Erste Group investor presentation
Q3 17 results

3 November 2017

Progressing as planned: on track for 10%+ ROTE in 2017; stable outlook for 2018

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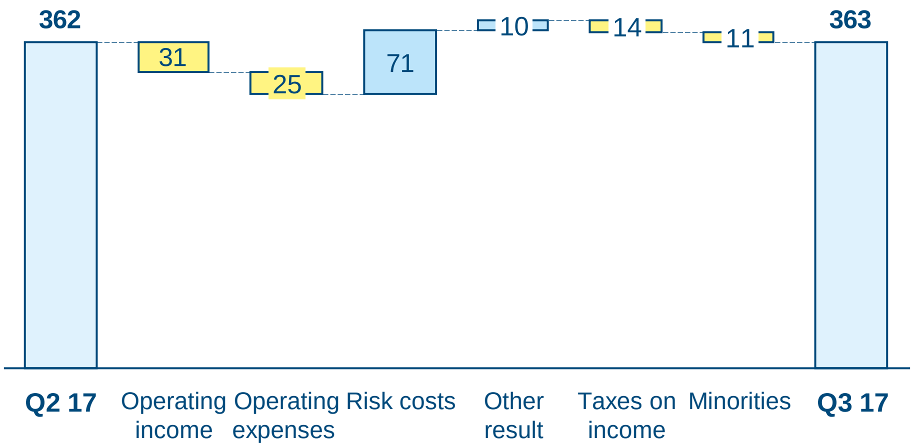
Presentation topics

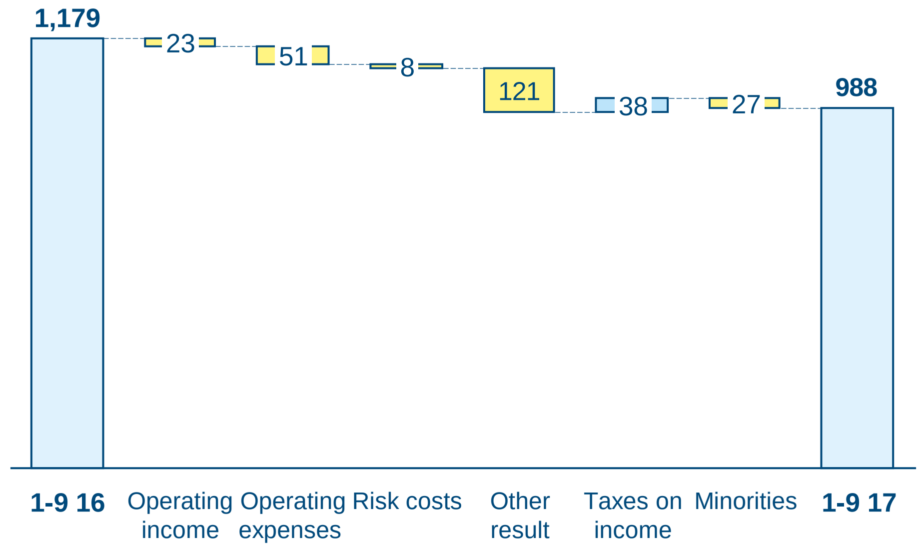
- Executive summary
- Business environment
- Business performance
- Assets and liabilities
- Outlook
- Additional information

Executive summary –
Group income statement performance

QoQ net profit reconciliation (EUR m)



YoY net profit reconciliation (EUR m)

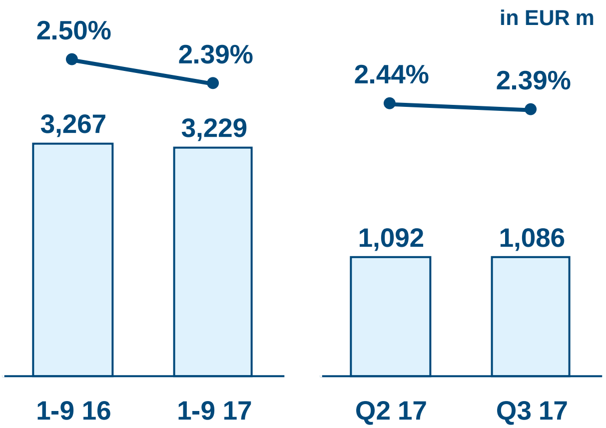


- Erste Group Q3 17 net profit amounted to EUR 363.0m; qoq stable as net provision releases offset decline in operating performance
- Revenues declined mainly on lower net trading result and seasonally higher dividend income in Q2 17, NII stable as TLTRO benefit offsets negative interest rate impact in Austria
- Operating expenses up on higher personnel and other administrative expenses (in particular IT)

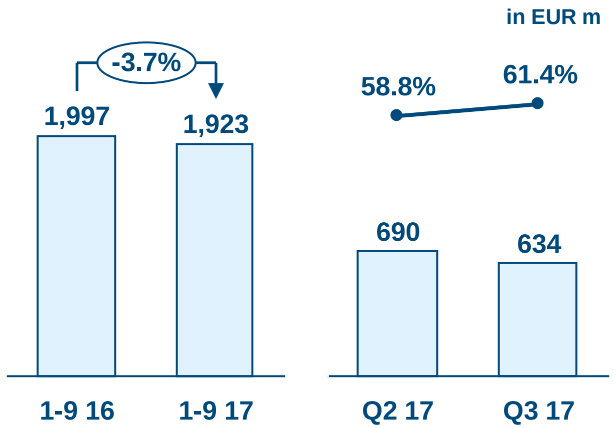
- 16.2% yoy decline in net profit primarily driven by other result and operating performance
- Other result declined mainly on positive one-off effect (VISA sale) in Q2 16
- Operating income declines on lower NII and net trading result, while fees improve; as expected, higher operating expenses due to implementation of regulatory/IT projects

Executive summary –
Key income statement data

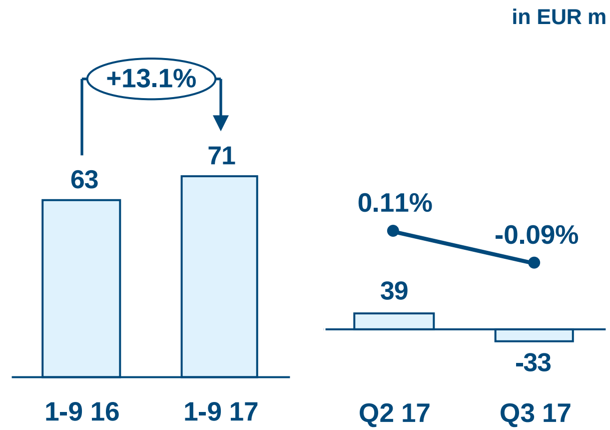
Net interest income & margin



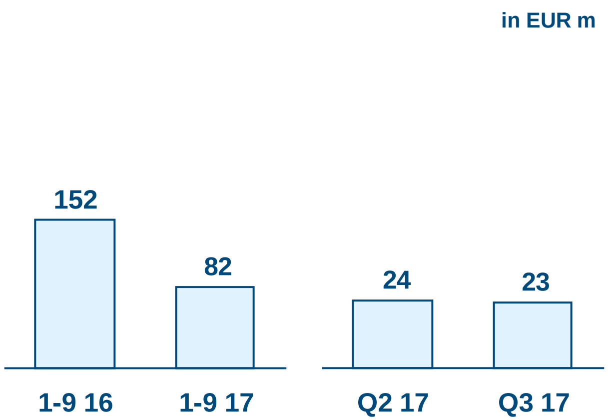
Operating result & cost/income ratio



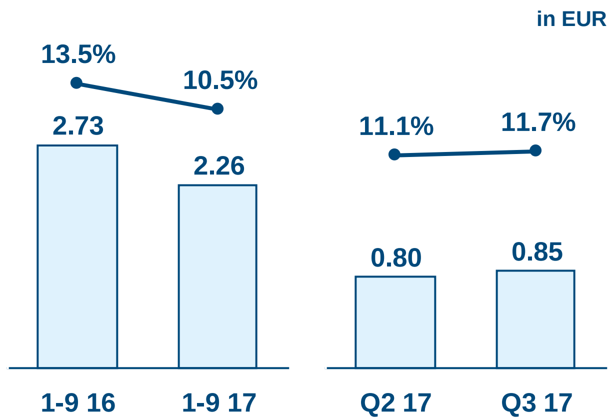
Cost of risk



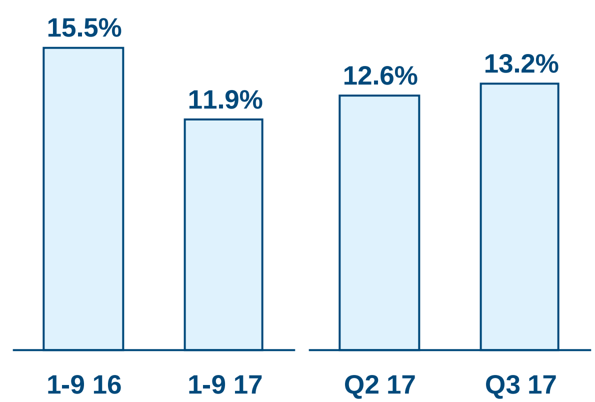
Banking levies



Reported EPS & ROE

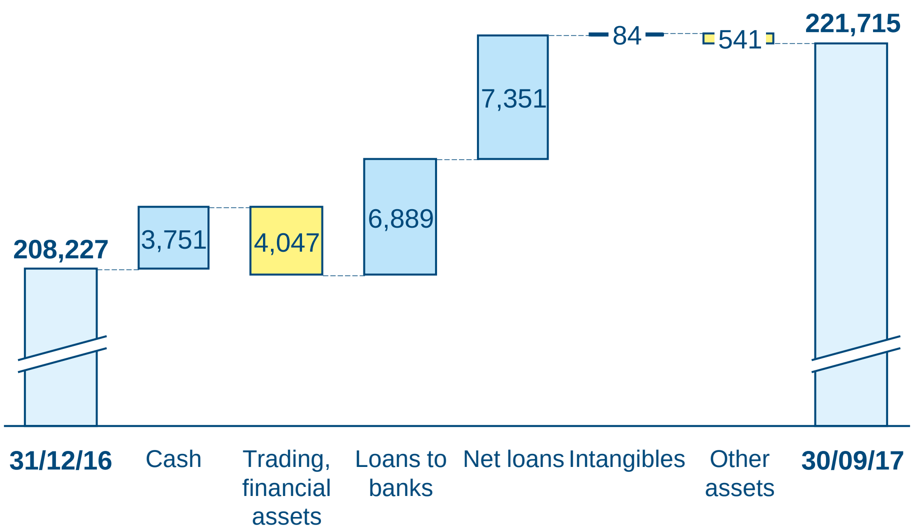


Return on tangible equity

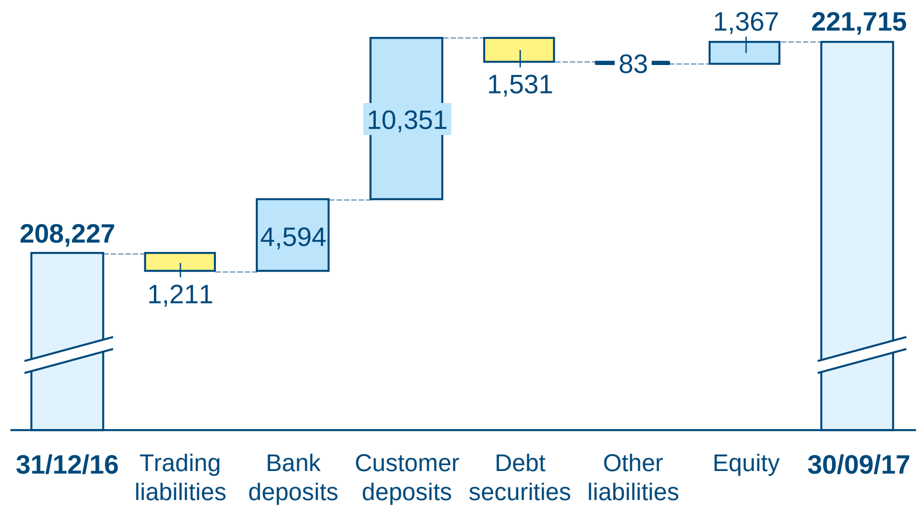


Executive summary –
Group balance sheet performance

YTD total asset reconciliation (EUR m)



YTD equity & total liability reconciliation (EUR m)



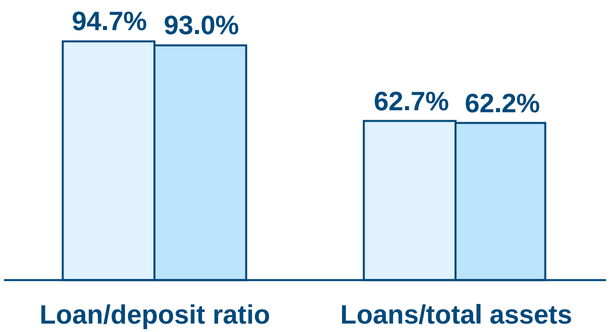
- Balance sheet total rose by 6.5% by Sept 17, driven by a 5.6% ytd increase in net customer loans and a temporary increase in loans to banks, mainly in CZ
- Net customer loan growth supported by strong underlying loan demand in CZ and SK; increased money market business, primarily in CZ; and solid contributions from Austria
- Decline in financial assets driven by AfS sales

- Deposit growth further accelerated to 7.5% by Sept 17, the loan/deposit ratio stood at 93.0%; main drivers: customer deposit inflows across all geographies and increased money market business
- Bank deposits increased by 31.4% by Sept 17 on temporarily expanded interbank business, primarily in CZ

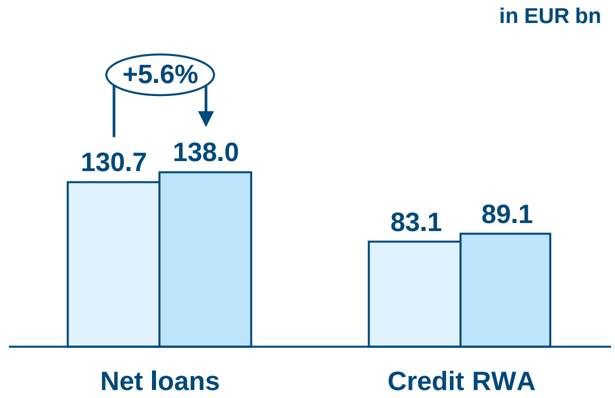
Executive summary –
Key balance sheet data

31/12/16
30/09/17

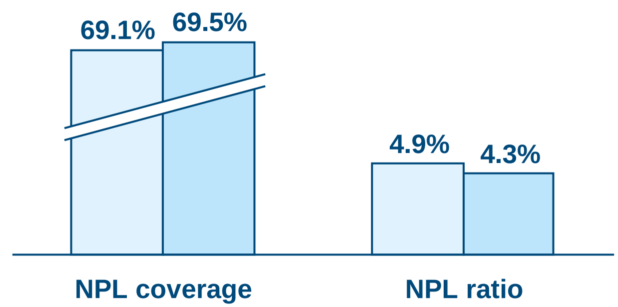
Loan/deposit & loan/TA ratio



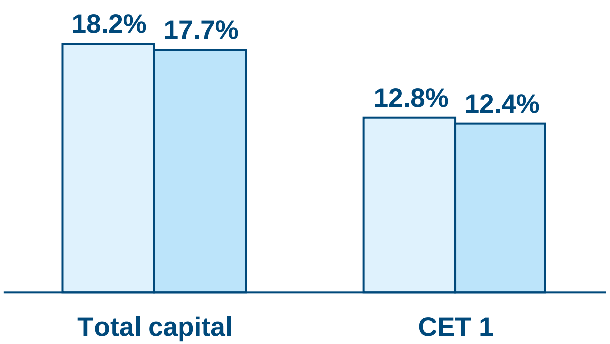
Net loans & credit RWA



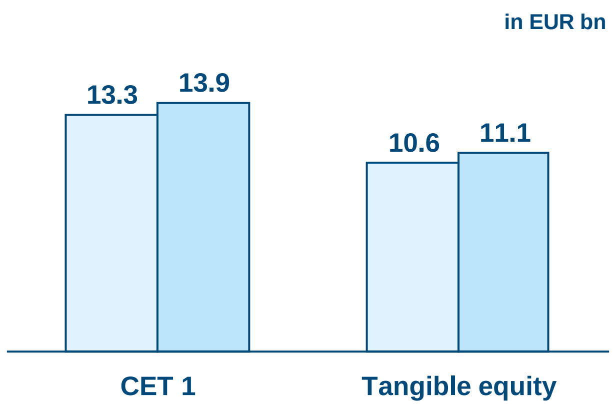
NPL coverage ratio & NPL ratio



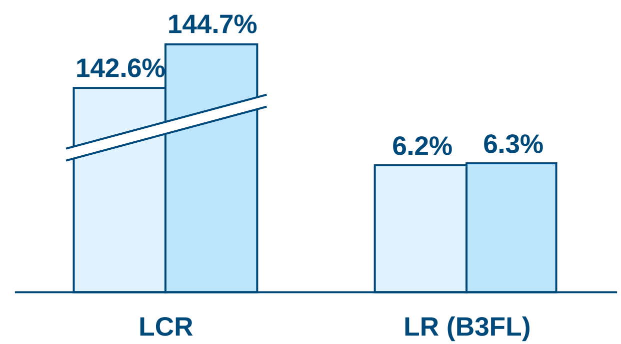
B3FL capital ratios



B3FL capital & tangible equity*



Liquidity coverage & leverage ratio**



* Based on shareholders' equity, not total equity

** Pursuant to Delegated Act

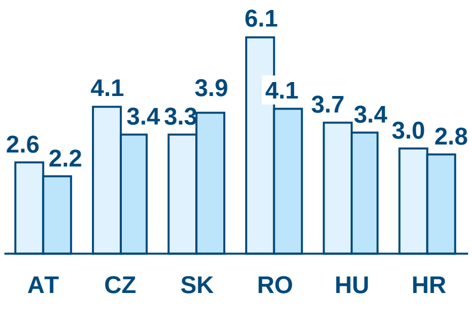
ERSTE Group

Presentation topics

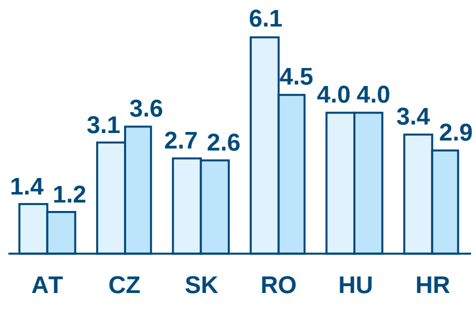
Business environment –
Strong economic outlook for 2017 and 2018

2017
2018

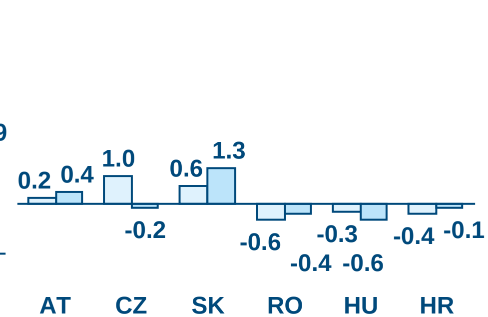
Real GDP growth (in %)



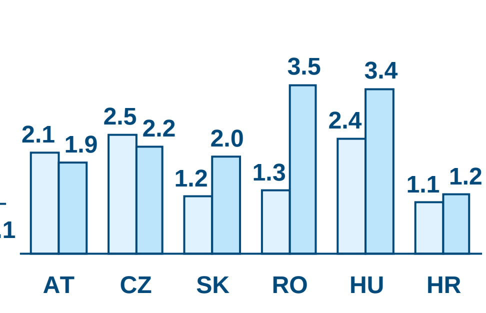
Dom. demand contribution* (in %)



Net export contribution* (in %)

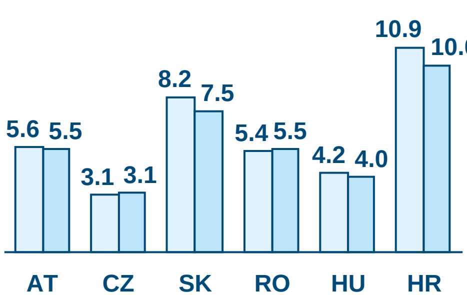


Consumer price inflation (ave, in %)

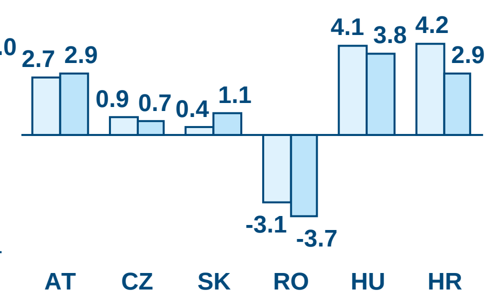


- Erste Group’s core CEE markets expected to grow by about 3-6% in 2017
  - Domestic demand is expected to be main driver of economic growth in 2017
  - Consumption is supported by improving labour markets, wage increases and relatively low inflation rates across the region

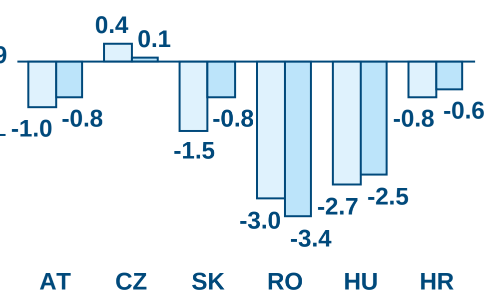
Unemployment rate (eop, in %)



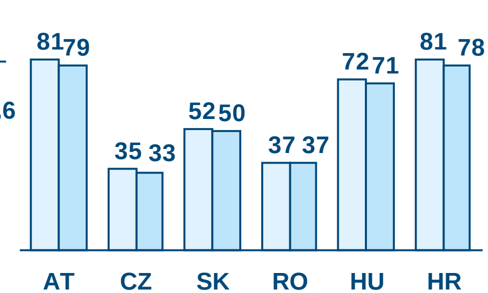
Current account balance (% of GDP)



Gen gov balance (% of GDP)



Public debt (% of GDP)



- Solid public finances across Erste Group‘s core CEE markets: almost all countries fulfill Maastricht criteria
- Sustainable current account balances, supported by competitive economies with decreasing unemployment rates

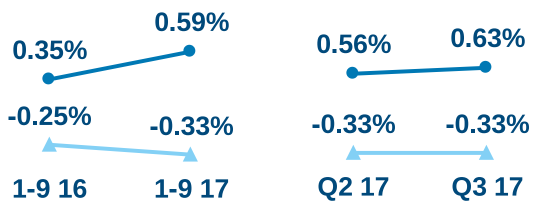
* Contribution to real GDP growth. Domestic demand contribution includes inventory change. Source: Erste Group Research

ERSTE Group

Business environment –
CZ further increases key policy rate to 50bps in November 2017

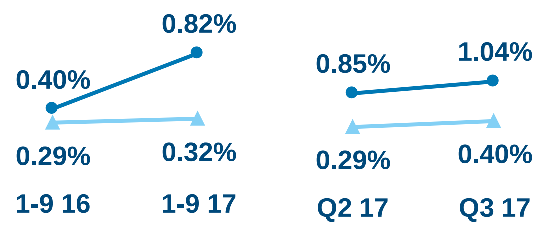
3M Interbank
10YR GOV

Austria



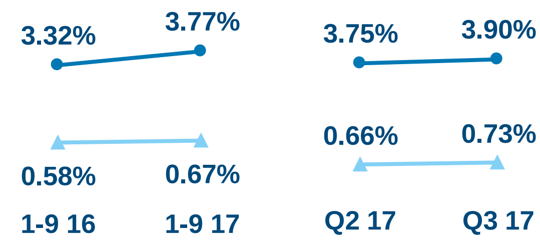
- ECB cut discount rate to zero in March 16
- Maintains expansionary monetary policy stance

Czech Republic



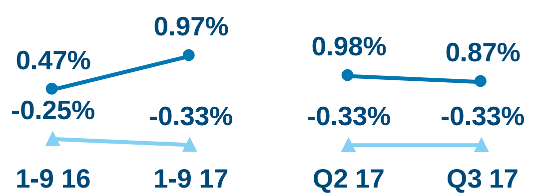
- National bank decided to lift its benchmark rate from historic low of 0.05% to 0.50% in August and November 2017

Romania



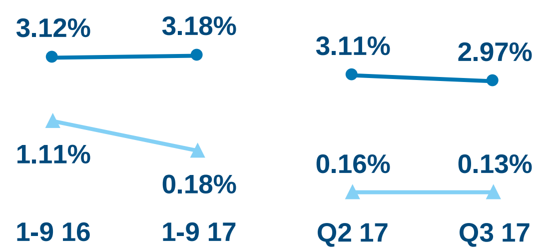
- Central bank cut policy rate to historic low of 1.75% in May 2015

Slovakia



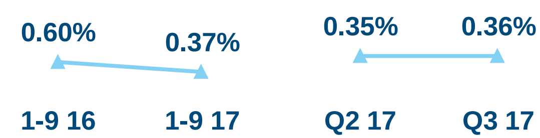
- As part of euro zone ECB rates are applicable in SK

Hungary



- National bank cut the benchmark interest rate to record low of 0.9% in May 2016

Croatia

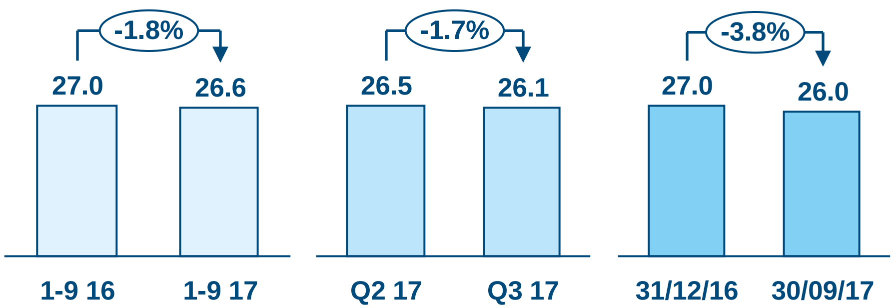


- Central bank maintains discount rate at 3.0% since 2015

Source: Bloomberg

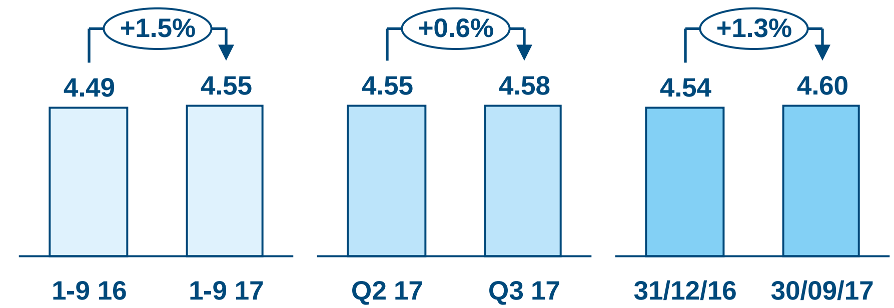
Business environment –
CZK enters path of appreciation following depegging in April 2017

EUR/CZK



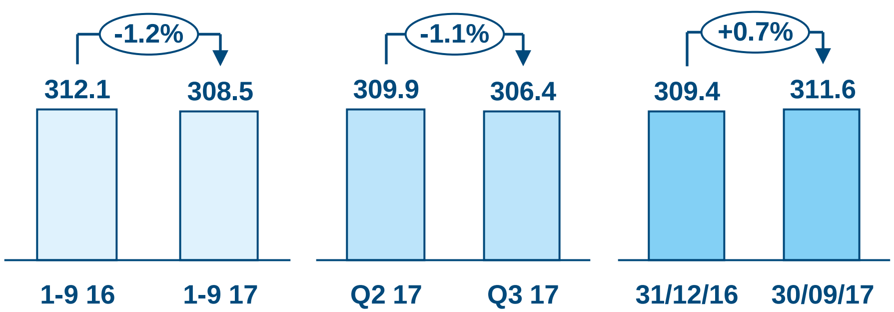
- Czech National Bank ended its currency peg in April 17; discount rate increased further to 0.50% in November 2017

EUR/RON



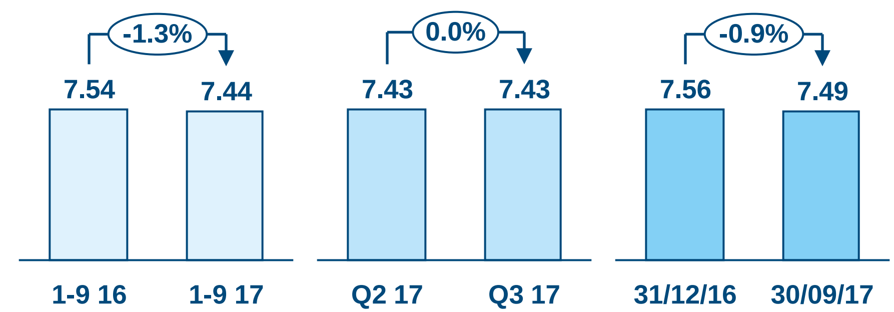
- RON movements continued to be marked by limited volatility; policy rate cut to 1.75% in Q2 15

EUR/HUF



- Stable currency development, despite expansionary monetary stance of the national bank

EUR/HRK



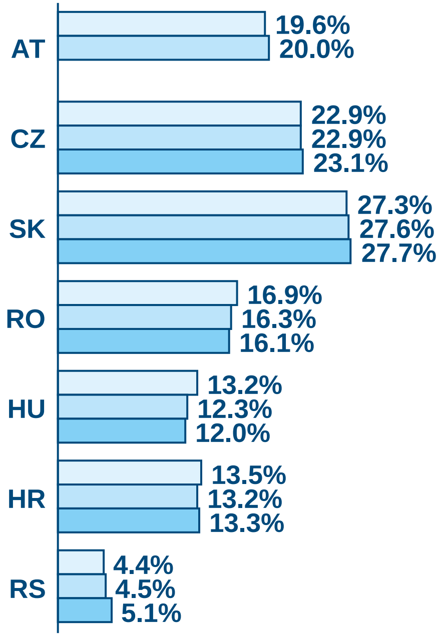
- Croatian National Bank continues to manage HRK in tight range

Source: Bloomberg

Business environment –
Market shares: mostly stable or increasing shares across the region

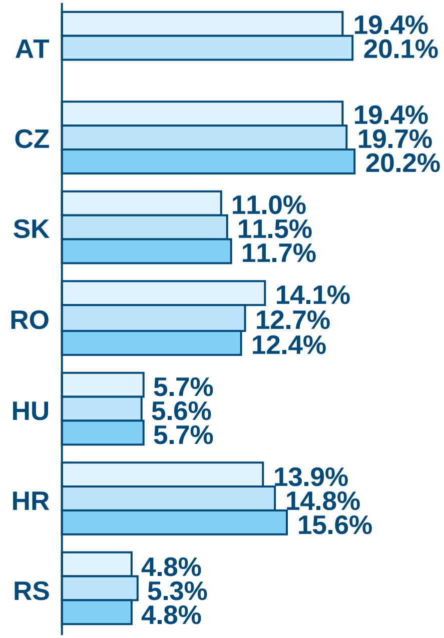
30/09/16
30/06/17
30/09/17

Gross retail loans



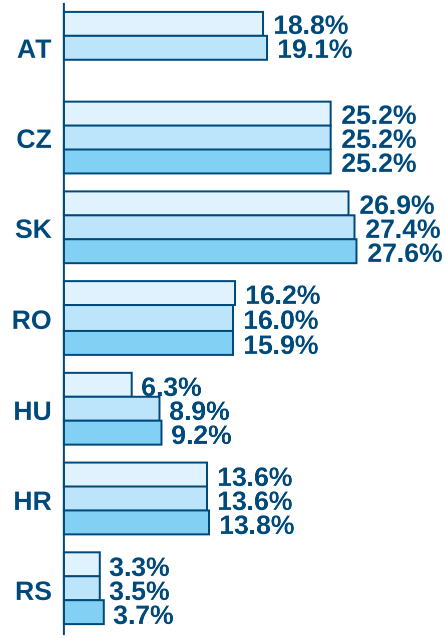
- CZ and SK: slightly increasing market shares in growing markets
- RO: slightly lower market share mainly due to more restrictive lending standards
- HU: high level of repayments offsets new disbursements

Gross corporate loans



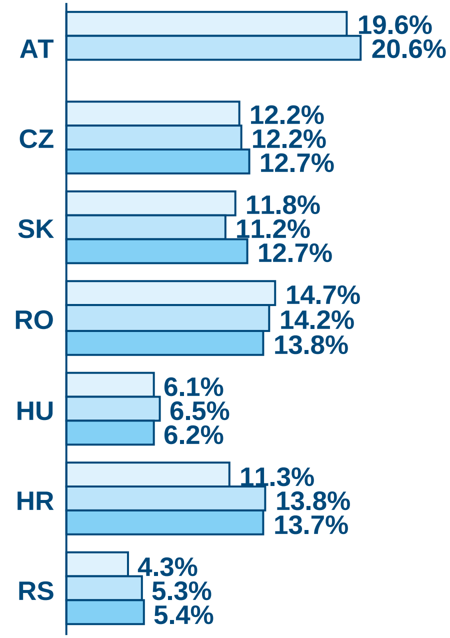
- RO: conservative lending standards impact market share
- HR: market share increase mainly due to substantial sale of NPLs by other market participants

Retail deposits



- Continued inflows in all markets despite low interest rate environment, with broadly stable market shares
- HU: yoy increase driven mainly by consolidation of Citibank since Q1 2017

Corporate deposits



- Changes mainly due to normal quarterly volatility in corporate business

AT market shares for 30/09/2017 not yet available

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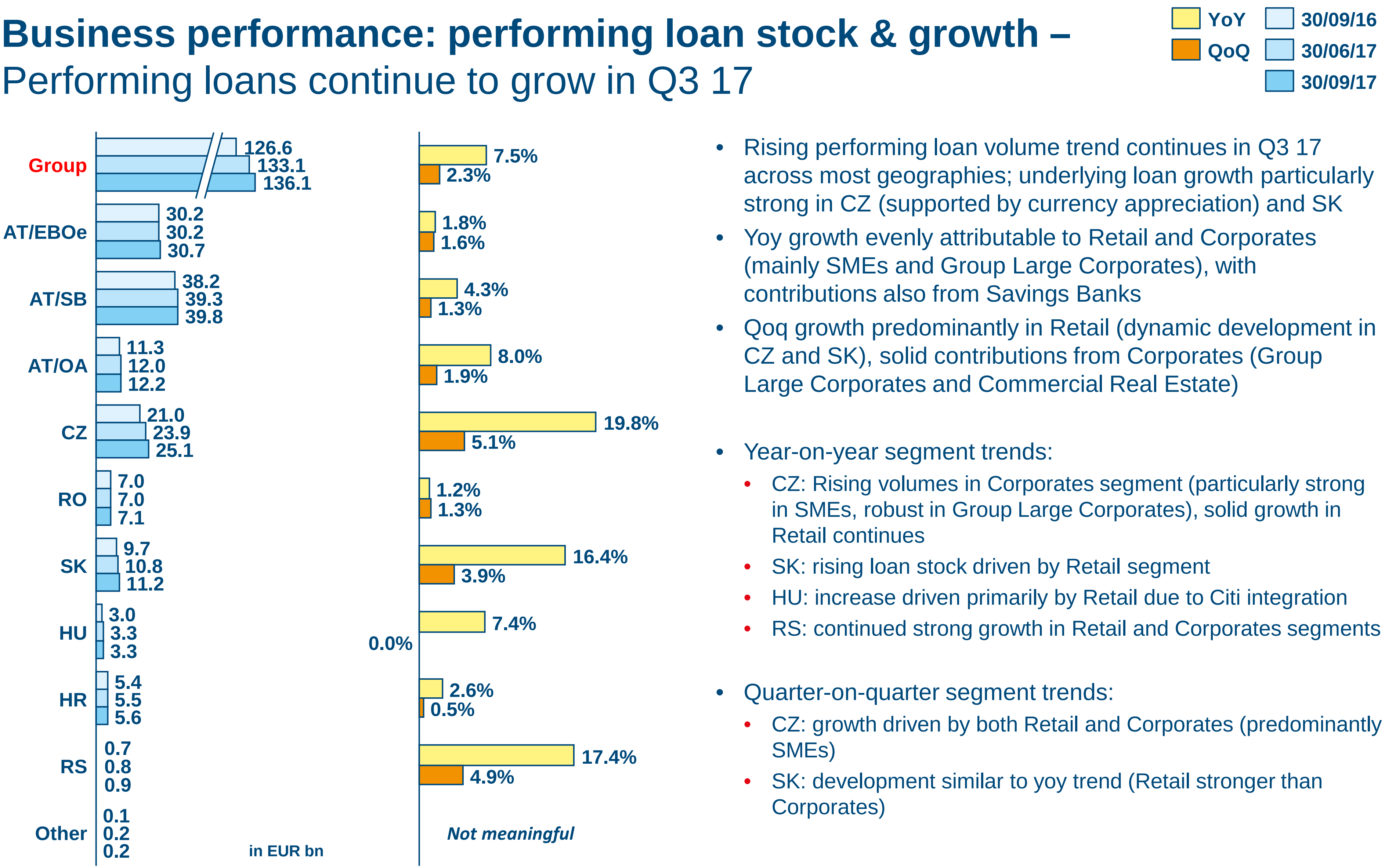
Business performance: performing loan stock & growth – Performing loans continue to grow in Q3 17

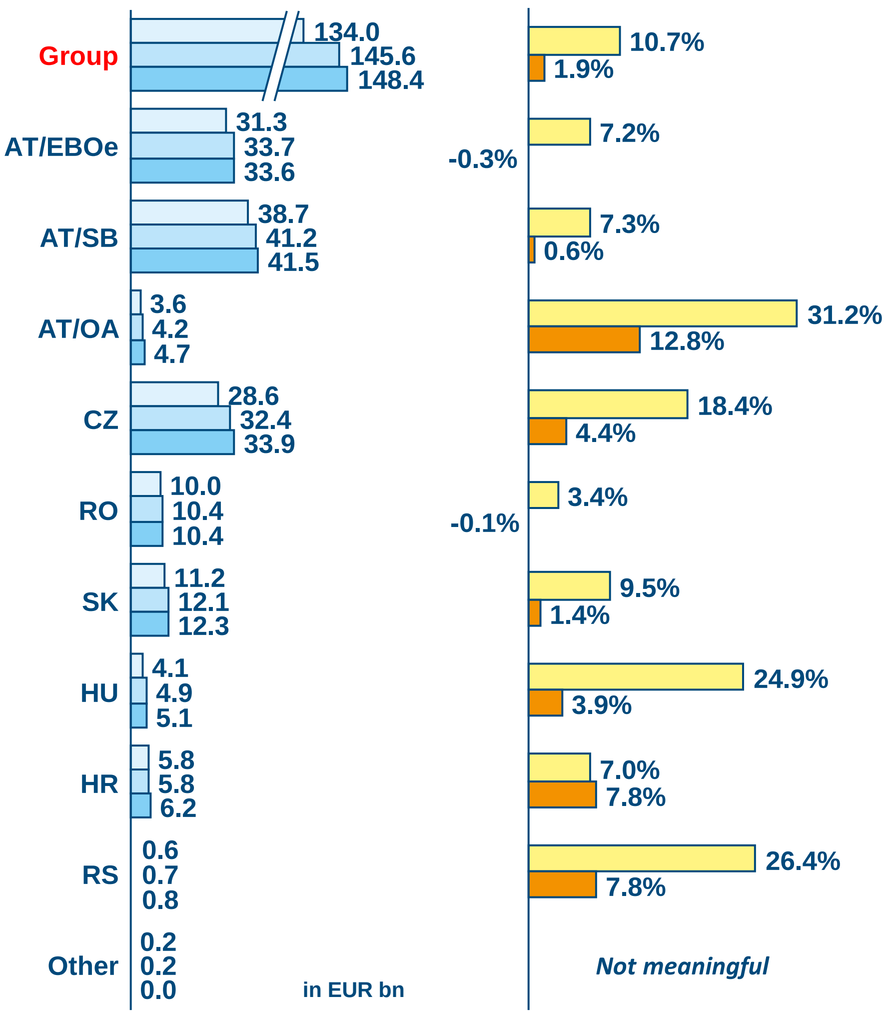


- Rising performing loan volume trend continues in Q3 17 across most geographies; underlying loan growth particularly strong in CZ (supported by currency appreciation) and SK
- Yoy growth evenly attributable to Retail and Corporates (mainly SMEs and Group Large Corporates), with contributions also from Savings Banks
- Qoq growth predominantly in Retail (dynamic development in CZ and SK), solid contributions from Corporates (Group Large Corporates and Commercial Real Estate)

- Year-on-year segment trends:
  - CZ: Rising volumes in Corporates segment (particularly strong in SMEs, robust in Group Large Corporates), solid growth in Retail continues
  - SK: rising loan stock driven by Retail segment
  - HU: increase driven primarily by Retail due to Citi integration
  - RS: continued strong growth in Retail and Corporates segments

- Quarter-on-quarter segment trends:
  - CZ: growth driven by both Retail and Corporates (predominantly SMEs)
  - SK: development similar to yoy trend (Retail stronger than Corporates)

Business performance: customer deposit stock & growth –
Deposits still marching ahead in Q3 17

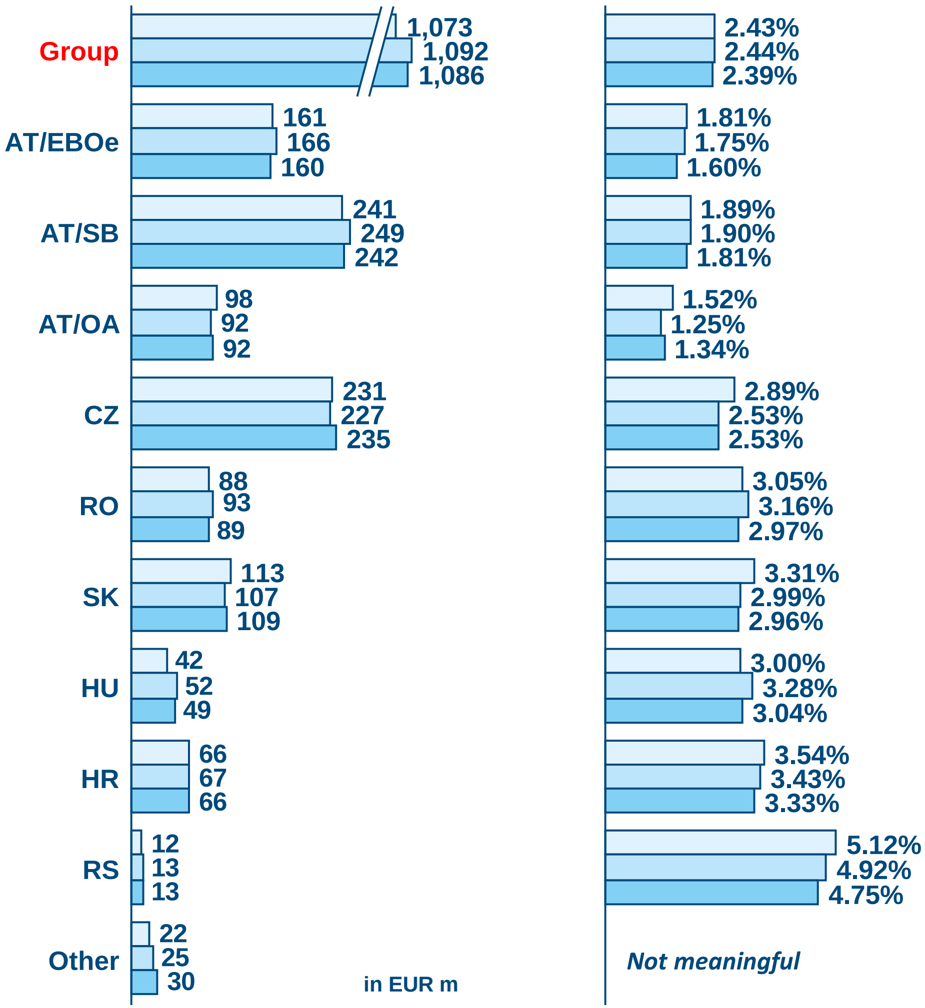


- Exceptional deposit growth across all geographies yoy despite zero interest rate environment as retail and corporate clients parked cash in overnight accounts
- Yoy growth in absolute terms mainly driven by Retail segment (+EUR 5.1bn) and Corporate segment (+EUR 3.6bn), with strong contribution from Savings Banks (+EUR 2.8bn)
- Qoq increase across most geographies

- Year-on-year segment trends:
  - CZ: growth attributable to Corporates (mainly in Public Sector) and Retail segment, strong contribution from Group Markets
  - AT/OA: higher sight and term deposits in the Holding (Group Markets and Group Large Corporates)
  - AT/EBOe and AT/SB: increase mainly in Retail, supported by inflows in Corporates
  - HU: increase driven primarily in Retail due to Citi integration, supported by inflows in Corporates (mainly in SMEs and Group Large Corporates) and Group Markets business
  - RS: strong inflows in Retail segment, supported by growth in Corporate segment (in particular in SMEs)

- Quarter-on-quarter segment trends:
  - CZ: increase driven by strong inflows in Group Markets, supported by robust growth in Retail and Corporates (in particular in Local Large Corporates and Public Sector)
  - HR: growth mainly attributable to Corporate segment (driven by SMEs), with strong contribution from Retail

Business performance: NII and NIM –
NII slowly stabilising, NIM still under pressure

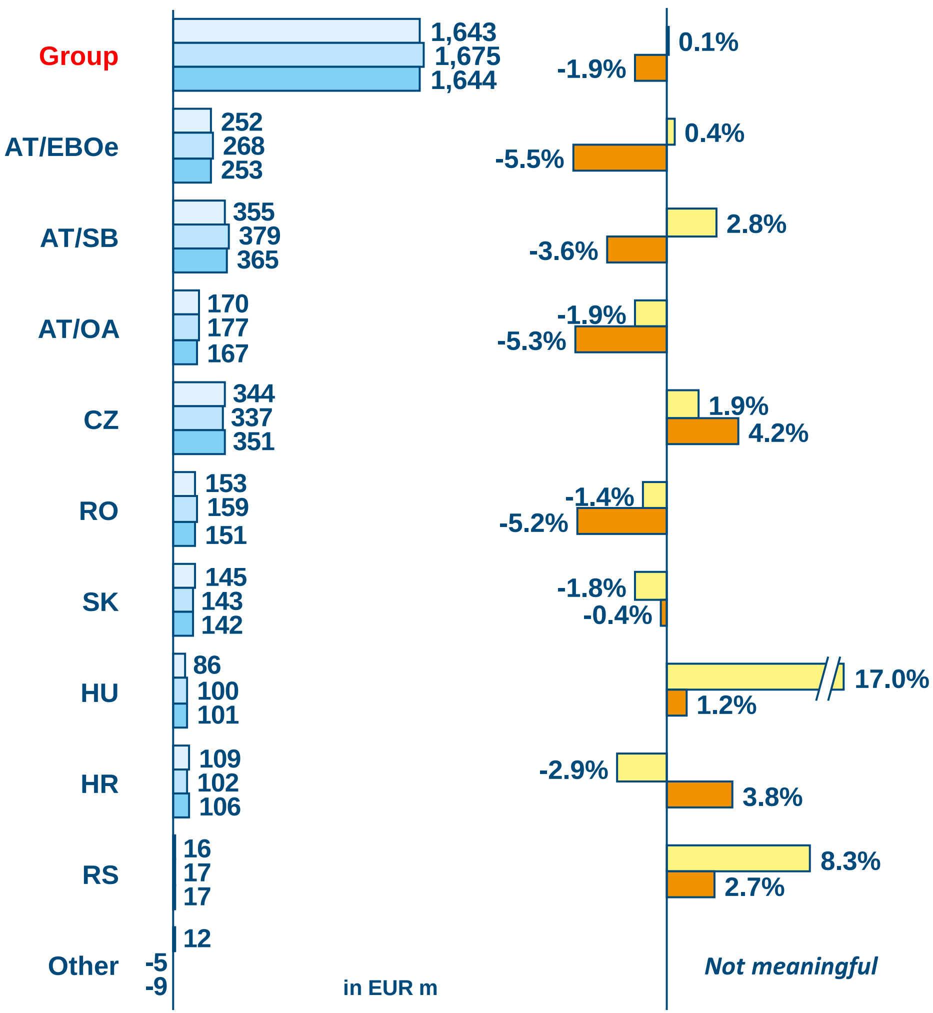


- Yoy increase reflect higher structural contribution from Holding ALM and higher NII in CZ resulting from increased volumes, currency appreciation and positive effect of the benchmark rate increase in Aug 17
- Qoq decline mainly attributable to higher TLTRO contribution in Q2 17 as well as passing on of negative interest rates to consumer borrowers in AT; partially offset by improvements in CZ and in the Holding

- Year-on-year segment trends:
  - HU: higher NII mainly attributable to Citi integration
  - Other: higher structural contribution from Holding ALM
  - SK: lower NII from government bonds and declining margins

- Quarter-on-quarter segment trends:
  - AT/EBOe and AT/SB: decrease mainly driven by TLTRO impact in Q2 and passing on of negative interest rates to consumer borrowers
  - CZ: increase in Retail driven by higher loan volumes; supported by CZK appreciation and rate increase in Aug 17
  - RO: lower ALM contribution and declining NII in Commercial Real Estate and Public sector, partially offset by improved Retail business

Business performance: operating income –
Operating income supported by fees, burdened by trading income

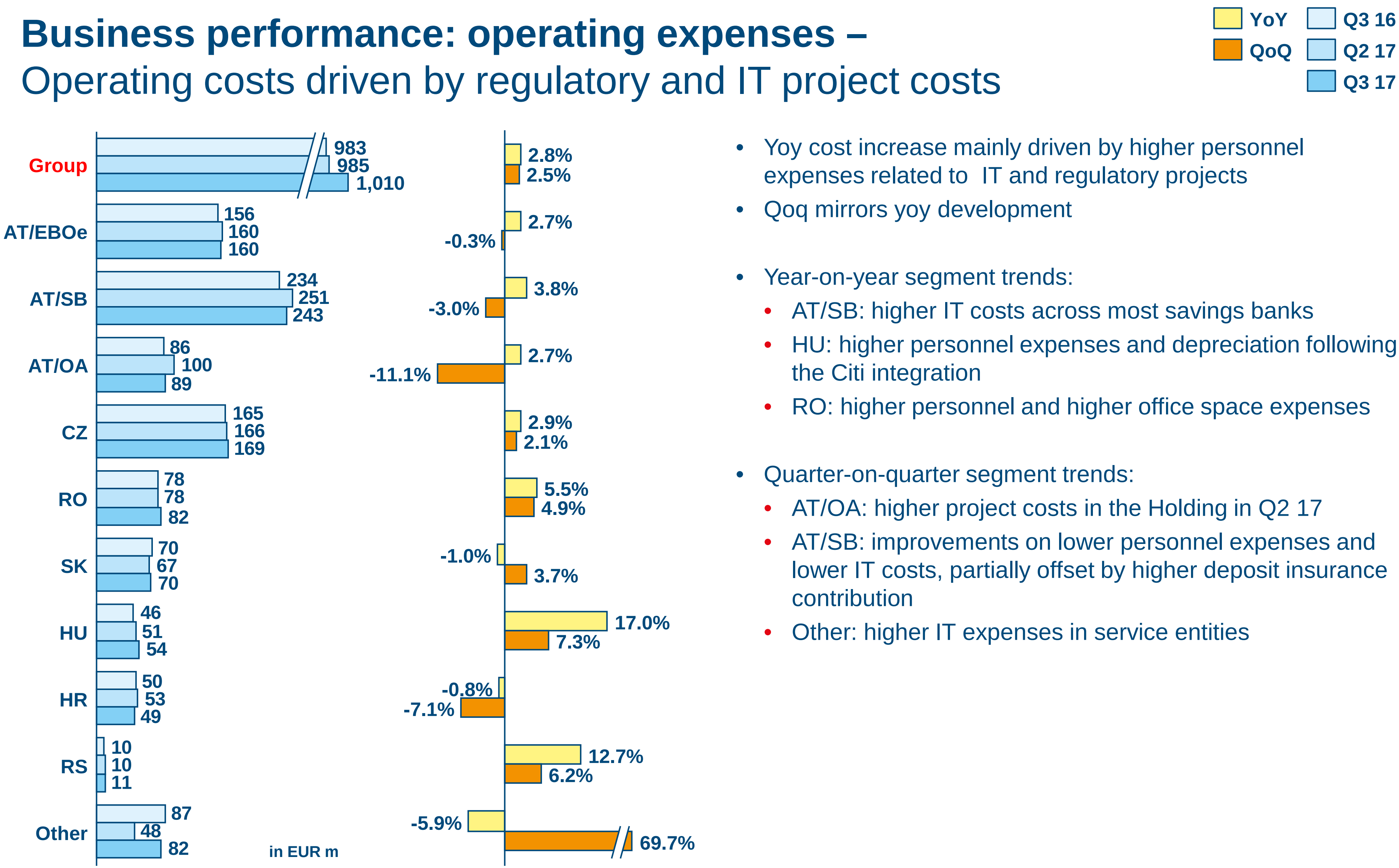


- Yoy flat as higher NII and fees offset lower net trading result
- Qoq development burdened by lower net trading result and seasonally higher dividend income in Q2

- Year-on-year segment trends:
  - HU: higher NII and fee income supported by Citi integration
  - AT/SB: increase in NII due to lower interest expense (TLTRO effect), fees rise on improved securities business and payments
  - Other: decline mainly driven by net trading result (hedging impacts)

- Quarter-on-quarter segment trends:
  - AT/EBOe: lower NII due to lower TLTRO effect, declining fee income from securities business in Q3 17; and seasonally higher dividend income in Q2
  - AT/SB: mainly driven by lower NII (passing on of negative interest rates to consumer borrowers and lower TLTRO effect), decline in trading income and seasonally higher dividend income in Q2
  - AT/OA: decline in operating income mainly due to lower fees from bond origination and sales activities in Holding Group Markets and lower net trading result
  - RO: lower NII from ALM contribution, Commercial Real Estate and Public sector as well as decline in net trading result

Business performance: operating expenses –
Operating costs driven by regulatory and IT project costs



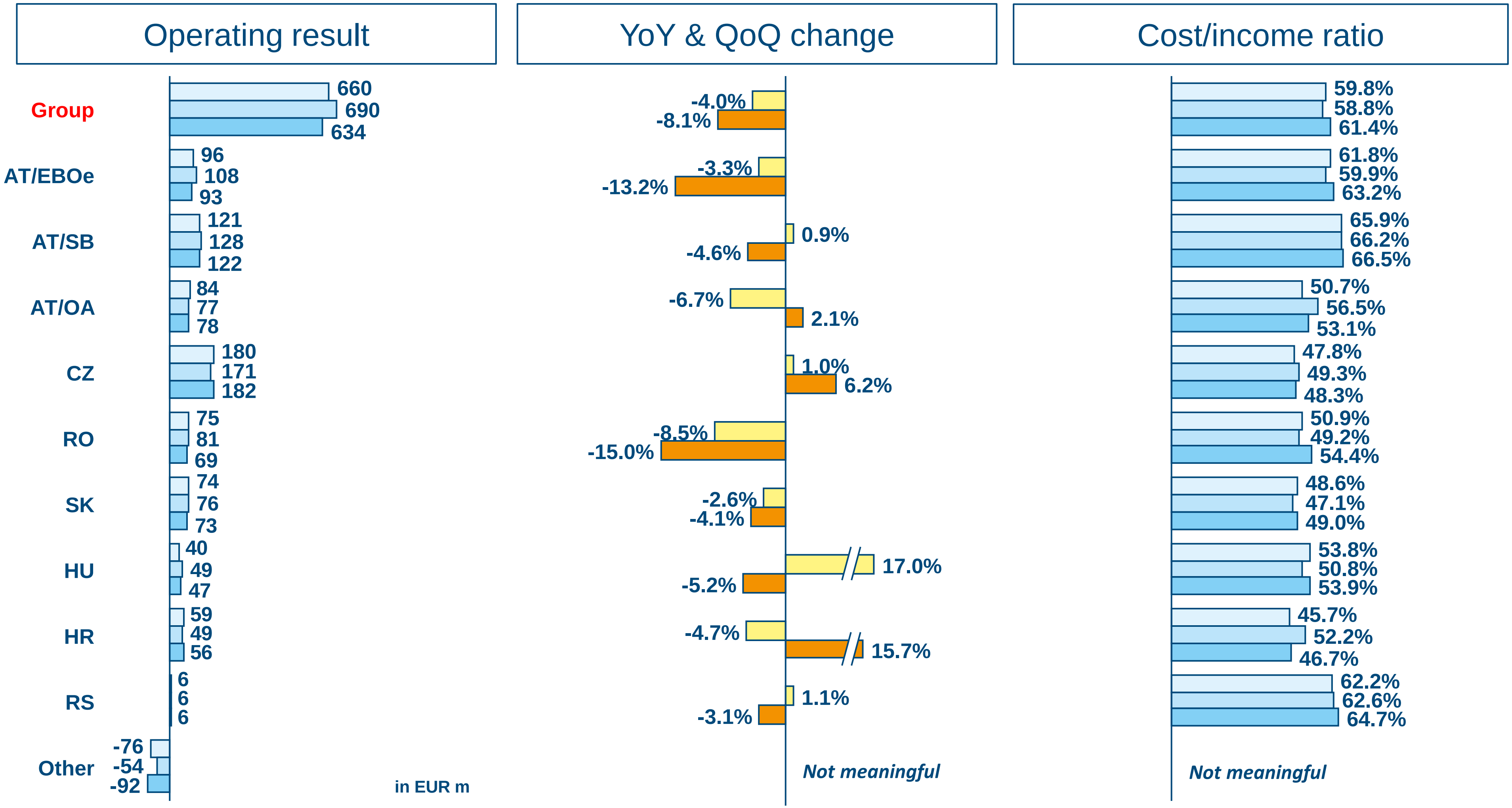
- Yoy cost increase mainly driven by higher personnel expenses related to IT and regulatory projects
- Qoq mirrors yoy development

- Year-on-year segment trends:
  - AT/SB: higher IT costs across most savings banks
  - HU: higher personnel expenses and depreciation following the Citi integration
  - RO: higher personnel and higher office space expenses

- Quarter-on-quarter segment trends:
  - AT/OA: higher project costs in the Holding in Q2 17
  - AT/SB: improvements on lower personnel expenses and lower IT costs, partially offset by higher deposit insurance contribution
  - Other: higher IT expenses in service entities

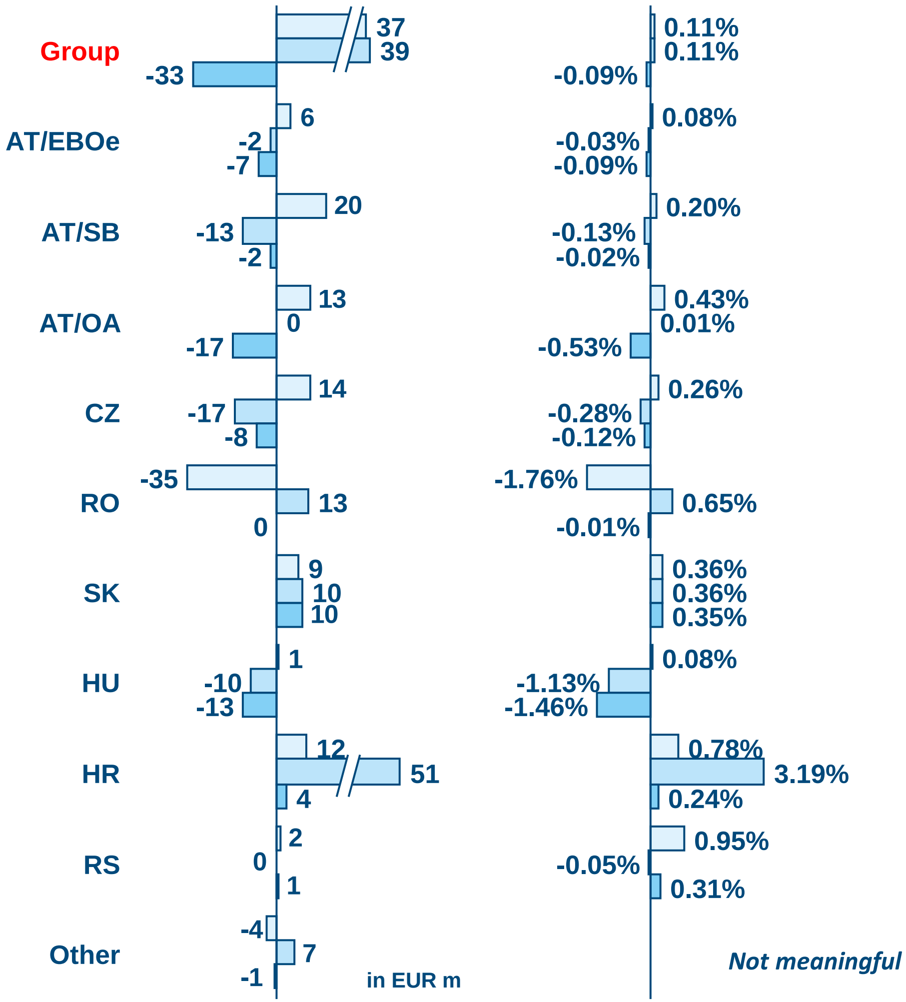
Business performance: operating result and CIR –
On group level still under pressure, CZ is positive highlight

YoY
QoQ
Q3 16
Q2 17
Q3 17



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

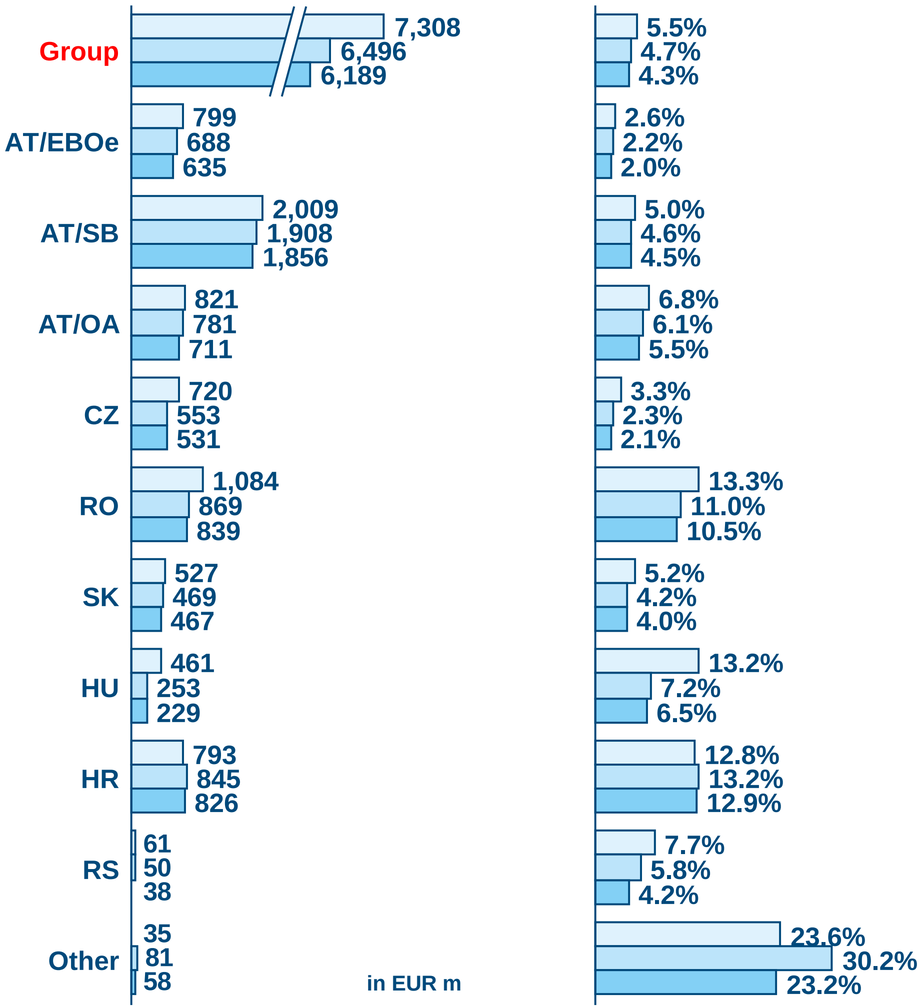
Risk costs driven by across-the-board provision releases



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

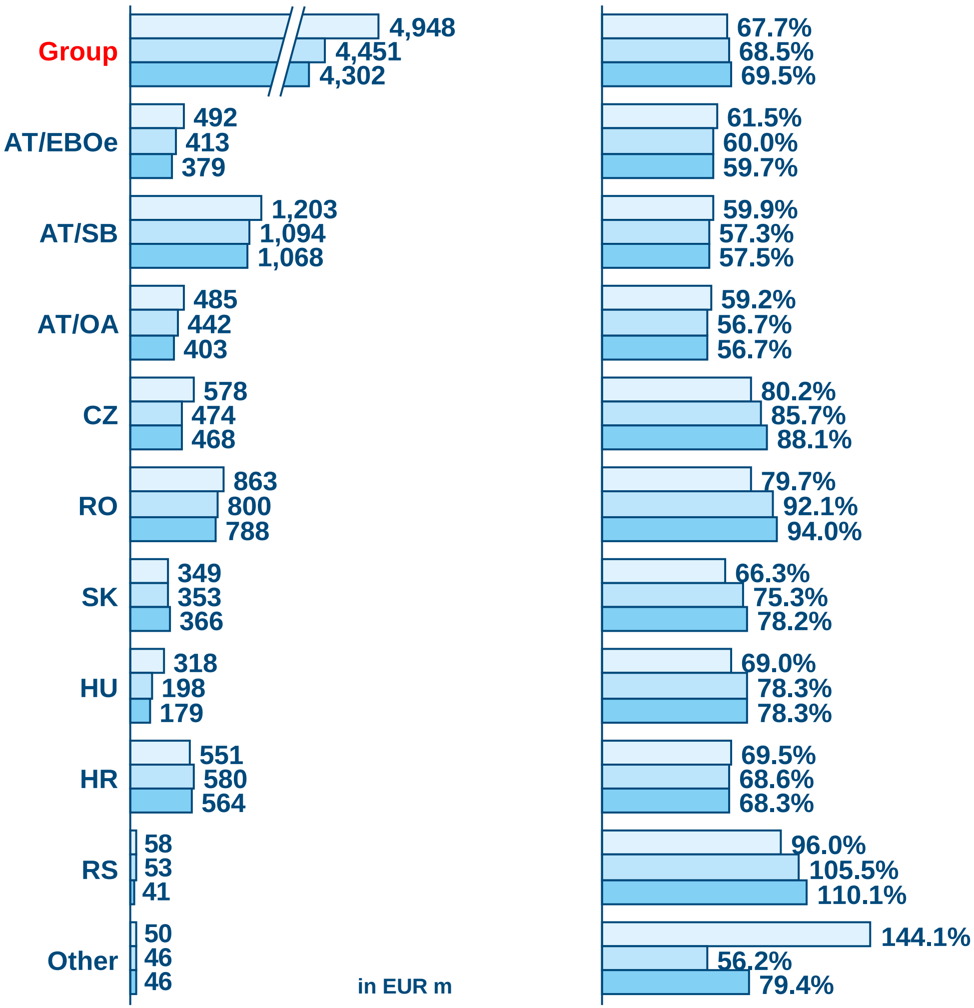
- Yoy risk performance characterised by net releases across most geographies
- Qoq performance mirrors yoy development; improvement in HR after elevated risk provisions in Q2 17
- Year-on-year segment trends:
  - RO: net releases in Corporates (in particular Local Large Corporates and Commercial Real Estate) in Q3 16
  - AT/OA: Q3 16 driven by risk provisions in the Holding (Commercial Real Estate and Group Large Corporates); recoveries of written off loans and net releases in Q3 17
  - CZ: net releases in Corporates (mainly Local Large Corporates and SMEs) and Retail, supported by improved recoveries
- Quarter-on-quarter segment trends:
  - HR: sharp drop in risk costs after elevated risk provisions in Corporates (Group Large Corporates) in Q2 17

Business performance: non-performing loans and NPL ratio –
NPL ratio improves again, now standing at 4.3%



- NPL volume declined to EUR 6.2bn in Q3 17 as NPL inflows decline across most geographies (except AT/SB, RO, HU)
- NPL sales of EUR 32.2m in Q3 17 (Q2 17: EUR 85.6m)
  - Retail: EUR 7.5m (Q2 17: EUR 34.2m)
  - Corporates: EUR 24.7m (Q2 17: EUR 51.4m)
  - Q3 17 NPL sales mainly on Holding level (EUR 18.5m), in HU (EUR 6.1m), HR (EUR 4.2m) and minor sales in CZ, SK and RS

Business performance: allowances for loans and NPL coverage –
NPL provision coverage further improves to 69.5%

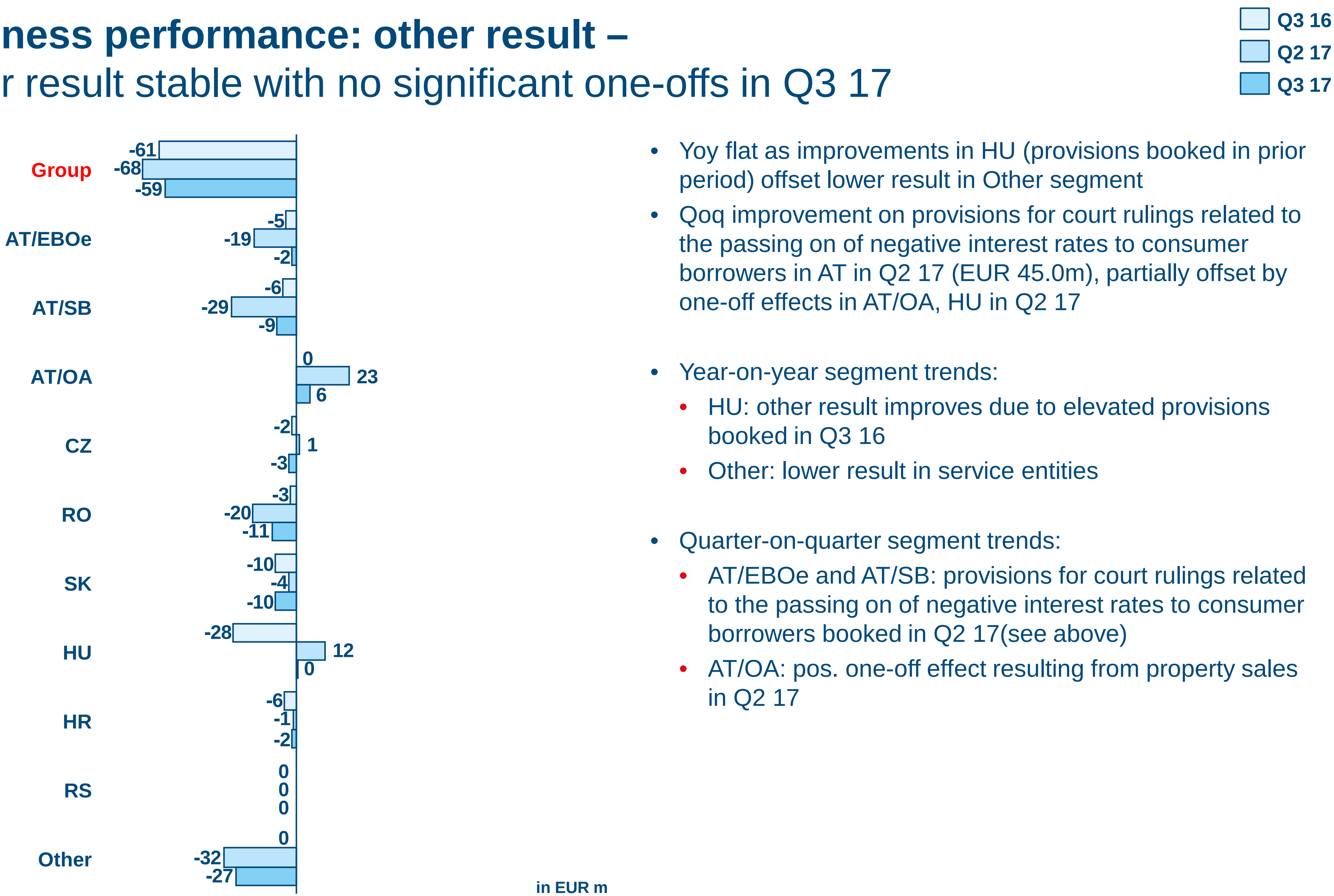


- NPL provision coverage rose to 69.5%, as NPL stock declined faster than allowances for loans

- Year-on-year segment trends:
  - RO: coverage improves on significant reduction of NPL stock
  - SK: continuous increase of coverage ratio following temporary decline at year-end 2015 (due to adoption of EBA default definition)
  - RS: declining NPLs drive provision coverage to a very comfortable level

- Quarter-on-quarter segment trends:
  - Strongest increase of provision coverage in RS, SK and CZ
  - Other: provision coverage improves after temporary increase in NPLs in residual segment Other in Q2 17

Business performance: other result –
Other result stable with no significant one-offs in Q3 17

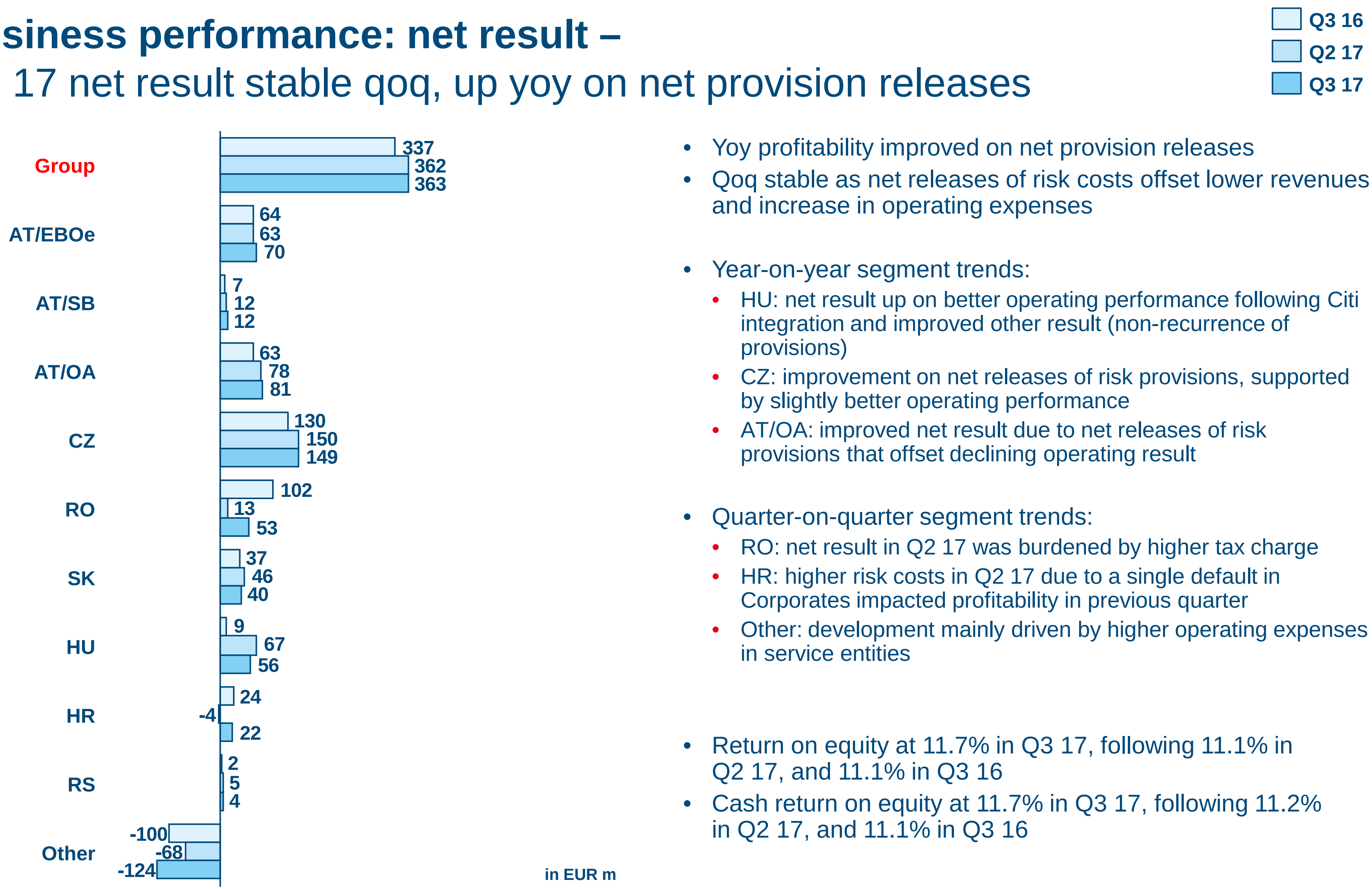


- Yoy flat as improvements in HU (provisions booked in prior period) offset lower result in Other segment
- Qoq improvement on provisions for court rulings related to the passing on of negative interest rates to consumer borrowers in AT in Q2 17 (EUR 45.0m), partially offset by one-off effects in AT/OA, HU in Q2 17

- Year-on-year segment trends:
  - HU: other result improves due to elevated provisions booked in Q3 16
  - Other: lower result in service entities

- Quarter-on-quarter segment trends:
  - AT/EBOe and AT/SB: provisions for court rulings related to the passing on of negative interest rates to consumer borrowers booked in Q2 17(see above)
  - AT/OA: pos. one-off effect resulting from property sales in Q2 17

Business performance: net result –
Q3 17 net result stable qoq, up yoy on net provision releases



- Yoy profitability improved on net provision releases
- Qoq stable as net releases of risk costs offset lower revenues and increase in operating expenses

- Year-on-year segment trends:
  - HU: net result up on better operating performance following Citi integration and improved other result (non-recurrence of provisions)
  - CZ: improvement on net releases of risk provisions, supported by slightly better operating performance
  - AT/OA: improved net result due to net releases of risk provisions that offset declining operating result

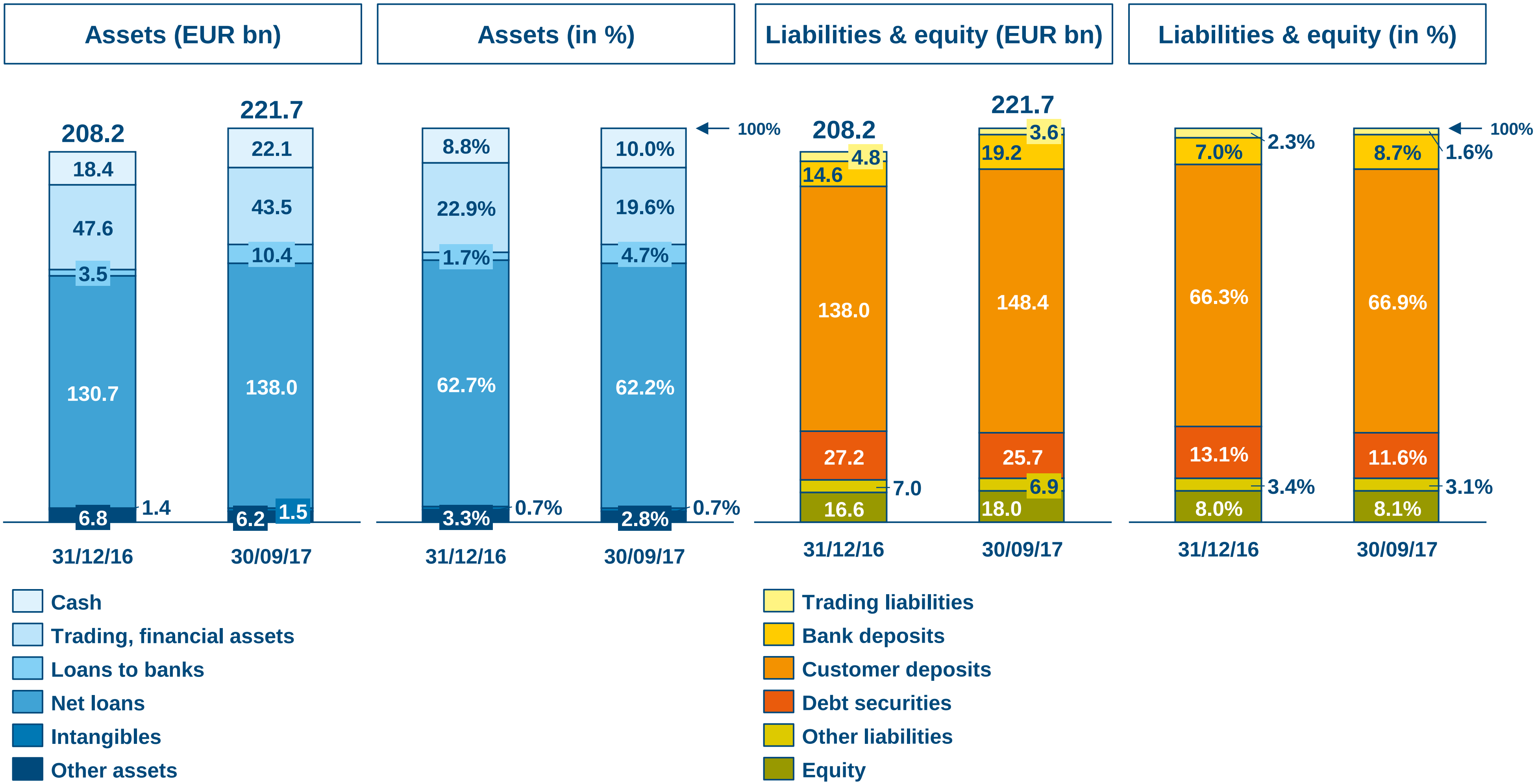
- Quarter-on-quarter segment trends:
  - RO: net result in Q2 17 was burdened by higher tax charge
  - HR: higher risk costs in Q2 17 due to a single default in Corporates impacted profitability in previous quarter
  - Other: development mainly driven by higher operating expenses in service entities

- Return on equity at 11.7% in Q3 17, following 11.1% in Q2 17, and 11.1% in Q3 16
- Cash return on equity at 11.7% in Q3 17, following 11.2% in Q2 17, and 11.1% in Q3 16

Presentation topics

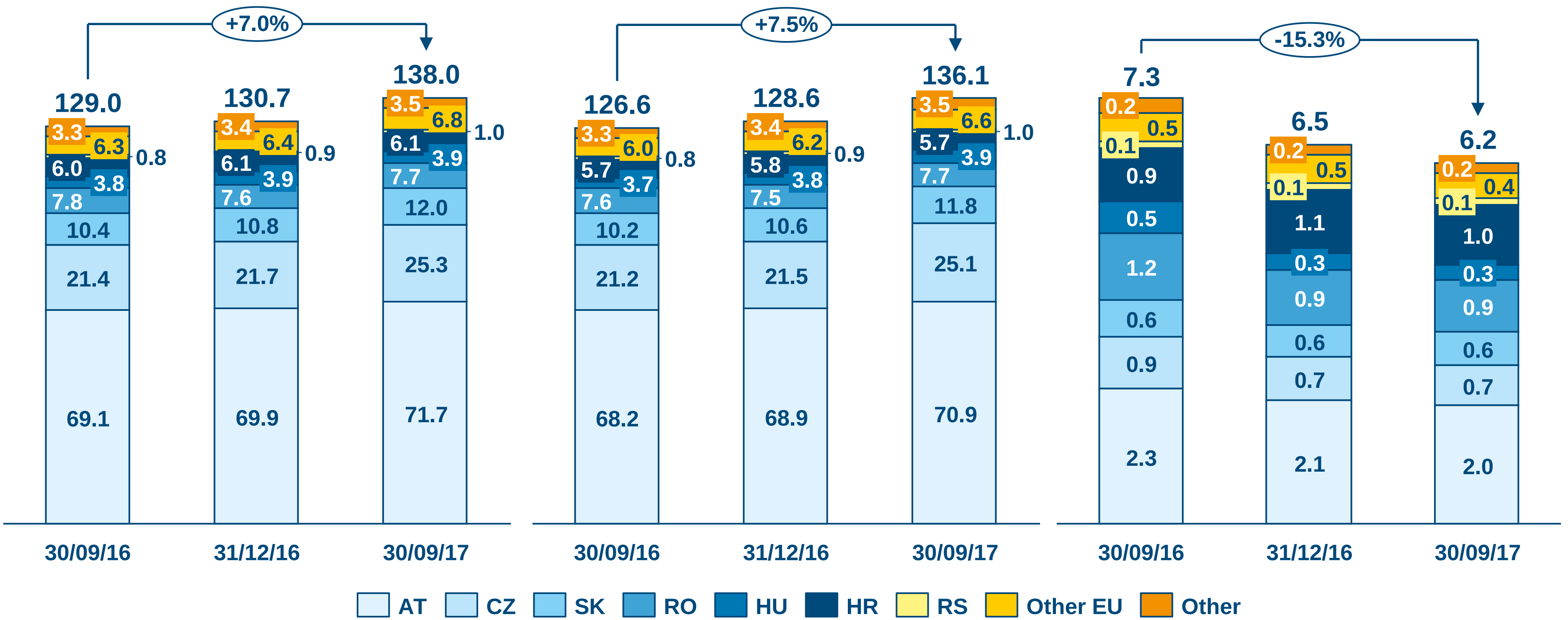
- Executive summary
- Business environment
- Business performance
- **Assets and liabilities**
- Outlook
- Additional information

Assets and liabilities: YTD overview –
Loan/deposit ratio down to 93.0% at Sep 17 (Dec 16: 94.7%)



Assets and liabilities: customer loans by country of risk –
Net customer loans up 5.6% ytd, NPLs down 7.3% ytd

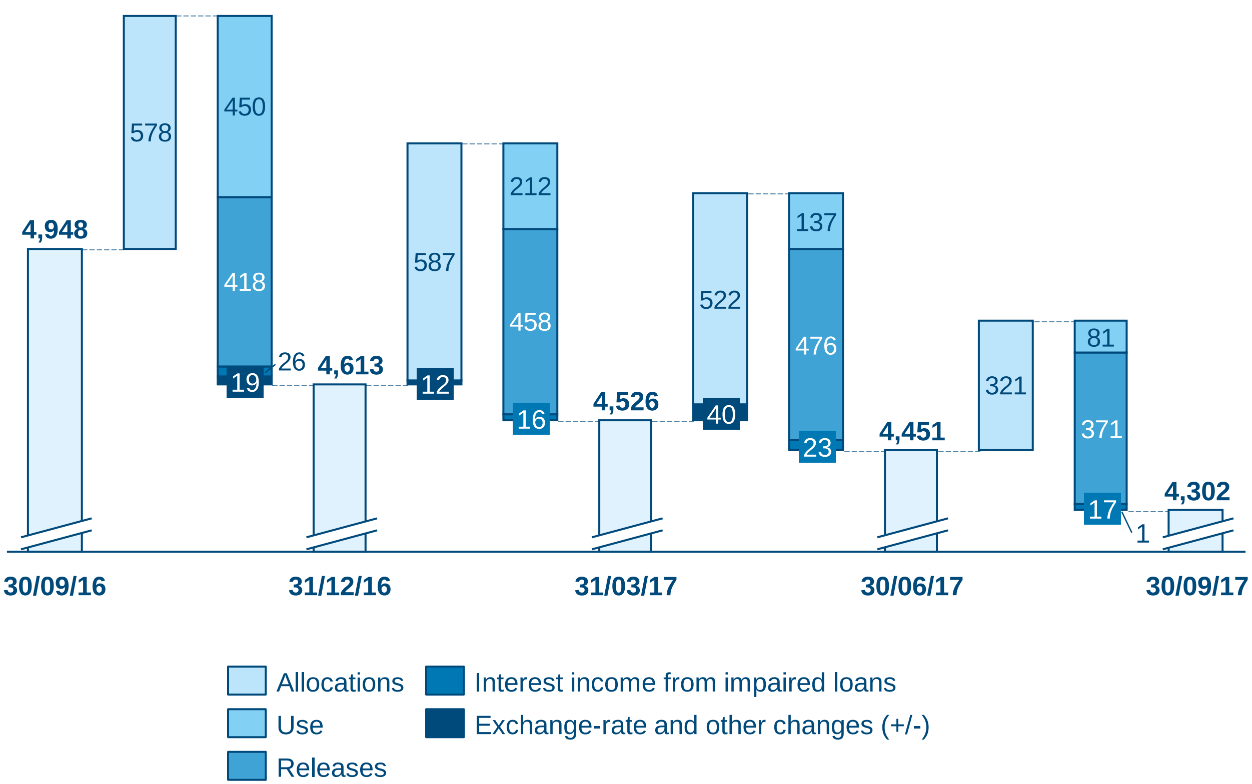
Net customer loans (EUR bn) | Performing loans (EUR bn) | Non-performing loans (EUR bn)



- Performing loan growth driven by Czech Republic, Austria and Slovakia
  - Main contributing business lines: Retail and Corporates
  - Growing performing loans in other geographies, thereof most dynamic development in Serbia
- 15.3% yoy decline in NPL stock mainly driven by recoveries and positive migration trends across most geographies

Assets and liabilities: allowances for customer loans –
As asset quality improves lower interest income from NPLs weighs on NII

Quarterly development (EUR m)



Highlights

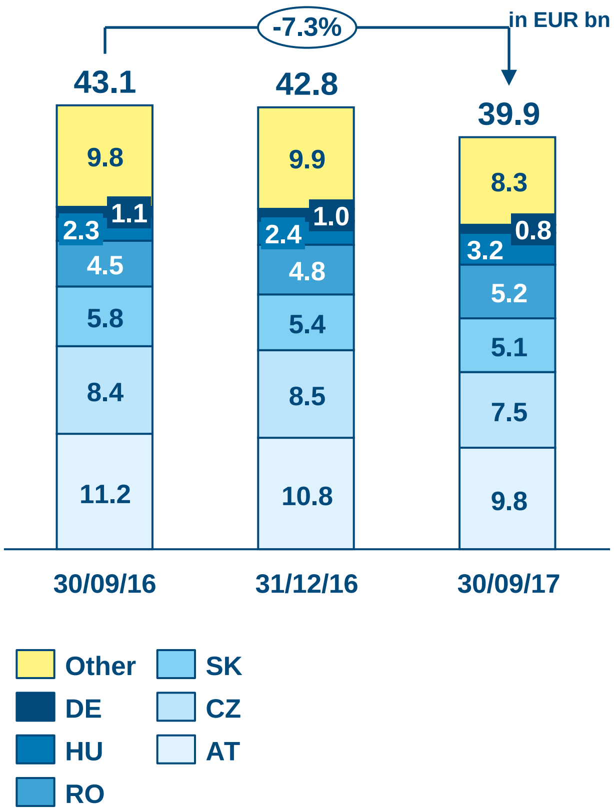
- Development of interest income from NPLs:
  - 2013: EUR 270m
  - 2014: EUR 202m
  - 2015: EUR 162m
  - 2016: EUR 106m
- P&L unwinding impact = interest income from impaired loans = EUR 17m in Q3 17 (Q2 17: EUR 23m, Q3 16: EUR 19m)

Unwinding impact explained

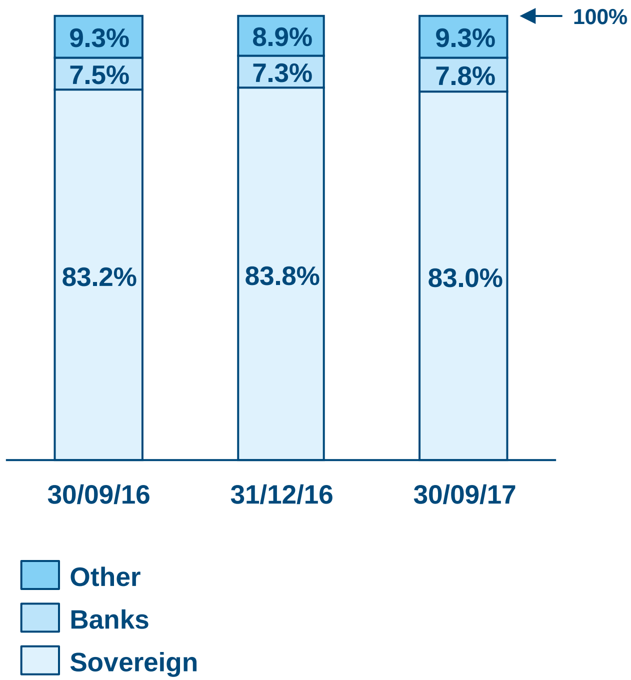
- Erste Group does not accrue interest on NPLs
- When a loan turns NPL Erste Group estimates the recoverable amount and the time frame of recovery
- The recoverable amount is discounted to present (at the effective interest rate of the underlying contract) and a provision reflecting the time value of 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 excellent 144.7%

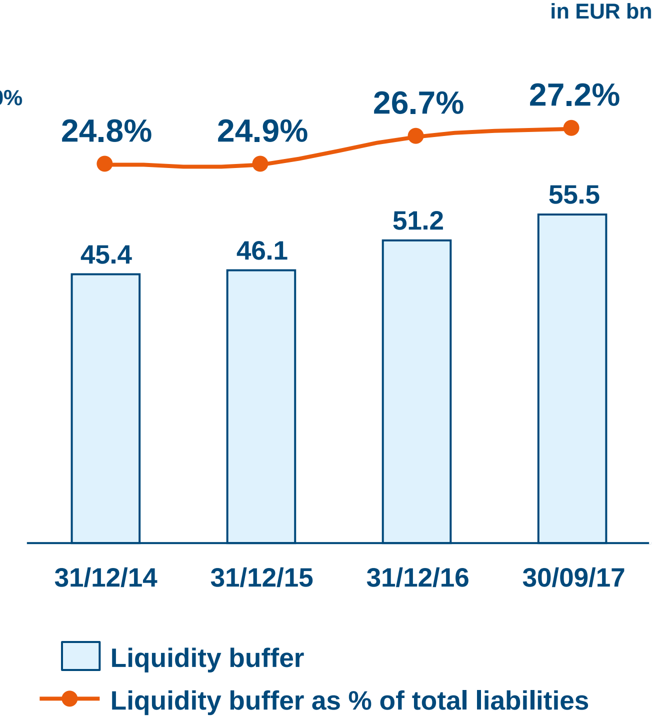
By geography



By debtor type



Liquidity buffer

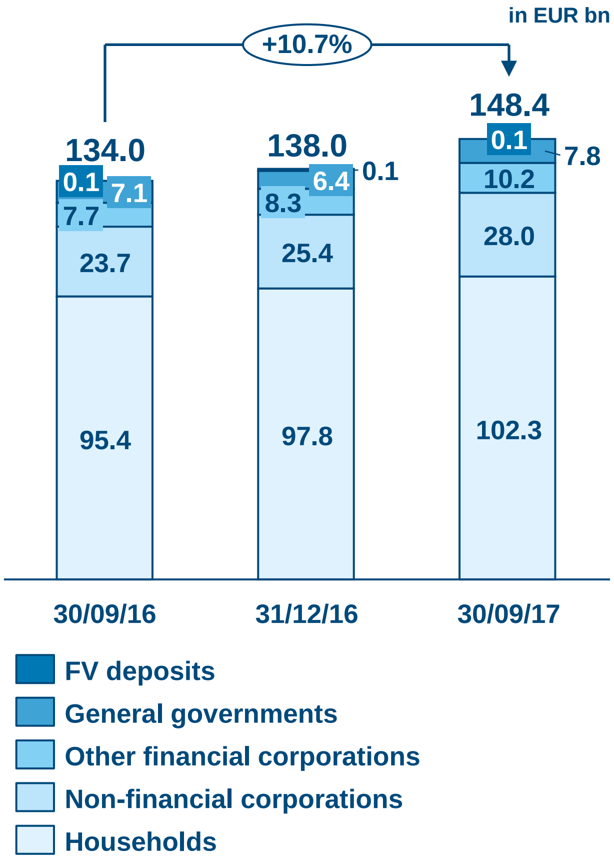


- Liquidity buffer is defined as unencumbered collateral plus cash
- Total liabilities are defined as total on balance sheet liabilities excluding total equity

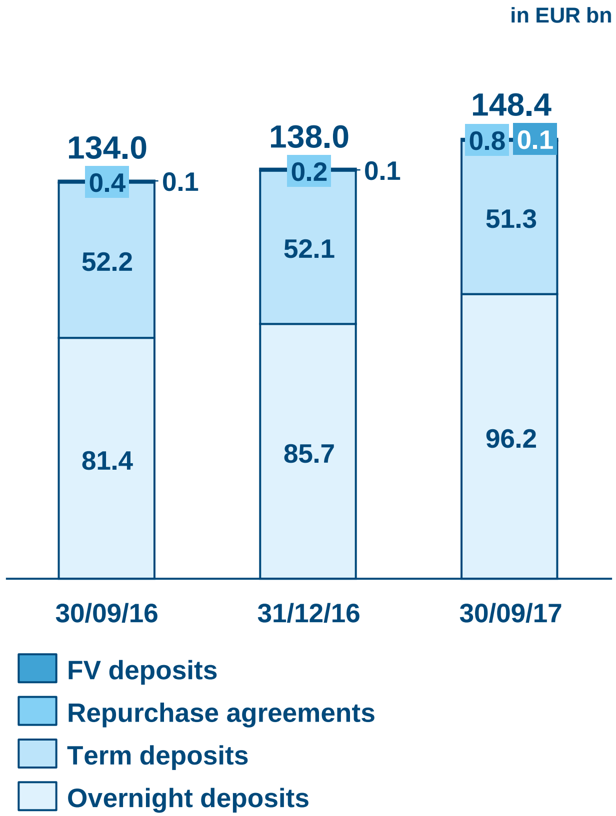
* Excludes derivatives held for trading.

Assets and liabilities: customer deposit funding –
Customer deposits grow by 1.9% qoq, up 7.5% ytd

By customer type



By product type

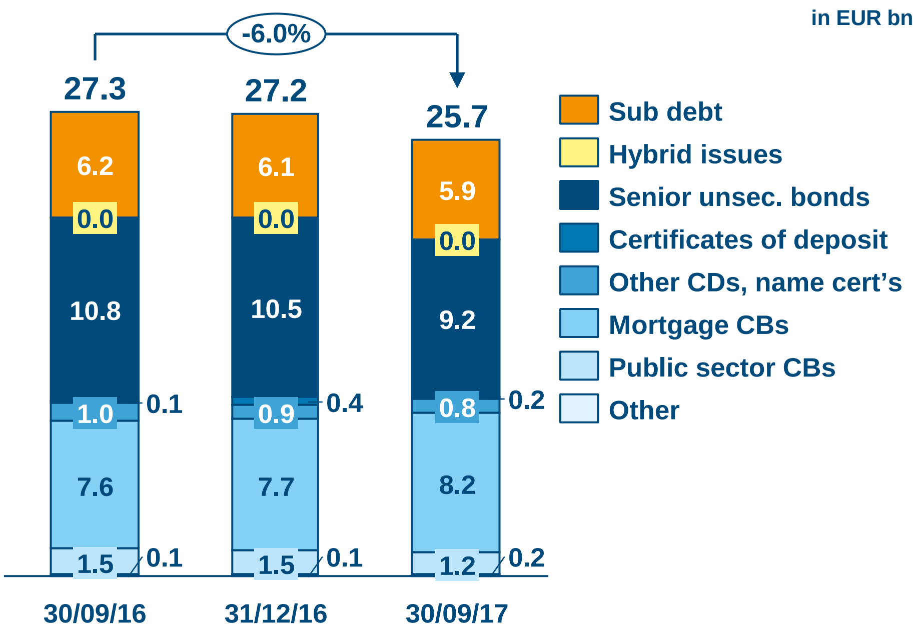


Highlights

- Continued deposit inflows driven by Retail segment with highest demand for overnight deposits amid low interest rate environment
- Solid growth also in corporate and public sector deposits
- Increased money market activities in CZ and on Holding level
- Increasing share of overnight deposits with significantly longer behavioural maturity provides a cost effective funding source

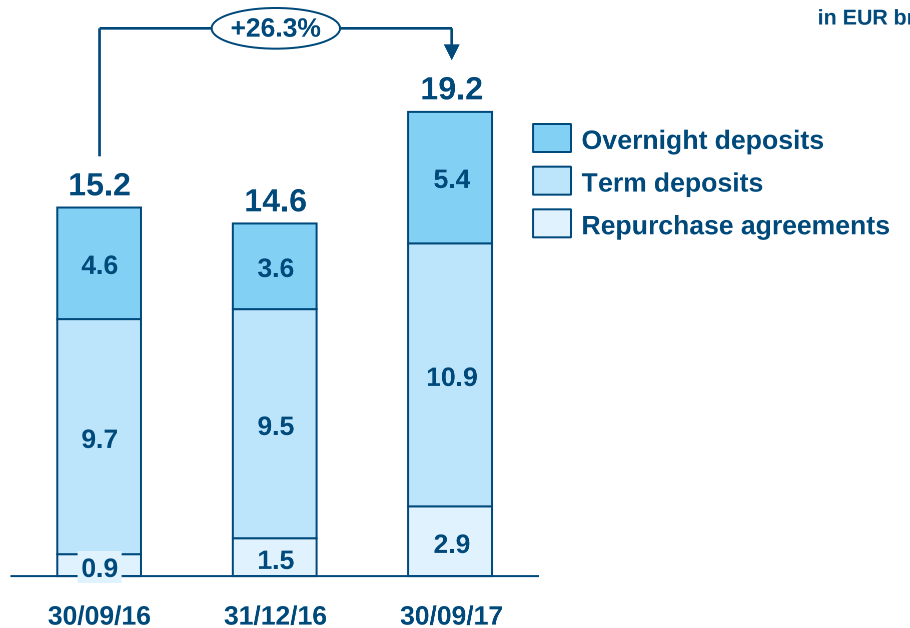
Assets and liabilities: debt vs interbank funding –
Limited wholesale funding reliance, as customer deposits grow strongly

Debt securities issued



- Overall reduction in wholesale funding reliance led by decline in outstanding senior unsecured debt

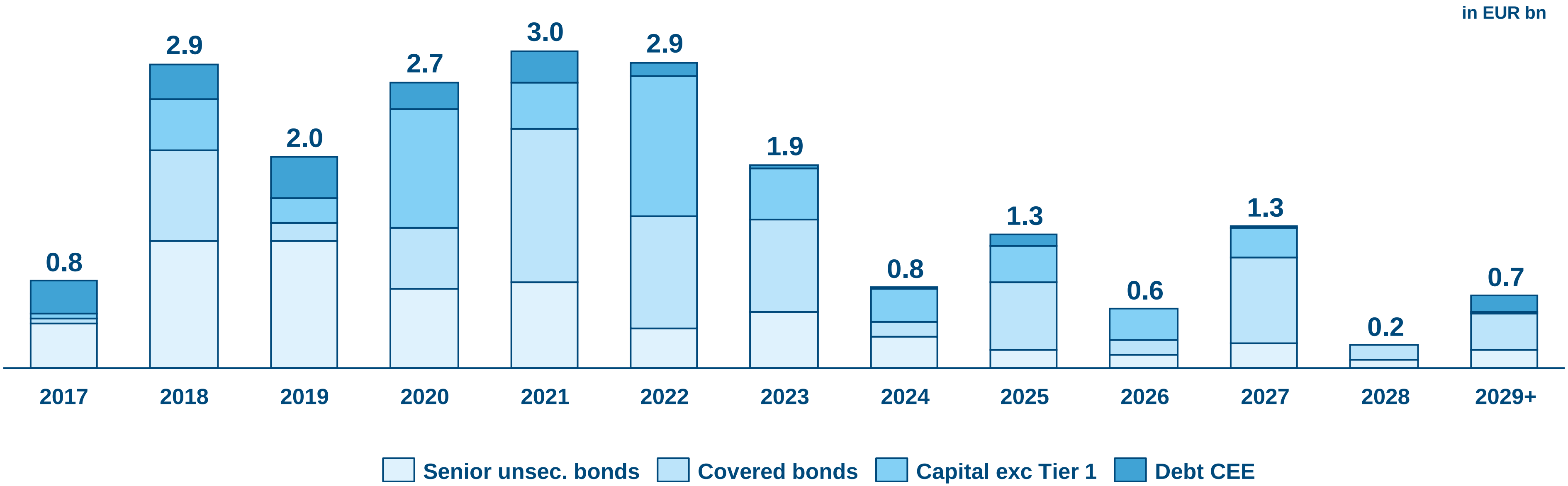
Interbank deposits



- Money market activities peaked in CZ, interbank deposits increase by 7.5% qoq

Assets and liabilities: LT funding –
Limited LT funding needs

Maturity profile of debt

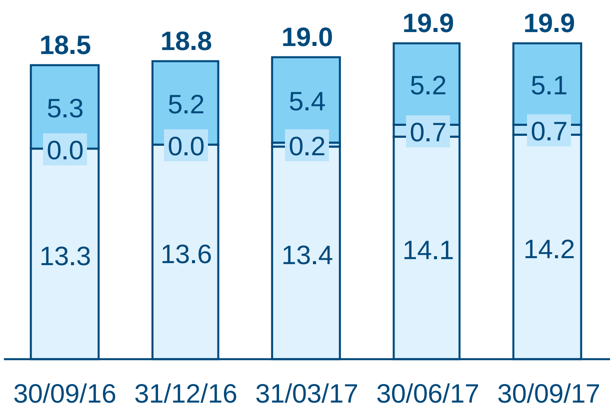


- In January 2017 Erste Group opened the covered bond market for Austrian issuers with a EUR 750m 10y mortgage covered bond
- Erste Group's second CRD IV/CRR compliant AT1-benchmark transaction was issued at the beginning of Q2 17 (EUR 500m, perpNC7). The already comfortable capital position of Erste Group was further strengthened and the issue contributes to the transition towards an optimal CRR-compliant capital structure.
- During the latest TLTRO Erste Group participated with EUR 1.17bn which brings the total utilisation up to approximately EUR 3.5bn.
- With the aforementioned benchmark issues and continuous private placements for its retail and institutional clients Erste Group has already fulfilled its funding needs for the current year

Assets and liabilities: capital position –
B3FL CET1 at 12.4% due to RWA inflation and non-inclusion of Q3 17 profits

Basel 3 capital (phased-in)

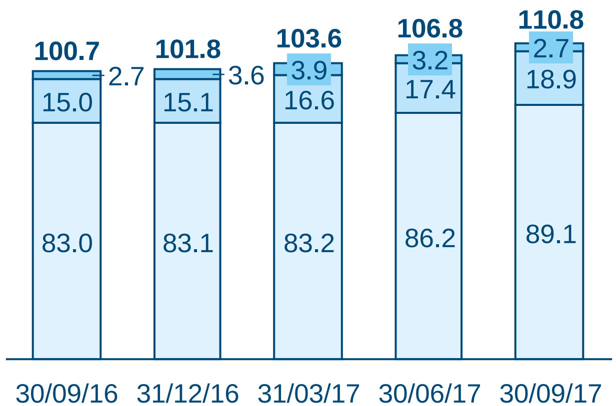
in EUR bn



- CET1 capital stable qoq despite non-inclusion of Q3 17profit; ytd rise exclusively due to inclusion of H1 17 profits
- Strong increase in available distributable items (ADIs) since YE 16 to EUR 2.2bn (pre dividend and AT1 coupon for 2017)

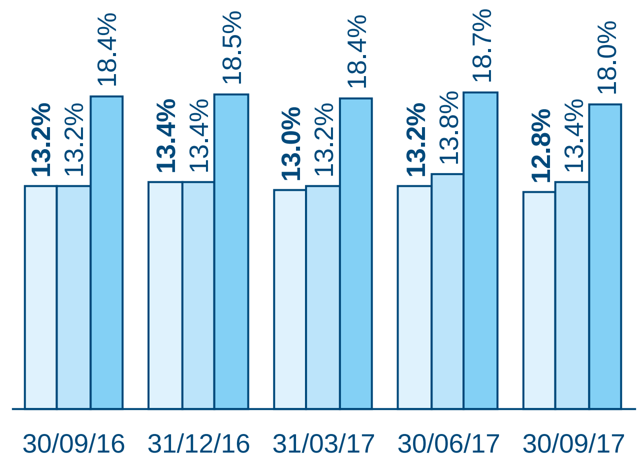
Risk-weighted assets (phased-in)

in EUR bn



- Credit risk RWA impacted by one-offs:
  - Romanian IRB impact (EUR 2.4 bn) in Q2
  - Specialised lending add-on (EUR 1.7bn) in Q3
- Drivers for operational risk:
  - Underlying model is overreacting to minor risk events; new model submitted for approval to regulator, resolution expected by Q2 18

Basel 3 capital ratios (phased-in)



- B3FL CET1 ratio at 12.4% at 30 Sep 2017 (YE 2016: 12.8%); B3FL total capital ratio falls to 17.7% (YE16: 18.2%)

Presentation topics

- Executive summary
- Business environment
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Conclusion – Outlook 2017 & 2018

Macro outlook 2018	• Real GDP growth of between approx. 2-4% expected in 2018 in CEE and Austria • Real GDP growth to be driven by solid domestic demand, as real wage growth and declining unemployment support economic activity in CEE • Solid public finances across CEE
Business outlook 2017 & 2018	• ROTE for 2017 confirmed at 10%+ • ROTE for 2018 targeted at 10%+ (based on average tangible equity in 2018) • Assumptions for 2018: flat to slightly growing revenues (assuming 5%+ net loan growth and interest rate hikes in CZ and RO); currency-adjusted flat costs (±1%) due to lower project-related costs; increase in risk costs, but remaining at historically low levels
Risk factors for guidance	• Impact from longer than expected expansionary monetary central bank policies, inc negative interest rates • Political risks, inc consumer protection initiatives • Geopolitical risks and global economic risks

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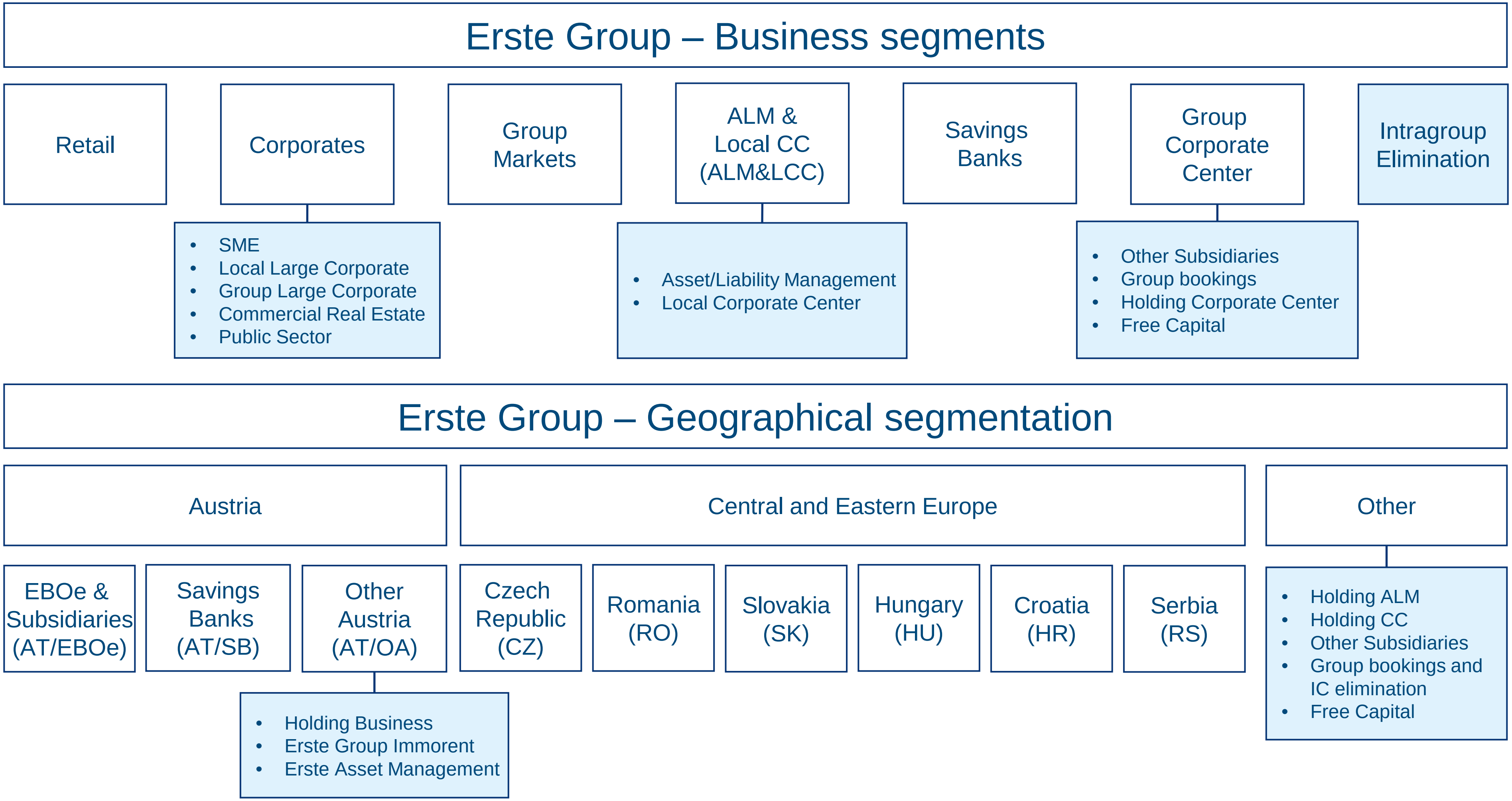
Additional information: new segmentation –
Business line and geographic view



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

	Year-to-date view			Quarterly view				
in EUR million	**1-9 16**	**1-9 17**	**YOY-Δ**	**Q3 16**	**Q2 17**	**Q3 17**	**YOY-Δ**	**QOQ-Δ**
Net interest income	3,267.5	3,229.3	-1.2%	1,073.4	1,091.7	1,086.3	1.2%	-0.5%
Net fee and commission income	1,319.8	1,361.9	3.2%	434.9	453.2	451.0	3.7%	-0.5%
Dividend income	36.2	37.5	3.5%	4.8	23.4	10.4	>100.0%	-55.5%
Net trading result	218.7	139.3	-36.3%	98.7	54.3	36.5	-63.0%	-32.8%
Result from financial assets and liabilities designated at fair value through profit or loss	-27.1	12.1	n/a	-14.6	1.5	7.7	n/a	>100.0%
Net result from equity method investments	5.9	10.1	72.2%	0.2	2.9	4.0	>100.0%	39.6%
Rental income from investment properties & other operating leases	138.7	146.6	5.7%	45.7	48.2	48.3	5.7%	0.2%
Personnel expenses	-1,724.7	-1,747.2	1.3%	-572.0	-579.6	-595.9	4.2%	2.8%
Other administrative expenses	-910.0	-925.2	1.7%	-299.9	-291.8	-301.1	0.4%	3.2%
Depreciation and amortisation	-328.4	-341.1	3.9%	-110.8	-113.8	-113.0	2.0%	-0.7%
Gains/losses from financial assets and liabilities not measured at fair value through profit or loss, net	147.7	70.8	-52.1%	-0.7	14.2	28.3	n/a	99.0%
Net impairment loss on financial assets	-63.2	-71.5	13.1%	-37.4	-38.6	32.9	n/a	n/a
Other operating result	-252.4	-296.6	17.5%	-60.3	-82.7	-86.8	44.0%	4.9%
Levies on banking activities	-151.7	-82.1	-45.9%	-44.0	-23.6	-22.7	-48.4%	-3.5%
Pre-tax result from continuing operations	**1,828.7**	**1,626.1**	**-11.1%**	**562.0**	**583.0**	**608.5**	**8.3%**	**4.4%**
Taxes on income	-403.9	-365.9	-9.4%	-125.1	-128.2	-142.0	13.5%	10.7%
Net result for the period	**1,424.8**	**1,260.2**	**-11.6%**	**436.9**	**454.7**	**466.5**	**6.8%**	**2.6%**
Net result attributable to non-controlling interests	245.6	272.6	11.0%	99.4	92.3	103.5	4.1%	12.2%
Net result attributable to owners of the parent	**1,179.2**	**987.6**	**-16.2%**	**337.4**	**362.5**	**363.0**	**7.6%**	**0.1%**
Operating income	4,959.7	4,936.9	-0.5%	1,643.1	1,675.2	1,644.2	0.1%	-1.9%
Operating expenses	-2,963.0	-3,013.6	1.7%	-982.7	-985.2	-1,010.1	2.8%	2.5%
Operating result	**1,996.6**	**1,923.4**	**-3.7%**	**660.4**	**690.0**	**634.1**	**-4.0%**	**-8.1%**

Additional information: group balance sheet – Assets

	Quarterly data					Change		
in EUR million	**Sep 16**	**Dec 16**	**Mar 17**	**Jun 17**	**Sep 17**	**YOY-Δ**	**YTD-Δ**	**QOQ-Δ**
Cash and cash balances	14,743	18,353	24,731	25,842	22,104	49.9%	20.4%	-14.5%
Financial assets - held for trading	9,731	7,950	7,827	7,206	6,850	-29.6%	-13.8%	-4.9%
Derivatives	5,297	4,475	4,101	3,990	3,639	-31.3%	-18.7%	-8.8%
Other trading assets	4,433	3,476	3,726	3,216	3,211	-27.6%	-7.6%	-0.2%
Financial assets - at fair value through profit or loss	477	480	518	539	549	15.1%	14.4%	1.8%
Financial assets - available for sale	20,406	19,886	17,887	17,786	16,743	-17.9%	-15.8%	-5.9%
Financial assets - held to maturity	18,451	19,270	19,912	19,355	19,398	5.1%	0.7%	0.2%
Loans and receivables to credit institutions	5,191	3,469	10,448	4,347	10,358	99.5%	>100.0%	>100.0%
Loans and receivables to customers	**128,985**	**130,654**	**132,992**	**135,122**	**138,005**	**7.0%**	**5.6%**	**2.1%**
Derivatives - hedge accounting	2,208	1,424	1,297	1,063	1,006	-54.4%	-29.3%	-5.3%
Changes in fair value of portfolio hedged items	0	0	0	0	0	n/a	n/a	n/a
Property and equipment	2,335	2,477	2,441	2,431	2,414	3.4%	-2.5%	-0.7%
Investment properties	658	1,023	1,025	1,027	1,033	57.0%	1.0%	0.6%
Intangible assets	1,443	1,390	1,378	1,458	1,474	2.2%	6.0%	1.1%
Investments in associates and joint ventures	185	193	200	196	196	6.1%	1.4%	0.2%
Current tax assets	130	124	117	156	123	-5.6%	-1.3%	-21.3%
Deferred tax assets	245	234	238	209	209	-14.6%	-10.5%	0.1%
Assets held for sale	372	279	262	231	217	-41.6%	-22.3%	-6.0%
Other assets	1,254	1,020	1,525	1,190	1,036	-17.4%	1.6%	-12.9%
Total assets	**206,811**	**208,227**	**222,798**	**218,156**	**221,715**	**7.2%**	**6.5%**	**1.6%**

Additional information: group balance sheet –
Liabilities and equity

in EUR million	Quarterly data						Change	
	Sep 16	**Dec 16**	**Mar 17**	**Jun 17**	**Sep 17**	**YOY-Δ**	**YTD-Δ**	**QOQ-Δ**
Financial liabilities - held for trading	6,272	4,762	4,314	3,960	3,551	-43.4%	-25.4%	-10.3%
Derivatives	4,933	4,185	3,855	3,646	3,206	-35.0%	-23.4%	-12.1%
Other trading liabilities	1,339	577	459	314	344	-74.3%	-40.3%	9.6%
Financial liabilities - at fair value through profit or loss	1,737	1,763	1,906	1,819	1,810	4.2%	2.6%	-0.5%
Deposits from banks	0	0	0	0	0	n/a	n/a	n/a
Deposits from customers	**79**	**74**	**64**	**51**	**51**	**-35.9%**	**-31.5%**	**-0.9%**
Debt securities issued	1,658	1,689	1,842	1,768	1,759	6.1%	4.1%	-0.5%
Other financial liabilities	0	0	0	0	0	n/a	n/a	n/a
Financial liabilities measured at amortised cost	175,780	178,909	193,523	188,890	192,089	9.3%	7.4%	1.7%
Deposits from banks	15,228	14,631	22,935	17,883	19,226	26.3%	31.4%	7.5%
Deposits from customers	**133,944**	**137,939**	**144,643**	**145,523**	**148,313**	**10.7%**	**7.5%**	**1.9%**
Debt securities issued	25,642	25,503	25,285	24,834	23,902	-6.8%	-6.3%	-3.8%
Other financial liabilities	966	836	660	649	649	-32.8%	-22.4%	0.0%
Derivatives - hedge accounting	642	473	439	411	409	-36.2%	-13.4%	-0.5%
Changes in fair value of portfolio hedged items	1,128	942	863	772	745	-33.9%	-20.9%	-3.5%
Provisions	1,758	1,702	1,812	1,696	1,645	-6.4%	-3.4%	-3.0%
Current tax liabilities	62	66	61	102	77	23.3%	16.3%	-24.6%
Deferred tax liabilities	174	68	77	67	110	-36.5%	63.4%	63.6%
Liabilities associated with assets held for sale	3	5	5	0	0	-100.0%	-100.0%	n/a
Other liabilities	2,727	2,936	2,905	2,923	3,310	21.4%	12.7%	13.2%
Total equity	**16,529**	**16,602**	**16,894**	**17,515**	**17,969**	**8.7%**	**8.2%**	**2.6%**
Equity attributable to non-controlling interests	4,063	4,142	4,209	4,262	4,367	7.5%	5.4%	2.5%
Equity attributable to owners of the parent	12,466	12,460	12,685	13,253	13,602	9.1%	9.2%	2.6%
Total liabilities and equity	**206,811**	**208,227**	**222,798**	**218,156**	**221,715**	**7.2%**	**6.5%**	**1.6%**

Additional information: regulatory capital position –
Capital requirements (SREP) for 2017; Erste target of 12.75%+ unchanged

- Almost unchanged capital requirements in 2017, excluding P2G significant decline vs 2016

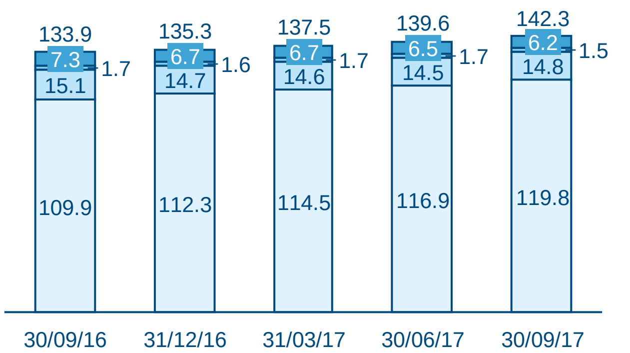
	Erste Group Consolidated				Erste Group Unconsolidated		
		Phased-in		Fully loaded	Phased-in		Fully loaded
	2016	2017	2018e	2019e	2017	2018e	2019e
Pillar 1 CET1 requirement	**4.50%**	**4.50%**	**4.50%**	**4.50%**	**4.50%**	**4.50%**	**4.50%**
Combined buffer requirement	**0.88%**	**1.90%**	**3.18%**	**4.81%**	**1.34%**	**3.07%**	**4.69%**
Capital conservation buffer	0.63%	1.25%	1.88%	2.50%	1.25%	1.88%	2.50%
Countercyclical capital buffer [3]		0.15%	0.31%	0.31%	0.09%	0.19%	0.19%
OSII/Systemic risk buffer	0.25%	0.50%	1.00%	2.00%	0.00%	1.00%	2.00%
Pillar 2 CET1 requirement	**4.38%**	**1.75%**	**1.75%**	**1.75%**	**1.75%**	**1.75%**	**1.75%**
Pillar 2 CET1 guidance [1]		**1.66%**	**1.66%>P2G>0%**	**1.66%>P2G>0%**	**1.00%**	**1.66%>P2G>0%**	**1.66%>P2G>0%**
Regulatory minimum ratios excluding P2G							
CET1 requirement	9.75%	8.15%	9.43%	11.06%	7.59%	9.32%	10.94%
1.50% AT1 Tier 1 requirement	NM	9.65%	10.93%	12.56%	9.09%	10.82%	12.44%
2.00% T2 Own funds requirement	NM	11.65%	12.93%	14.56%	11.09%	12.82%	14.44%
Regulatory minimum ratios including P2G							
CET1 requirement	**9.75%**	**9.81%**	**NA**	**NA**	**8.59%**	**NA**	**NA**
1.50% AT1 Tier 1 requirement	NM	9.65%	NA	NA	9.09%	NA	NA
2.00% T2 Own funds requirement	NM	11.65%	NA	NA	11.09%	NA	NA
Reported CET1 ratio as of September 2017 [2]		**12.80%**		**12.40%**	**18.77%**		**NA**

- Buffer to MDA restriction as of 30 Sept 17: 376bps
- Available distributable items (ADI) as of 30 Sept 17: EUR 2.18bn (pre dividend and AT1 deduction for 2017)

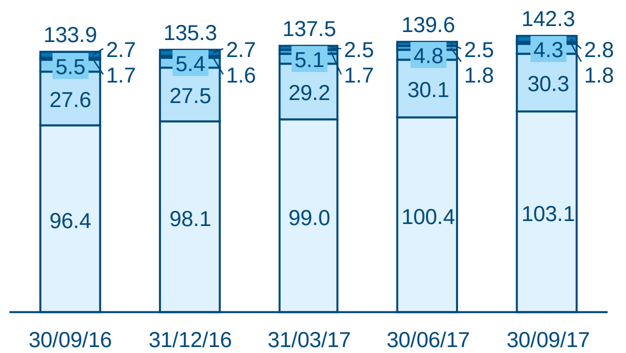
1) 2018e values are based on draft SREP. P2G is expected to be positive in the future.
2) Consolidated capital ratios pursuant to IFRS. Unconsolidated capital ratios pursuant to Austrian Commercial Code (UGB) and on phased-in basis as of June 2017. ADIs pursuant to UGB.
3) Based on Q3 2017 exposure

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

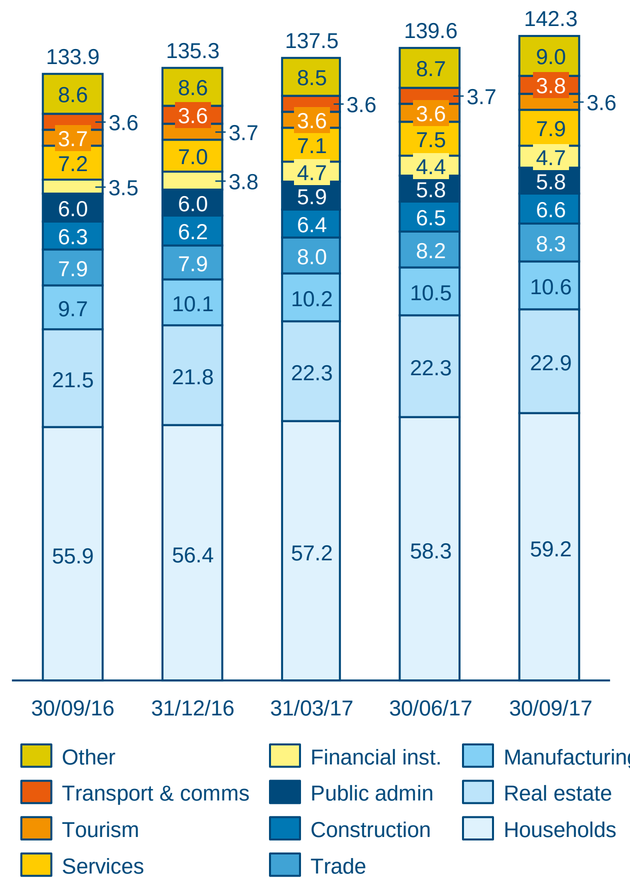
Gross cust. loans by risk category (EUR bn)



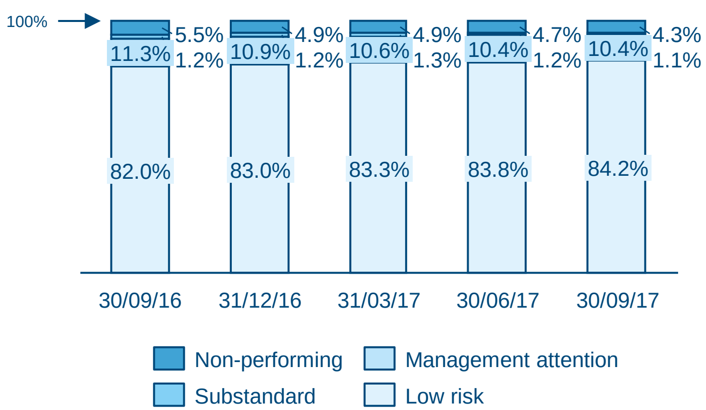
Gross customer loans by currency (EUR bn)



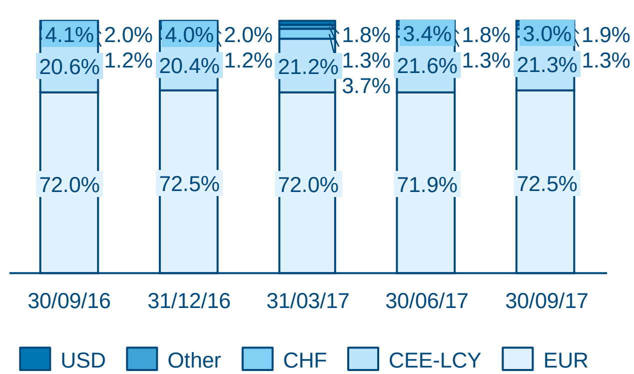
Gross customer loans by industry (EUR bn)



Gross customer loans by risk category (in %)



Gross customer loans by currency (in %)



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

Erste Group footprint

Czech Republic
- Customers: 4.7m
- Employees: 10,185
- Branches: 522

Slovakia
- Customers: 2.2m
- Employees: 4,236
- Branches: 274

Hungary
- Customers: 0.9m
- Employees: 3,005
- Branches: 115

Romania
- Customers: 3.0m
- Employees: 7,114
- Branches: 515

Direct presence

Indirect presence

Austria
- Customers: 3.6m
- Employees: 16,234
- Branches: 917

Croatia
- Customers : 1.2m
- Employees : 3,181
- Branches: 151

Serbia
- Customers: 0.4m
- Employees: 1,035
- Branches: 83

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

Employees: FTEs as of end of reporting period

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 (HR & RS) Savings products, asset management and pension products	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	Focus on customer business, incl. customer-based trading activities In addition to core markets, presences in Poland, 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: Ratings –
Composition of Erste Group Bank AG's issuer ratings

Moody's

Financial Profile	
Asset Risk	baa3
Capital	baa1
Profitability	baa3
Funding Structure	a3
Liquid Resources	baa1

+

Qualitative Factors	
Business Diversification	0
Opacity, Complexity	0
Corporate Behaviour	0

=

BCA Baseline Credit Assessment	**baa2**

+

Affiliate Support	0

=

Adjusted BCA	**baa2**

+

LGF Loss Given Failure	**+ 2**
Government Support	0

=

Issuer Rating / Senior Unsecured
Long-Term Outlook / Short-Term

A3 Positive / P-2

S&P Global Ratings

SACP - Stand-Alone Credit Profile

a

▲

Anchor	bbb+	
Business Position	Strong	+1
Capital & Earnings	Adequate	0
Risk Position	Adequate	0
Funding	Above Average	+1
Liquidity	Strong	

+

Support	**0**

▲

ALAC Support	0
GRE Support	0
Group Support	0
Sovereign Support	0

+

Additional Factors	0

=

Issuer Credit Rating
Long-Term Outlook / Short-Term

A Positive / A-1

Fitch Ratings

VR - Viability Rating (Individual Rating)

a-

SRF - Support Rating Floor

NF (No Floor)

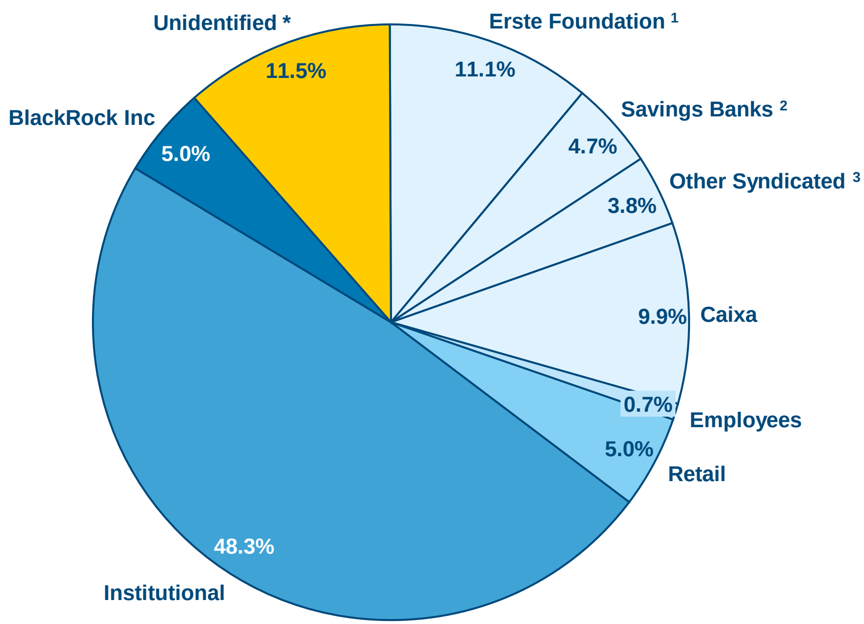
IDR - Issuer Default Rating
Long-Term Outlook / Short-Term

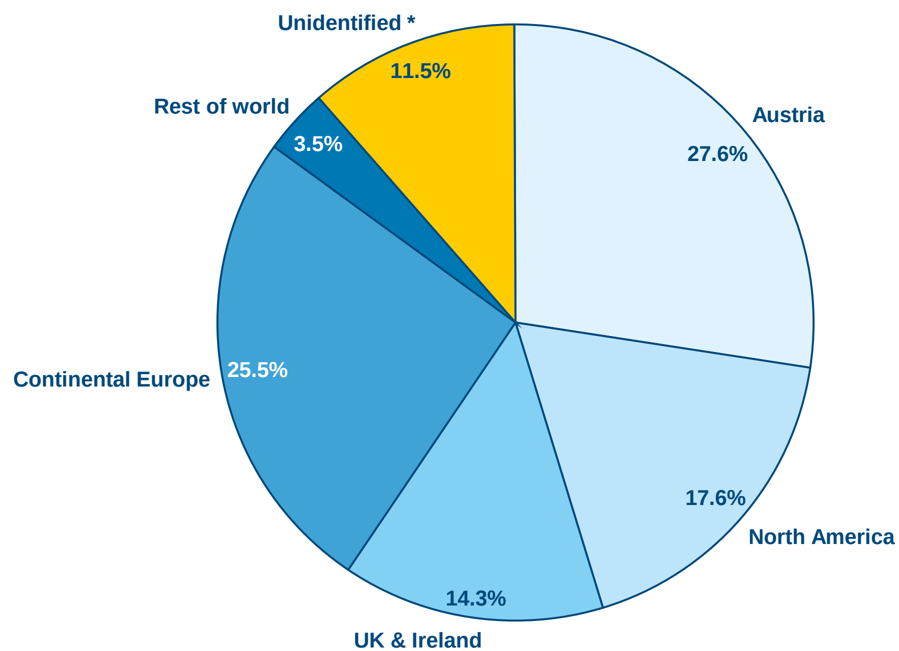
A- Stable / F1

Status as of 30 October 2017

Additional information: shareholder structure –
Total number of shares: 429,800,000

By investor	By region





[1] Economic interest Erste Foundation
[2] Economic interest Savings Banks
[3] Other parties to the shareholder agreement of Erste Foundation, Savings Banks and CaixaBank
* Unidentified institutional and retail investors

Status as of 30 October 2017

ERSTE Group

Investor relations details

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Erste Group IR App for iPad, iPhone and Android http://www.erstegroup.com/de/Investoren/IR_App

Reuters: **ERST.VI** Bloomberg: **EBS AV**

Datastream: **O:ERS** ISIN: **AT0000652011**

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