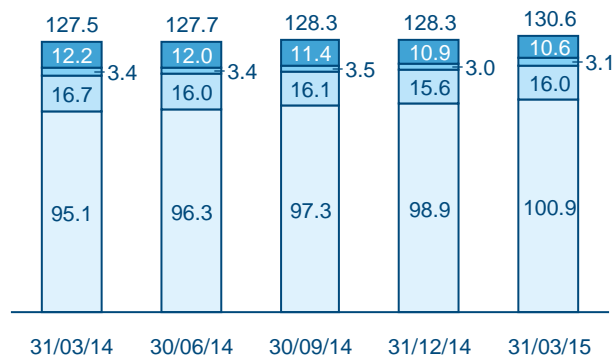
in EUR million	Quarterly data					Change		
	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15	YOY-Δ	YTD-Δ	QOQ-Δ
Cash and cash balances	10,373	7,267	8,010	7,835	8,223	-20.7%	4.9%	4.9%
Financial assets - held for trading	13,610	12,954	11,641	10,531	11,366	-16.5%	7.9%	7.9%
Derivatives	6,482	6,480	7,611	7,173	7,628	17.7%	6.3%	6.3%
Other trading assets	7,128	6,474	4,030	3,357	3,738	-47.6%	11.3%	11.3%
Financial assets - at fair value through profit or loss	512	456	444	350	271	-47.0%	-22.4%	-22.4%
Financial assets - available for sale	20,956	21,923	21,940	22,373	23,187	10.6%	3.6%	3.6%
Financial assets - held to maturity	17,191	16,955	17,026	16,877	17,462	1.6%	3.5%	3.5%
Loans and receivables to credit institutions	9,962	8,548	7,166	7,442	8,345	-16.2%	12.1%	12.1%
Loans and receivables to customers	119,805	120,005	120,451	120,834	123,437	3.0%	2.2%	2.2%
Derivatives - hedge accounting	2,212	2,489	2,764	2,872	2,914	31.7%	1.5%	1.5%
Changes in fair value of portfolio hedged items	0	0	0	0	0	n/a	n/a	n/a
Property and equipment	2,330	2,347	2,356	2,264	2,340	0.4%	3.4%	3.4%
Investment properties	1,035	975	952	950	947	-8.5%	-0.3%	-0.3%
Intangible assets	2,408	1,438	1,456	1,441	1,415	-41.2%	-1.8%	-1.8%
Investments in associates and joint ventures	226	211	191	195	190	-16.0%	-2.5%	-2.5%
Current tax assets	119	101	107	107	107	-9.9%	-0.2%	-0.2%
Deferred tax assets	672	411	461	301	293	-56.4%	-2.7%	-2.7%
Assets held for sale	82	158	150	291	229	>100.0%	-21.4%	-21.4%
Other assets	2,409	2,158	1,859	1,623	1,844	-23.4%	13.6%	13.6%
Total assets	203,903	198,398	196,973	196,287	202,570	-0.7%	3.2%	3.2%

Additional information: group balance sheet – Liabilities and equity

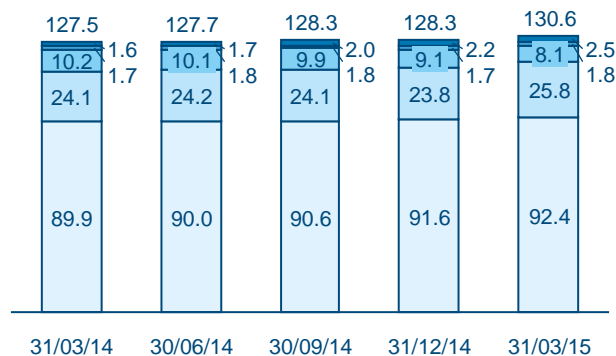
in EUR million	Quarterly data					Change		
	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15	YOY-Δ	YTD-Δ	QOQ-Δ
Financial liabilities - held for trading	7,042	7,152	8,488	7,746	8,988	27.6%	16.0%	16.0%
Derivatives	6,341	6,347	7,563	7,188	8,163	28.7%	13.6%	13.6%
Other trading liabilities	702	805	925	558	824	17.5%	47.7%	47.7%
Financial liabilities - at fair value through profit or loss	2,275	2,278	2,161	2,073	1,966	-13.6%	-5.2%	-5.2%
Deposits from banks	0	0	0	0	0	n/a	n/a	n/a
Deposits from customers	449	435	363	320	257	-42.7%	-19.6%	-19.6%
Debt securities issued	1,826	1,843	1,797	1,753	1,709	-6.5%	-2.5%	-2.5%
Other financial liabilities	0	0	0	0	0	n/a	n/a	n/a
Financial liabilities measured at amortised cost	172,918	168,155	166,139	166,921	170,616	-1.3%	2.2%	2.2%
Deposits from banks	24,421	18,803	16,483	14,803	16,389	-32.9%	10.7%	10.7%
Deposits from customers	118,996	119,814	119,698	122,263	124,495	4.6%	1.8%	1.8%
Debt securities issued	29,217	29,190	29,414	29,387	29,143	-0.3%	-0.8%	-0.8%
Other financial liabilities	285	348	545	469	590	>100.0%	25.6%	25.6%
Derivatives - hedge accounting	681	724	755	726	833	22.3%	14.8%	14.8%
Changes in fair value of portfolio hedged items	910	983	1,072	1,225	1,277	40.4%	4.2%	4.2%
Provisions	1,491	1,607	1,822	1,653	1,686	13.0%	2.0%	2.0%
Current tax liabilities	83	88	95	91	111	33.9%	21.6%	21.6%
Deferred tax liabilities	182	132	199	99	140	-23.2%	41.4%	41.4%
Liabilities associated with assets held for sale	0	0	0	0	0	n/a	n/a	n/a
Other liabilities	3,251	3,199	2,590	2,310	2,998	-7.8%	29.8%	29.8%
Total equity	15,069	14,080	13,652	13,443	13,956	-7.4%	3.8%	3.8%
Equity attributable to non-controlling interests	3,542	3,626	3,707	3,605	3,718	5.0%	3.1%	3.1%
Equity attributable to owners of the parent	11,527	10,454	9,945	9,838	10,238	-11.2%	4.1%	4.1%
Total liabilities and equity	203,903	198,398	196,973	196,287	202,570	-0.7%	3.2%	3.2%

Additional information: gross customer loans – By risk category, by currency, by industry

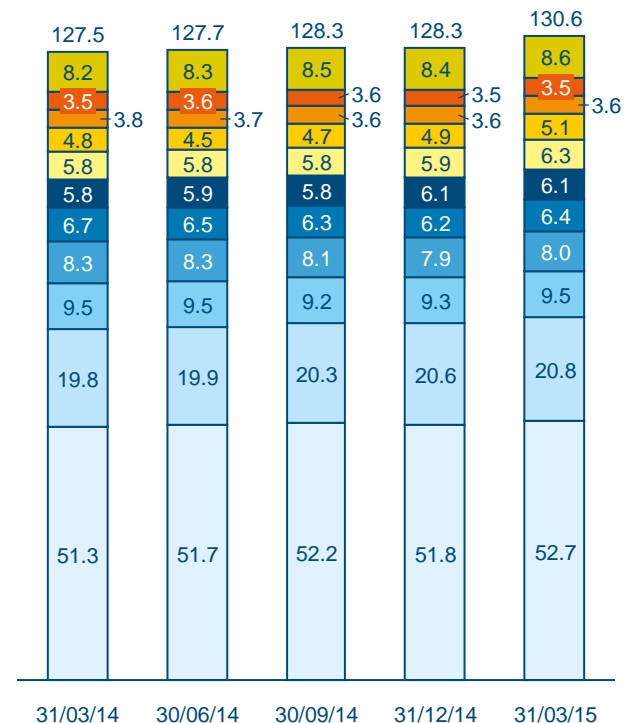
Gross cust. loans by risk category (EUR bn)



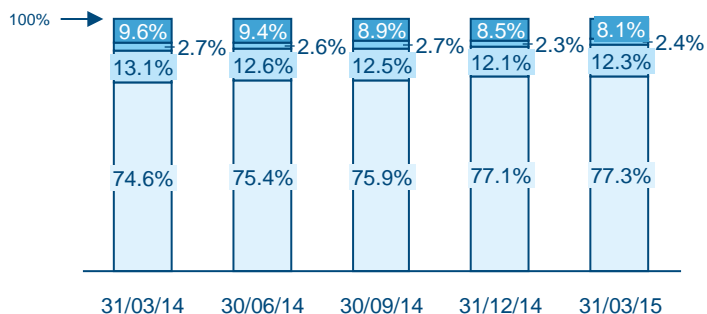
Gross customer loans by currency (EUR bn)



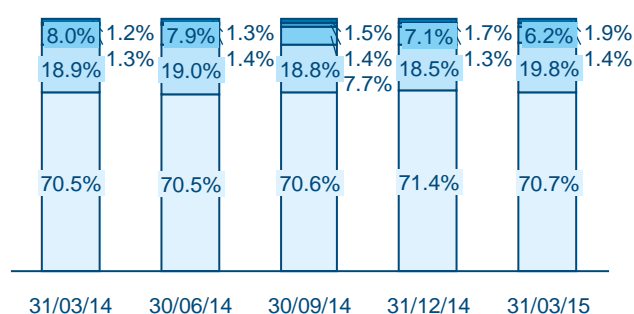
Gross customer loans by industry (EUR bn)



Gross customer loans by risk category in %



Gross customer loans by currency in %



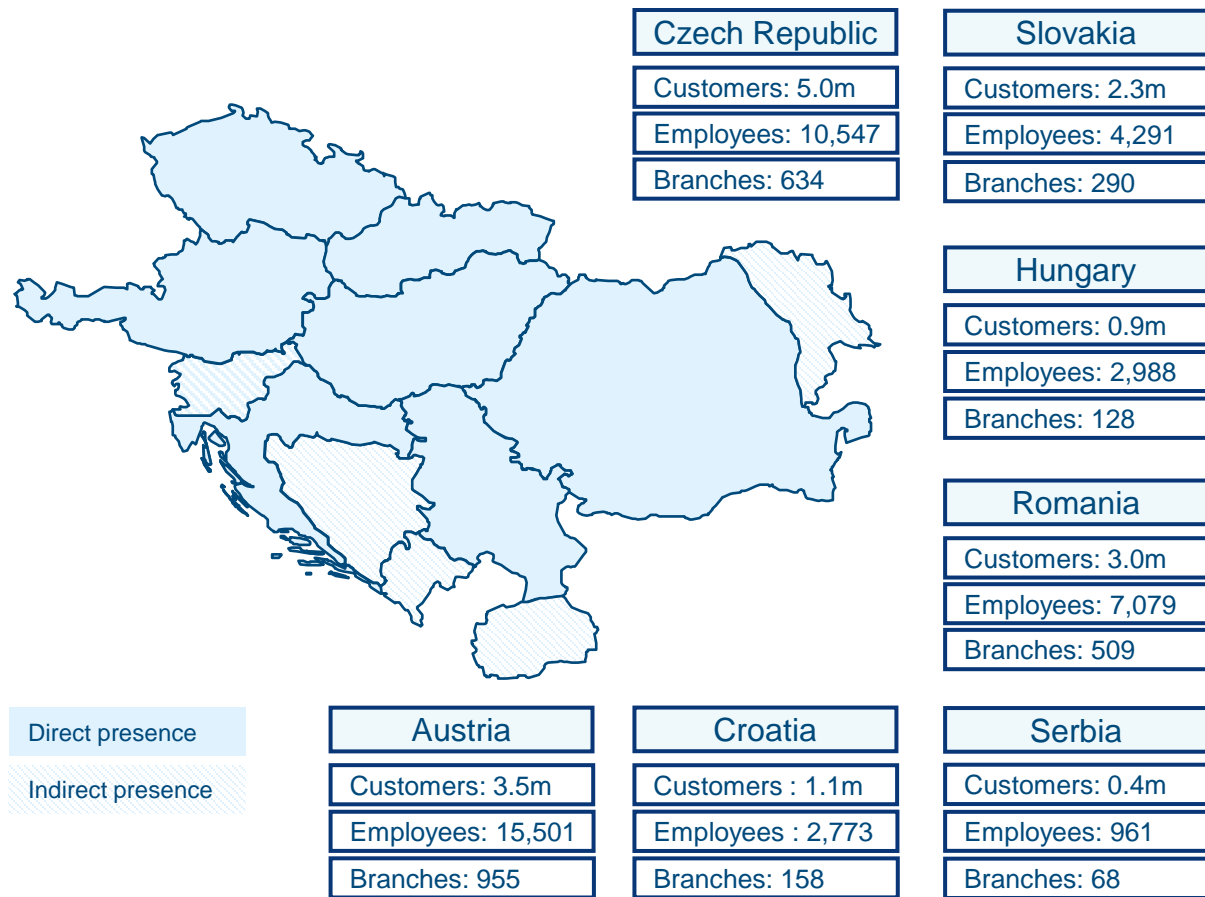
■ Non-performing ■ Management attention
■ Substandard ■ Low risk

■ USD ■ Other ■ CHF ■ CEE-LCY ■ EUR

■ Other ■ Financial inst. ■ Manufacturing
■ Transport & comms ■ Public admin ■ Real estate
■ Tourism ■ Construction ■ Households
■ Services ■ Trade

Additional information: footprint – Customer banking in Austria and the eastern part of the EU

Erste Group footprint



Highlights

- Leading retail and corporate bank in 7 geographically connected countries
- Favourable mix of mature & emerging markets with low penetration rates
- Potential for cross selling and organic growth in CEE

Additional information: strategy –

A real customer need is the reason for all business

Customer banking in Central and Eastern Europe

Eastern part of EU

Focus on CEE, limited exposure to other Europe

Retail banking

Corporate banking

Capital markets

Public sector

Interbank business

Focus on local currency mortgage and consumer loans funded by local deposits

FX loans only in EUR for clients with EUR income (or equivalent) and where funded by local FX deposits (RO, HR & RS)

Savings products, asset management and pension products

Potential future expansion into Poland

Large, local corporate and SME banking

Advisory services, with focus on providing access to capital markets and corporate finance

Real estate business that goes beyond financing

Potential future expansion into Poland

Focus on customer business, incl. customer-based trading activities

In addition to core markets, presences in Poland, Turkey, Germany and London with institutional client focus and selected product mix

Building debt and equity capital markets in CEE

Financing sovereigns and municipalities with focus on infrastructure development in core markets

Any sovereign holdings are only held for market-making, liquidity or balance sheet management reasons

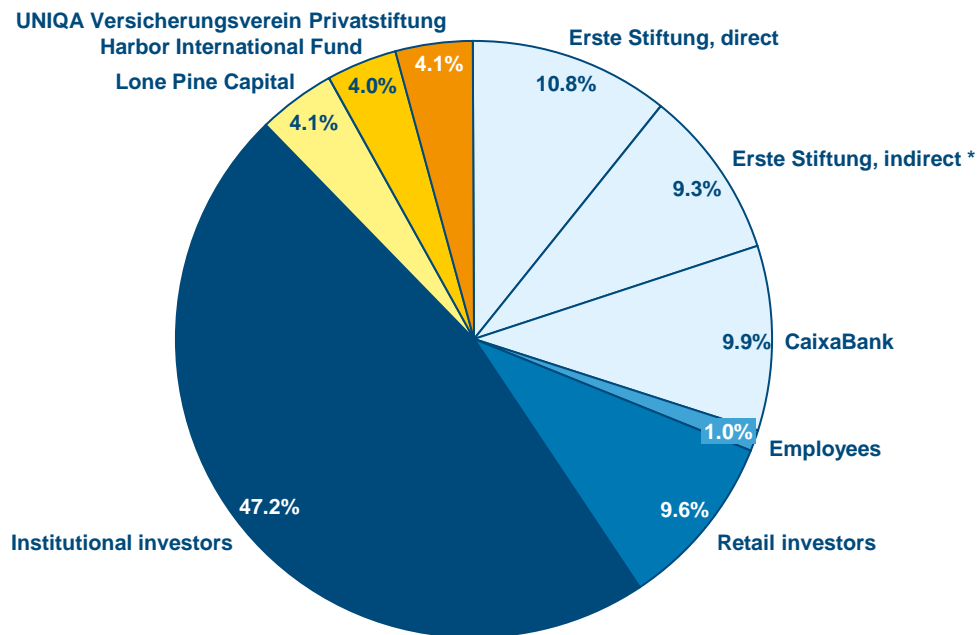
Focus on banks that operate in the core markets

Any bank exposure is only held for liquidity or balance sheet management reasons or to support client business

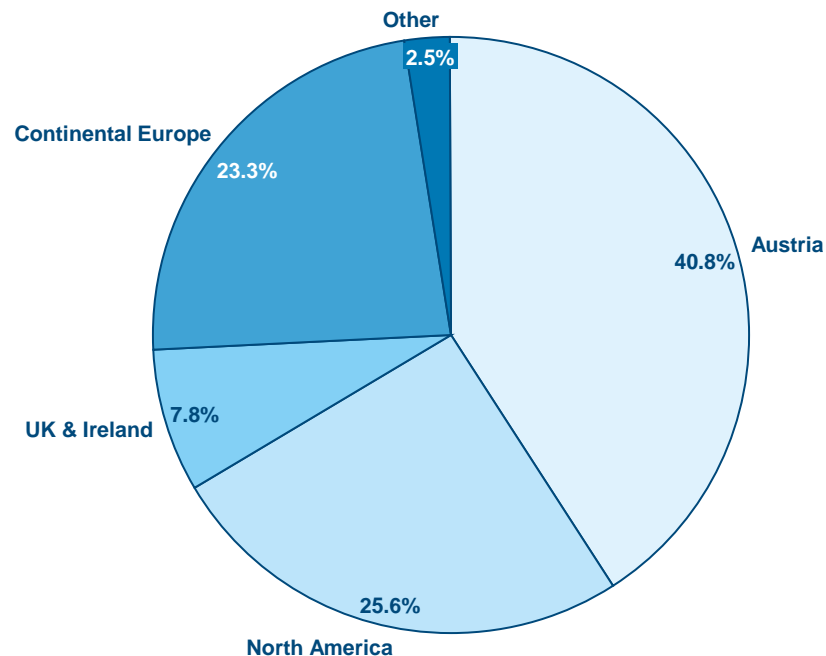
Additional information: shareholder structure –

Total number of shares: 429,800,000

By investor



By region



* Including voting rights of Erste Foundation, savings banks, savings banks foundations and Wiener Städtische Wechselseitige Versicherungsverein

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