



Report on the fiscal year 2022 of Erste Group Bank AG (consolidated)

Willi Cernko
Chairman of the Management Board



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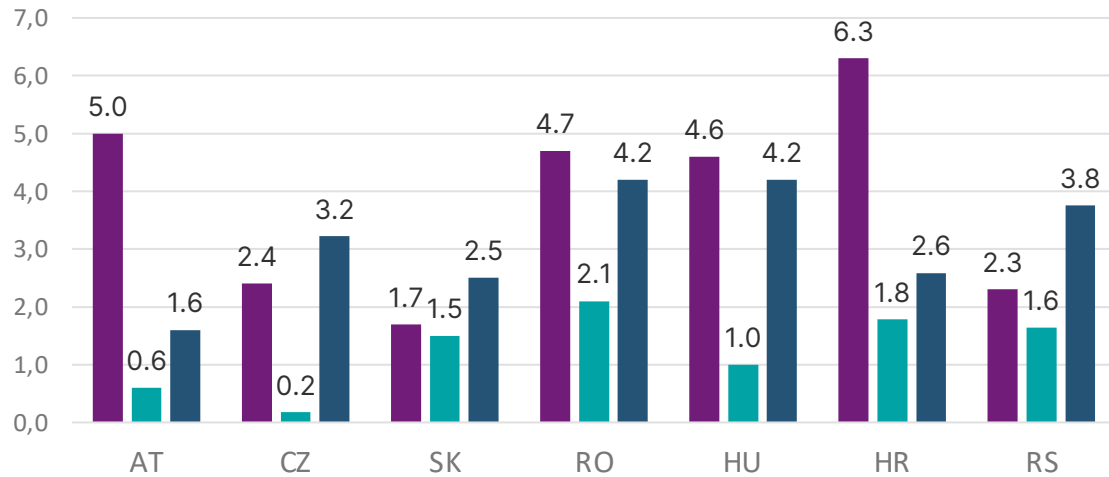
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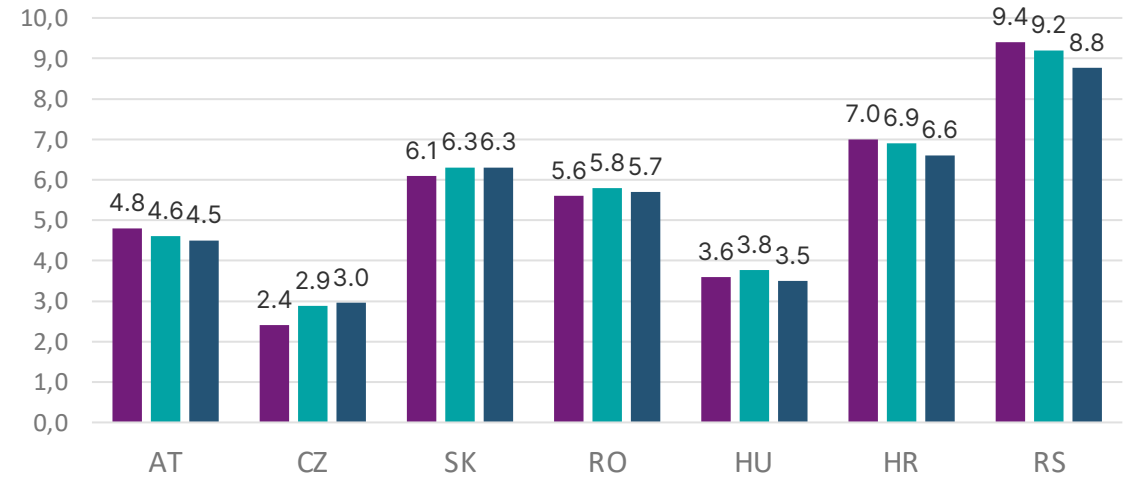
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Slowing growth in 2023, brightening prospects for 2024

Real GDP growth (in %)



Unemployment rate (in %)

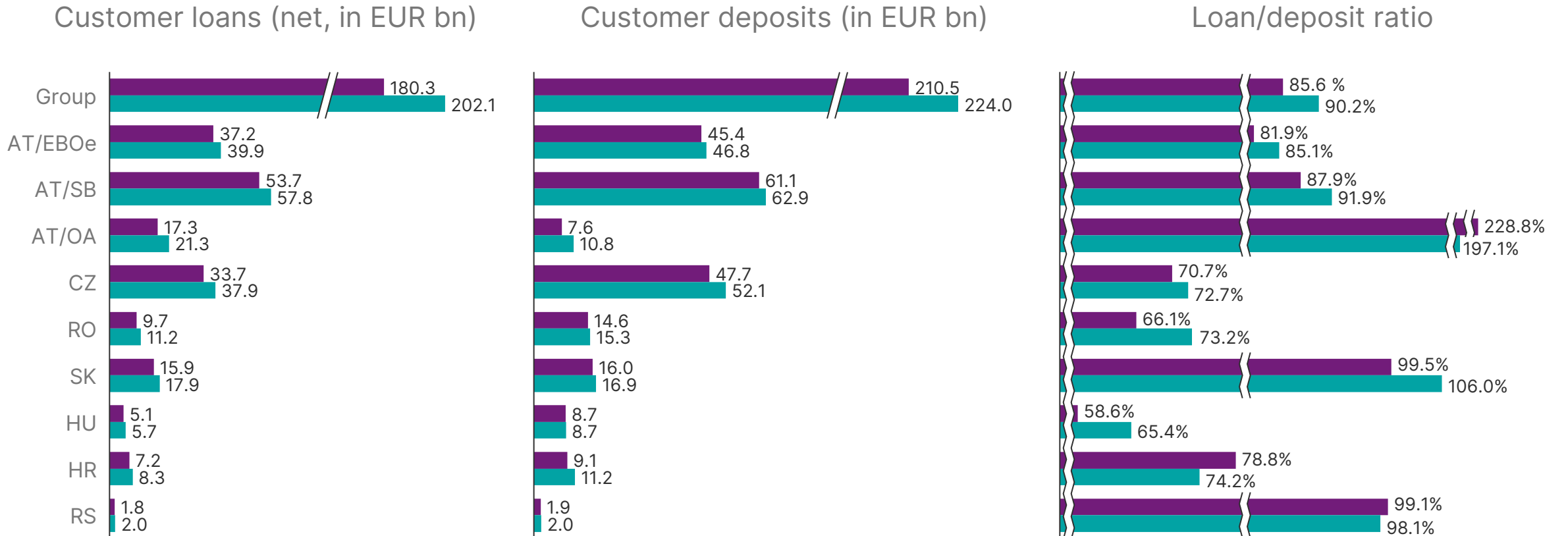


- Lower household consumption to impact economic growth in 2023
- Rebound expected in 2024

- Robust labour markets in Austria and CEE

■ 2022 ■ 2023 ■ 2024

Continued loan growth and strong deposit base

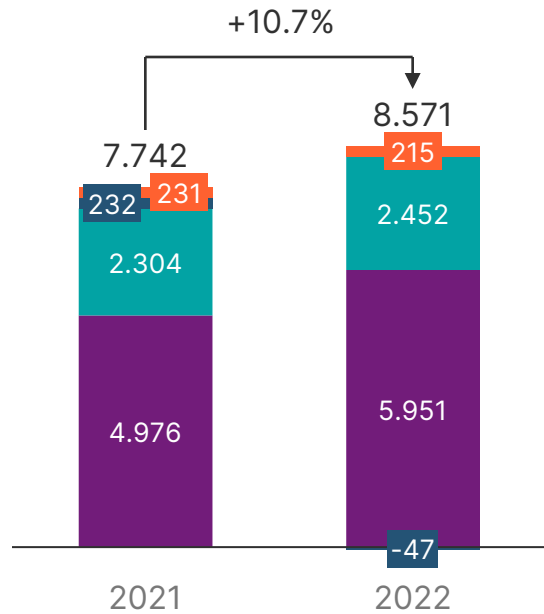


Presentation of the main segments

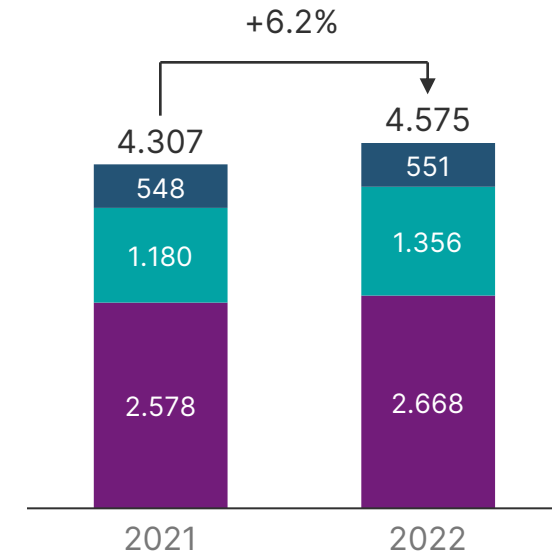
Dec. 21 Dec. 22

Operating result improves substantially

Operating revenues (in EUR m)



Operating expenses (in EUR m)

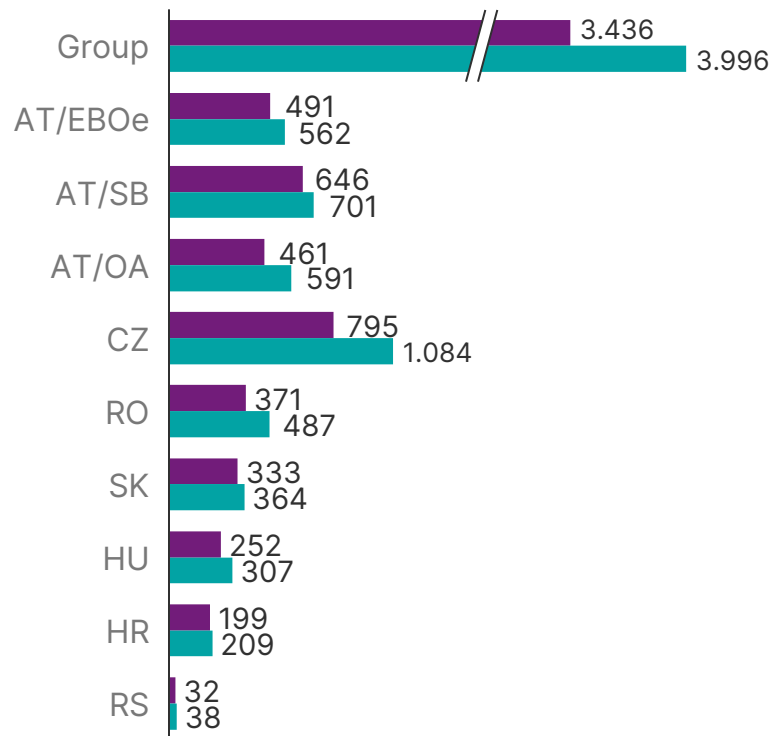


■ Net interest income ■ Net trading and fair value result
■ Net fee and commission income ■ Other income

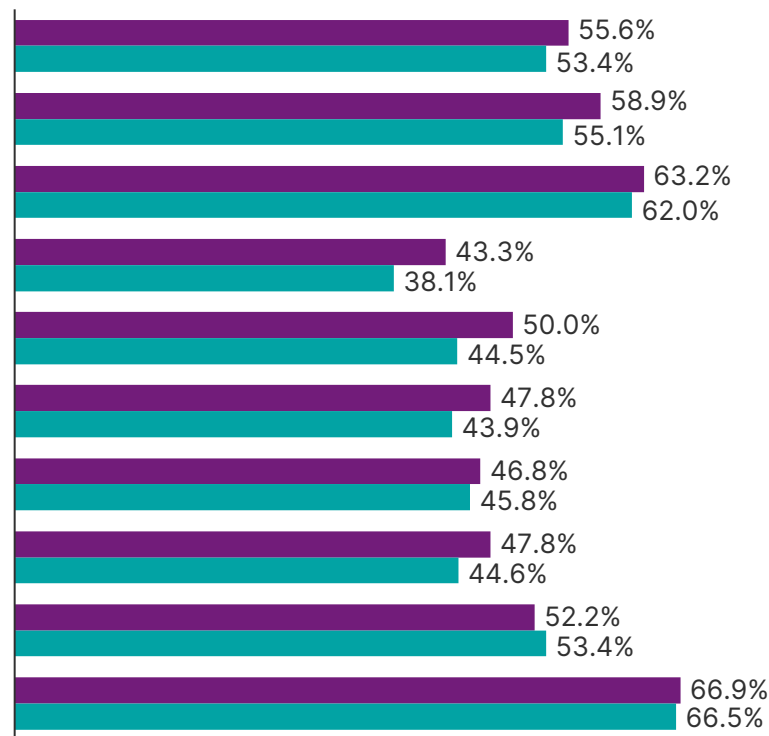
■ Personnel expenses ■ Other administrative expenses ■ Depreciation and amortisation

Cost/income ratios improves to 53.4%

Operating result (in EUR m)



Cost/income ratio



Summary

- Operating revenues rise significantly
- Net interest income: +19.6%
 - Fee and commission income: +6.5%

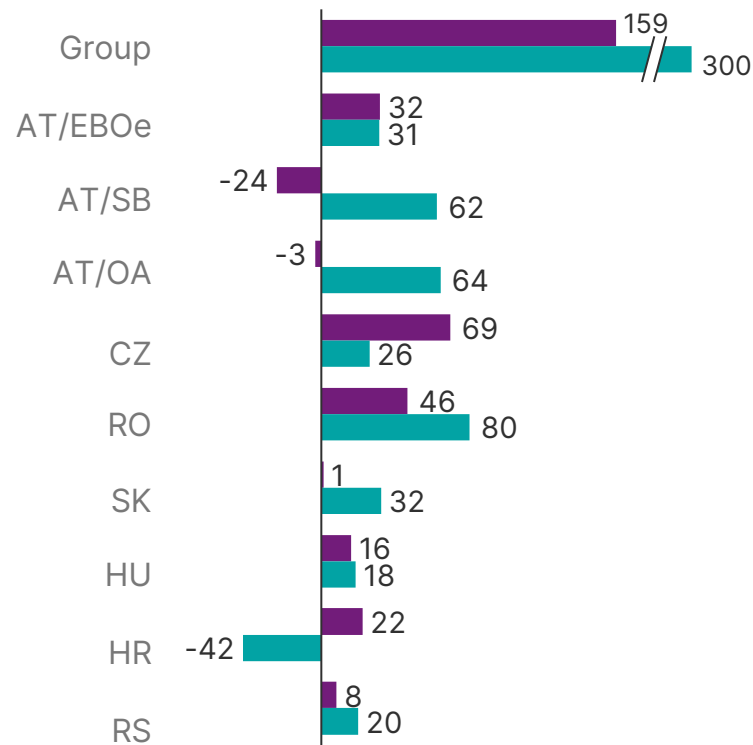
Cost/income target set for 2024 already met in 2022; down to 53.4%

Presentation of the main segments

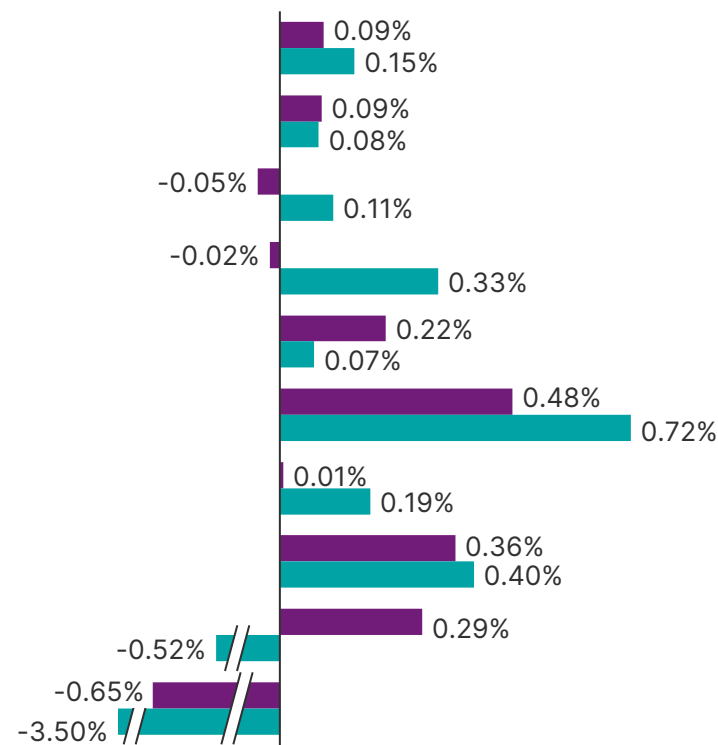
2021 2022

Risk costs on low levels

Risk Cost (in EUR m)



Relative risk costs



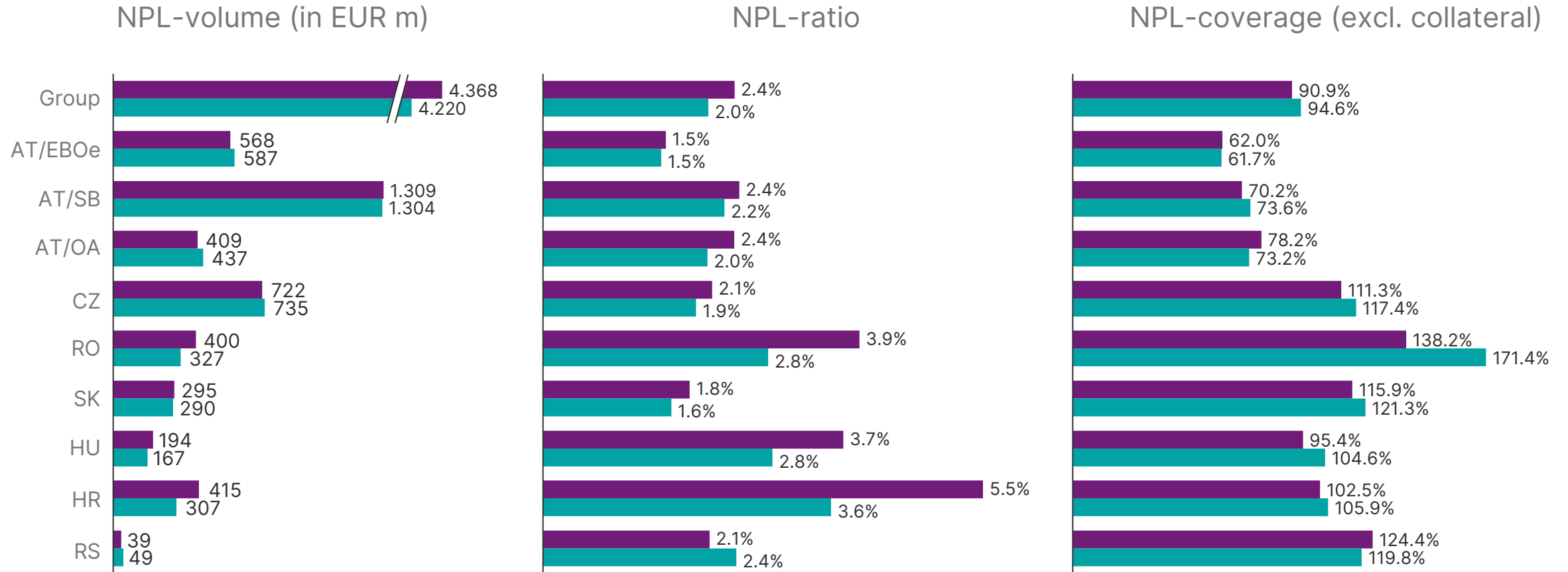
Summary

- Risk costs of 15 basis points significantly better than expected
- General risk provisions of approx. EUR 900 million

Presentation of the main segments

2021 2022

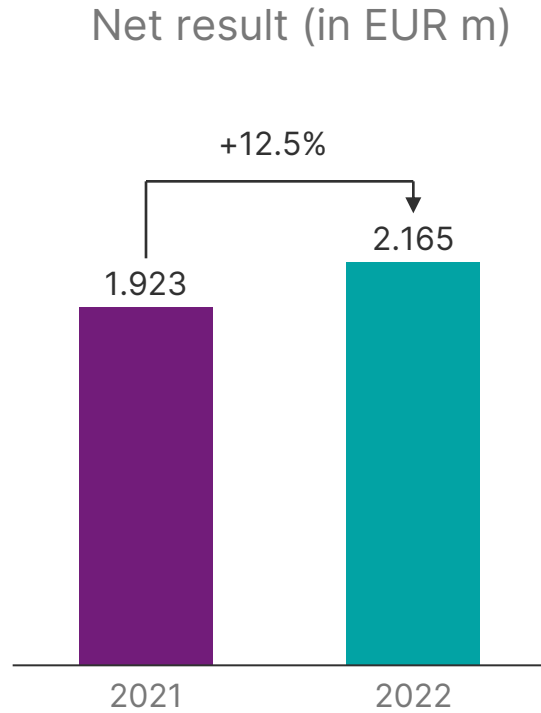
NPL-Quote improves further



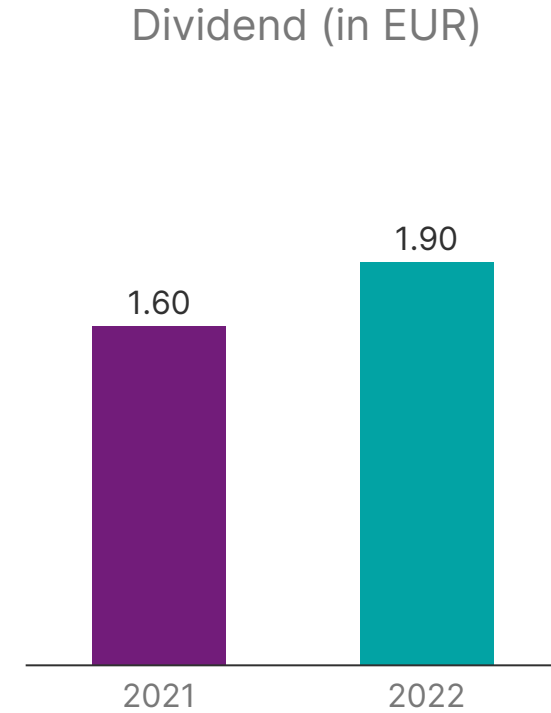
Presentation of the main segments

Dec 21 Dec 22

Net result and dividend increase



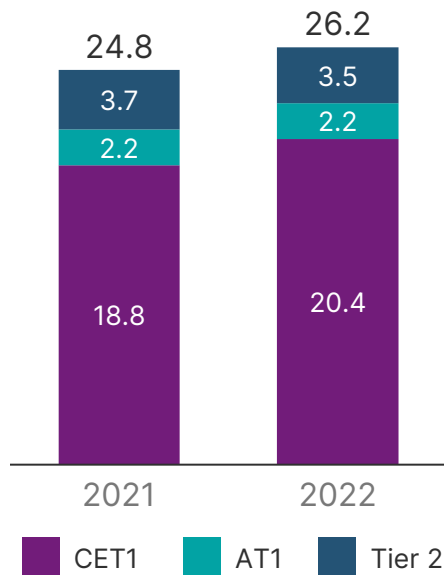
Rising operating revenues reflected in improved net result



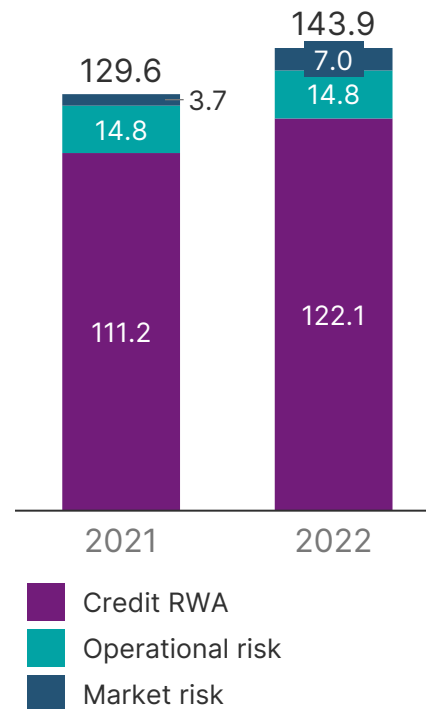
EUR 1.90 dividend per share for the fiscal year 2022 proposed to the Annual General Meeting

Increase in capital continued in 2022

Regulatory capital
(in EUR bn)



Risk-weighted assets
(in EUR bn)

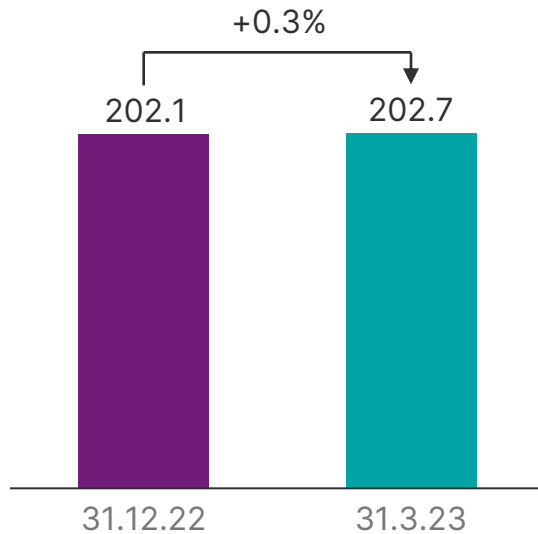


CET1 ratio

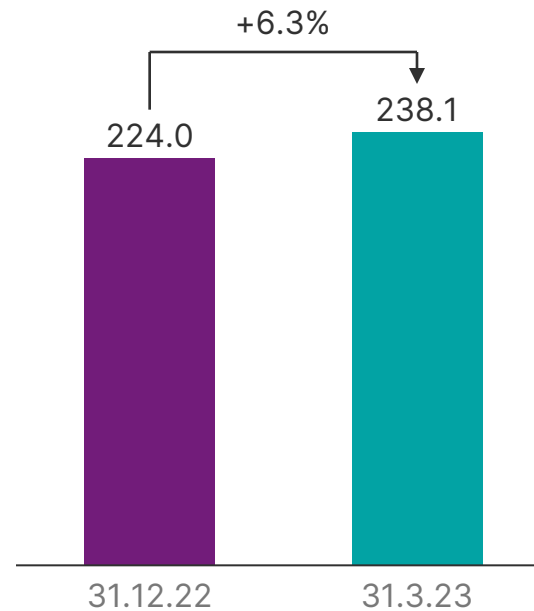


Q1 23: Strong deposit inflows

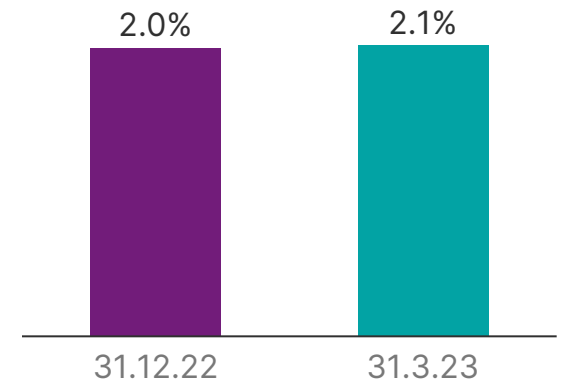
Customer loans (net, in EUR bn)



Customer deposits (in EUR bn)



NPL ratio



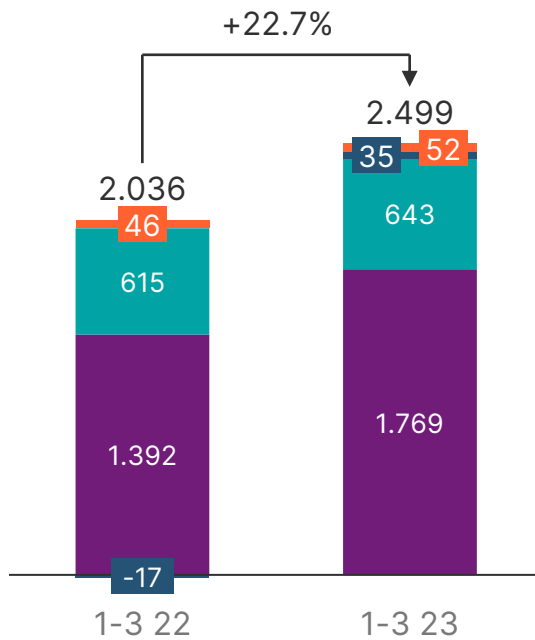
– Muted start into the year

– Solid deposit growth
– Loan/deposit ratio at 85.1%

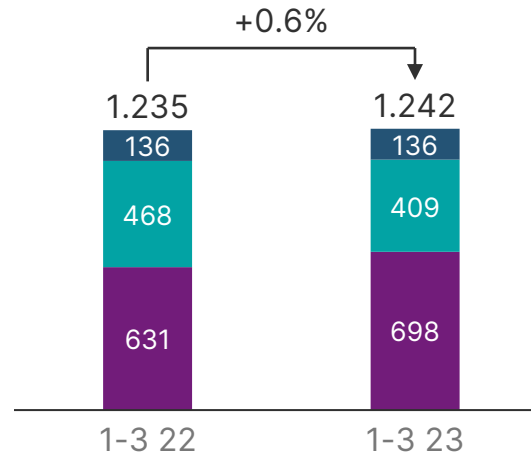
– Continued robust asset quality
– NPL coverage at 94.3%

Q1 23: Operating result continues to rise

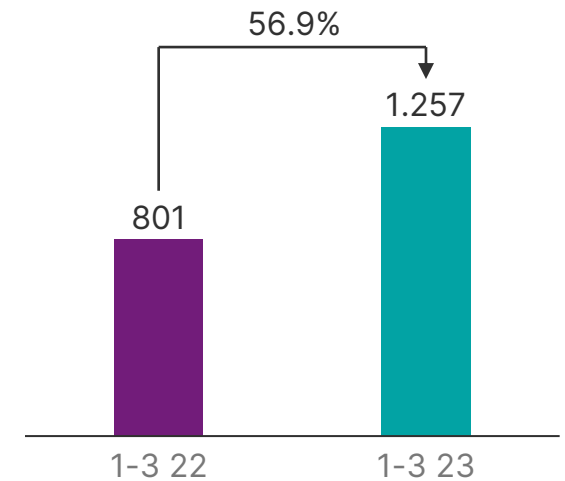
Operating revenues (in EUR m)



Operating expenses (in EUR m)



Operating result (in EUR m)

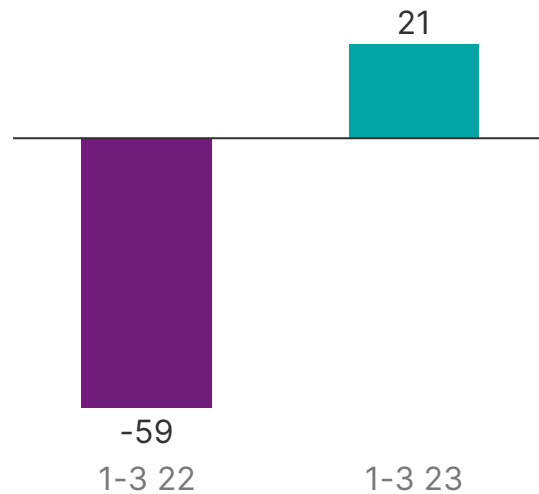


- Net interest income
- Net fee and commission income
- Net trading and fair value result
- Other income

- Personnel expenses
- Other administrative expenses
- Depreciation and amortisation

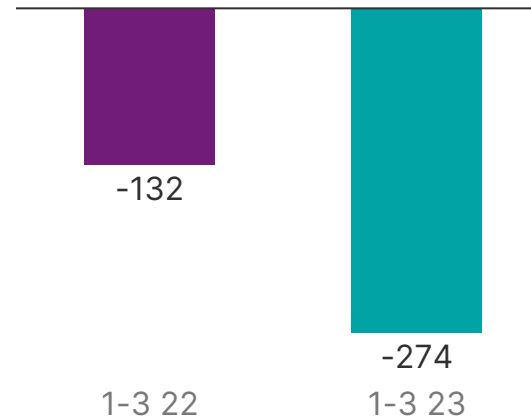
Q1 23: Net result improves substantially

Risk costs (in EUR m)



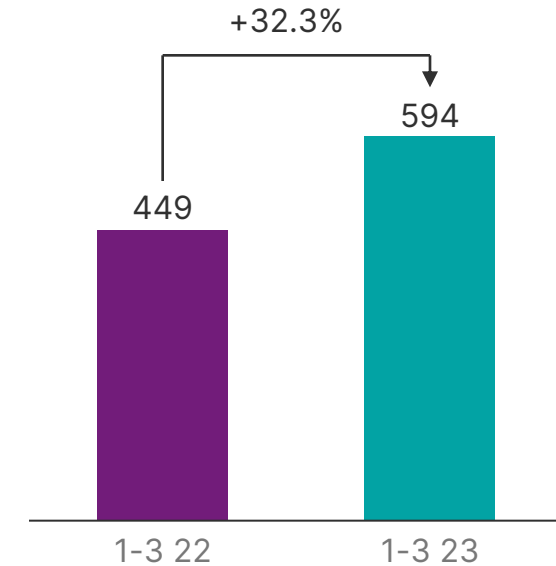
- Net releases

Other results (in EUR m)



- Higher banking levies and resolution funds contributions

Net result (in EUR m)



- Return on tangible equity (ROTE) at 14.6%

Solid outlook for 2023

Variable	Guidance	Key assumptions / additional comments
Real GDP	> 0%	No year-on-year decline in real GDP in 2023
Loans	~ + 5%	Loan demand slows in line with weaker economy
NII	~ + 15%	Significant euro rate zone rates rise drive guidance upgrade
Fees	~ + 5%	Fee outlook supported by price adjustments
Costs	~ + 9%	Inflationary pressures partially mitigated by efficiency measures
CIR	~ 51%	Improved operating performance
Risk costs	< 25 bps	Benign credit risk environment, strong labour markets
ROTE	13-15%	Targeting upper end of the range
CTE1 ratio	> 13,5%	Excess capital defined as capital portion above 14.0%
Risk factors to the guidance	<ul style="list-style-type: none"> – Political, regulatory, geopolitical, economic, health and competition risks, also non-financial and legal risks – Indirect effects from Russia-Ukraine conflict, such as prolonged supply chain disruptions, additional shock on energy prices and/or supply, deterioration of investment and consumption appetite – Economic downturn may put goodwill at risk 	