

Q3 2024 results presentation

Vienna, 31 October 2024

Strong operating performance drives further guidance upgrade

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EXECUTIVE SUMMARY

MACROECONOMIC AND BUSINESS UPDATE

OPERATING TRENDS

WHOLESALE FUNDING AND CAPITAL

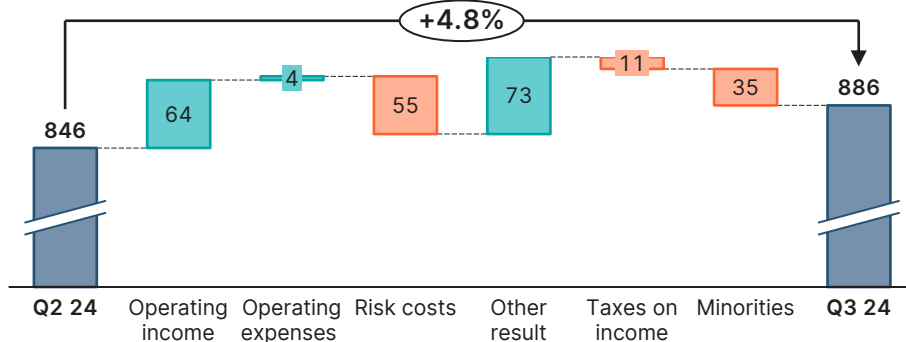
FINANCIAL OUTLOOK

APPENDIX

On track to beat 2023 record net profit

QoQ net profit development

in EUR m



NII and fees set new quarterly records

- Total revenues also hit new quarterly record at approx. EUR 2.8bn

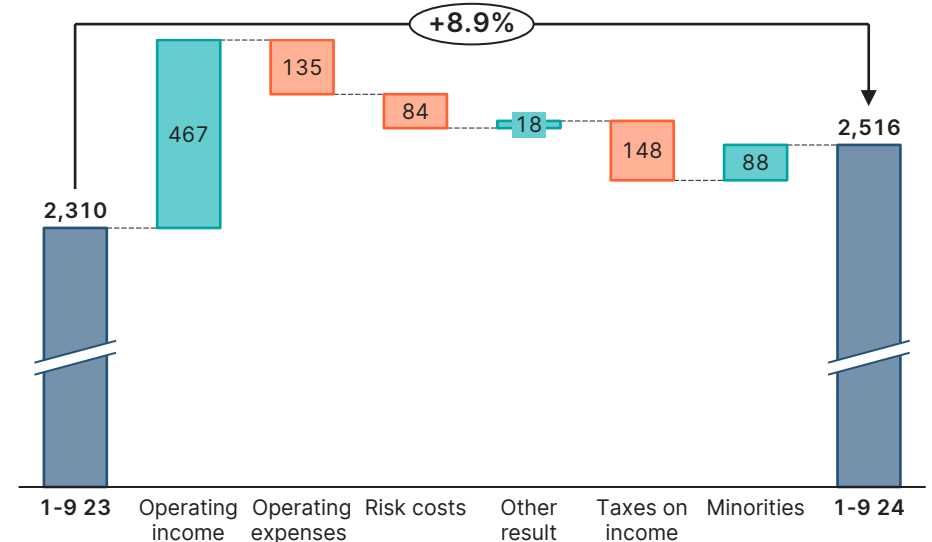
Operating expenses stable qoq

Risk costs higher qoq, due to allocations in Austria

Net result also supported by normalised other result

YTD net profit development

in EUR m



Revenues were main ytd net profit growth driver

- NII, fees and net trading & FV result all contributed to growth

Costs up only moderately ytd

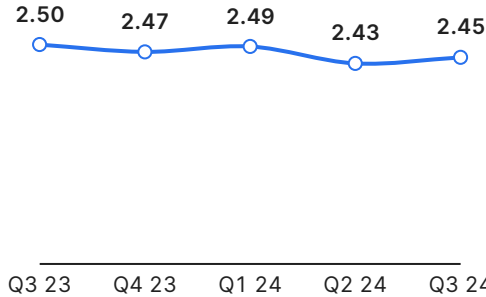
- Positive effect from lower deposit insurance contributions

Risk costs up ytd, but still moderate

Strong performance triggers another 2024 guidance upgrade

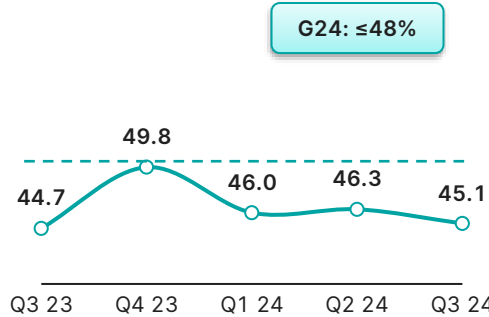
Net interest margin

in %



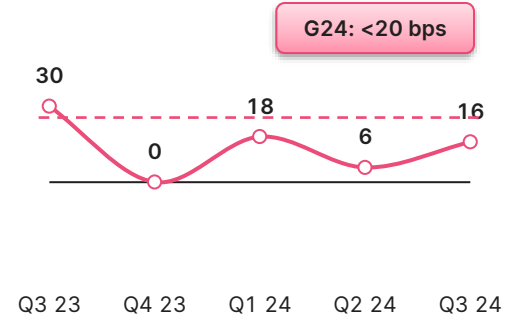
Cost/income ratio

in %



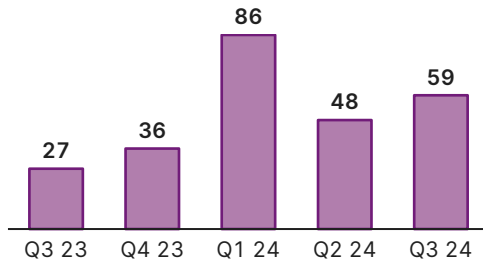
Risk cost ratio

in bps



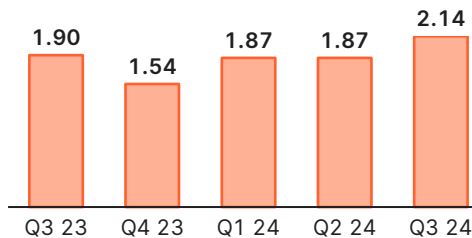
Banking levies

in EUR m



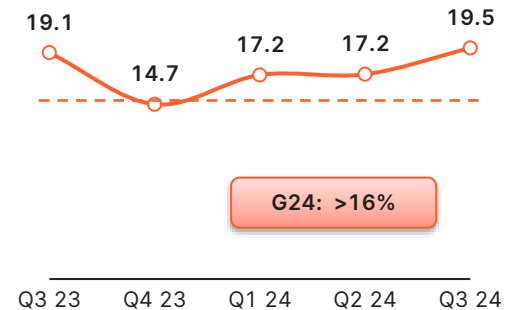
Earnings per share

in EUR



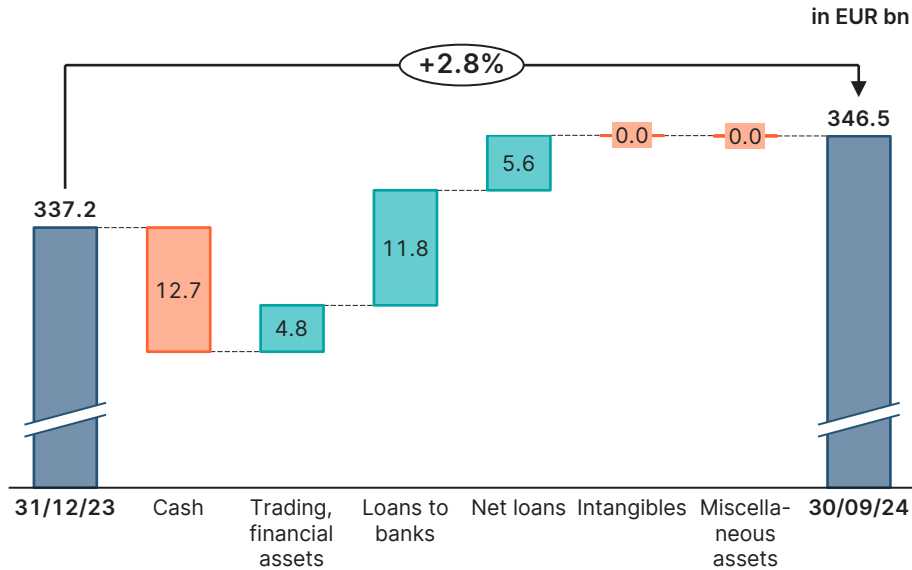
Return on tangible equity

in %



Moderate volume growth trends

YTD total asset development



Customer loans up 2.7% ytd

- Increase primarily in Retail (+4.3% ytd) and in CEE (+4.1% ytd)
- Austria still trailed, but improved momentum in Q3 24

Higher interbank lending on the back of partial redeployment of cash and increased liability inflows

YTD equity & total liability development



Customer deposits increase by 3.0% ytd

- Core deposits (Retail, SME, Savings Banks) up 2.4% ytd
- Stable large corporate deposit base

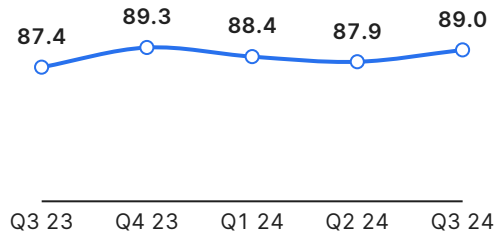
2024 funding plan already completed

- Primarily covered bond issuance and increased CD business as well as selected local MREL issuance (CZ, HR)

Exemplary balance sheet metrics

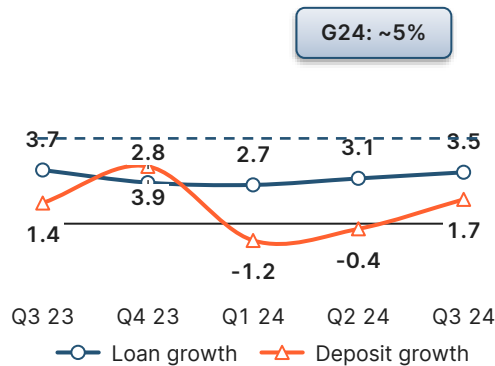
Loan/deposit ratio

in %



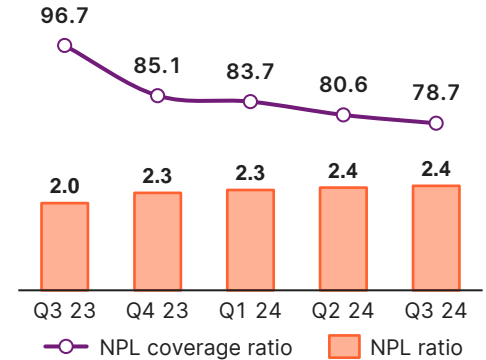
Loan & deposit growth

yoy, in %



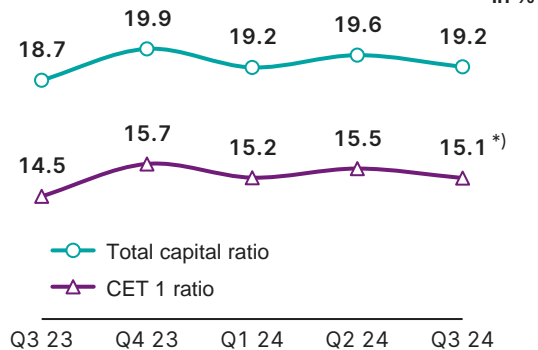
Asset quality

in %



Capital ratios (final)

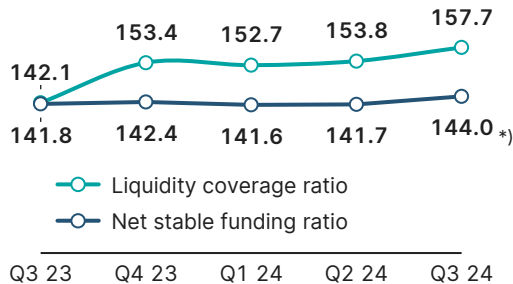
in %



^{*)} Q3 24 pro forma CET1 at 15.6%.

Liquidity ratios

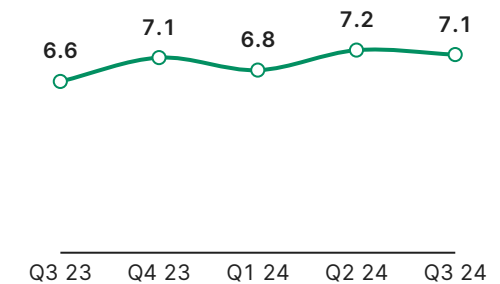
in %



^{*)} NSFR as of 08/24.

Leverage ratio

in %



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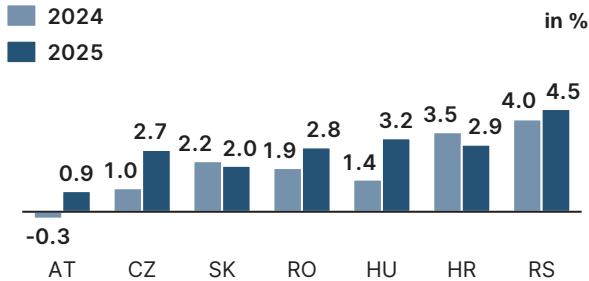
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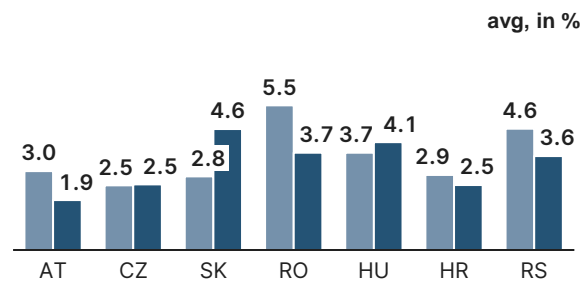
APPENDIX

Moderate economic recovery in 2024

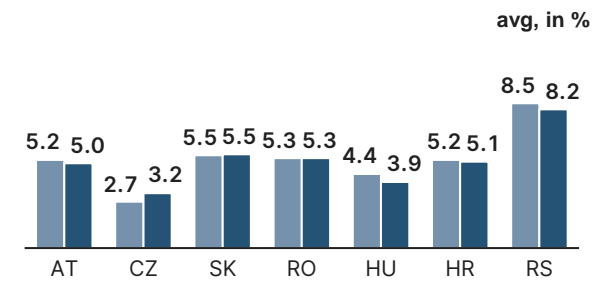
Real GDP growth



Consumer price inflation



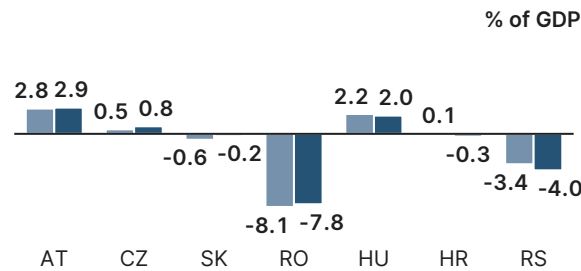
Unemployment rate



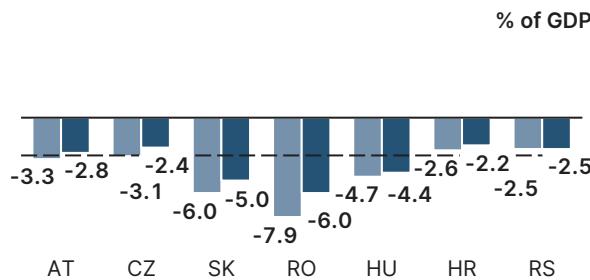
Economic growth divergence with AT underperforming, HR & RS outperforming start of year expectations

Low to mid-single digit inflation rates expected across Erste footprint

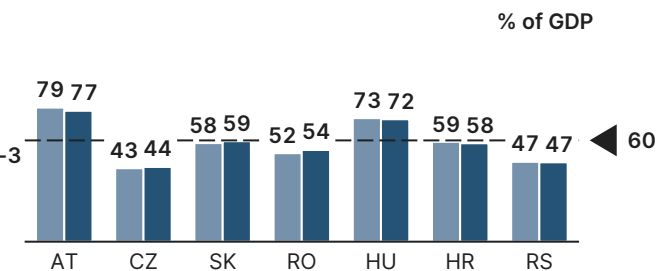
Current account balance



General government balance



Public debt



Labour markets expected to remain robust

Current account balances sustainable in most countries, high fiscal deficit countries set to improve in 2025

* Source: Erste Group Research.

Retail growth increasingly robust

Moderately improving loan demand

- **Housing loan volumes improving across the group** driven by increased demand; higher growth contingent on better economic backdrop in Austria
- **Consumer loan stock increased again**; online offers supported sales
- **Risk profile** of the retail loan portfolio **remains strong**

Retail deposit base continues to grow

Stock of securities savings plans increased further in Q3 24

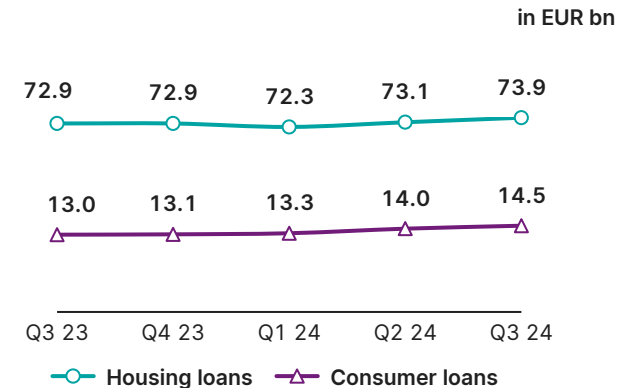
- **Strategic focus on long-term savings plans pays off** – more customers than ever before with regular investments
- Constant inflow of new assets under management; average monthly investment increased across all entities

Retail digital platform George continues to grow

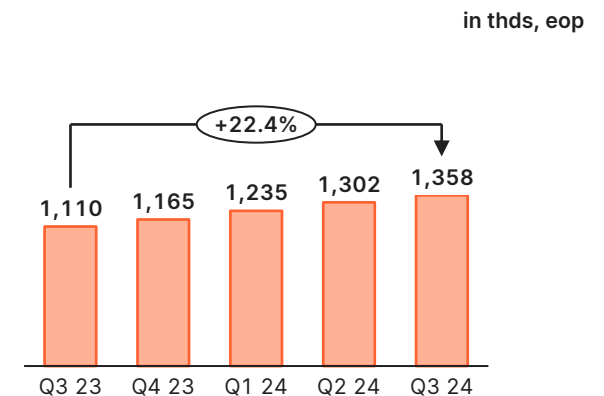
- **10 million users onboarded** to George across 6 markets
- **Digital sales at 60%**, supported by assisted digital sales initiatives in CZ, HR, RO, SK
- 85% of term deposits and 70% of consumer loans sold digitally

Fee income growth driven by securities, insurance brokerage and payment fees

Housing and consumer loans



Securities savings plans



Corporate loan demand still muted

Weaker corporate loan demand in Q3 24

- SME lending demand continues to be sluggish, **yoy loan growth primarily driven by Large Corporates and Real Estate**
- Lower market interest rates put pressure on ytd NII performance, especially driven by deposits
- **Fee income performed well**, confirming validity of long-term strategy of focusing on recurring services beyond lending

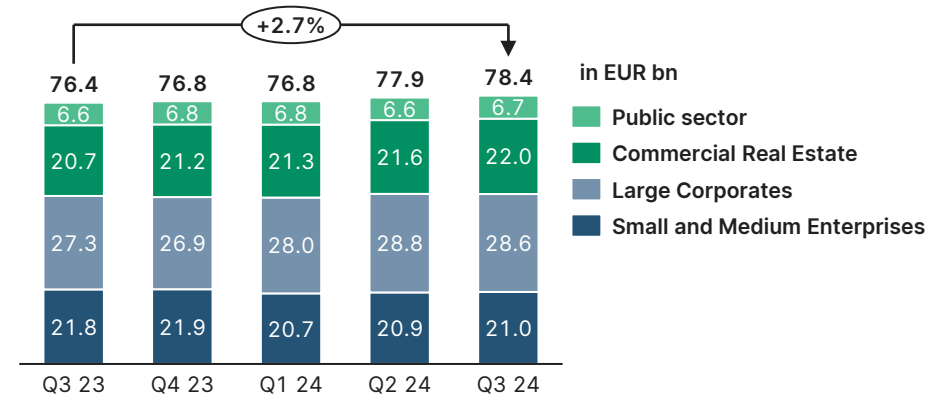
Group Markets business above expectations but below exceptional 2023 performance

- Financial institutions business continued at a strong pace, almost matching 1-9 2023 net profit, supported by solid securities business and origination activities
- Reflecting the rate environment, markets trading income declined
- Origination business slightly below the exceptional levels of 2023; ytd 198 bookrunning mandates and EUR 123bn of co-arranged volume

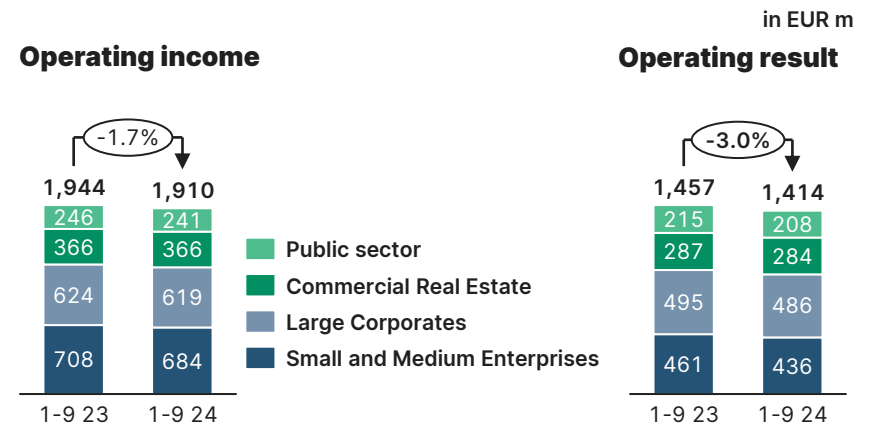
Asset management with continued net sales growth

- Assets under management rise to another **all-time high of EUR 83.9bn**, strong retail net sales in CZ
- Sustainable funds increase by 55% yoy to EUR 28.7bn attributable to both excellent sales performance and classification effects

Net loan stock of Corporate segment



Operating performance of Corporate segment



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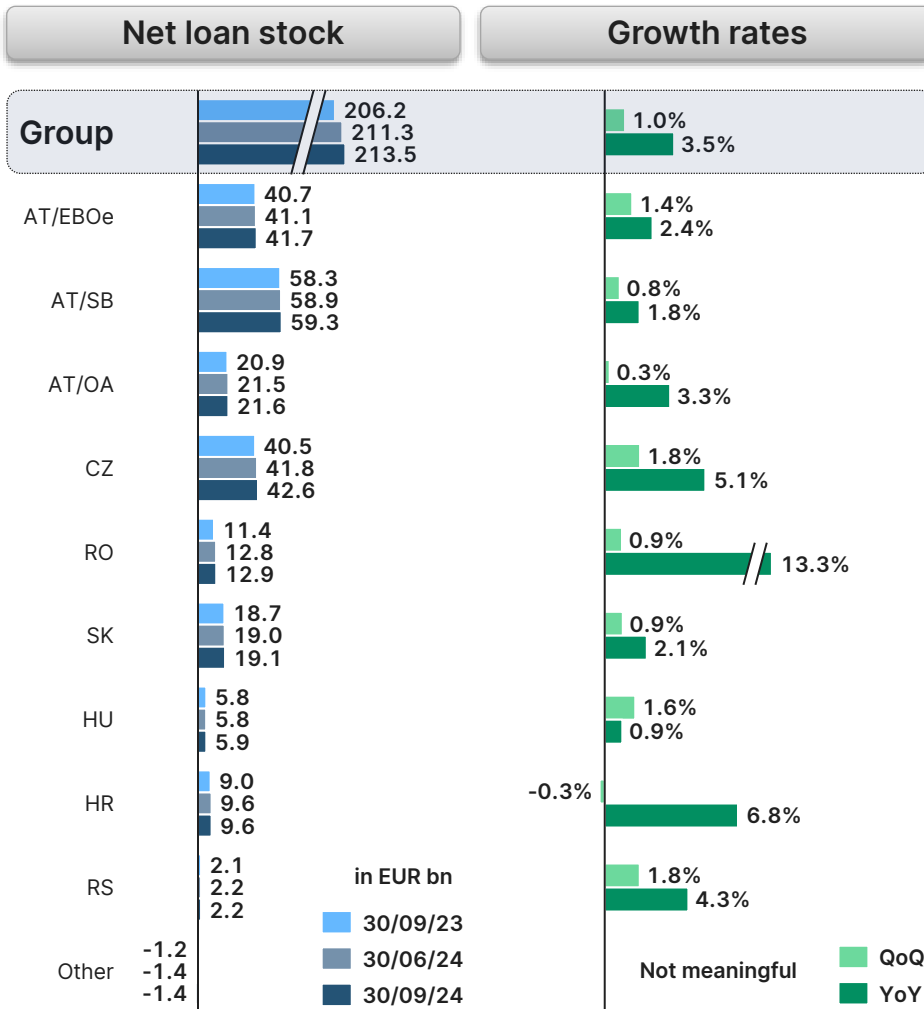
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Measured acceleration in loan demand



Measured acceleration in loan demand in Q3 24

- Growth more pronounced in Retail than in Corporate business, up 1.7% vs 0.7% qoq, mostly visible in CZ, yoy also strong in HR, RO
- Austrian loan growth picking up slowly
- CEE trends encouraging, particularly in CZ (balanced qoq growth between Retail and Corporate business); yoy growth in HR and RO mostly attributable to Retail (consumer loans)

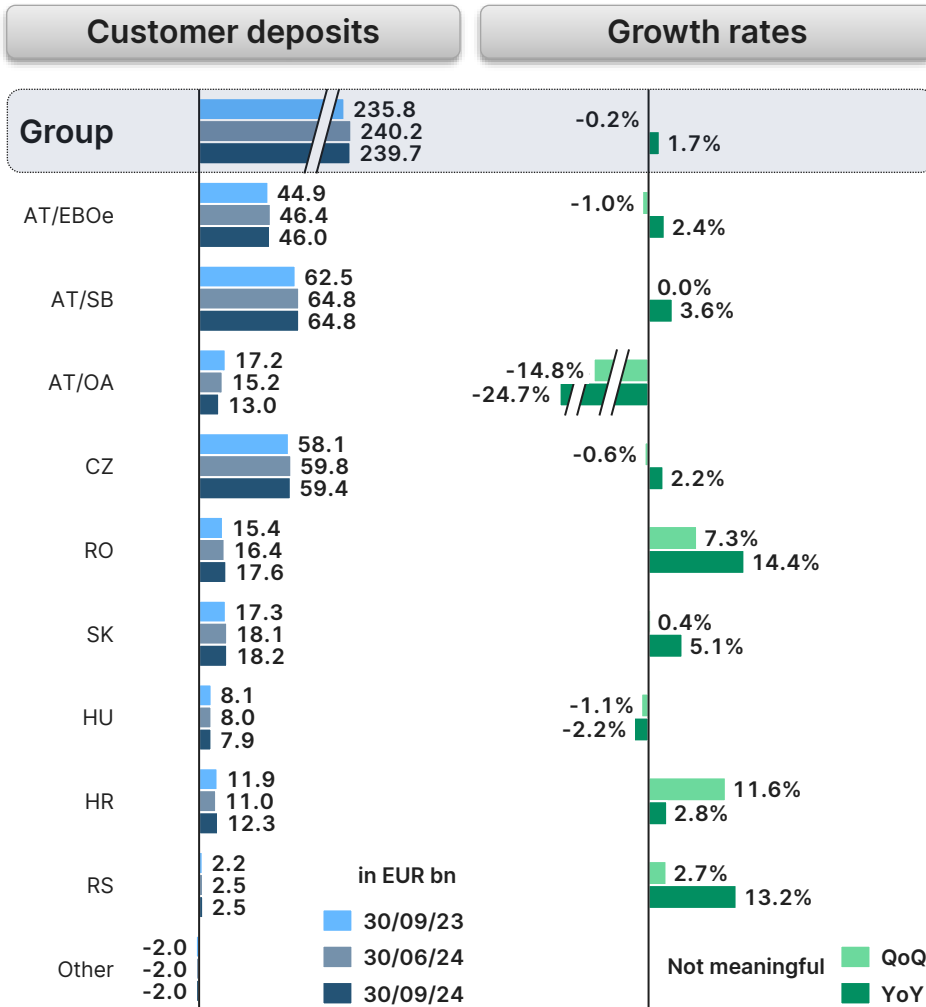
Unchanged ~ +5% 2024 loan growth target

- Contingent on further demand improvement in Austria in Q4 and on CEE FX backdrop at year-end 2024

Q3 24 loan growth drivers

- RO: yoy, qoq growth driven primarily by consumer loans
- HR: yoy mainly driven by consumer loans, qoq stable despite well-balanced retail growth, offset by slower corporate business
- CZ: qoq continued healthy demand for housing loans; yoy, qoq balanced growth between Retail and Corporate
- AT/EBOe: qoq acceleration in housing loan demand, but from low levels; quarterly new business volume reached 2-year high

Healthy customer deposit volume trends

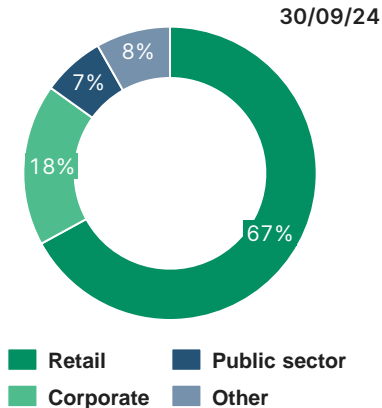


Erste Group's favourable deposit mix is a key competitive advantage – overweight retail, sight, EUR deposits

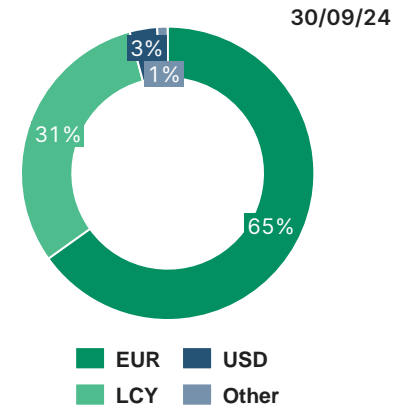
Key Q3 24 deposit drivers

- **Core deposits** (Retail, SME & Savings Banks) stable qoq, up yoy
- **Decline in share of retail current account deposits** (of total Retail) **almost stopped**; now at **51.7%** (Q2 24: 51.9%, Q3 23: 55.0%) as shift into term and savings deposits further decelerated
- AT/OA: qoq, yoy driven by lower FI deposits; Corporate stable
- HU: minor qoq, yoy declines due to non-core deposit volatility

Deposits by clients *

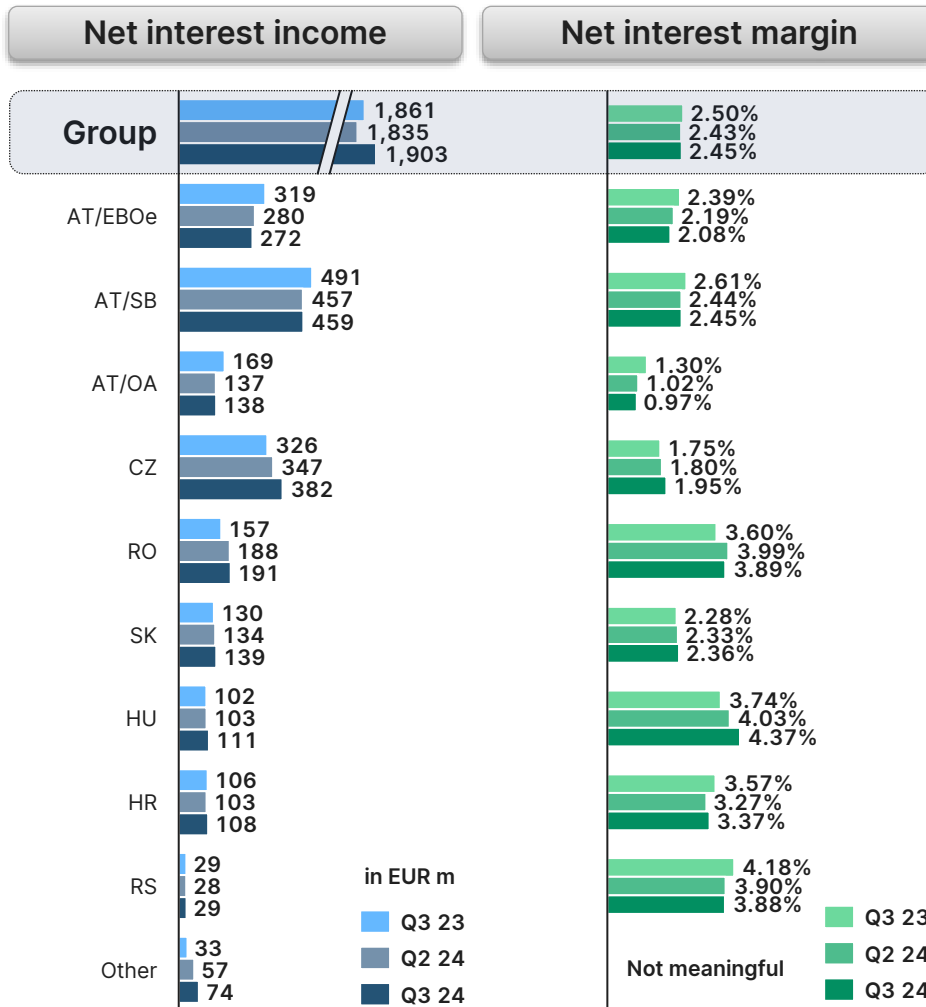


Deposits by currency



*) Split by customer groups, not segments; Retail includes Savings Banks and their retail associated client groups; may contain rounding differences

NII projection for 2024 revised upwards



Q3 24 NII tops EUR 1.9bn, sets new record

- Positive effects from **client business**: swift deposit repricing, tailwinds from fixed rate loan repricing
- Still incremental positive impact from **bond portfolio**
- Lower wholesale **funding costs**

Key NII drivers in Q3 24

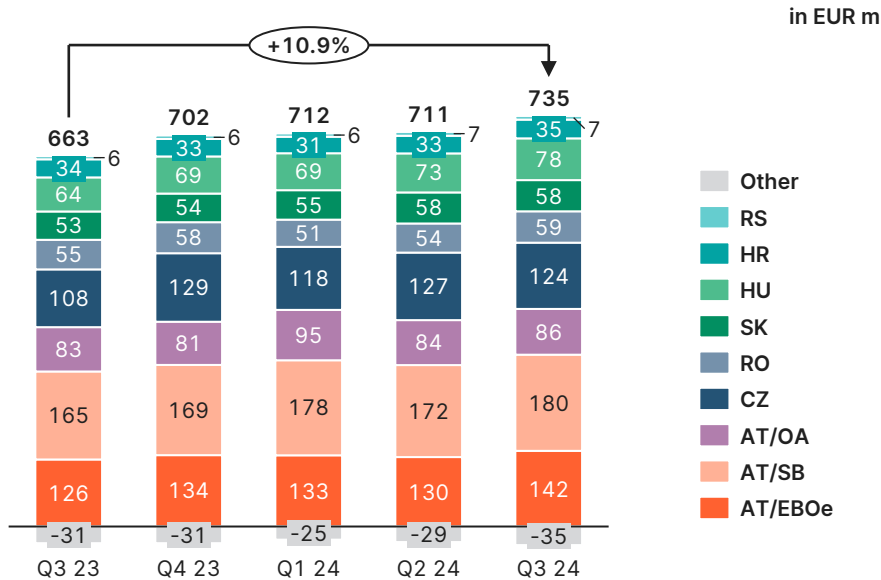
- CZ: timely deposit repricing, positive one-off of EUR 18m
- AT/EBOe: lower income from liquidity placements, customer loans
- AT/SB: despite negative one-off of EUR 7m, stable qoq NII, on higher income from liquidity placements, swift deposit repricing
- AT/OA: yoy decline due to lower NII from corporate business and weaker money market business
- HU: qoq up due to booking of mortgage rate cap modification losses of EUR 6.4m in Q2 24
- RO: yoy increase driven by higher loan volumes, especially in the consumer loan segment

Upgraded 2024 NII guidance – NII set to grow by >2%

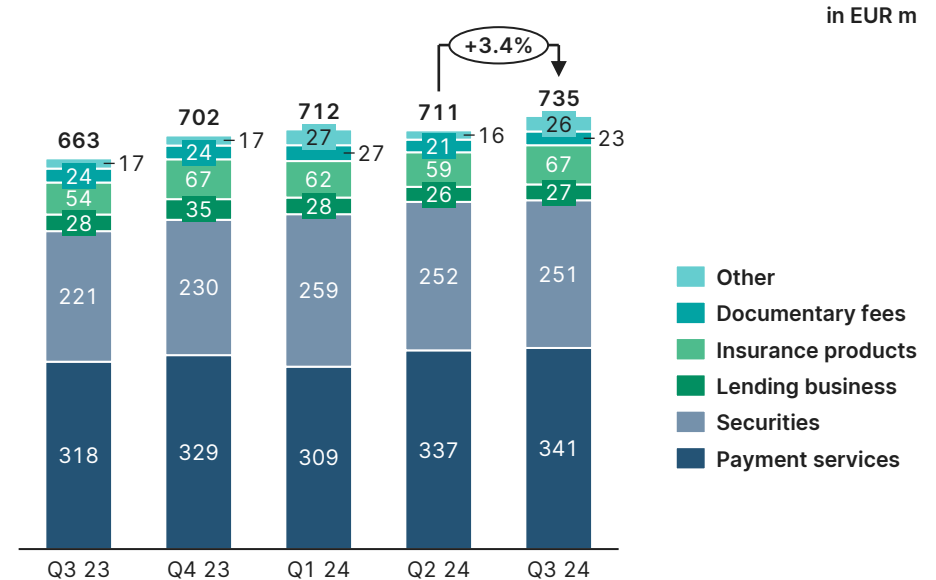
- Positive business effects offset central bank rate cuts
- Moderate funding costs (customer deposits & wholesale funding)
- Continued fixed rate loan repricing, positive bond portfolio impact
- Loan growth

Fees remain on growth path, 2024 guidance confirmed

Net fee income by segment



Net fee income by fee type



Key fee drivers in Q3 24

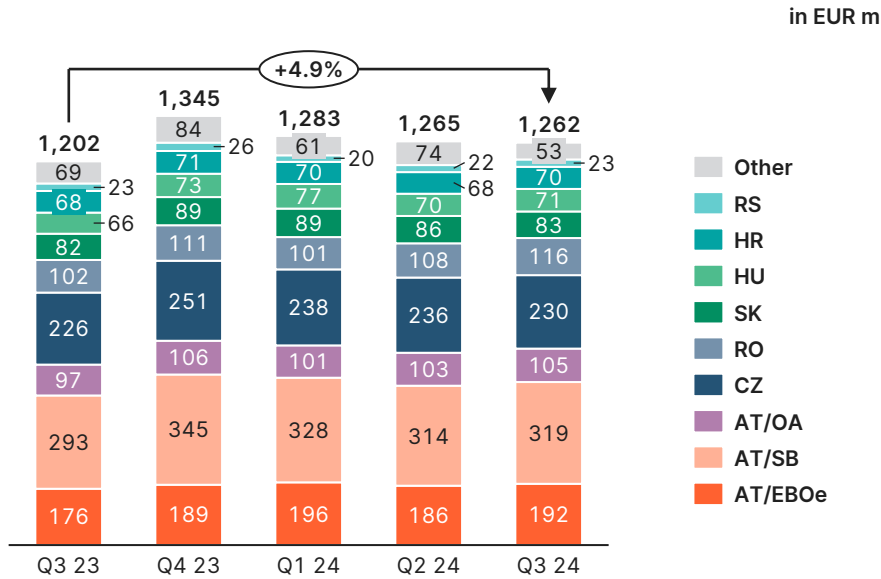
- Yoy performance supported by balanced growth in all key fee categories (payment services, securities, insurance brokerage) as well as geographies
- Qoq increase due to higher payment fees on the back of re-pricing in Austria and higher insurance brokerage income

2024 fee growth guidance confirmed at ~10%

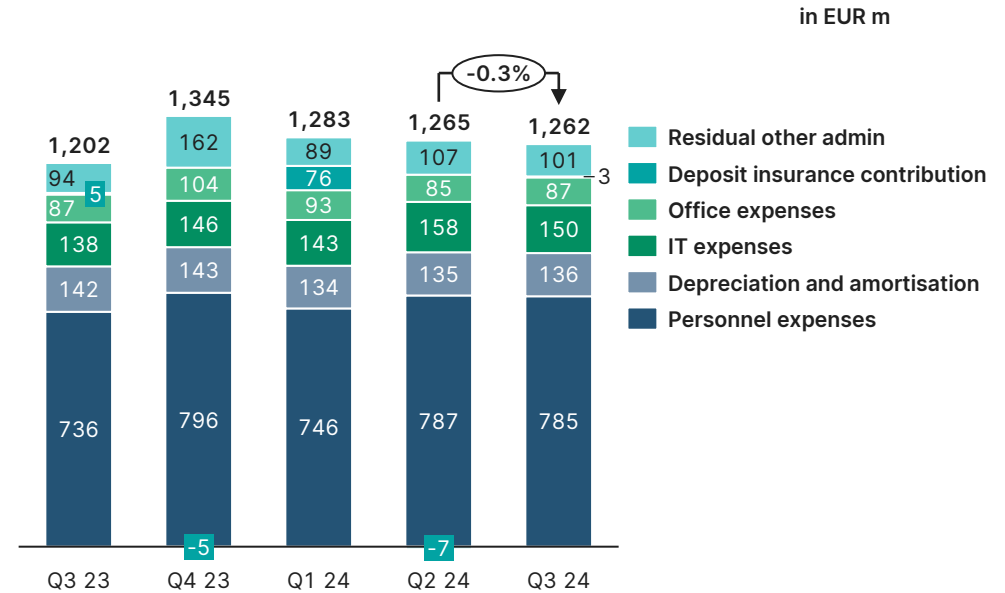
Fee income is a key long-term structural growth opportunity for Erste

Operating expenses unchanged qoq, 2024 guidance confirmed

Operating expenses by segment



Operating expenses by type



Key cost drivers in Q3 24

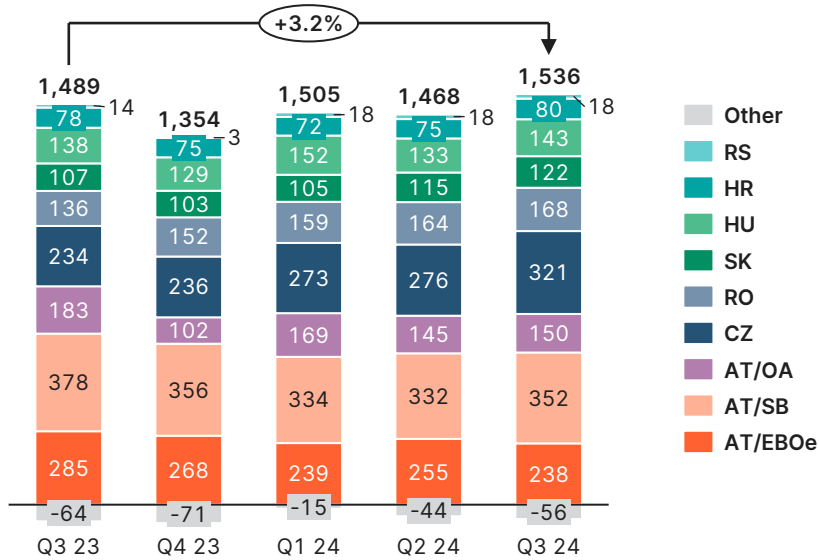
- Yoy cost updrift mainly driven by higher personnel costs on the back of wage increases in Austria from April, and higher IT expenses
- Qoq costs stable

Unchanged FY24 guidance: ~ +5%

2024 CIR guidance upgraded to ≤48%

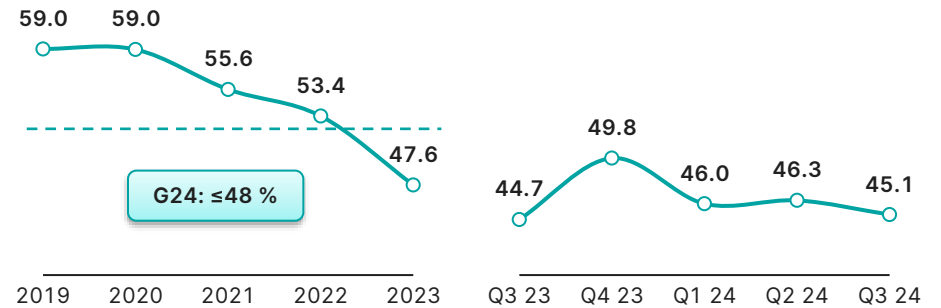
Operating result

in EUR m



Cost/income ratio

in %



Key operating result drivers in Q3 24

- Core revenues (NII and fees) set new records, trading & fair value result as well as other income remained strong
- Expenses were stable qoq
- Operating result posted new record

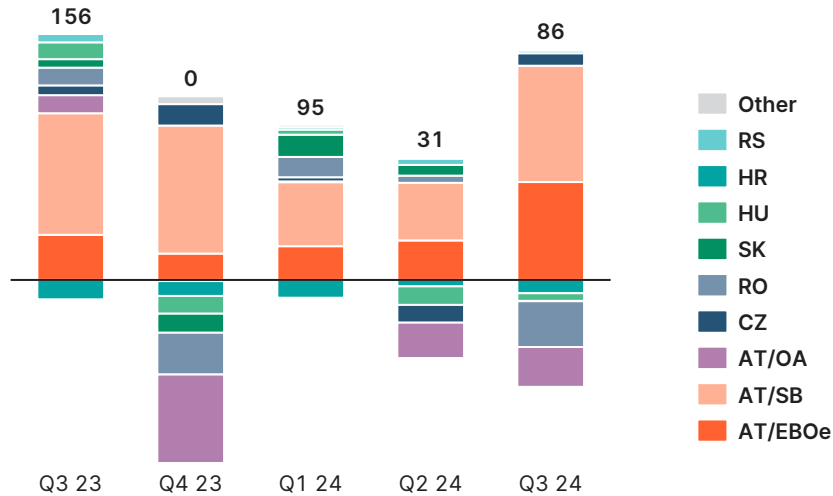
Continued strong operating momentum in Q3 24

Upgrade of FY24 CIR guidance from <50% to ≤48%

2024 risk cost outlook confirmed at <20 bps

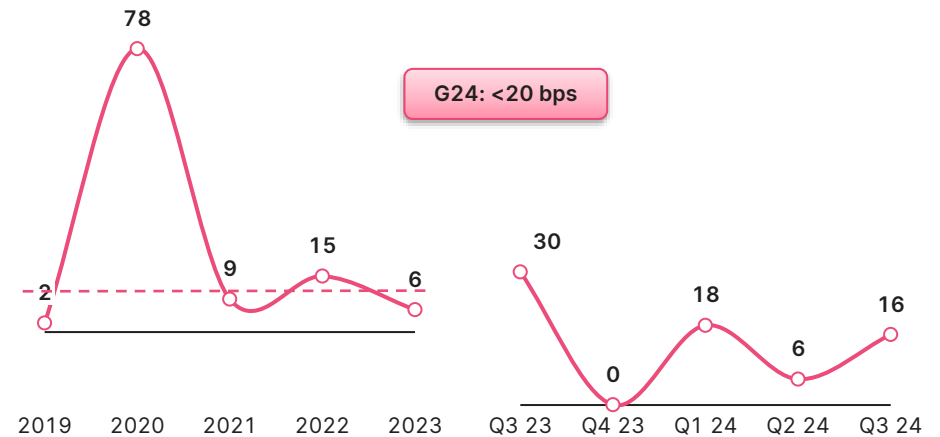
Risk costs by segment *

in EUR m



Risk cost ratio *

in bps



*) A positive (absolute) figure denotes a net allocation, a negative figure denotes a net release. The risk cost ratio is calculated as annualised quarterly impairment result of financial instruments over average gross customer loans.

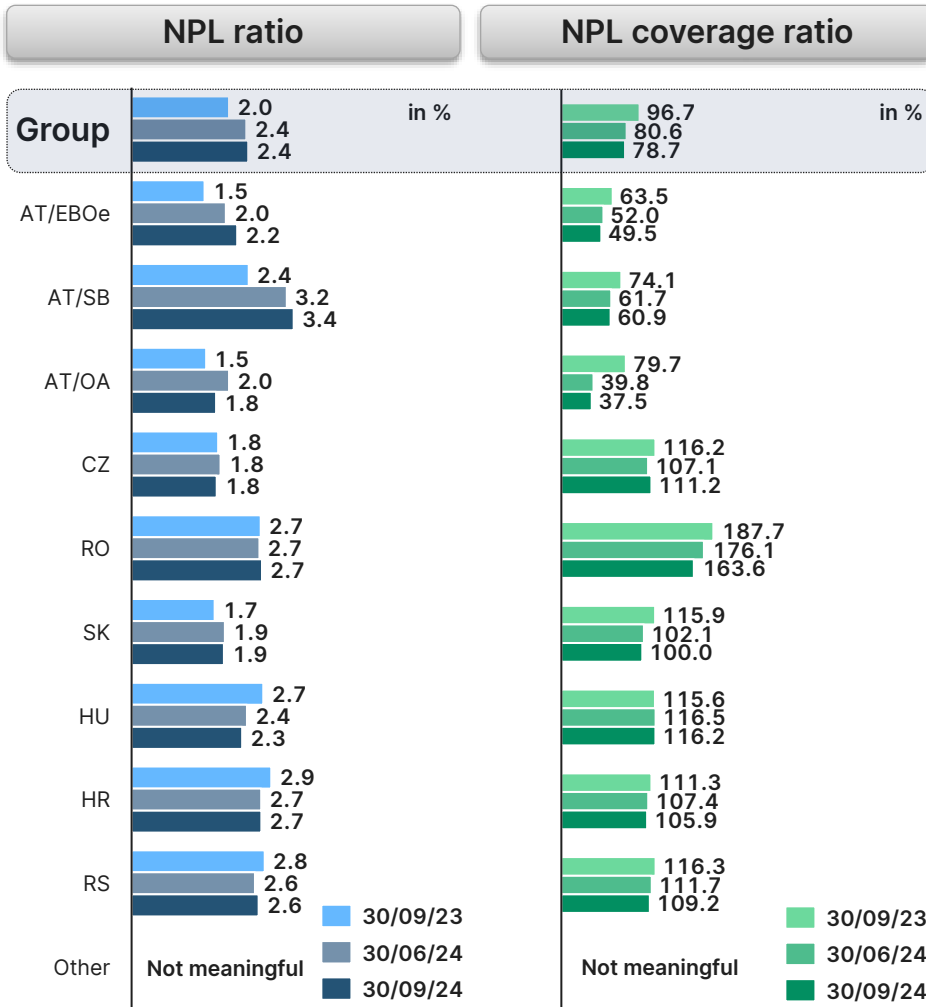
Key risk costs drivers in Q3 24

- Allocations primarily at Erste Bank Oesterreich and the savings banks and partly offset by releases in AT/OA and RO
- Continued strong performance across Central and Eastern Europe
- Net release of FLI provisions (EUR 96m) and industry overlays (EUR 5m) in Q3 24

2024 guidance confirmed at <20 bps

- Minority-owned savings banks expected to post comparatively higher risk costs, **limiting bottom line impact**
- EUR 565m of portfolio overlays and FLI provisions available for portfolio/macro deterioration, of which **approx. EUR 50m expected for further release in 2024**

NPL and NPL coverage ratios at comfortable levels

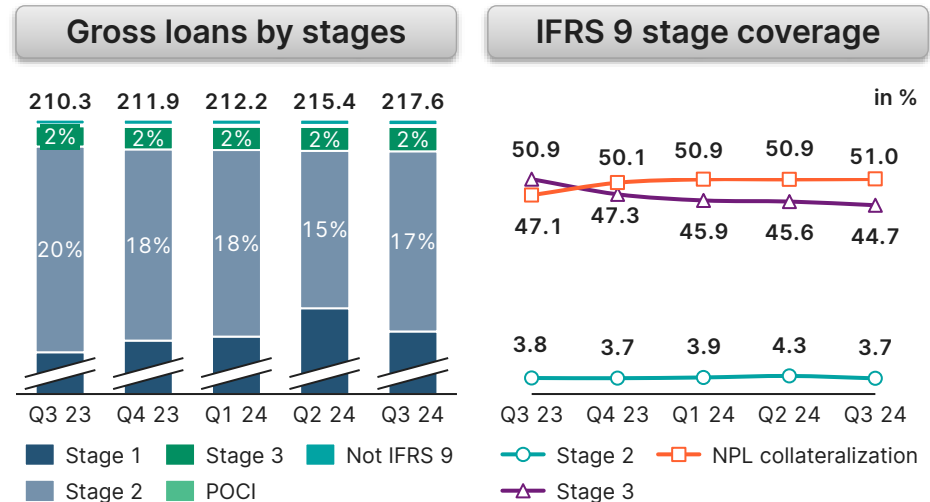


Excellent NPL performance in CEE

- New defaults mainly in Austrian segments, related to corporate/real estate business
- NPL coverage (excluding collateral) primarily affected by release of FLI and overlay provisions in the amount of EUR 101 million
- NPL expected to hover around current levels at year-end 2024

Only minor changes in stage coverage, collateralisation

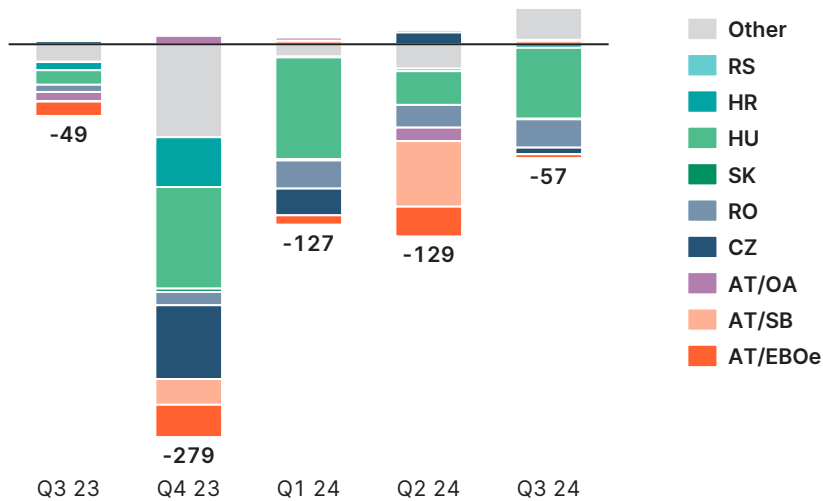
- Strong (real estate-linked) collateralisation results in lower stage 3 coverage requirement
- Stage 2 coverage slipped slightly on shift of flood-related exposures to stage 2 in CZ and AT



Other result normalises qoq

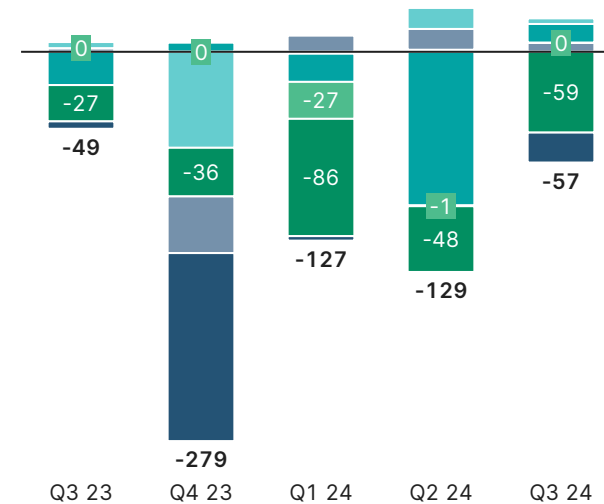
Other result by segment

in EUR m



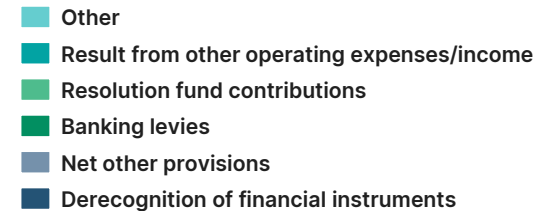
Other result by accounting categories

in EUR m



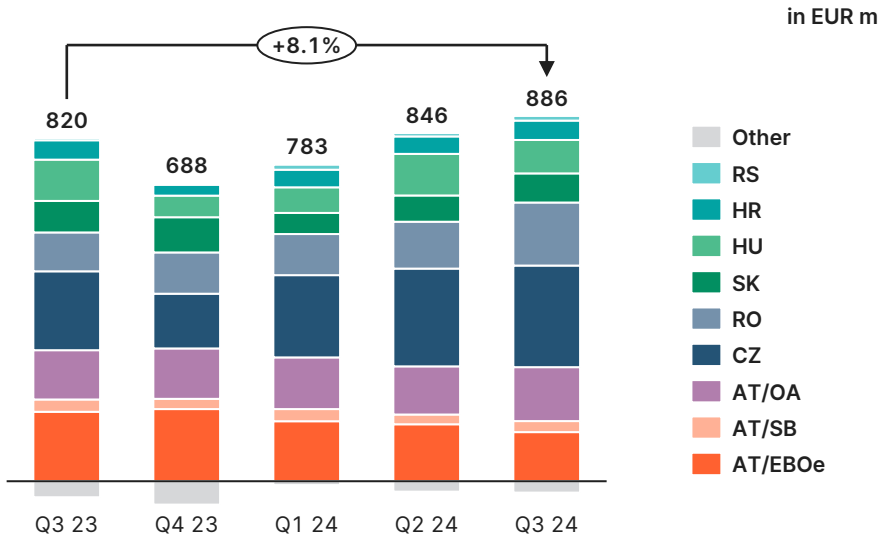
Key other result drivers in Q3 24

- Qoq improvement due to Q2 24 provision of EUR 90m for possible EU decision retrospectively lifting Austrian interbank VAT exemption, majority of which affecting minority-owned savings banks – limited impact on bottom line
- HU: higher yoy and qoq booking due to higher banking levies
- CZ: selling losses on bonds offset by better other operating result

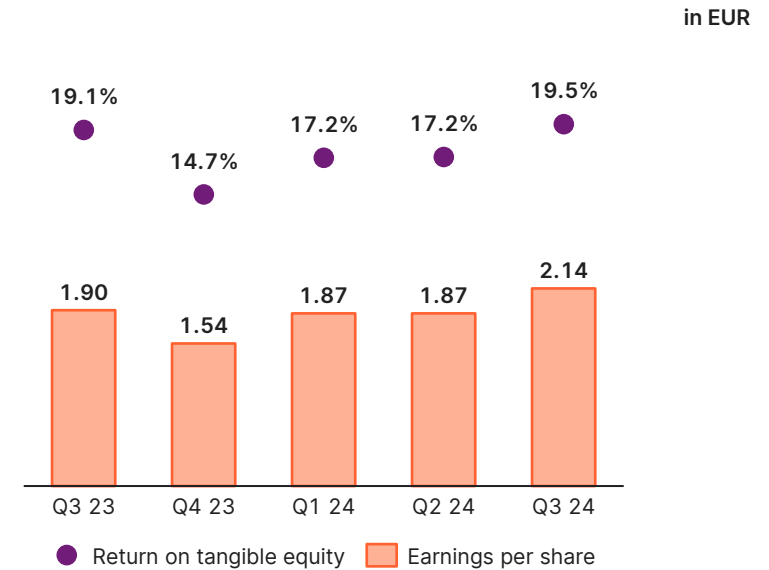


2024 ROTE target upgraded to >16%

Net result by segment



EPS & ROTE



Key net profit drivers in Q3 24

- Strong yoy, qoq operating performance
- Continued moderate risk costs thanks to good asset quality
- Net profit close to all-time high

Erste Group continues track record of earning premium on cost of capital

Erste Group upgrades 2024 ROTE target to >16% (from > 15%)

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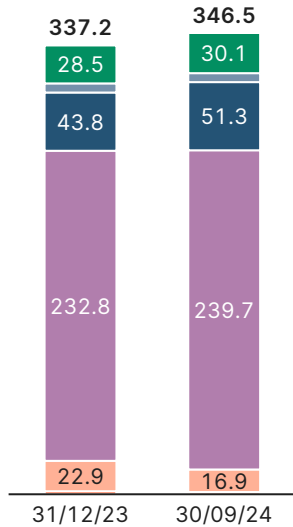
FINANCIAL OUTLOOK

APPENDIX

Vast retail deposit base provides competitive funding advantage

Liabilities and equity

in EUR bn



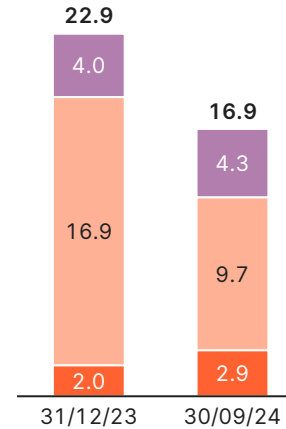
Debt securities

in EUR bn



Interbank deposits

in EUR bn



Comments

Highly granular and well-diversified Retail & SME deposit base is key source of long-term funding

Increase in debt securities driven by:

- Covered bonds
- Certificates of deposit
- Local (MREL) as well as holding issuance of senior and senior non-preferred bonds

Decline in interbank (term) deposits driven by TLTRO

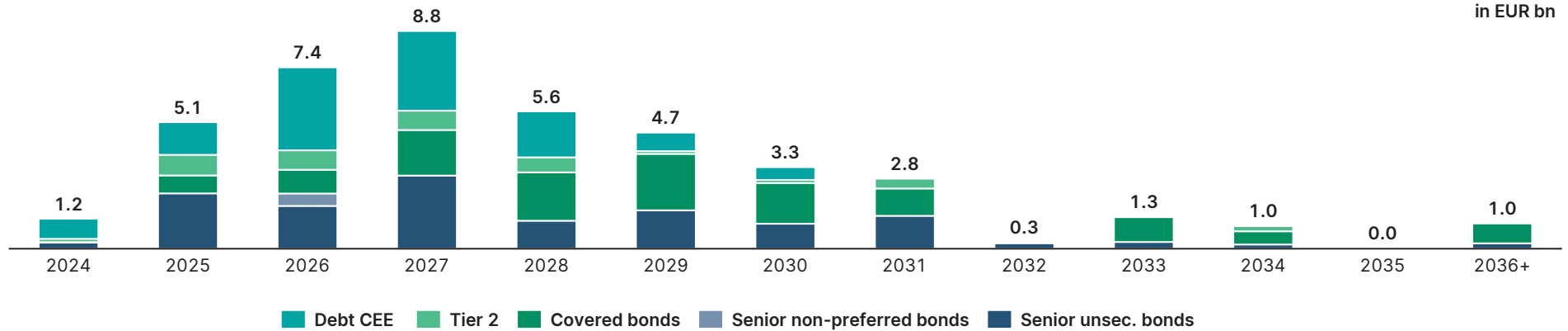
- Equity
- Miscellaneous liabilities
- Debt securities
- Customer deposits
- Bank deposits
- Trading liabilities

- Public sector CBs
- Mortgage CBs
- Other CDs, name cert's
- Certificates of deposit
- Senior unsec. bonds
- Senior non-preferred bonds
- Sub debt

- Repurchase agreements
- Term deposits
- Overnight deposits

2024 funding plan already fully executed

Maturity profile of debt



Erste Group met its funding targets set for 2024

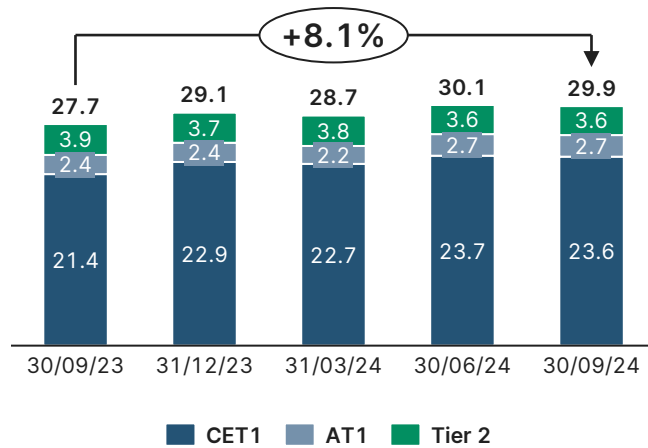
- The most recent Tier-2 transaction (EUR 750m 10.25NC5.25 at MS+170bps) represents an opportunistic deal that met strong demand after a 2-year absence from the syndicated Tier-2 market
- In 2024, Erste was active across all seniorities in benchmark format with two EUR 1bn mortgage covered bonds in Q1, a EUR 750m AT1 that was coupled with a tender offer in Q2 and a EUR 750m senior preferred trade in Q3
- A similar funding mix in terms of volume and seniorities to be expected in 2025

TLTRO III: EUR 1.2bn matured in Q3 24; outstanding amount of EUR 0.15bn as of Sep 24

RWAs increase on business effects and operational risk ytd

Basel 3 capital

in EUR bn

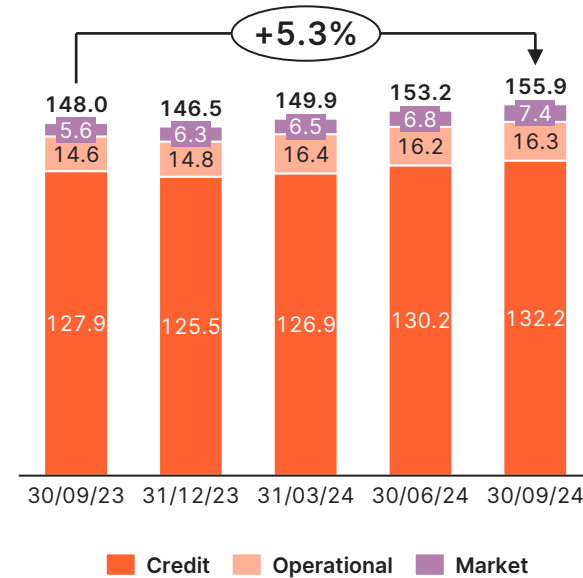


CET 1 capital up on H1 interim profit and minority interest

- Q3 24 interim profit not included
- Minority interest: +EUR 380m
- OCI impact and prudential filters: -EUR 160m

Risk-weighted assets

in EUR bn

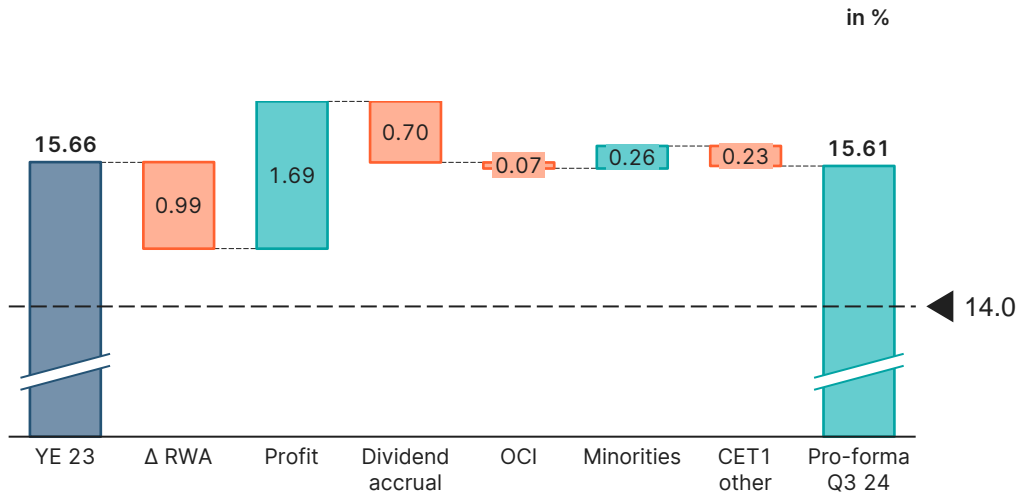


RWAs up ytd mainly on credit RWAs and operational risk

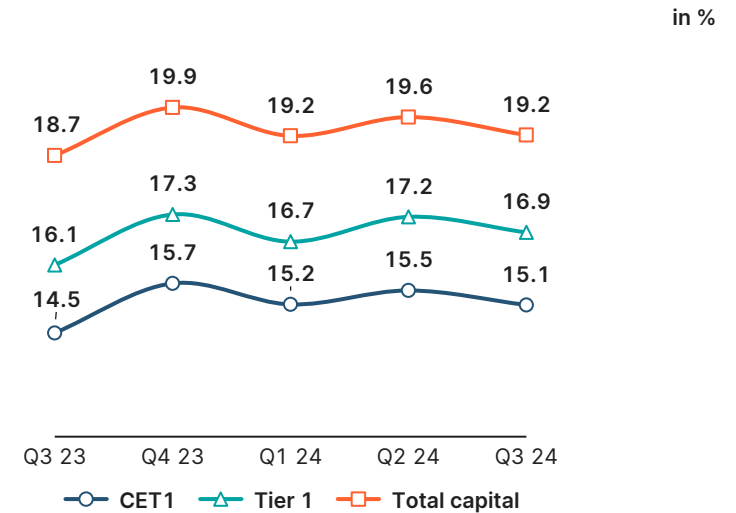
- Credit RWA up by EUR 6.8bn on exposure growth as well as method effects
- Operational risk increase attributable to annual severity recalibration
- Market risk RWA up by EUR 1.1bn mainly due to interest rate risk

CET 1 ratio remains at strong level

CET 1 ratio development (final, pro-forma)



Basel 3 capital ratios (final)



Pro-forma CET1 ratio at 15.6%

- Total RWAs increase mainly on exposure growth and operational risk RWA
- Deduction of budgeted pro-rata dividend, in line with 40-50% payout range

Target CET1 ratio (fully loaded) unchanged at 14.0%

EUR 500m second share buyback running since end of June – fully deducted from capital

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2024 guidance upped again – initial 2025 ROTE forecast: ~15%

Variable	2024 old guidance	2024 new guidance	Key assumptions/additional comments
Real GDP	> 2%	~ 0-4%	Diverging economic performance with HR and RS performing better than expected
Loans	~ +5%	~ +5%	Loan growth supported by declining interest rates, actual print influenced by FX
NII	~ 0%	> 2%	Slower pace of rate cuts in the euro zone, fast deposit pass-through
Fees	~ +10%	~ +10%	Strong fee outlook on healthy demand for asset management, payment services
Costs	~ +5%	~ +5%	Solid cost control
CIR	< 50%	≤ 48%	Better revenue/cost outlook drives cost/income ratio improvement
Risk costs	< 20 bps	< 20 bps	Continuation of broadly positive risk performance
ROTE	> 15%	> 16%	Stronger operating performance results in better profitability
CET1 ratio	> 14.0%	> 14.0%	Unchanged target CET1 ratio, second share buyback in the amount of EUR 500m currently under way

Risk factors to guidance

- Political, regulatory, geopolitical, economic, health and competition risks, also non-financial and legal risks
- Indirect effects from international (military) conflicts, such as the Russia/Ukraine war or in the mid-east region, 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

EXECUTIVE SUMMARY

MACROECONOMIC AND BUSINESS UPDATE

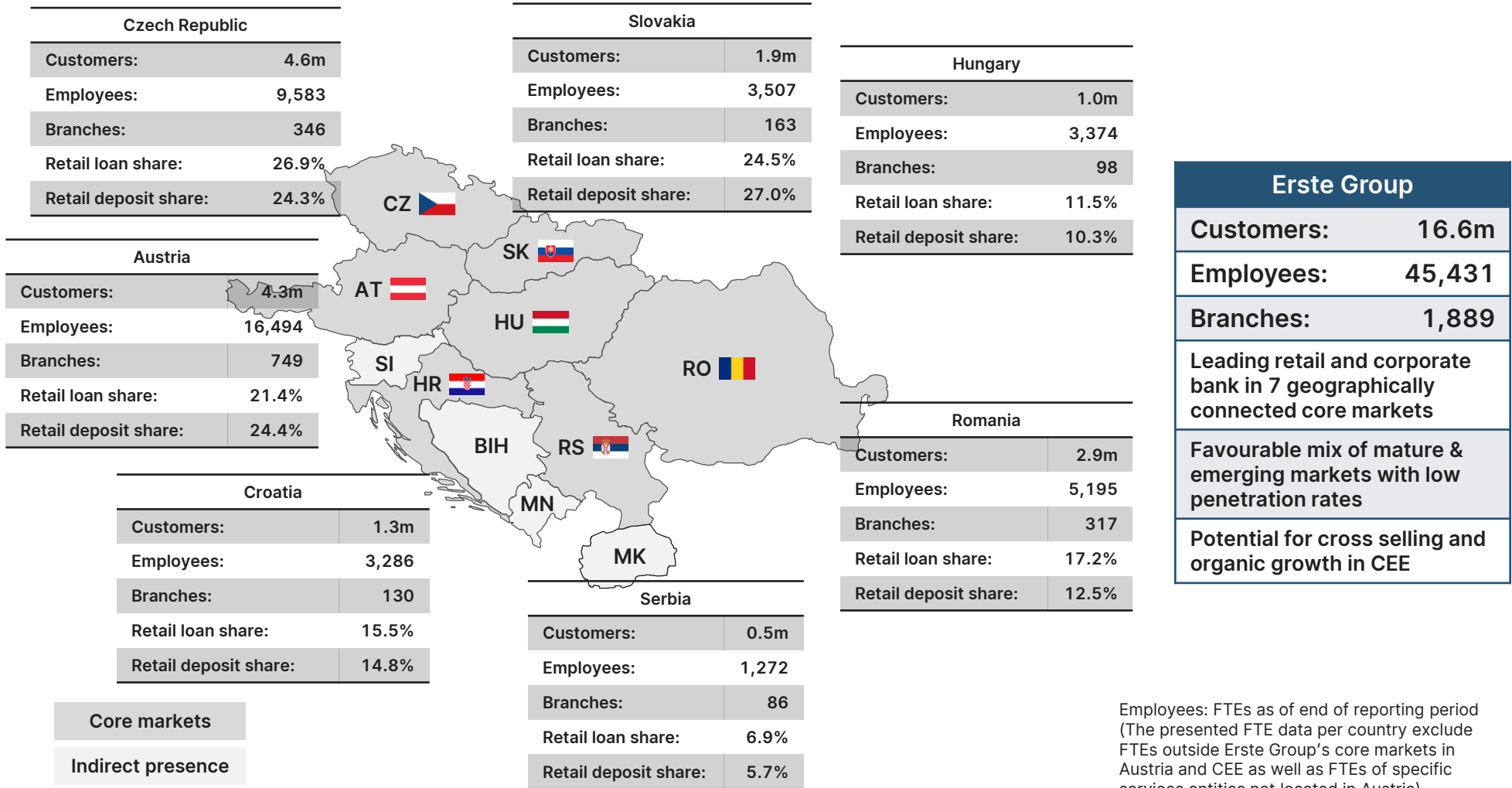
OPERATING TRENDS

WHOLESALE FUNDING AND CAPITAL

FINANCIAL OUTLOOK

APPENDIX: ERSTE GROUP BASICS, ERSTE GROUP DETAILED FINANCIALS & ERSTE GROUP ESG PROFILE

Banking leadership in Central and Eastern Europe (1)



Core markets
Indirect presence

Market shares for Austria are as of June 2024

Employees: FTEs as of end of reporting period (The presented FTE data per country exclude FTEs outside Erste Group's core markets in Austria and CEE as well as FTEs of specific services entities not located in Austria)

Banking leadership in Central and Eastern Europe (2)

Eastern part of EU

Retail banking

Acting as Financial Health Advisor for the people in our region

Support customers to build up and secure wealth

Active management of customer journeys to increase profitability and customer satisfaction

Corporate banking

SME and large corporate banking

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

Transaction banking services (trade finance, factoring, leasing)

Commercial real estate business

Focus on CEE, limited exposure to other Europe

Capital markets

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

In addition to core markets, presences in Poland, Germany, New York and Hong Kong with institutional client focus and selected product mix

Building debt and equity capital markets in CEE

Public sector

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

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

Interbank business

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

FINANCIAL HEALTH – Bringing advice to all customers to improve their financial health

GREEN TRANSITION – Being a financial leader in the green transition in CEE

PRIORITIES in DIGITALISATION – Invest in data analytics and innovate George

CORPORATE RESPONSIBILITY – Operating sustainably and profitably

Strategy: continuity & progress

Strategic continuity...

Full commitment to growth

- Organic growth: fully capturing existing and emerging growth opportunities in current footprint
- Inorganic growth: being a driver of consolidation in existing markets and examining entry into new markets in eastern EU with clear focus on creating short- and long-term shareholder value

Full commitment to existing footprint

- Austria, Croatia, Czech Republic, Hungary, Romania, Serbia, Slovakia

Full commitment to current business model

- Retail, corporate, capital markets, public sector
- Building on fee strength, by further developing asset management and banc assurance opportunity

Full commitment to capital return

- Regular dividend payment in the range of 40-50% of reported net profit net off AT1 dividend
- Share buybacks will remain an integral part of the capital management toolbox

... and strategic progress

Elevating George to the next level

- Rolling out digital client advice in a structured way, thereby significantly expanding advice coverage

Focusing on asset management, banc assurance and pension products as customer base grows wealthier

Further digitisation of back-office processes

- Streamlining and simplification of product portfolio
- Realising benefits from back-office digitisation

Continued focus on operating efficiency

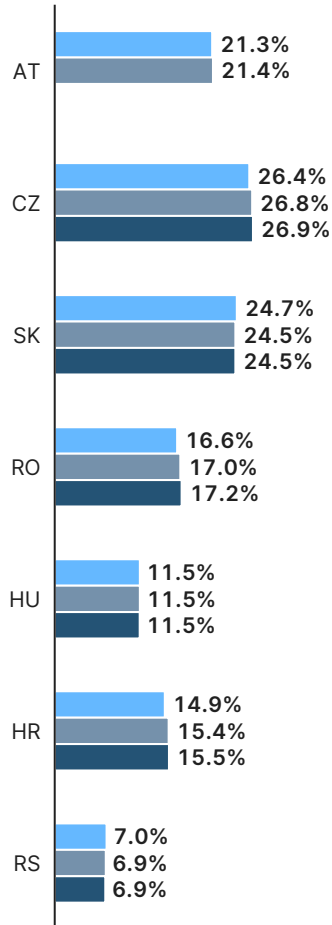
- Expansion of fee revenue pool
- Increased number of end-to-end digital processes

Disciplined approach to M&A

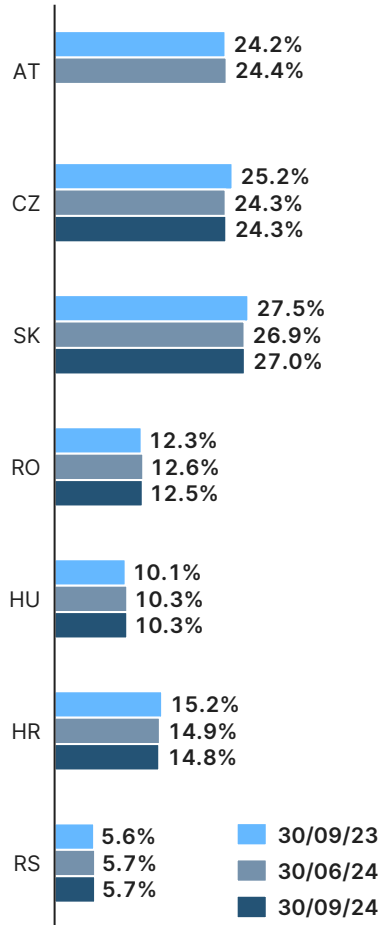
- Erste has strong discipline track record in opportunistic in-market consolidation
- New market entry will be held to the same high standard, ensuring short- and long-term value creation

Commanding market shares across the CEE region

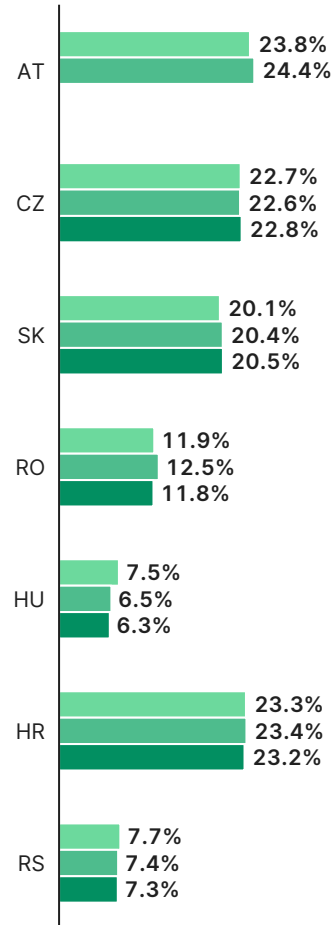
Gross retail loans



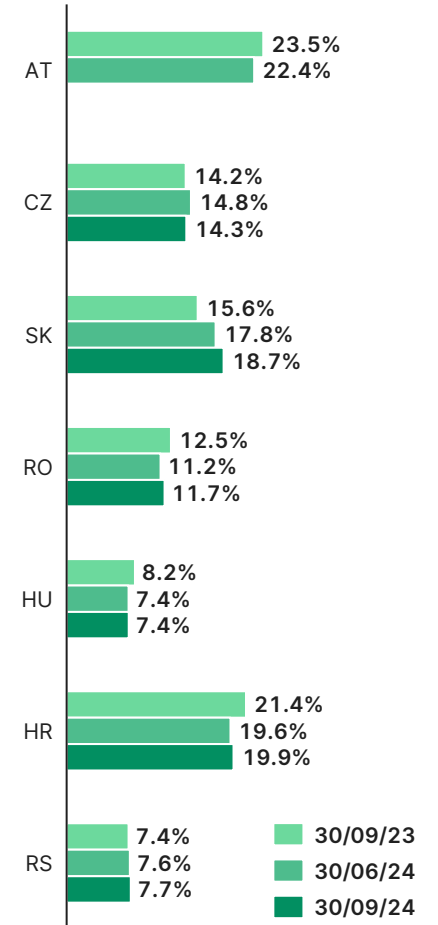
Retail deposits



Gross corporate loans



Corporate deposits



Market shares for Austria are not yet available as of 30/09/2024

Strong track record of profitability

in EUR million	Year-to-date view			Quarterly view				
	1-9 23	1-9 24	YOY-Δ	Q3 23	Q2 24	Q3 24	YOY-Δ	QOQ-Δ
Net interest income	5,422.3	5,590.7	3.1%	1,861.2	1,835.0	1,903.2	2.3%	3.7%
Interest income	11,125.4	11,669.9	4.9%	3,972.1	3,884.7	3,819.3	-3.8%	-1.7%
Other similar income	3,342.3	2,933.2	-12.2%	1,111.9	956.4	896.3	-19.4%	-6.3%
Interest expenses	-4,979.0	-5,808.0	16.7%	-1,854.7	-1,952.5	-1,873.8	1.0%	-4.0%
Other similar expenses	-4,066.4	-3,204.5	-21.2%	-1,368.1	-1,053.6	-938.5	-31.4%	-10.9%
Net fee and commission income	1,937.6	2,157.8	11.4%	662.9	710.7	735.0	10.9%	3.4%
Fee and commission income	2,290.4	2,540.3	10.9%	790.1	832.2	872.2	10.4%	4.8%
Fee and commission expenses	-352.8	-382.5	8.4%	-127.2	-121.5	-137.2	7.9%	12.9%
Dividend income	29.1	34.6	18.6%	5.8	24.2	6.8	16.9%	-72.1%
Net trading result	337.4	428.3	26.9%	67.0	30.7	291.1	>100.0%	>100.0%
Gains/losses from financial instruments measured at fair value through profit or loss	-17.7	-70.0	>100.0%	46.1	78.1	-181.1	n/a	n/a
Net result from equity method investments	17.6	15.2	-13.7%	4.4	8.1	3.5	-20.7%	-56.8%
Rental income from investment properties & other operating leases	126.4	162.8	28.8%	44.1	46.9	39.2	-11.0%	-16.2%
Personnel expenses	-2,195.4	-2,318.1	5.6%	-736.3	-787.1	-784.5	6.6%	-0.3%
Other administrative expenses	-1,062.0	-1,086.1	2.3%	-323.8	-342.7	-341.4	5.5%	-0.4%
Depreciation and amortisation	-417.3	-405.2	-2.9%	-142.3	-135.5	-135.6	-4.8%	0.1%
Gains/losses from derecognition of financial assets measured at amortised cost	-3.0	-26.9	>100.0%	-2.0	0.0	-24.9	>100.0%	n/a
Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss	-0.6	3.3	n/a	-3.4	1.5	3.0	n/a	96.6%
Impairment result from financial instruments	-127.5	-211.5	65.8%	-156.5	-31.0	-85.6	-45.3%	>100.0%
Other operating result	-326.9	-289.0	-11.6%	-43.8	-130.9	-34.7	-20.9%	-73.5%
Levies on banking activities	-147.8	-193.6	31.0%	-26.7	-48.3	-59.3	>100.0%	22.8%
Pre-tax result from continuing operations	3,720.0	3,986.0	7.1%	1,283.5	1,308.0	1,394.1	8.6%	6.6%
Taxes on income	-669.6	-817.1	22.0%	-231.0	-274.6	-285.8	23.7%	4.1%
Net result for the period	3,050.4	3,168.9	3.9%	1,052.5	1,033.5	1,108.3	5.3%	7.2%
Net result attributable to non-controlling interests	740.9	653.0	-11.9%	232.8	187.3	221.8	-4.7%	18.5%
Net result attributable to owners of the parent	2,309.6	2,515.9	8.9%	819.7	846.2	886.4	8.1%	4.8%
Operating income	7,852.8	8,319.4	5.9%	2,691.6	2,733.7	2,797.8	3.9%	2.3%
Operating expenses	-3,674.6	-3,809.3	3.7%	-1,202.4	-1,265.3	-1,261.5	4.9%	-0.3%
Operating result	4,178.1	4,510.0	7.9%	1,489.2	1,468.4	1,536.3	3.2%	4.6%

Strong balance sheet dominated by customer loans

in EUR million	Quarterly data					Change		
	Sep 23	Dec 23	Mar 24	Jun 24	Sep 24	YOY-Δ	YTD-Δ	QOQ-Δ
Cash and cash balances	31,922	36,685	29,425	26,231	23,972	-24.9%	-34.7%	-8.6%
Financial assets held for trading	6,971	8,773	9,342	7,525	10,645	52.7%	21.3%	41.5%
Derivatives	1,357	1,262	1,105	1,048	1,103	-18.7%	-12.6%	5.3%
Other financial assets held for trading	5,615	7,511	8,237	6,478	9,542	70.0%	27.0%	47.3%
Non-trading financial assets at fair value through profit and loss	2,889	3,004	2,965	3,029	3,084	6.8%	2.7%	1.8%
Equity instruments	384	415	430	488	521	35.6%	25.7%	6.7%
Debt securities	1,555	1,551	1,500	1,458	1,435	-7.7%	-7.5%	-1.6%
Loans and advances to banks	0	0	0	0	0	n/a	n/a	n/a
Loans and advances to customers	949	1,038	1,035	1,082	1,129	18.9%	8.7%	4.3%
Financial assets at fair value through other comprehensive income	10,227	8,905	8,710	8,724	9,149	-10.5%	2.7%	4.9%
Equity instruments	98	110	99	99	100	1.4%	-9.6%	1.2%
Debt securities	10,129	8,794	8,611	8,625	9,050	-10.7%	2.9%	4.9%
Financial assets at amortised cost	270,286	264,721	277,092	283,403	284,698	5.3%	7.5%	0.5%
Debt securities	44,367	44,047	46,647	45,966	46,696	5.3%	6.0%	1.6%
Loans and advances to banks	28,094	21,432	30,874	34,966	33,212	18.2%	55.0%	-5.0%
Loans and advances to customers	197,825	199,241	199,570	202,471	204,790	3.5%	2.8%	1.1%
Finance lease receivables	4,869	4,970	5,060	5,198	5,218	7.2%	5.0%	0.4%
Hedge accounting derivatives	204	183	157	168	185	-9.6%	1.2%	9.9%
Fair value changes of hedged items in portfolio hedge of interest rate risk	-35	-25	-26	-26	-16	-53.5%	-34.6%	-37.1%
Property and equipment	2,593	2,605	2,660	2,658	2,612	0.7%	0.3%	-1.7%
Investment properties	1,457	1,524	1,534	1,544	1,513	3.9%	-0.7%	-2.0%
Intangible assets	1,313	1,313	1,281	1,282	1,277	-2.7%	-2.8%	-0.3%
Investments in associates and joint ventures	225	241	269	273	272	20.8%	12.7%	-0.4%
Current tax assets	113	72	72	64	63	-44.6%	-12.9%	-2.6%
Deferred tax assets	450	468	441	399	341	-24.4%	-27.2%	-14.6%
Assets held for sale	173	163	14	25	151	-12.8%	-7.5%	>100.0%
Trade and other receivables	2,510	2,579	2,421	2,525	2,325	-7.3%	-9.8%	-7.9%
Other assets	994	976	1,282	1,120	1,040	4.6%	6.6%	-7.1%
Total assets	337,161	337,155	342,699	344,141	346,529	2.8%	2.8%	0.7%

Liabilities dominated by retail deposits

in EUR million	Quarterly data					Change		
	Sep 23	Dec 23	Mar 24	Jun 24	Sep 24	YOY-Δ	YTD-Δ	QOQ-Δ
Financial liabilities held for trading	2,428	2,304	1,805	2,003	1,770	-27.1%	-23.2%	-11.7%
Derivatives	1,918	1,614	1,228	1,211	1,015	-47.1%	-37.1%	-16.2%
Other financial liabilities held for trading	510	690	577	793	755	48.1%	9.4%	-4.7%
Financial liabilities at fair value through profit or loss	10,931	11,152	10,865	10,561	10,478	-4.1%	-6.0%	-0.8%
Deposits from customers	1,016	593	158	107	96	-90.6%	-83.8%	-10.7%
Debt securities issued	9,781	10,429	10,572	10,321	10,255	4.8%	-1.7%	-0.6%
Other financial liabilities	134	130	135	133	128	-4.5%	-2.0%	-3.8%
Financial liabilities at amortised cost	290,402	289,842	294,020	297,006	298,596	2.8%	3.0%	0.5%
Deposits from banks	23,223	22,911	19,737	17,484	16,889	-27.3%	-26.3%	-3.4%
Deposits from customers	234,758	232,223	235,178	240,130	239,638	2.1%	3.2%	-0.2%
Debt securities issued	31,307	33,330	37,994	37,596	41,011	31.0%	23.0%	9.1%
Other financial liabilities	1,114	1,378	1,111	1,795	1,058	-5.0%	-23.2%	-41.1%
Lease liabilities	684	670	690	691	707	3.3%	5.5%	2.4%
Hedge accounting derivatives	300	286	269	221	224	-25.3%	-21.6%	1.1%
Fair value changes of hedged items in portfolio hedge of interest rate risk	0	0	0	0	0	16.7%	0.0%	0.0%
Provisions	1,636	1,612	1,664	1,595	1,607	-1.8%	-0.3%	0.7%
Current tax liabilities	174	265	284	292	287	64.8%	8.6%	-1.7%
Deferred tax liabilities	3	14	50	23	16	>100.0%	10.3%	-31.2%
Liabilities associated with assets held for sale	119	113	0	0	8	-93.3%	-92.9%	n/a
Other liabilities	2,796	2,396	3,731	2,776	2,725	-2.5%	13.7%	-1.9%
Total equity	27,687	28,502	29,322	28,973	30,112	8.8%	5.6%	3.9%
Equity attributable to non-controlling interests	6,672	6,853	7,088	7,238	7,459	11.8%	8.8%	3.1%
Additional equity instruments	2,394	2,405	2,405	2,688	2,688	12.3%	11.8%	0.0%
Equity attributable to owners of the parent	18,621	19,243	19,829	19,047	19,965	7.2%	3.8%	4.8%
Subscribed capital	851	843	842	842	827	-2.9%	-2.0%	-1.8%
Additional paid-in capital	1,486	1,494	1,495	1,495	1,511	1.7%	1.1%	1.0%
Retained earnings and other reserves	16,284	16,906	17,492	16,709	17,627	8.2%	4.3%	5.5%
Total liabilities and equity	337,161	337,155	342,699	344,141	346,529	2.8%	2.8%	0.7%

Capital requirements for 2024 slightly up on higher buffers

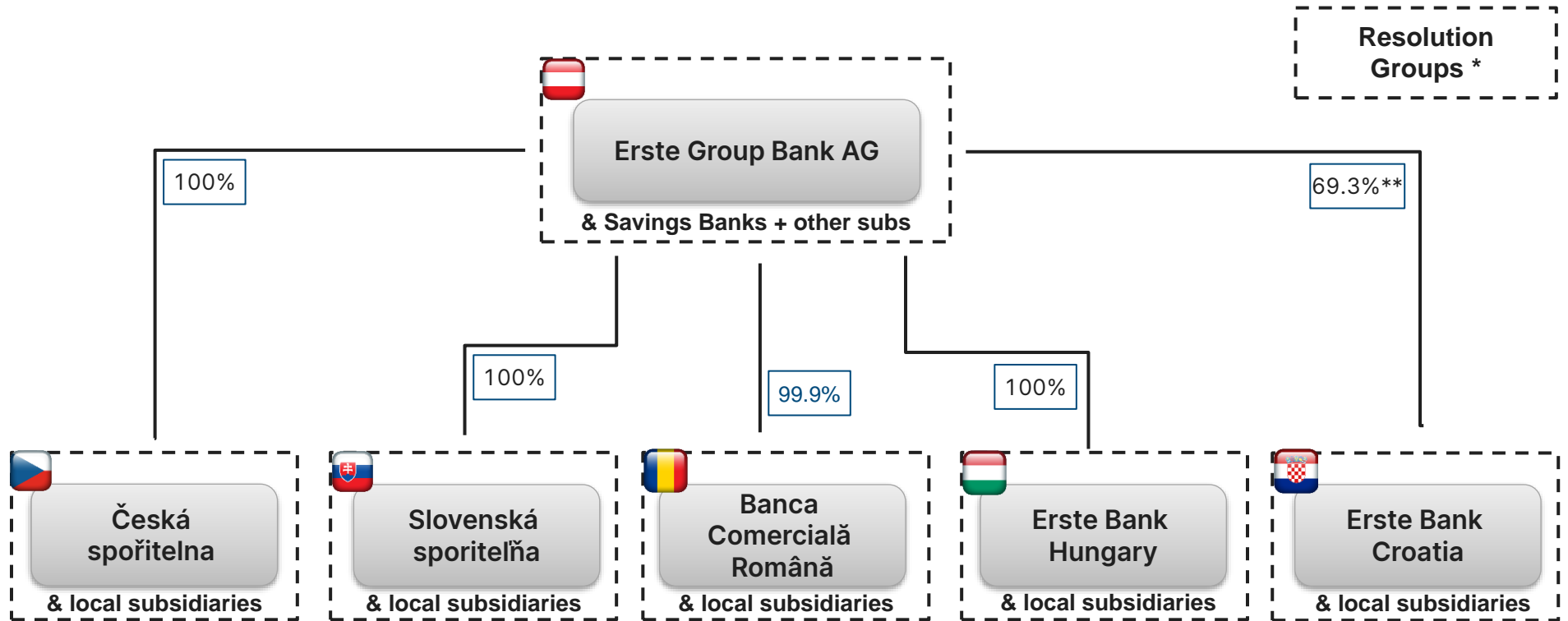
	Erste Group Consolidated				Erste Group Unconsolidated			
	2022	Fully loaded			2022	Fully loaded		
		2023	Q3 2024	YE 2024	2022	2023	Q3 2024	YE 2024
Pillar 1 CET1 requirement	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
Combined buffer requirement	4.77%	5.46%	5.63%	5.63%	4.78%	5.31%	5.32%	5.32%
Capital conservation buffer (CCB)	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Countercyclical capital buffer (CCyB) 1)	0.27%	0.71%	0.63%	0.63%	0.28%	0.56%	0.57%	0.57%
OSII buffer	1.00%	1.25%	1.50%	1.50%	1.00%	1.75%	1.75%	1.75%
Systemic risk buffer (SRB)	1.00%	1.00%	1.00%	1.00%	1.00%	0.50%	0.50%	0.50%
Pillar 2 CET1 requirement (P2R) 2)	0.98%	0.98%	1.07%	1.07%	0.98%	0.98%	1.07%	1.07%
Pillar 2 CET1 guidance (P2G)	1.00%	1.00%	1.00%	1.00%	0.00%	0.00%	1.00%	1.00%
Regulatory minimum ratios excluding P2G								
CET1 requirement	10.26%	10.95%	11.20%	11.20%	10.27%	10.80%	10.89%	10.89%
Regulatory minimum ratios including P2G								
CET1 requirement	11.26%	11.95%	12.20%	12.20%	10.27%	10.80%	11.89%	11.89%
Reported CET1 ratio as of September 2024			15.24%				25.33% 3)	

Buffer to MDA restriction as of 30 Sep 2024: 380 bps

Available distributable items (ADI) as of 30 Sep 2024: EUR 4.7bn (post dividend expected for 2024); based on CRR II, which allows additional own funds components to be included, ADIs are at EUR 7.3bn

1. Planned values based on Q3 2024 exposure.
2. As of end of May 2021 Art. 70b (7) ABA applies using P2R according to the capital stack: 56.25% for CET1 capital and 75% for Tier 1 capital. The overall P2R increased from 1.75% to 1.90% as of 1.1.2024.
3. Consolidated capital ratios pursuant to IFRS on phased-in basis. Unconsolidated capital ratios pursuant to IFRS as of Q2 2024. ADIs pursuant to Austrian Commercial Code (UGB).

MREL compliance at point of entry level (bail-in)



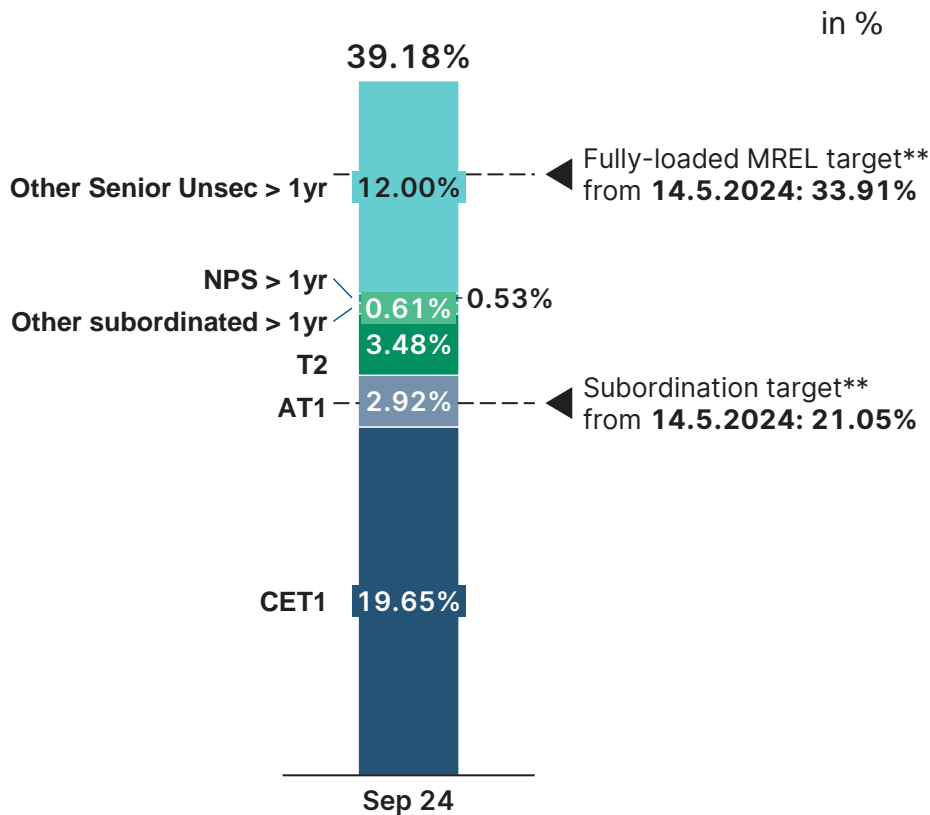
Erste Group follows an MPE resolution strategy with each resolution group issuing its external MREL debt

* Through indirect participation of Erste Group Bank AG (Holding) in Banka Sparkasse d.d., Slovenia: defined as a separate MPE resolution group from Q2 24 (previously part of the Austrian resolution group) and subject to an MREL requirement from 1.7.2025

** Erste Bank Croatia: direct stake of 59%; indirect stake through Steiermärkische Sparkasse

Austrian resolution group: MREL requirement based on RWA fulfilled

MREL capacity based on TREA (RWA)*



* TREA... total risk exposure amount

** Target including the Combined Buffer Requirement (CBR)

Key take-aways

Erste Group adopted multiple point of entry (MPE) resolution approach

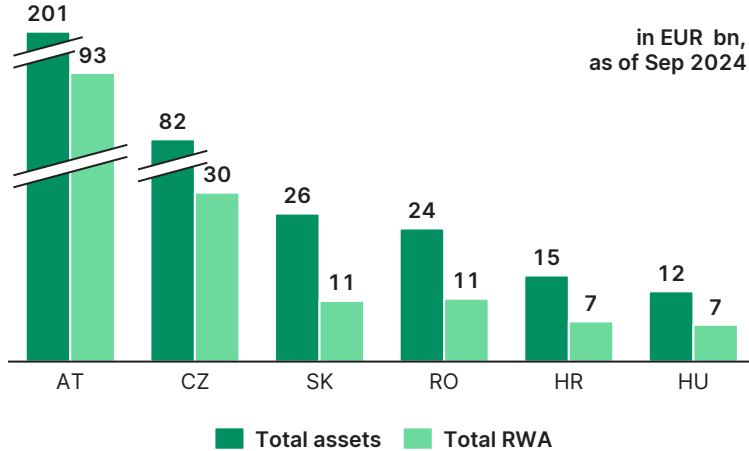
- In Q2 24, Erste Group Bank AG received its MREL requirement calibrated on 31 Dec 2022 balance sheet data
- From 14.5.2024, Erste Group Bank AG, as the resolution entity of the Austrian resolution group, must comply with a MREL requirement of 28.60% of TREA (excl. CBR) and 9.73% of Leverage Ratio Exposure (LRE). In addition, the subordination requirement is set at 15.75% (excl. CBR) of TREA and 8.95% of LRE, respectively.
- As of Q3 24 the Combined Buffer Requirement (CBR) of the Austrian Resolution Group is 5.31% of TREA
- Based on the Austrian resolution group's RWAs as of Sep 2024 of approx. EUR 93.2bn, the current MREL ratio stands at 39.18%, thereof 27.18% being subordinated eligible liabilities.

As of Q3 24 the AT resolution group is compliant with the fully-loaded MREL and subordination requirements (TREA and LRE-based) to be fulfilled from 14 May 2024.

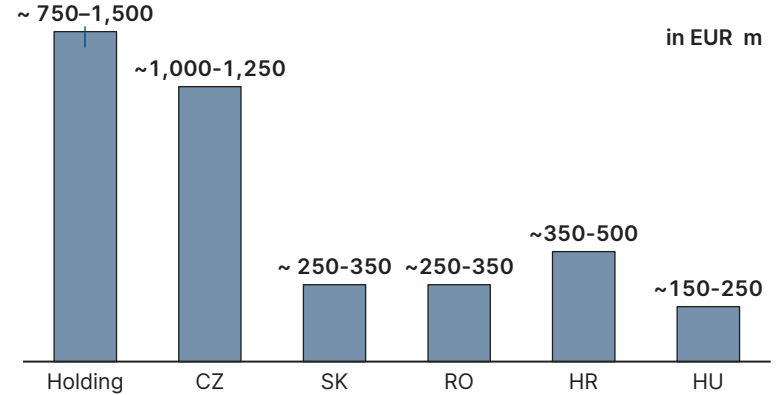
- Potential changes in the MREL requirement will be reflected in Erste Group Bank AG's funding plan as to ensure compliance with MREL & subordination targets

MREL issuance progresses to plan

MPE resolution groups



MREL issuance plan (by year-end 2024)



Multiple point of entry (MPE) resolution strategy

- 7 MPE resolution groups
- 4 (AT, SK, HR; SI*) covered by the Single Resolution Board
- 3 (CZ, RO, HU) covered by the respective National Resolution Authority

Features of the Austrian resolution group

- Covers parent company (Holding), EBOe and savings banks
- Not considered a legal entity or reporting unit, hence there is neither a statutory reporting nor a capital requirement

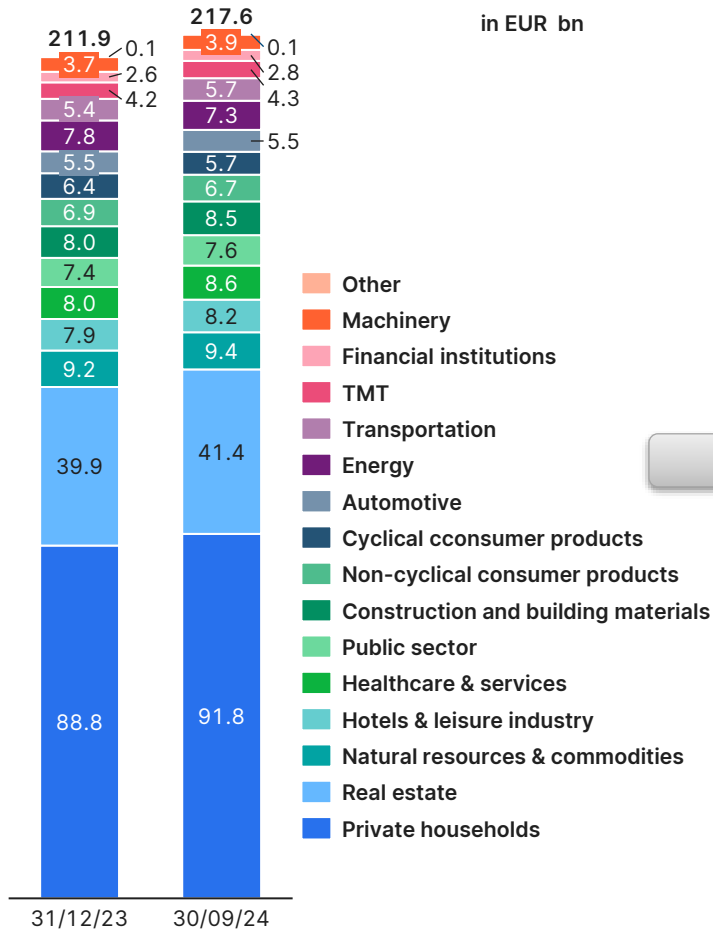
More than EUR 6.0bn MREL-related CEE issuances placed in domestic and euro markets in 2022, 2023 and 2024

- Holding: ~EUR 6.0bn PS (thereof latest EUR 750m PS benchmark in Aug 24)
- CZ: ~EUR 2.7bn, thereof CZK 6bn NPS (domestic) and five EUR 500m NPS (international in Q4 22, Q2 23, Q3 23 and Q1 24 and July 24)
- SK: ~EUR 1.2bn PS (several domestic & international issues, latest sub-benchmark EUR 300m in Q4 23)
- RO: ~EUR 1.2bn, thereof four RON 2.4bn NPS (domestic) and one EUR 700m NPS benchmark (Q2 23)
- HU: ~EUR 580m PS, thereof EUR 350m PS (international issue in Q1 22)
- HR: ~EUR 490m PS (EUR 90m domestic issue in Q2 23 and EUR 400m in Q1 24)

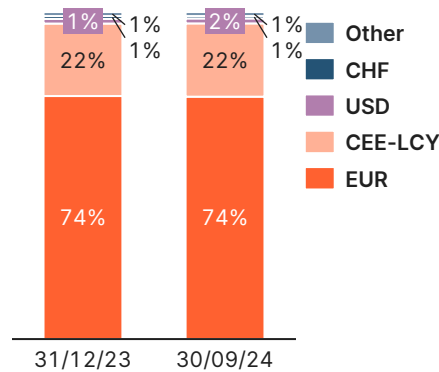
* SI: indirect participation of Erste Group Bank AG AG (Holding) and until YE 2023 part of the Austrian resolution group; formally defined as an MPE resolution group from Q2 24 and subject to an MREL requirement as of 1.7.2025

Erste Group benefits from a highly diversified loan book

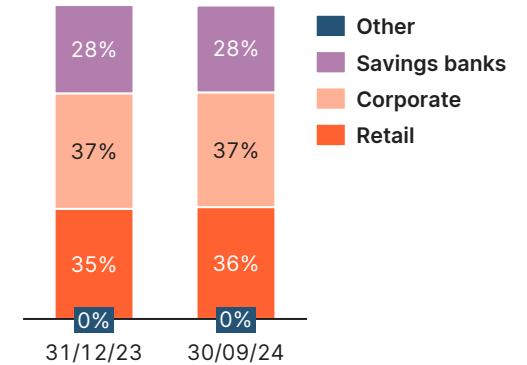
Gross customer loans by industry



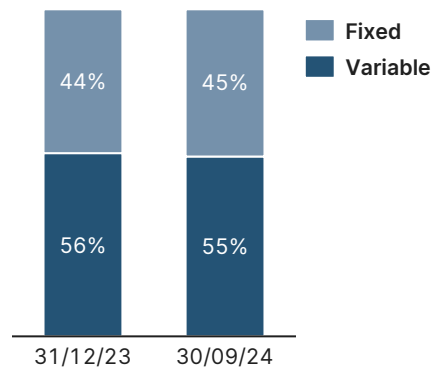
By currency



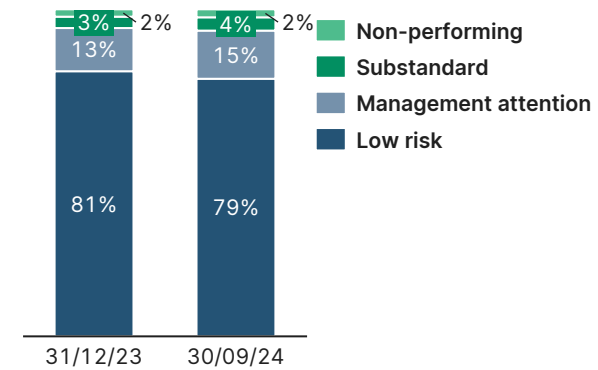
By business segment



By interest rate



By risk category



Real estate snapshot

Sound lending standards

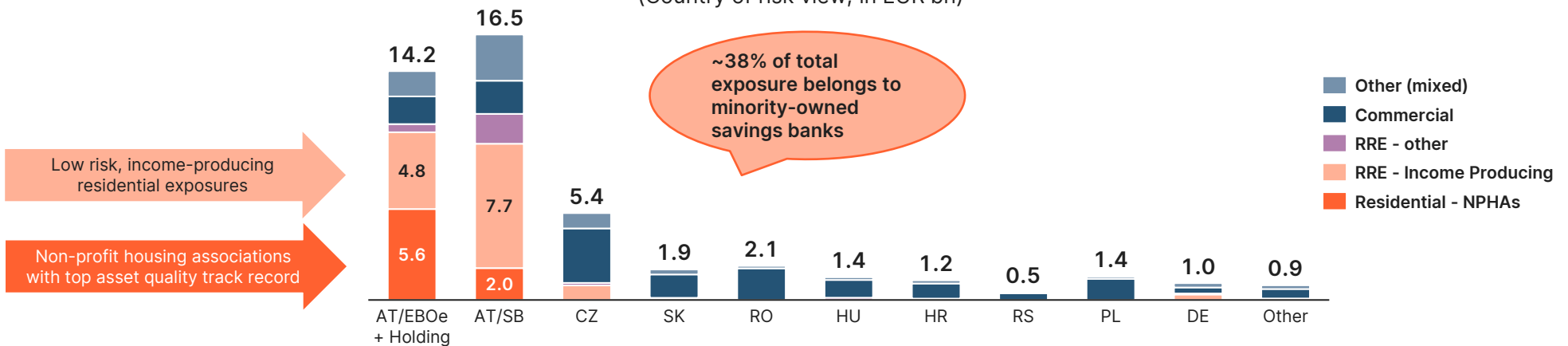
- Income producing projects (>80%)
- Ring-fenced, A-class buildings in prime locations with risk-mitigating structures
- Highly collateralised business with conservative valuation approach (application of valuation haircuts) and LTVs in the 50-60% range

Well-diversified portfolio with low-risk focus

- >50% of exposure is related to AT-focused **residential real estate (RRE)** with significant risk mitigating elements, such as high share of state-subsidised, non-profit housing associations (NPHAs)
- **Commercial real estate (CRE)** is well-diversified and heavily weighted towards lower risk economies, such as AT and CZ
- **Moderate office vacancy rates** in relevant market of Vienna of ~4%, and only minor increases in CEE
- Other real estate relates to RE management services and small RRE and CRE projects, typically in the minority-owned savings banks (>65%)

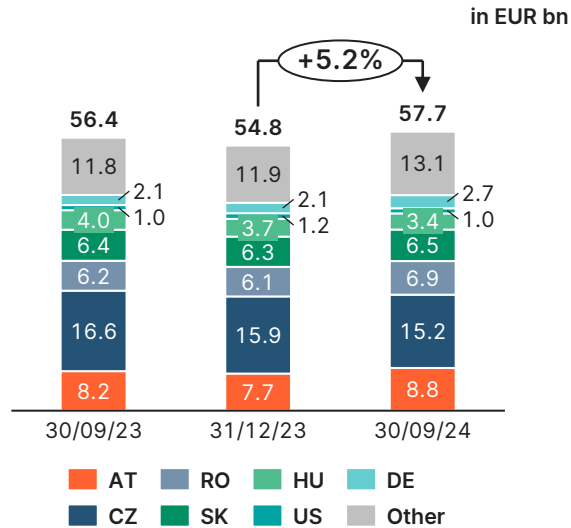
Real estate gross exposure as of Q3 24 (EUR 46.5bn)

(Country of risk view, in EUR bn)

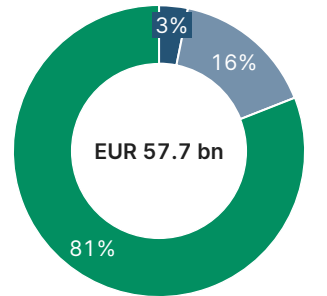


Financial asset portfolio creates strong net interest income tailwinds

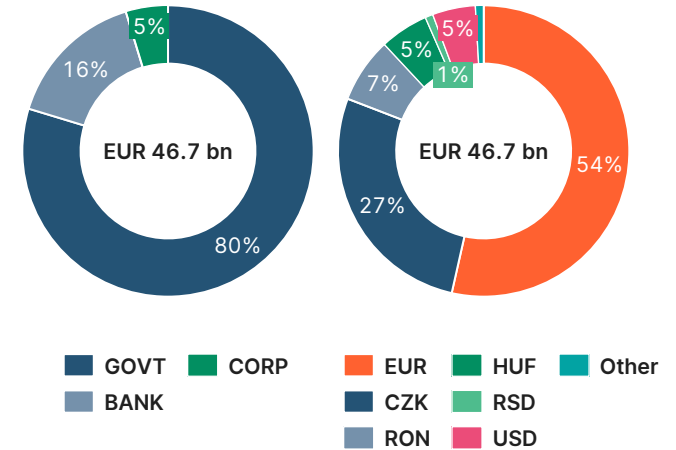
Financial assets – geographic view



Financial assets – accounting view



AC by issuer and currency



Financial assets are geographically well-diversified

- Main rationale is maintenance of strong levels of highly liquid assets
- Focus on Erste Group core markets
- Largest exposure is to Czech sovereign

Amortised cost portfolio as at Q3 24

- Amounts to EUR 46.7bn or 81% of total financial assets, +6.0% as of Sep 2024
- Portfolio duration: 4.2 years
- Portfolio yield: 2.7%

- Rolling maturities are re-invested at higher yields
- Focus on euro driven by investments in core markets (AT, SK) as well as other euro zone exposures
- Focus on strong ratings: ~79% A or higher, ~20% BBB

Erste Group's embedded ESG strategy as a key to success



GREEN TRANSITION

- We aim to achieve a **net zero status for our portfolio by 2050**.
- We **strengthen our leading position in green finance in CEE** by funding climate action and adaptation to climate change.
- We aim to achieve a **net zero status of banking operations by 2030** to make a direct contribution to ecological transition as a credible champion of sustainability.



SOCIAL INCLUSION

- We **promote financial inclusion** through our social banking activities, thereby strengthening social cohesion in the civil society.
- We help our customers gain **financial health** and financial literacy, with a focus on financial education projects for children and young people.
- We invest in **affordable housing**.
- We **promote diversity**, including gender diversity, as a significant contributor to performance and a healthy corporate culture.

Our contribution to the UN SDGs



Erste Group's ESG targets

Leading the Green Transition

Sustainable Finance

25% of sustainable corporate financing in 2026
15% of sustainable retail mortgages in 2027

Portfolio Net Zero

2050 Net Zero Portfolio

Net- Zero Operations

90% low carbon electricity
2030 Net zero operations

Coal Exit

2030 Coal Exit



Promoting Social Inclusion

Social Banking

EUR 1bn Social Banking financing by 2030
200,000 jobs created or preserved by 2030

Affordable housing

10,000 affordable housing units established by 2030

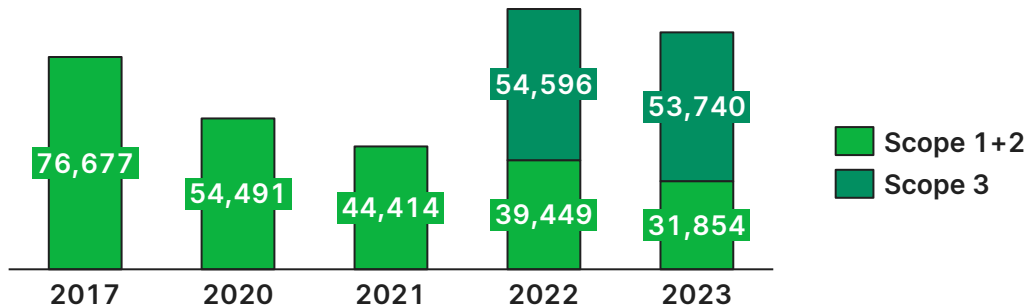
Diversity

30% women in management board positions by 2028
33% women in B-1 positions by 2028

Environment

Net zero operations

Operational emissions (in tonnes CO₂e):
→ pathway towards net zero 2030



Sustainable finance

New corporate financing of environmental objectives



	<u>Committed amount (total), Sep 2024</u>	<u>in EUR m</u>
🏠 Construction and real estate		1,930
🌿 Renewable energy		702
🚗 Transportation		84
🔌 Other Corporate		290
Total		3,006

Scope 3, financed emissions, covering EUR 188.1bn exposure – low intensity & overall emissions (as of Q3 24)

→ basis for our **journey towards net-zero portfolio** by 2050

156.5 

gCO₂e/€ financing
low emission
intensity

14.0 

million tonnes of CO₂e
total financed emissions
Scope 1 and 2

15.5 

million tonnes of CO₂e
total financed emissions
Scope 3

Net-zero target setting to meet 1.5 degree climate scenarios¹

Portfolio decarbonization interim targets 2030					Baseline		Targets		Volume
Sector	Metric	Methodology	Scenario/ pathway	Emissions scope	Year	Value	2030	reduction	as of Sep 24 in EUR bn
<i>excl. savings banks segment</i>									
Mortgages	kgCO ₂ e/m ²	SBTiSDA	IEA B2DS	1+2	2022	53.3	30.5	-43%	74.8
Commercial real estate	kgCO ₂ e/m ²	SBTiSDA	IEA B2DS	1+2	2022	50.9	25.7	-50%	
Electricity production	kgCO ₂ e/MWh	PACTA	IEA NZE2050	1+2	2022	421.4	215.6	-49%	
Heat & steam production	tCO ₂ e thousand	SBTiAC	IEA NZE2050	1+2	2022	1,382	801.0	-42%	
Oil and gas extraction	tCO ₂ e	PACTA	IEA NZE2050	1+2+3	2023	1,020	924.0	-9%	1.0
Automotive production	gCO ₂ e/km	PACTA	IEA NZE2050	1+2+3	2023	170.0	104.0	-39%	
Iron and steel production	tCO ₂ e/t steel	PACTA	IEA NZE2050	1+2	2023	1.46	1.1	-24%	
Cement production²	tCO ₂ e/t cement	SBTiSDA	IEA NZE2050	1+2	2023	0.584	0.475	-17%	
<i>incl. savings banks segment</i>									
Mortgages	kgCO ₂ e/m ²	SBTiSDA	IEA B2DS	1+2	2022	48.7	27.1	-44%	104.7
Commercial real estate	kgCO ₂ e/m ²	SBTiSDA	IEA B2DS	1+2	2022	45.9	22.2	-52%	
Electricity production	kgCO ₂ e/MWh	PACTA	IEA NZE2050	1+2	2022	357.1	182.7	-49%	

¹ The EU members states' updated National Energy & Climate Plans (NECP) in acc. with the Green Deal will allow us to update our target setting for all sectors to be in line with 1.5° scenarios

² The base year values are based on available input data, such as sustainability reports, some of which only show CO₂ values. If, instead of the CO₂e intensity, only the CO₂ intensity per tonne of cement was available, this was used.

³ The savings banks segment was only included in the target setting for those sectors whose financed emissions were material.

Erste Group has strong ESG ratings



Erste Group maintains **rating of AA** in the MSCI ESG Ratings assessment.

2023

2024

AA
(5.5)

AA
(5.6)



Erste Group's assessment by Sustainalytics in the **low risk** category was confirmed.

Low Risk
16.4 / 100

Low Risk
17.5 / 100



Erste Group kept the Prime Status by ISS ESG, with a **"very high" transparency level** awarded.

C "Prime"
52.25

-



Second time reporting resulted in good **B rating** in 2023.

B

-



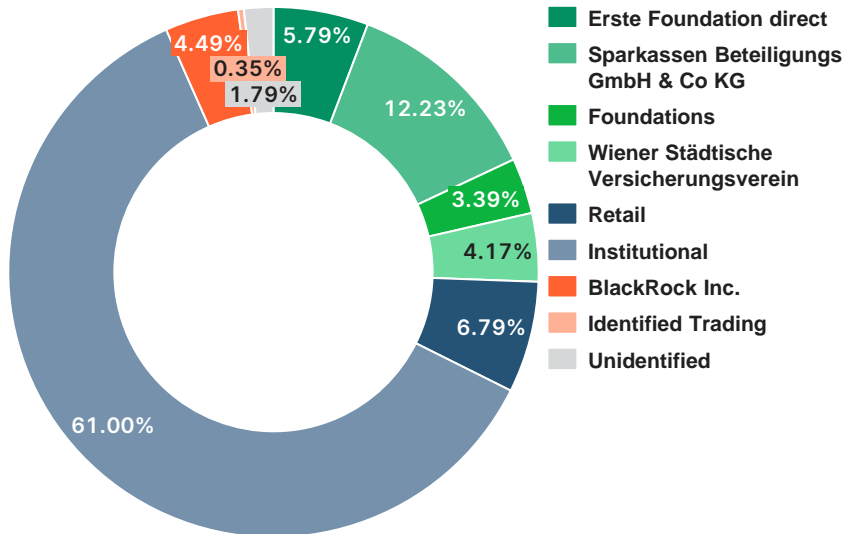
Improved rating in 2024 due to enhanced climate disclosure, e.g. Erste Group's second climate report

B

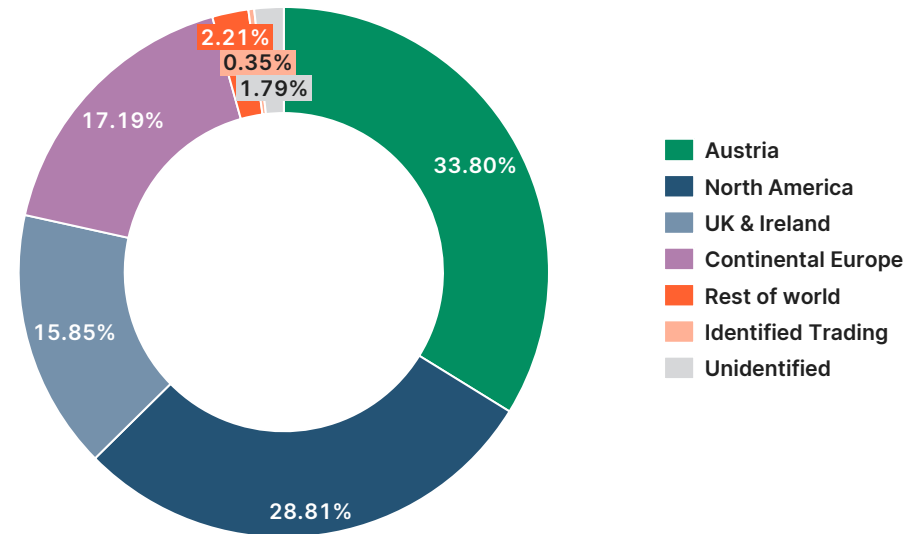
B+

Erste Group benefits from strong and well-diversified shareholder base

By investor



By region



Notes to shareholder structure

- **Foundations** include Erste Employees Private Foundation, Syndicated Savings Banks Foundations, own holdings of Savings Banks
- **Identified Trading** includes market makers, prime brokerage, proprietary trading, collateral and stock lending positions which are visible through custodian bank lists
- **Unidentified** include unidentified institutional and retail investors
- The shareholder structure may contain rounding differences

Status as of 30 September 2024

Erste Group Bank AG boasts strong issuer ratings

MOODY'S

Financial Profile	
Asset Risk	baa1
Capital	baa1
Profitability	baa3
Funding Structure	a2
Liquid Resources	baa1

+

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

=

BCA Baseline Credit Assessment	baa1
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+

Affiliate Support	0
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=

Adjusted BCA	baa1
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+

LGF Loss Given Failure	+ 2
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Government Support	+1
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=

Senior Unsecured	
Long-Term / Outlook / Short-Term	
A1 / Stable / P-1	

S&P Global Ratings

SACP - Stand-Alone Credit Profile		
a		
▲		
Anchor	bbb+	
Business position	Strong	+1
Capital and earnings	Strong	+1
Risk position	Adequate	0
Funding	Strong	+1
Liquidity	Strong	+1
CRA adjustment		-1

+

Support	+1
▲	
ALAC Support	+1
GRE Support	0
Group Support	0
Sovereign Support	0

+

Additional Factors	0
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Issuer Credit Rating	
Long-Term / Outlook / Short-Term	
A+ / Stable / A-1	

FitchRatings

VR - Viability Rating
(Individual Rating)
a

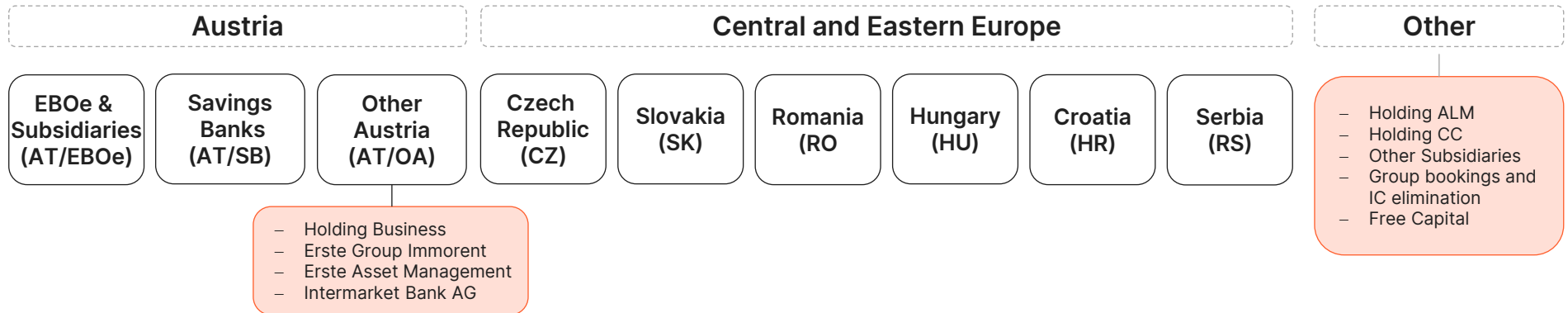
SRF - Support Rating Floor
NF (No Floor)

IDR - Issuer Default Rating
Long-Term / Outlook / Short-Term
A / Stable / F1

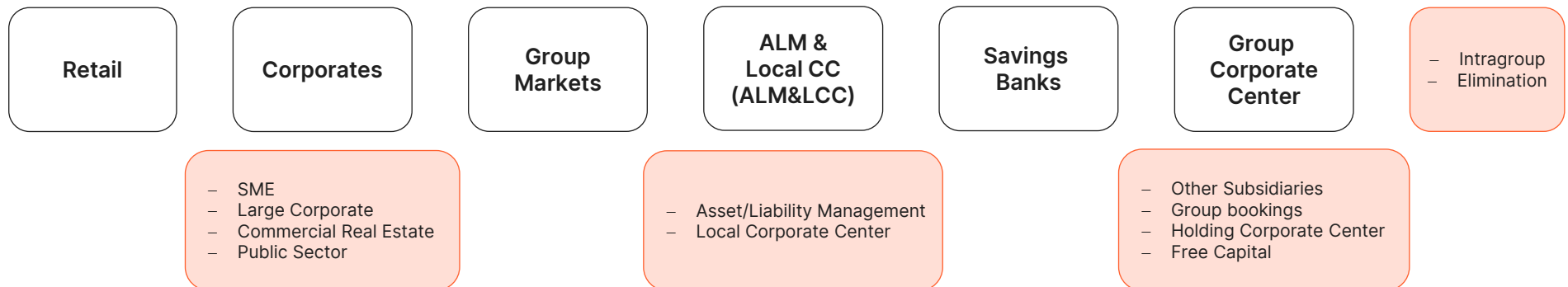
Status as of 16 August 2024

Geographical/operating and business segment view

Erste Group – Geographical/operating segments



Erste Group – Business segments



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