

Debt investor presentation

May 2024

Q1 2024 preliminary results presentation

**Profit momentum continues**

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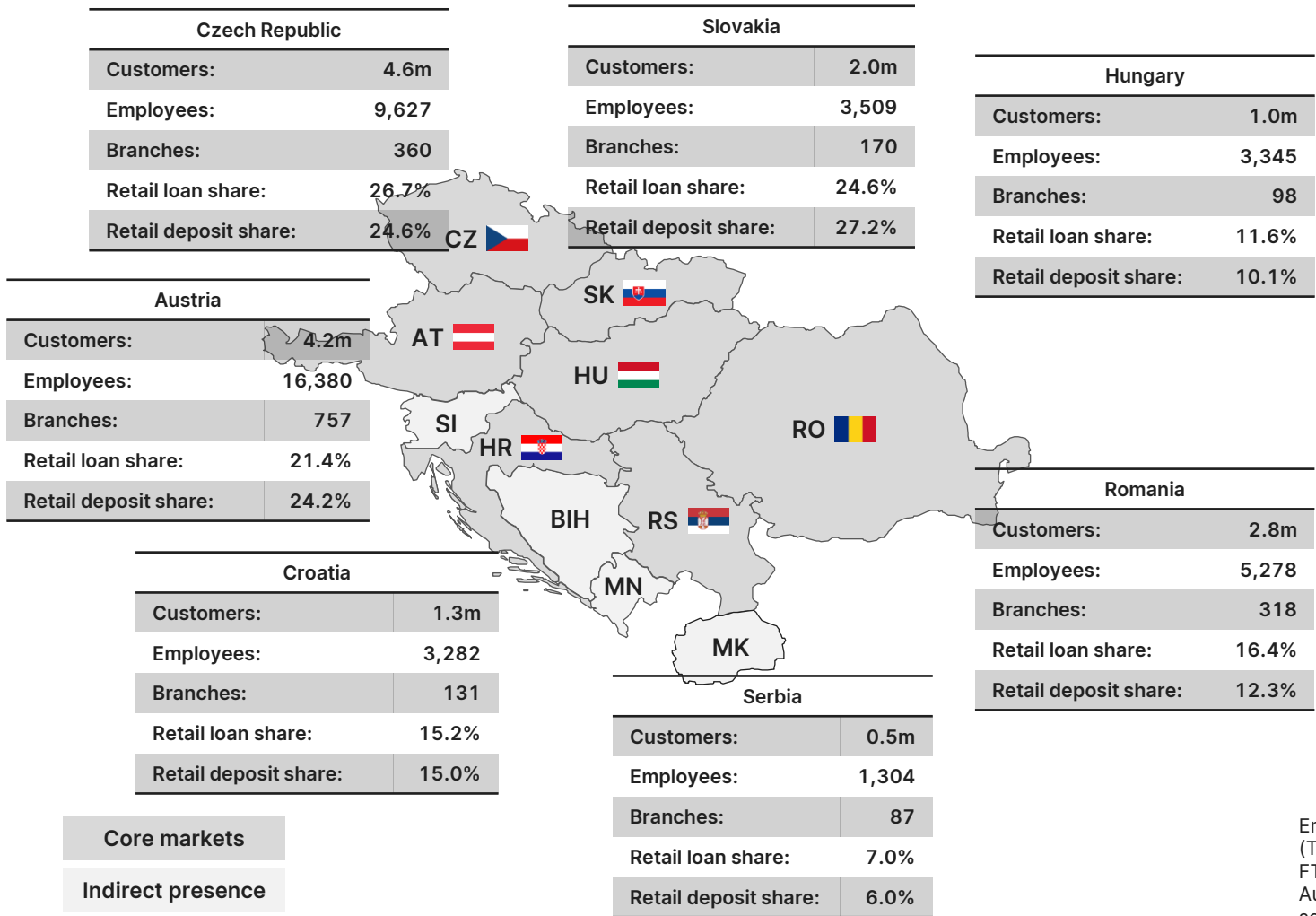
FINANCIAL OUTLOOK

WHOLESALE FUNDING AND CAPITAL

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# Banking leadership in Central and Eastern Europe (1)



Erste Group	
Customers:	16.4m
Employees:	45,537
Branches:	1,921
Leading retail and corporate bank in 7 geographically connected core markets	
Favourable mix of mature & emerging markets with low penetration rates	
Potential for cross selling and organic growth in CEE	

Core markets  
Indirect presence

Market shares for Austria are as of December 2023

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**

## 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

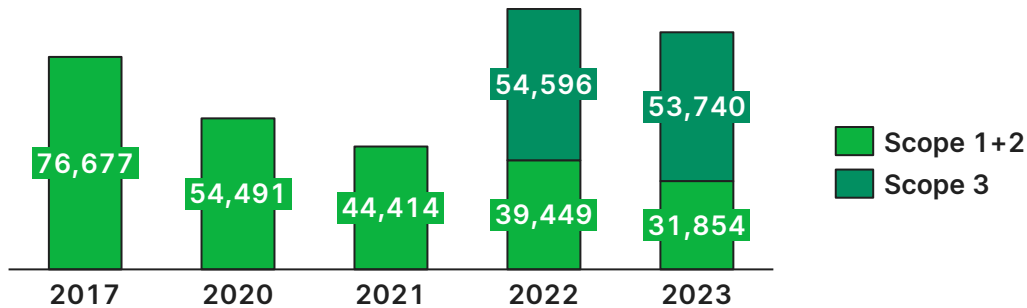
**30%** women in management board positions by 2028

**33%** women in B-1 positions by 2028

# Environment

## Net zero operations

Operational emissions (in tonnes CO<sub>2</sub>e):  
→ pathway towards net zero 2030



## Sustainable finance


New corporate financing of environmental objectives



	<u>Committed amount (total), Mar 2024</u>	<u>in EUR m</u>
🏠 Construction and real estate		512
🌿 Renewable energy		54
🚗 Transportation		5
🏢 Other Corporate		105
<b>Total</b>		<b>676</b>

**Scope 3, financed emissions, covering EUR 184.6bn exposure** – low intensity & overall emissions (as of Q1 24)

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

**153.6** 

gCO<sub>2</sub>e/€ financing  
low emission  
intensity

**15.1** 

million tonnes of CO<sub>2</sub>e  
total financed emissions  
Scope 1 and 2

**13.2** 

million tonnes of CO<sub>2</sub>e  
total financed emissions  
Scope 3



# Net-zero target setting to meet 1.5 degree climate scenarios<sup>1</sup>

## Portfolio decarbonization interim targets 2030

Sector	Metric	Methodology	Scenario/ pathway	Emissions scope	Baseline		Targets		Volume as of Mar 24  in EUR bn
					Year	Value	2030	reduction	
<i>excl. savings banks segment</i>									
<b>Mortgages</b>	kgCO <sub>2</sub> e/m <sup>2</sup>	SBTiSDA	IEA B2DS	1+2	2022	53.3	30.5	-43%	72.4
<b>Commercial real estate</b>	kgCO <sub>2</sub> e/m <sup>2</sup>	SBTiSDA	IEA B2DS	1+2	2022	50.9	25.7	-50%	
<b>Electricity production</b>	kgCO <sub>2</sub> e/MWh	PACTA	IEA NZE2050	1+2	2022	421.4	215.6	-49%	
<b>Heat &amp; steam production</b>	thousand tCO <sub>2</sub> e	SBTiAC	IEA NZE2050	1+2	2022	1,382	801.0	-42%	
<b>Oil and gas extraction</b>	thousand tCO <sub>2</sub> e	PACTA	IEA NZE2050	1+2+3	2023	1,020	924.0	-9%	1.1
<b>Automotive production</b>	gCO <sub>2</sub> e/km	PACTA	IEA NZE2050	1+2+3	2023	170.0	104.0	-39%	
<b>Iron and steel production</b>	tCO <sub>2</sub> e/t steel	PACTA	IEA NZE2050	1+2	2023	1.46	1.1	-24%	
<b>Cement production<sup>2</sup></b>	tCO <sub>2</sub> e/t cement	SBTiSDA	IEA NZE2050	1+2	2023	0.584	0.475	-17%	
<i>incl. savings banks segment</i>									
<b>Mortgages</b>	kgCO <sub>2</sub> e/m <sup>2</sup>	SBTiSDA	IEA B2DS	1+2	2022	48.7	27.1	-44%	102.5
<b>Commercial real estate</b>	kgCO <sub>2</sub> e/m <sup>2</sup>	SBTiSDA	IEA B2DS	1+2	2022	45.9	22.2	-52%	
<b>Electricity production</b>	kgCO <sub>2</sub> 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 CO<sub>2</sub> values. If, instead of the CO<sub>2</sub>e intensity, only the CO<sub>2</sub> 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.

2022

2023

**AA**  
(5.9)

**AA**  
(5.5)



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

**Low Risk**  
15.3 / 100

**Low Risk**  
16.4 / 100



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

**C "Prime"**  
50.00

**C "Prime"**  
52.25



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

**B**

**B**

# Erste Group Bank AG boasts strong issuer ratings

## MOODY'S

<b>Weighted Macro Profile</b>	
Strong	
+	
<b>Financial Profile</b>	
Asset Risk	baa1
Capital	baa1
Profitability	baa3
Funding Structure	a2
Liquid Resources	baa1
+	
<b>Qualitative Factors</b>	
Business Diversification	0
Opacity and Complexity	0
Corporate Behaviour	0
=	
<b>BCA Baseline Credit Assessment</b>	<b>baa1</b>
+	
Affiliate Support	0
=	
<b>Adjusted BCA</b>	<b>baa1</b>
+	
<b>LGF Loss Given Failure</b>	<b>+ 2</b>
Government Support	+1
=	
<b>Senior Unsecured</b>	
Long-Term Outlook / Short-Term	
<b>A1 / Stable / P-1</b>	

## S&P Global Ratings

<b>SACP - Stand-Alone Credit Profile</b>		
<b>a</b>		
▲		
Anchor	bbb+	
Business position	Strong	+1
Capital and earnings	Adequate	0
Risk position	Adequate	0
Funding	Above Average	+1
Liquidity	Strong	+1
CRA adjustment		0
+		
<b>Support</b>	<b>+1</b>	
▲		
ALAC Support	+1	
GRE Support	0	
Group Support	0	
Sovereign Support	0	
+		
<b>Additional Factors</b>	<b>0</b>	
=		
<b>Issuer Credit Rating</b>		
Long-Term Outlook / Short-Term		
<b>A+ / Stable / A-1</b>		

## FitchRatings

<b>VR - Viability Rating</b>
(Individual Rating)
<b>a</b>
<b>SRF - Support Rating Floor</b>
NF (No Floor)
<b>IDR - Issuer Default Rating</b>
Long-Term Outlook / Short-Term
<b>A / Stable / F1</b>

Status as of 21 July 2023

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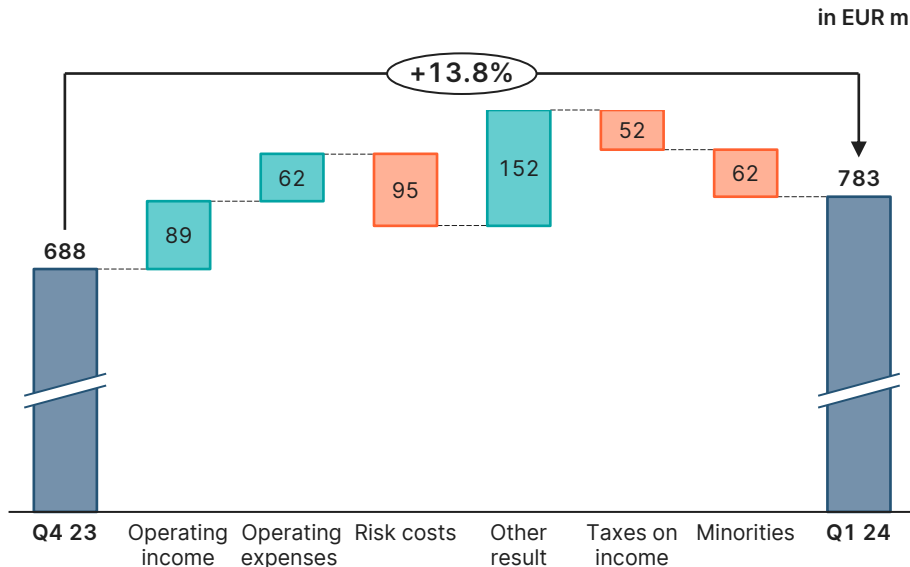
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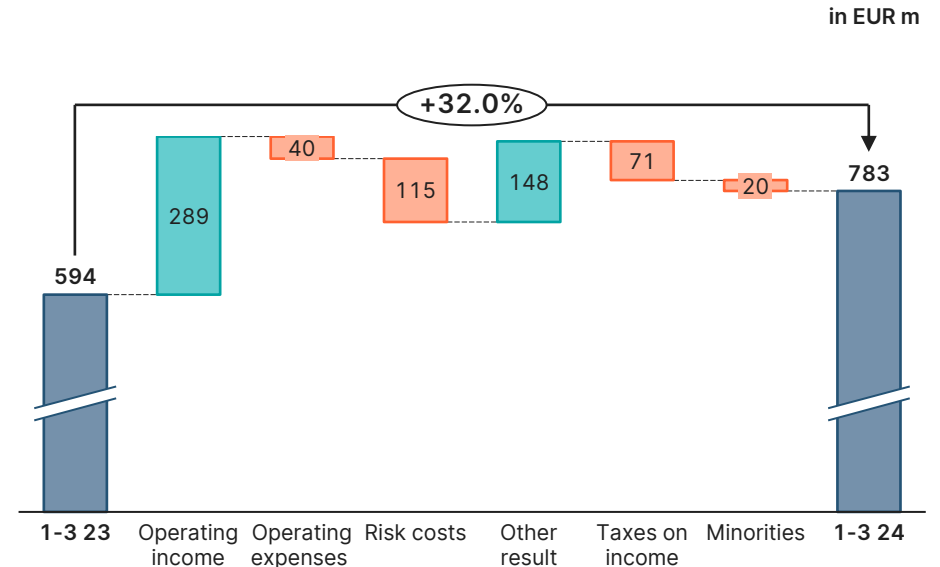
APPENDIX

## Robust top line and moderate costs drive net profit growth

QoQ net profit development



YTD net profit development



### Operating income grows qoq

- NII consolidation near record levels, reassuring fee growth

### Operating expenses decline qoq

- Seasonally lower expenses, despite (lower) upfront booking of deposit insurance contributions in all geographies

### Net result also benefits from improved other result

### Balanced operating income growth yoy

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

### Costs benefit from lower deposit insurance contributions

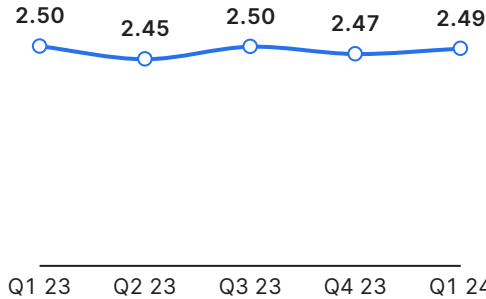
### Risk costs remain moderate

### Other result improves on lower resolution fund expenses

# Fully on track to deliver 2024 guidance

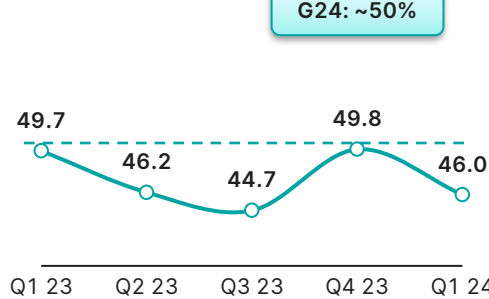
## Net interest margin

in %



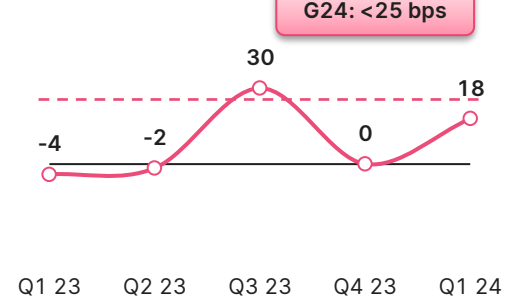
## Cost/income ratio

in %



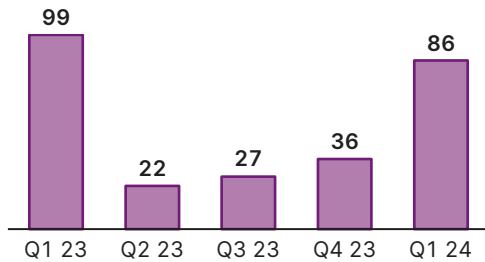
## Risk cost ratio

in bps



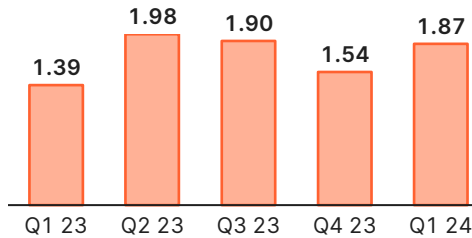
## Banking levies

in EUR m



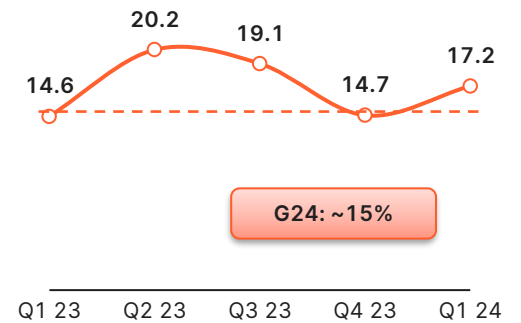
## Earnings per share

in EUR



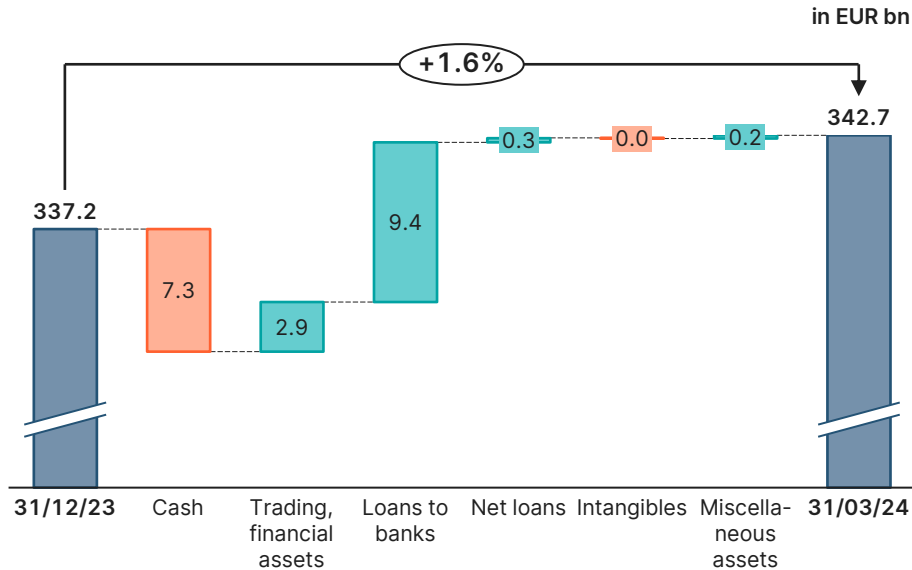
## Return on tangible equity

in %



## Moderate volume growth, as expected

### YTD total asset development



### YTD equity & total liability development



### Customer loans flat ytd in euro terms

- Marginal increase in Retail offset by marginal decrease in Corporate segments
- Slow start to the year at minority-owned savings banks

### Seasonally higher interbank lending volumes

### Customer deposits increase by 1.1% in Q1 24

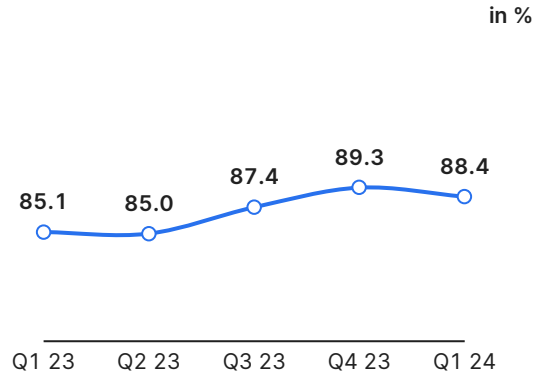
- Core deposits (Retail, SME, Savings Banks) broadly stable
- Large Corporate business stable

### Debt securities driven by start-of-year issuance activity

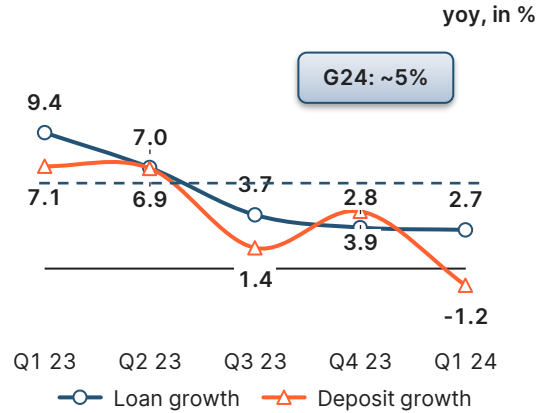
- Primarily covered bond issuance and increased CD business as well as selected local MREL issuance (CZ, HR)

# Balance sheet metrics remain strong

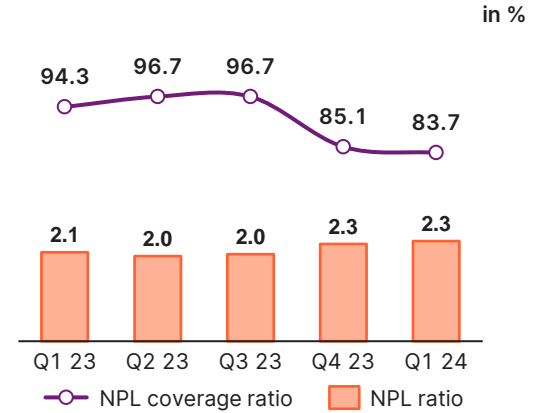
## Loan/deposit ratio



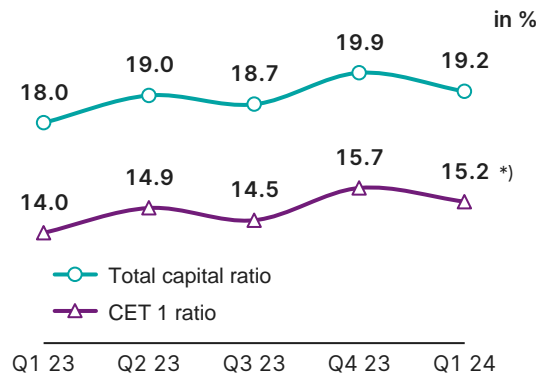
## Loan & deposit growth



## Asset quality

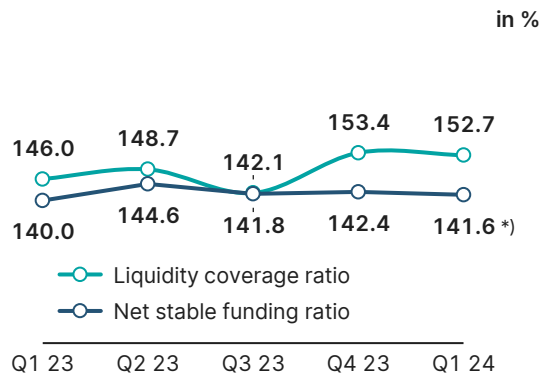


## Capital ratios (final)



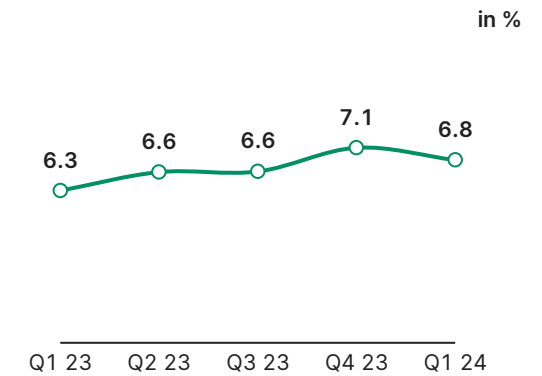
\*) Q1 24 pro forma CET1 at 15.5%.

## Liquidity ratios



\*) NSFR as of 02/24.

## Leverage ratio





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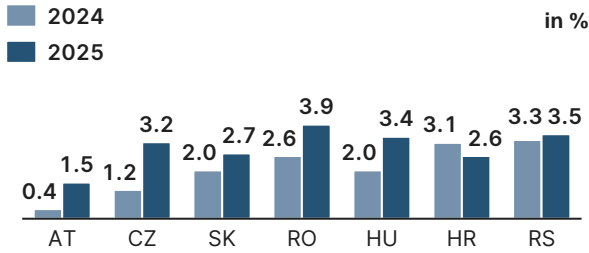
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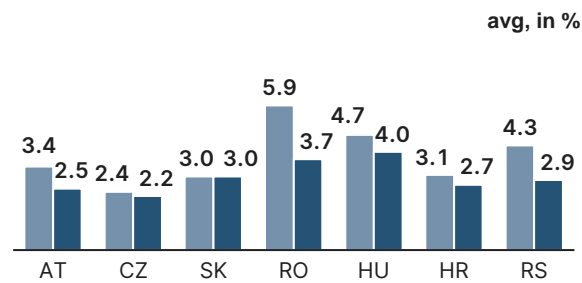
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## Moderate economic recovery projected for 2024

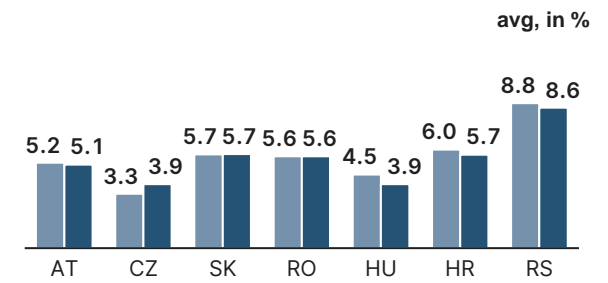
Real GDP growth



Consumer price inflation



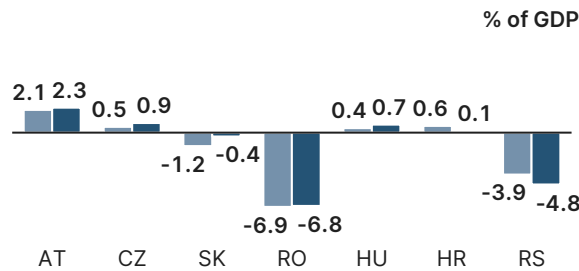
Unemployment rate



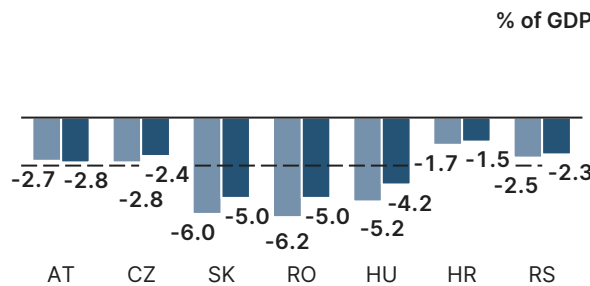
Economic growth expected to rebound on stronger household consumption

Disinflation to continue and approach central banks' targets in 2024

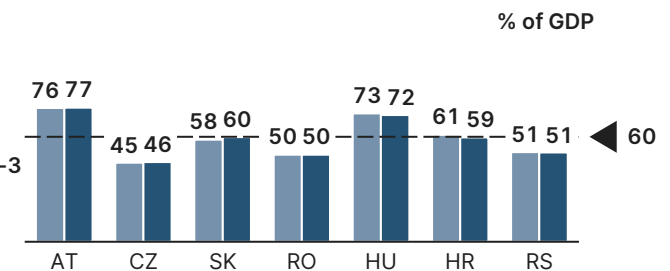
Current account balance



General government balance



Public debt



Labour markets expected to remain robust in 2024

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

\* Source: Erste Group Research.

## Retail business on a good track

### Slightly growing loan book in FX-adjusted terms

- **Housing loan volumes started to rebound in local currency (esp. in CZ and HU)**, first rate cuts support new sales; **sustainable growth trend likely to be triggered by lower interest rates**
- **New business volumes for consumer loans** remain at high levels (particularly strong in RO and HR); online offers further strengthen sales
- **Risk profile** of the retail loan portfolio **remains very good**

### Broadly stable retail deposit base

- **NII growth** mostly **liability-driven** on the back of euro zone interest rate hikes

### Stock of securities savings plans increased further in Q1 24

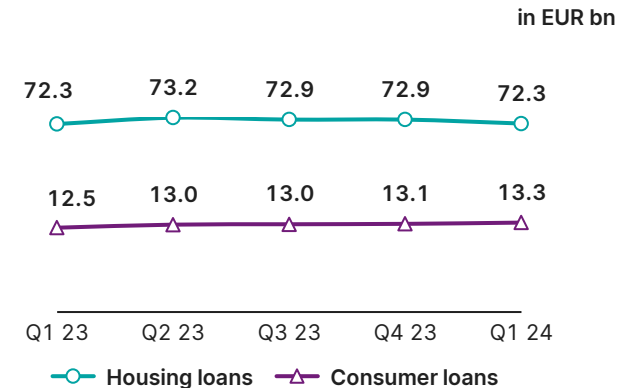
- **Strategic focus on long-term savings plans pays off** – increase across all markets
- Constant inflow of new assets under management

### Retail digital platform George continues to grow

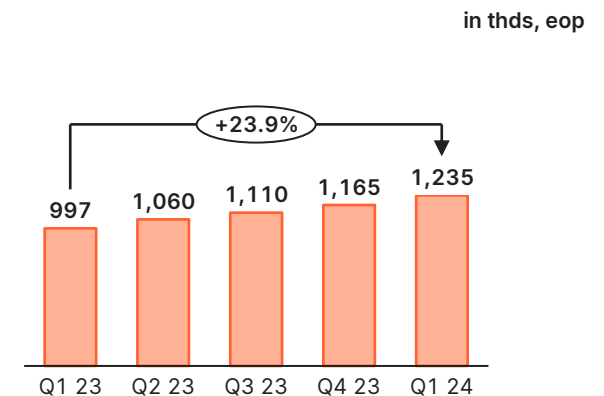
- **10 million users onboarded** to George across 6 markets
- Continued focus on driving digital adoption among our retail customers
- **Digital sales reach 51%**, supported by assisted digital sales initiatives in CZ, HR, RO and SK

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

### Housing and consumer loans



### Securities savings plans



# Operating income growing in Corporates and Markets division

## New loan generation covers repayments, pipeline builds up

- SME lending reflects weaker demand, FX development and minor resegmentation, while large corporates show moderate growth in Q1 24
- **Key revenue growth driver remains NII** with +5% yoy, mainly benefitting from rate environment, supported by **rising fee income**

## Group Markets business with strong start into the year

- Group Markets segment increased operating income by 2.4% yoy, supported by strong primary and secondary business, continuously well performing securities business
- Origination business reaching almost the exceptional levels of Q1 23. In 2024, 70 bookrunning mandates and EUR 52bn of co-arranged volume.

## Asset Management with net sales growth

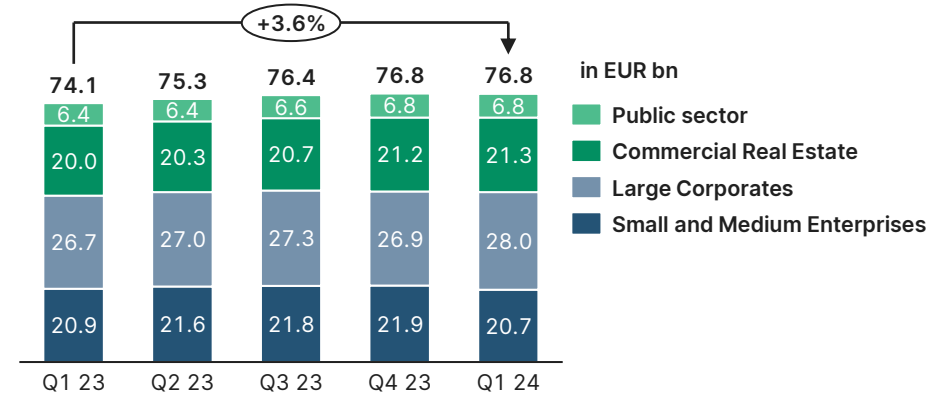
- Assets under management rise to EUR 81bn, strong Retail net sales in CZ and HU, and solid institutional sales in AT
- Sustainable funds increase by 18% to EUR 20.5bn



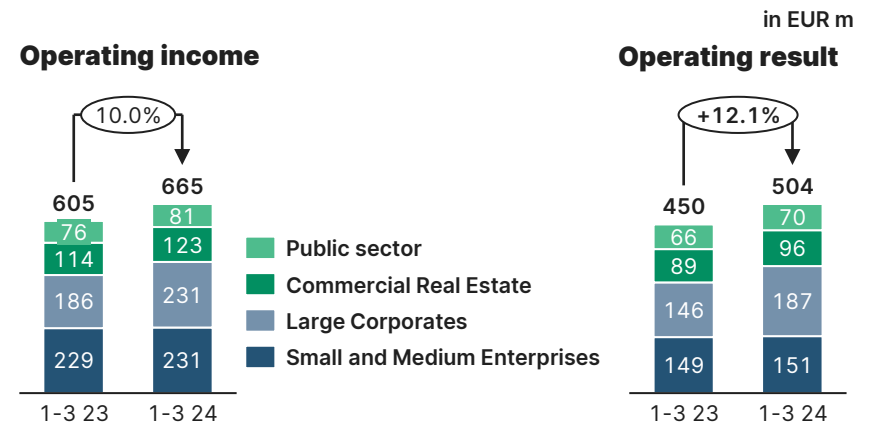
In Austria, almost 40,000 customers onboarded on George Business, first 600 clients onboarded in RO

Financial Health Zone available to over 3,000 corporate customers with promising results in CZ and HR

## Net loan stock of Corporate segment



## Operating performance of Corporate segment



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## Guidance for 2024 fully confirmed

Variable	2024 guidance	Key assumptions/additional comments
Real GDP	> 2%	Moderately improving economic outlook
Loans	~ +5%	Loan growth on better economic outlook, declining interest rates, but back-end-loaded
NII	~ -3%	NII consolidation after 2 years of historic upswing
Fees	~ +5%	Strong fee outlook on healthy demand for asset management, payment services
Costs	~ +5%	Inflationary pressures partially mitigated by efficiency measures
CIR	~ 50%	Maintenance of strong operating performance
Risk costs	< 25 bps	Continuation of broadly positive risk environment
ROTE	~ 15%	Sustainable, strong profitability
Dividend	€2.7	Planned dividend for FY2023; unchanged dividend policy with pay-out ratio targeted at 40-50%
CET1 ratio	> 14.0%	Unchanged target CET1 ratio, targeting second share buyback in the amount of EUR 500m in 2024

### 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

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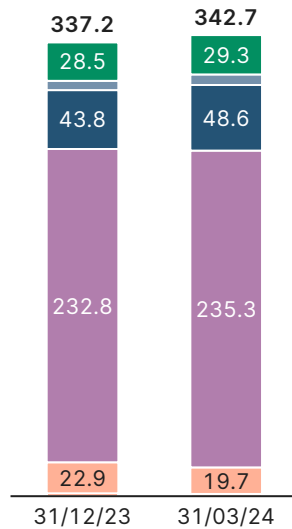
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# Start-of-year issuance activity drives debt securities

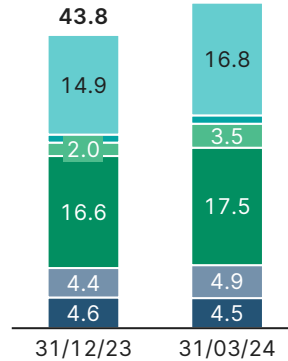
## Liabilities and equity

in EUR bn



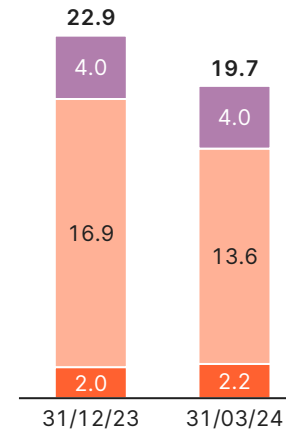
## Debt securities

in EUR bn



## Interbank deposits

in EUR bn



## Comments

Retail & SME deposits constitute core LT funding source

Q1 24 wholesale funding focus on:

- Covered bonds
- Certificates of deposit
- Local MREL issuance in CZ (senior non-preferred), HR (green senior preferred)

Decline in interbank (term) deposits driven by TLTRO

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

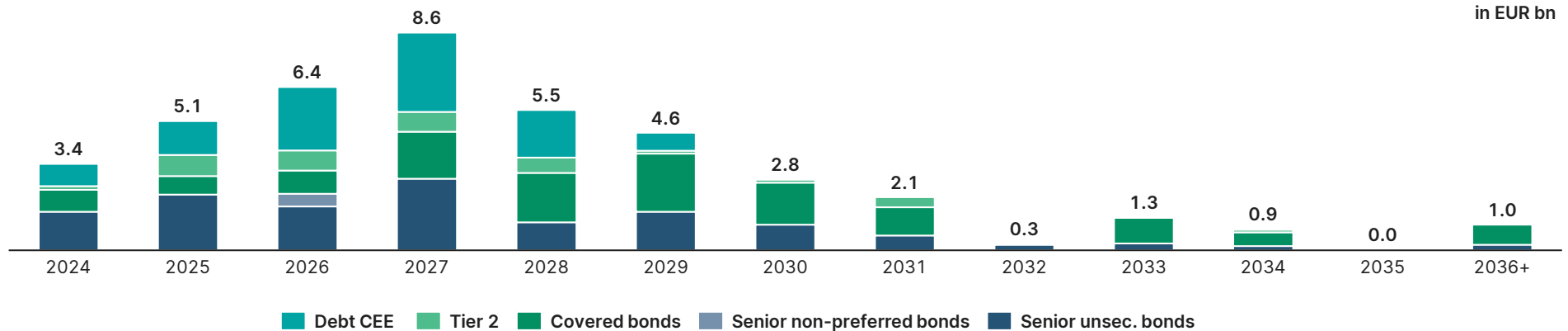
- Public sector CBs
- Mortgage CBs
- Other CDs, name cert's
- Certificates of deposit
- Senior unsec. bonds
- Senior non-preferred bonds
- Sub debt

- Repurchase agreements
- Term deposits
- Overnight deposits



## Majority of 2024 funding plan already executed

Maturity profile of debt

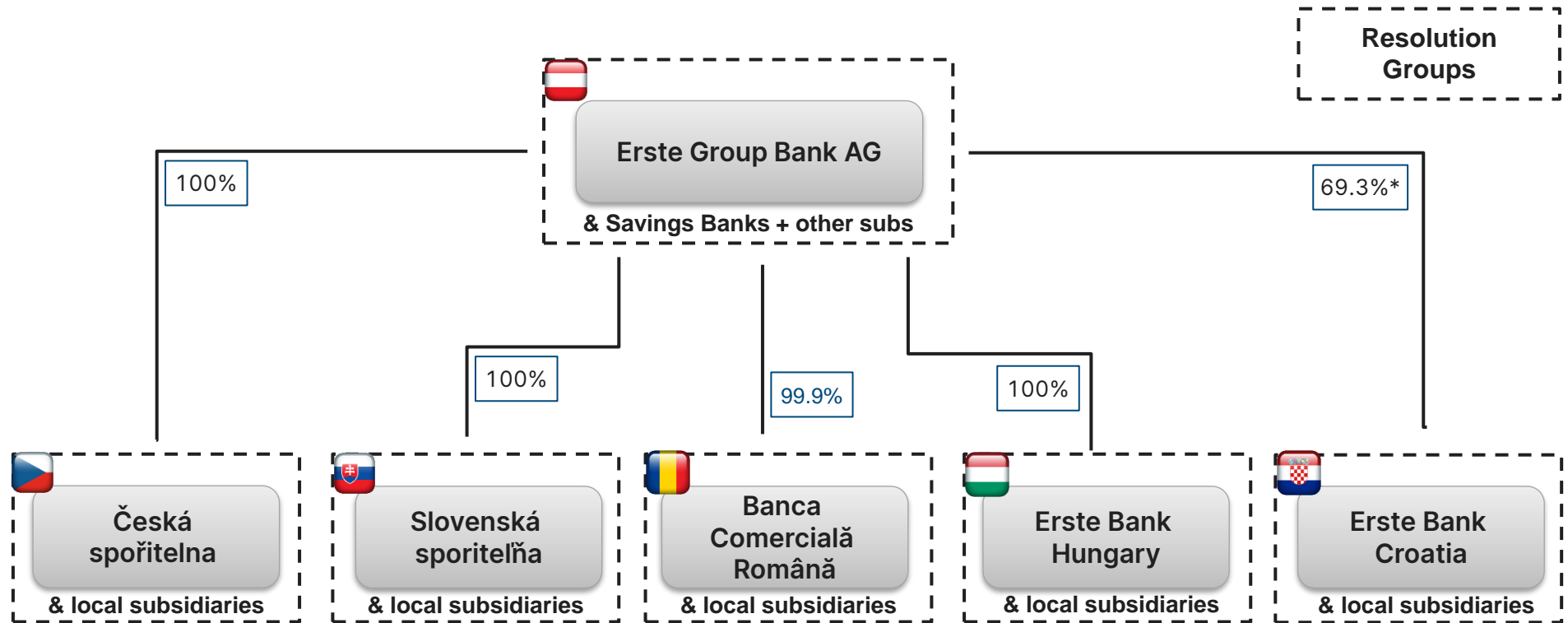


### 2024 funding volume comparable to 2023 with funding mix leaning towards covered bonds

- In January 2024, Erste Group started the year with a EUR 1bn covered bond (7y at MS+50bps)
- Followed by another EUR 1bn covered bond in March (9.75y at MS+55bps)
- Total issuance volume in Q1 24 EUR 2.5bn in holding company

TLTRO III: Outstanding amount of EUR 2.6bn as of Q1 24

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

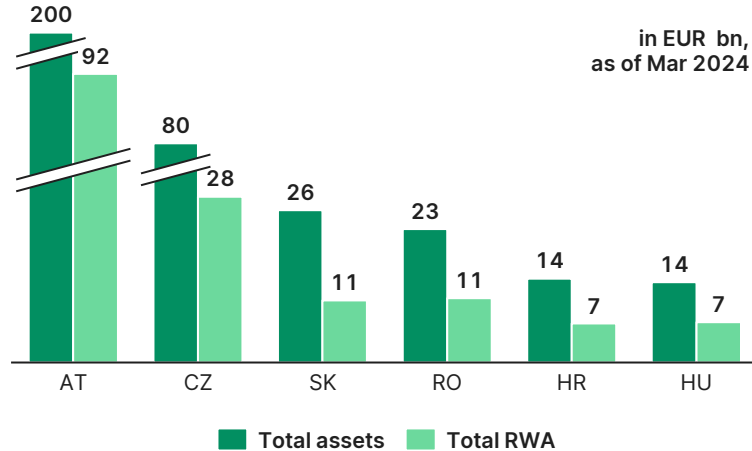


Erste Group follows an MPE resolution strategy with each resolution group issuing its external MREL debt

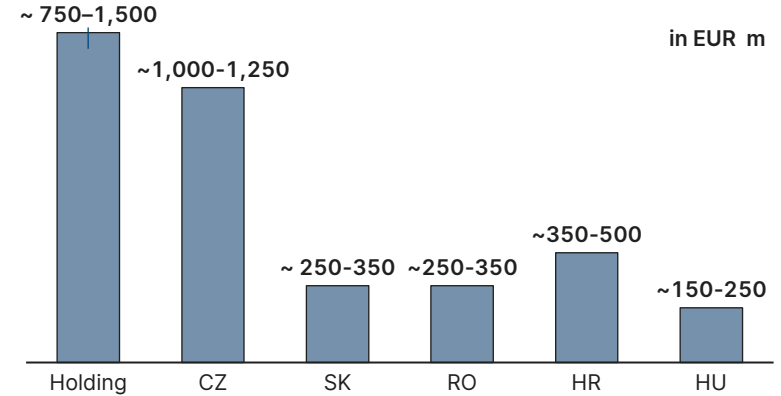
\* Erste Bank Croatia: direct stake of 59%; indirect stake through Steiermärkische Sparkasse

# 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

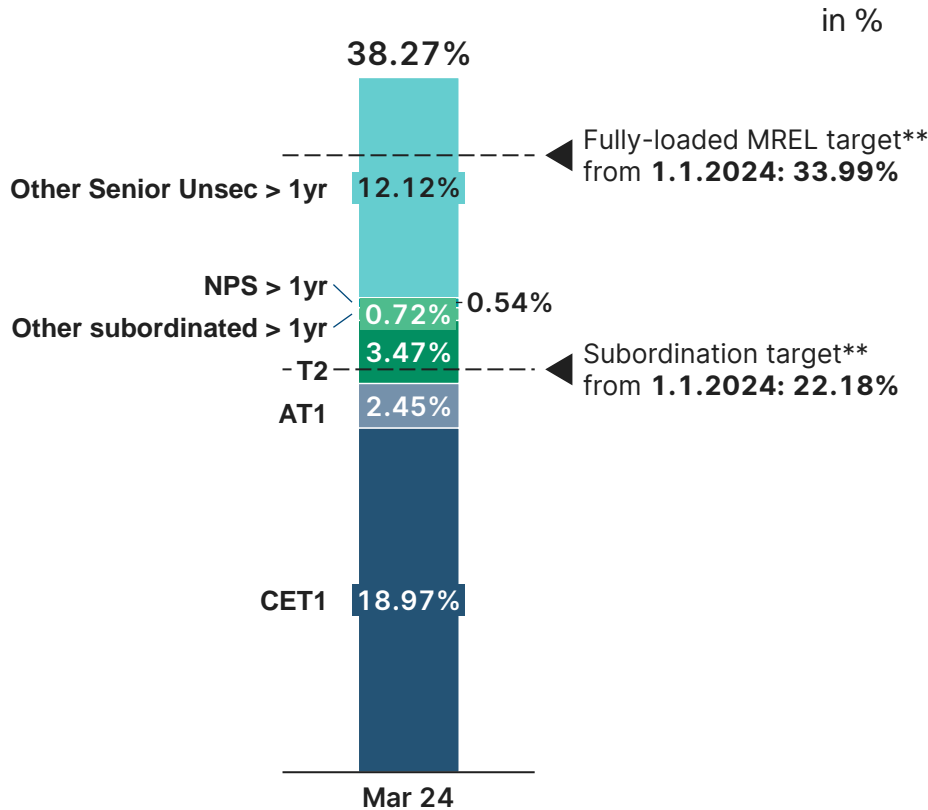
### More than EUR 5.5bn MREL-related CEE issuances placed in domestic and euro markets in 2022, 2023 and 2024

- Holding: ~EUR 5.4bn PS (thereof latest EUR 500m PS benchmark in Q2 23)
- CZ: ~EUR 2.2bn, thereof CZK 6bn NPS (domestic) and four EUR 500m NPS (international in Q4 22, Q2 23, Q3 23 and Q1 24)
- SK: ~EUR 1.1bn PS (several domestic & international issues, latest EUR 300m in Oct 23)
- RO: ~EUR 1.2bn, thereof four RON 2.4bn NPS (domestic) and one EUR 700m NPS benchmark (Q2 23)
- HU: ~EUR 550m PS, thereof EUR 350m PS (international issue in Q1 22)
- HR: ~EUR 490m PS (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

# 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 23, Erste Group Bank AG received its MREL requirement calibrated on 31 Dec 2021 balance sheet data
- From 1.1.2024, Erste Group Bank AG, as the resolution entity of the Austrian resolution group, must comply with a MREL requirement of 28.69% of TREA (excl. CBR) and 9.49% of Leverage Ratio Exposure (LRE). In addition, the subordination requirement is set at 16.88% (excl. CBR) of TREA and 8.81% of LRE, respectively.
- As of Q1 24 the Combined Buffer Requirement (CBR) of the Austrian Resolution Group 5.30% of TREA
- Based on the Austrian resolution group's RWAs as of Mar 2024 of approx. EUR 91.6bn, the current MREL ratio stands at 38.27%, thereof 26.15% being subordinated eligible liabilities.

### As of Q1 24 the AT resolution group is compliant with the fully-loaded MREL and subordination requirements (TREA and LRE-based) to be fulfilled from 1 Jan 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

# Erste Group opened market in January 2024

## Successful long-term issuance track record - most recent benchmarks

March 2024	January 2024	November 2023	September 2023	September 2023	May 2023
					
EUR 1,000,000,000 9.75y Mortgage Covered Bond	EUR 1,000,000,000 7y Mortgage Covered Bond	EUR 750,000,000 5.5y Mortgage Covered Bond	EUR 500,000,000 perpNC2029 8.5% AT1	EUR 331,200,000 tender targeting perpNC2025 6.5% AT1	EUR 500,000,000 7NC6 Senior Preferred
Joint Bookrunner	Joint Bookrunner	Joint Bookrunner	Joint Bookrunner	Joint Bookrunner	Joint Bookrunner

### Q1 24

- After limited access to longer tenors Erste made use of the first execution window in order to print a EUR 1bn mortgage covered bond at MS+50bps. After further transaction from its subsidiaries (please see next slide) Erste Group returned to the mortgage market in March 2024 by issuing another EUR 1bn at the long end of the curve (i.e. 9.75y at MS+55bps).

### Q4 23

- A EUR 750m mortgage covered bond, 5.5y at MS+40bps, which was considered pre-funding for 2024 concluded Erste's syndicated funding activities for the year 2023

### Q3 23

- Erste placed a new EUR 500m perpNC April 2029 AT1 in early September. The transaction was announced alongside a tender offer targeting its legacy perpNC April 2024 AT1 in order to pro-actively manage the capital stack of the group.

## CEE subsidiaries became frequent issuers in EUR capital markets

### Most recent benchmark transactions

<p>January 2024</p> <p><b>ERSTE</b>  Bank</p> <p>EUR 400,000,000 5NC4 Senior-Preferred</p> <p>Joint Bookrunner</p>	<p>January 2024</p> <p><b>ČESKÁ</b>  spořitelna</p> <p>EUR 500,000,000 6NC5 Senior Non-Preferred</p> <p>Joint Bookrunner</p>	<p>September 2023</p> <p><b>SLOVENSKÁ</b>  sporitelňa</p> <p>EUR 300,000,000 5NC4 Senior Preferred</p> <p>Joint Bookrunner</p>	<p>August 2023</p> <p><b>ČESKÁ</b>  spořitelna</p> <p>EUR 500,000,000 5NC4 Senior Non-Preferred</p> <p>Joint Bookrunner</p>	<p>August 2023</p> <p><b>SLOVENSKÁ</b>  sporitelňa</p> <p>EUR 500,000,000 4y Mortgage Covered Bond</p> <p>Joint Bookrunner</p>	<p>June 2023</p> <p><b>ČESKÁ</b>  spořitelna</p> <p>EUR 500,000,000 4NC3 Senior Non-Preferred</p> <p>Joint Bookrunner</p>	<p>May 2023</p> <p><b>BCR</b> </p> <p>EUR 700,000,000 4NC3 Senior Non-Preferred</p> <p>Joint Bookrunner</p>
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### Q1 24

- After the market opening of the holding entity CS followed suit with a EUR 500mn 6NC5 senior non-preferred note, priced at MS+225bps. The final book stood above EUR 2bn from 150mn allocatable accounts.
- Erste Bank Croatia joined the list of issuers by printing a EUR 400mn 5NC4 green senior preferred. The record final book stood in excess of EUR 2.9bn, which allowed a re-offer at MS+220bps and represents the largest CEE orderbook in senior space ever collected.

### Q3 23

- SLSP went ahead after the summer break with a EUR 500mn 4y mortgage covered bond, priced at MS+53bps
- CS made its second occurrence in the senior non-preferred segment by issuing a EUR 500mn 5NC4 note at MS+235bps
- A couple of weeks after its mortgage covered bond SLSP returned to the capital markets with a EUR 300mn 5NC4 senior preferred note issued at MS+205bps

### Q2 23

- Erste clearly focused on the senior segment in Q2 and supplemented the benchmark trade of the holding company by two further senior notes:
- BCR successfully placed a EUR 700m 4NC3 senior preferred bond that priced at 7.625%/MS+453.9bps
- CS tapped the senior non-preferred segment as well by issuing a 4NC3 note at MS+240bps

## Summary of Erste Group Bank AG benchmark issues

Seniority	ISIN	Coupon	Reset	Maturity / First Call	Term	Currency	Volume in mn
Mortgage Covered Bond	XS1845161790	0.250%		26/06/2024	6	EUR	750
Mortgage Covered Bond	XS1181448561	0.750%		05/02/2025	10	EUR	500
Mortgage Covered Bond	XS1807495608	0.625%		17/04/2026	8	EUR	750
Mortgage Covered Bond	XS1550203183	0.625%		18/01/2027	10	EUR	750
Mortgage Covered Bond	AT0000A33MP9	3.125%		14/10/2027	4.5	EUR	1,000
Mortgage Covered Bond	XS1750974658	0.750%		17/01/2028	10	EUR	1,000
Mortgage Covered Bond	AT0000A2UXM1	0.100%		12/07/2028	6.5	EUR	750
Mortgage Covered Bond	AT0000A324F5	3.250%		10/01/2029	6	EUR	1,000
Mortgage Covered Bond	AT0000A38H91	3.500%		14/05/2029	5.5	EUR	750
Mortgage Covered Bond	AT0000A2A6W3	0.010%		11/09/2029	10	EUR	500
Mortgage Covered Bond	AT0000A2CDT6	0.100%		15/01/2030	10	EUR	750
Mortgage Covered Bond	AT0000A306J4	2.500%		19/09/2030	8	EUR	750
Mortgage Covered Bond	AT0000A39GD4	2.875%		09/01/2031	7	EUR	1,000
Mortgage Covered Bond	AT0000A3B0X2	3.125%		12/12/2033	9.75	EUR	1,000
Mortgage Covered Bond	AT0000A286W1	0.875%		15/05/2034	15	EUR	500
Mortgage Covered Bond	AT0000A2UXN9	0.500%		12/01/2037	15	EUR	750
Senior Preferred	XS1982725159	0.375%		16/04/2024	5	EUR	500
Senior Preferred	AT0000A2JAF6	0.050%		16/09/2025	5	EUR	500
Senior Preferred	AT0000A2WVQ2	1.500%		07/04/2026	6	EUR	500
Senior Preferred	AT0000A2GH08	0.875%		13/05/2027	7	EUR	750
Senior Preferred	AT0000A2KW37	0.100%	3m Euribor +52bps	16/11/2027	8NC7	EUR	750
Sustainable Senior Preferred	AT0000A2RAA0	0.125%		17/05/2028	7	EUR	500
Senior Preferred	CH1135555584	0.250%		02/10/2028	7	CHF	500
Senior Preferred	AT0000A34QR4	4.250%		30/05/2029	7NC6	EUR	500
Senior Preferred	AT0000A2SUH1	0.250%		14/09/2029	8	EUR	500
Senior Preferred	AT0000A32562	4.000%	3m Euribor +125bps	16/01/2030	8NC7	EUR	750
Senior Preferred	AT0000A2N837	0.250%		27/01/2031	10	EUR	500
Senior Preferred	CH1135555584	0.250%		02/10/2028	7	CHF	500
Senior Non-Pref.	XS2000538343	0.875%		22/05/2026	7	EUR	500
Tier 2	XS2083210729	1.000%	5y ms+130.0bps	10/06/2025	10.5NC5.5	EUR	500
Tier 2	AT0000A2J645	1.625%	5y ms+210.0bps	08/09/2026	11NC6	EUR	500
Tier 2	AT0000A2U543	0.875%	5y ms+110.0bps	15/11/2027	11NC6	EUR	500
Tier 2	AT0000A2YA29	4.000%	5y ms+255.0bps	07/06/2028	11NC6	EUR	500
AT1	XS1961057780	5.125%	5y ms+485.1bps	15/10/2025	perpNC6.5	EUR	500
AT1	XS2108494837	3.375%	5y ms+343.3bps	15/04/2027	perpNC7.2	EUR	500
AT1	AT0000A2L583	4.250%	5y ms+464.6bps	15/10/2027	perpNC7.4	EUR	750
AT1	AT0000A36XD5	8.500%	5y ms+546.3bps	15/10/2028	perpNC5.6	EUR	500

## Summary of benchmark issues of Erste subsidiaries

Entity	Seniority	ISIN	Coupon	Reset	Maturity / First Call	Term	Currency	Volume in mn
Banca Comercialia Romana	Senior Non-Pref.	AT0000A34CN3	7.625%	3m Euribor + 4.539%	19/05/2026	4NC3	EUR	700
Ceska Sporitelna	Senior Non-Pref.	XS2555412001	6.693%	3m Euribor + 3.700%	14/11/2024	3NC2	EUR	500
Ceska Sporitelna	Senior Non-Pref.	XS2638560156	5.943%	3m Euribor + 2.400%	29/06/2026	4NC3	EUR	500
Ceska Sporitelna	Senior Non-Pref.	XS2676413235	5.737%	3m Euribor + 2.350%	08/03/2027	5NC4	EUR	500
Ceska Sporitelna	Senior Non-Pref.	AT0000A2STV4	0.500%	3m Euribor + 0.780%	13/09/2027	7NC6	EUR	500
Ceska Sporitelna	Senior Non-Pref.	XS2746647036	4.824%	3m Euribor + 2.225%	15/01/2029	6NC5	EUR	500
Erste & Steiermärkische Banka dd	Senior Preferred	AT0000A2RZL4	0.750%	3m Euribor + 1.000%	06/07/2027	7NC6	EUR	400
Erste & Steiermärkische Banka dd	Senior Preferred	AT0000A39UM6	4.875%	3m Euribor + 2.200%	31/01/2028	5NC4	EUR	400
Slovenska Sporitelna	Mortgage Covered Bond	SK4120014812	0.500%		05/12/2024	5.5	EUR	250
Slovenska Sporitelna	Mortgage Covered Bond	SK4120014507	0.063%		22/08/2025	7	EUR	250
Slovenska Sporitelna	Mortgage Covered Bond	SK4000022398	3.250%		12/01/2026	3	EUR	500
Slovenska Sporitelna	Mortgage Covered Bond	SK4000015400	0.125%		12/06/2026	7	EUR	500
Slovenska Sporitelna	Mortgage Covered Bond	SK4000020673	1.125%		12/04/2027	5	EUR	500
Slovenska Sporitelna	Mortgage Covered Bond	SK4000023636	3.875%		30/09/2027	4	EUR	500
Slovenska Sporitelna	Mortgage Covered Bond	SK4000017190	0.125%		15/11/2027	7.5	EUR	500
Slovenska Sporitelna	Mortgage Covered Bond	SK4000021820	3.500%		05/04/2028	6	EUR	500
Slovenska Sporitelna	Mortgage Covered Bond	SK4000021119	2.000%		08/06/2028	6	EUR	500
Slovenska Sporitelna	Senior Preferred	AT0000A377W8	5.375%	3m Euribor + 2.050%	04/10/2027	5NC4	EUR	300



## Overview of mortgage cover pool – structure as of 31/03/2024

### Cover pool

Cover pool	in EUR (mn)
<b>Total value of cover pool in EUR equivalent</b>	<b>31,318</b>
thereof loans in EUR	30,538
thereof loans in CHF	730
thereof substitute collateral in EUR equivalent	50
thereof swaps in EUR equivalent	0

### Pfandbrief

Issues	in EUR (mn)
<b>Total outstanding issues in EUR equivalent</b>	<b>24,953</b>
thereof issues in EUR	24,747
thereof issues in CHF	206
<b>Nominal over-collateralisation in %</b>	<b>23.5%</b>
<b>Present value over-collateralisation in %</b>	<b>32.1%</b>

## Overview of mortgage cover pool – structure as of 31/03/2024

### Cover pool

#### LTV of cover pool

Weighted average LTV total (unindexed)	65%
Weighted average LTV total (indexed)	58%

#### Other cover pool (loans) characteristics

Residual maturity (in years)	10.1
Number of loans	116,657
Average size of loans (in EUR mn)	0.3
Percentage of 10 largest loans	2.6%
Percentage of bullet loans	13.9%
Percentage of fixed rate loans	52.9%

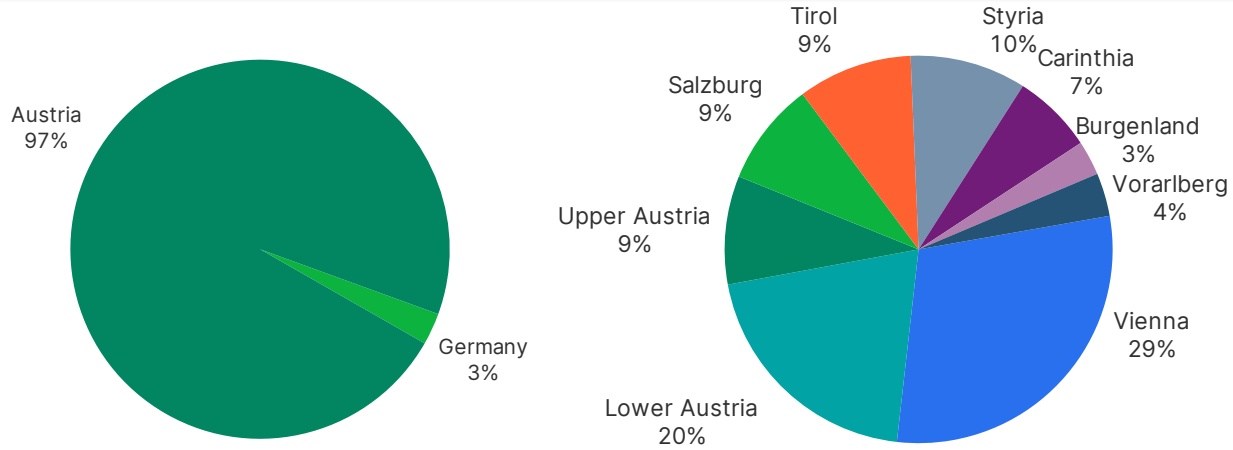
### Pfandbrief

#### Other issues characteristics:

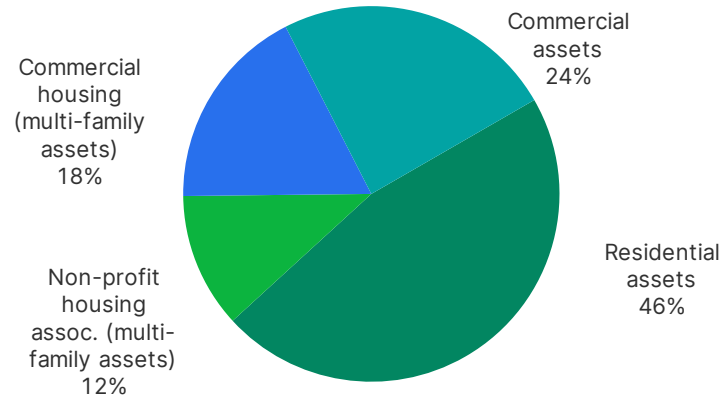
Number of issues	103
Average remaining life of issues	4.6
Average size of issues (in EUR mn)	242.3

# Overview of mortgage cover pool – structure as of 31/03/2024

Break-down by region in %

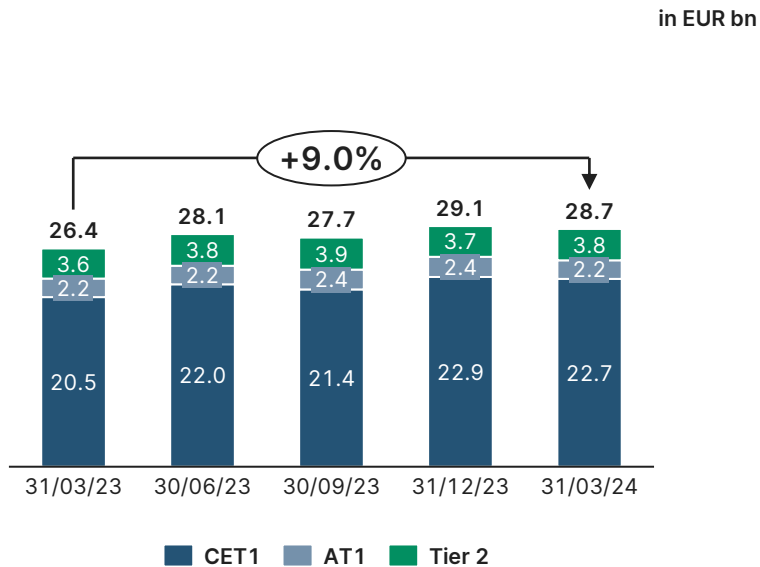


Break-down by property type in %

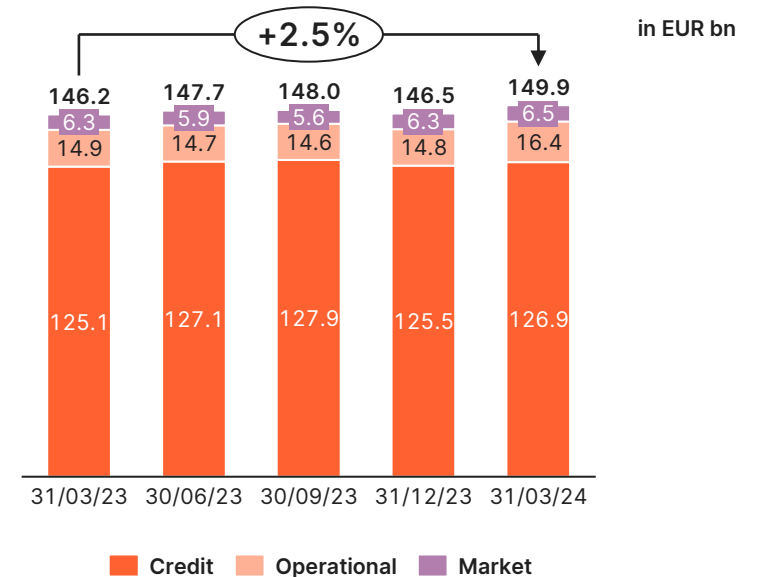


# RWAs increase on business effects and operational risk

## Basel 3 capital



## Risk-weighted assets



### CET 1 capital lower ytd on non-inclusion of interim profit

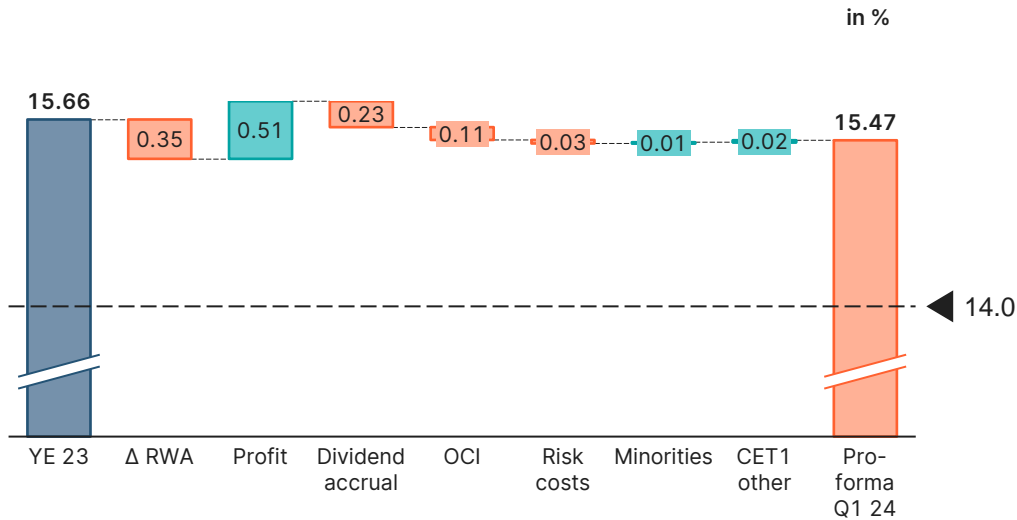
- OCI impact and prudential filters: -EUR 180m
- AT1 declines by EUR 168m following the announcement of the call of the AT1 instrument (XS1597324950) in Feb 2024

### RWAs up ytd mainly on credit RWAs and operational risk

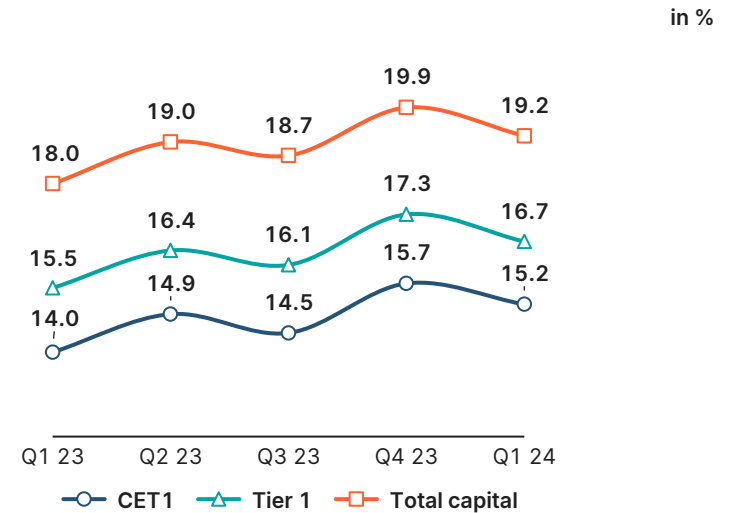
- Credit RWA up by EUR 1.4bn on business effects in Corporate (off balance sheet business) and Retail, partially offset by FX effects and portfolio effects
- Operational risk increase attributable to annual severity recalibration
- Market risk RWA up by EUR 0.3bn mainly due to interest rate risk

# Capital remains at strong level

CET 1 ratio development (final, pro forma)



Basel 3 capital ratios (final)



## Pro-forma CET1 ratio at 15.5%

- Total RWAs increase mainly on operational and credit RWA
- Decrease of OCI mainly attributable to negative impact from FX translations

## Target CET1 ratio (fully loaded) of 14.0%

Application for EUR 500m second share buyback already filed with ECB

## Capital requirements for 2024 slightly up on higher buffers

	Erste Group Consolidated				Erste Group Unconsolidated			
		Fully loaded				Fully loaded		
	2022	2023	Q1 2024	YE 2024	2022	2023	Q1 2024	YE 2024
<b>Pillar 1 CET1 requirement</b>	<b>4.50%</b>	<b>4.50%</b>	<b>4.50%</b>	<b>4.50%</b>	<b>4.50%</b>	<b>4.50%</b>	<b>4.50%</b>	<b>4.50%</b>
<b>Combined buffer requirement</b>	<b>4.77%</b>	<b>5.46%</b>	<b>5.72%</b>	<b>5.73%</b>	<b>4.78%</b>	<b>5.31%</b>	<b>5.30%</b>	<b>5.36%</b>
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%	0.72%	0.73%	0.28%	0.56%	0.55%	0.61%
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%
<b>Pillar 2 CET1 requirement (P2R) 2)</b>	<b>0.98%</b>	<b>0.98%</b>	<b>1.07%</b>	<b>1.07%</b>	<b>0.98%</b>	<b>0.98%</b>	<b>1.07%</b>	<b>1.07%</b>
<b>Pillar 2 CET1 guidance (P2G)</b>	<b>1.00%</b>	<b>1.00%</b>	<b>1.00%</b>	<b>1.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>1.00%</b>	<b>1.00%</b>
<b>Regulatory minimum ratios excluding P2G</b>								
CET1 requirement	10.26%	10.95%	11.29%	11.30%	10.27%	10.80%	10.86%	10.93%
1.50% AT1 Tier 1 requirement	12.09%	12.78%	13.14%	13.15%	12.10%	12.63%	12.72%	12.78%
2.00% T2 Own funds requirement	14.52%	15.21%	15.62%	15.63%	14.53%	15.06%	15.20%	15.26%
<b>Regulatory minimum ratios including P2G</b>								
CET1 requirement	11.26%	11.95%	12.29%	12.30%	10.27%	10.80%	11.86%	11.93%
1.50% AT1 Tier 1 requirement	13.09%	13.78%	14.14%	14.15%	12.10%	12.63%	13.72%	13.78%
2.00% T2 Own funds requirement	15.52%	16.21%	16.62%	16.63%	14.53%	15.06%	16.20%	16.26%
<b>Reported CET1 ratio as of March 2024</b>			<b>15.21%</b>				<b>23,40% 3)</b>	

Buffer to MDA restriction as of 31 Mar 2024: 356 bps

Available distributable items (ADI) as of 31 Mar 2024: EUR 5.0bn (post dividend payable in 2024); based on CRR II, which allows additional own funds components to be included, ADIs are at EUR 7.6bn

1. Planned values based on Q1 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 Q4 2023. ADIs pursuant to Austrian Commercial Code (UGB).

INTRODUCTION TO ERSTE GROUP

EXECUTIVE SUMMARY

MACROECONOMIC AND BUSINESS UPDATE

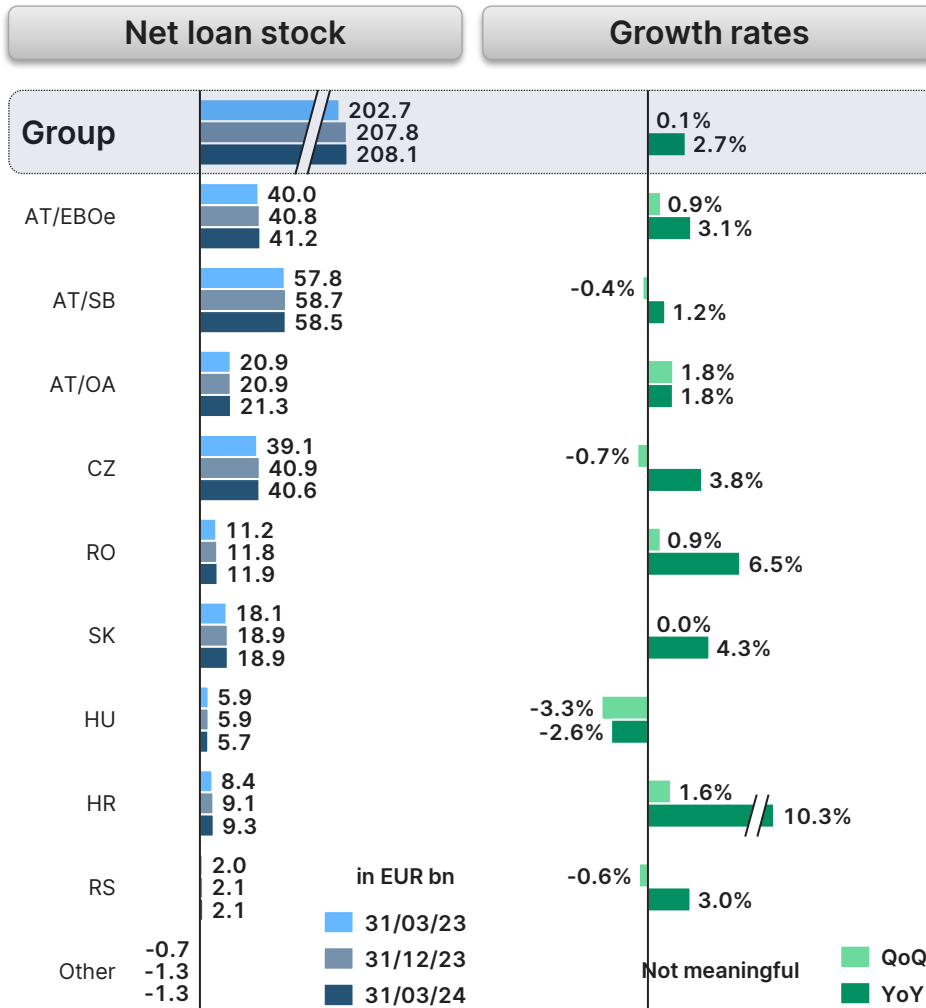
FINANCIAL OUTLOOK

WHOLESALE FUNDING AND CAPITAL

OPERATING TRENDS

APPENDIX

# Flat qoq loan development on negative FX impact, muted demand



## As expected, slow start to 2024

- Retail business flat qoq with RO and HR as positive outliers, up 3.5% yoy driven by organic growth in HR and SK, inorganic growth in CZ
- Austrian retail demand impacted by government measures, passed by parliament in mid-April, including abolition of stamp duty for first time property buyers and renovation subsidies
- Corporate loans flat qoq, up 3.6% yoy
- FX impact of EUR -1.1bn ytd dented growth

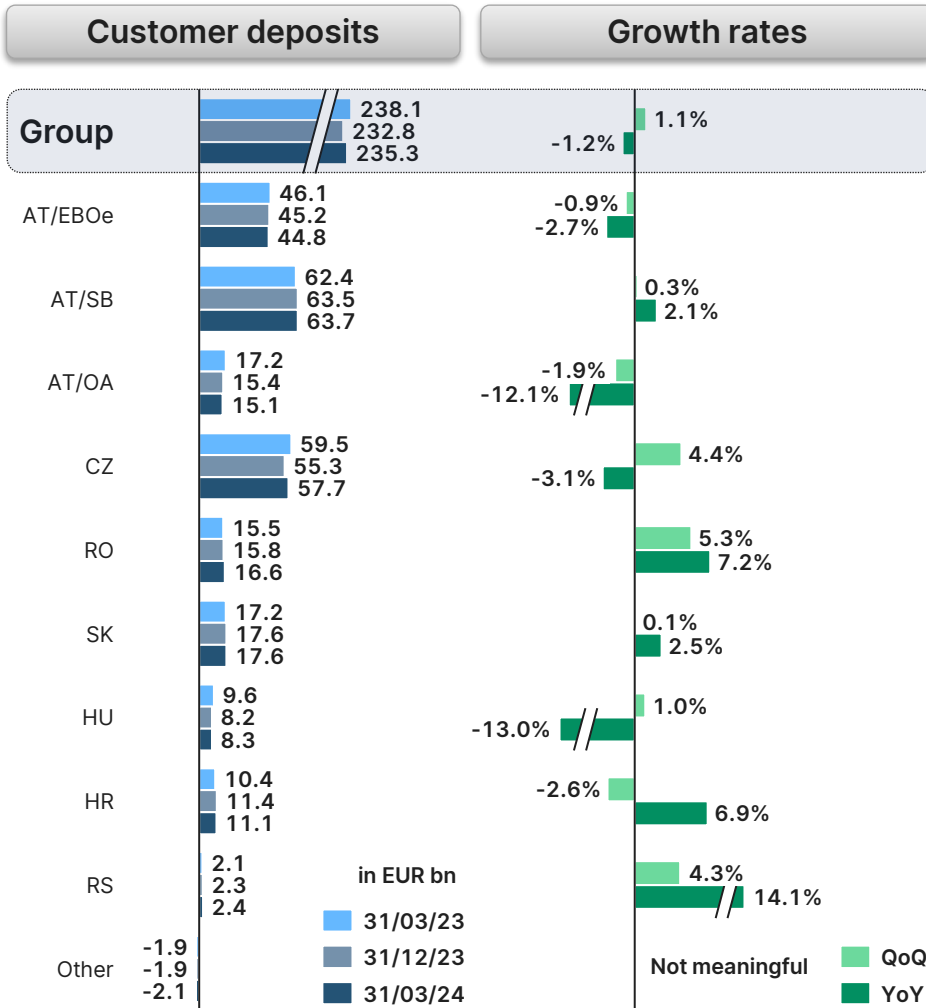
## 2024 loan growth guidance confirmed at ~ +5% with growth pick-up expected in H2 24, especially in Austria

### Q1 24 loan growth drivers

- CZ: qoq decline due to currency depreciation (EUR -0.9bn)
- HU: qoq, yoy decline mainly due to currency depreciation (EUR -0.2bn) and weaker large corporate demand
- HR: strong yoy, qoq performance supported by healthy retail loan demand
- AT/EBOe and AT/SB: expectation of macroprudential relaxation and government support measures weigh on retail loan demand



# Customer deposits up 1.1% in Q1 24

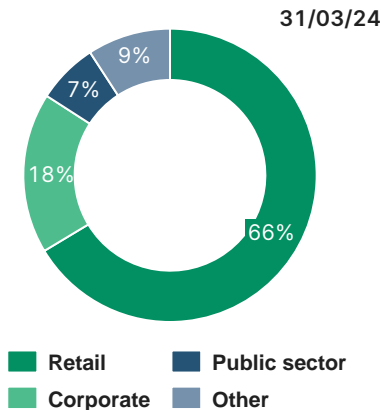


Erste Group's favourable deposit mix is a key competitive advantage – overweight retail, sight, EUR deposits

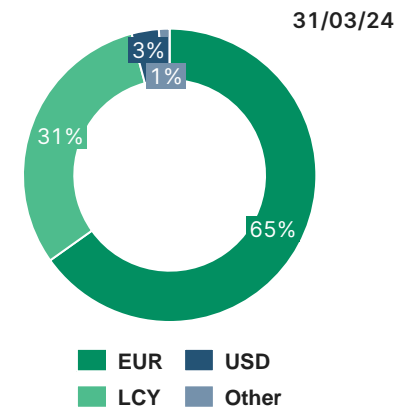
## Key Q1 24 deposit drivers

- **Core deposits** (Retail, SME & Savings Banks) stable qoq & yoy
- **Share of retail current account deposits** (of total Retail) slipped to **52.3%** (Q4 23: 53.8%, Q1 23: 57.1%) on continued gradual shift into term and savings deposits
- CZ: qoq increase attributable to volatility in public sector business
- AT/OA: yoy minor decline in Large Corporates

## Deposits by clients \*

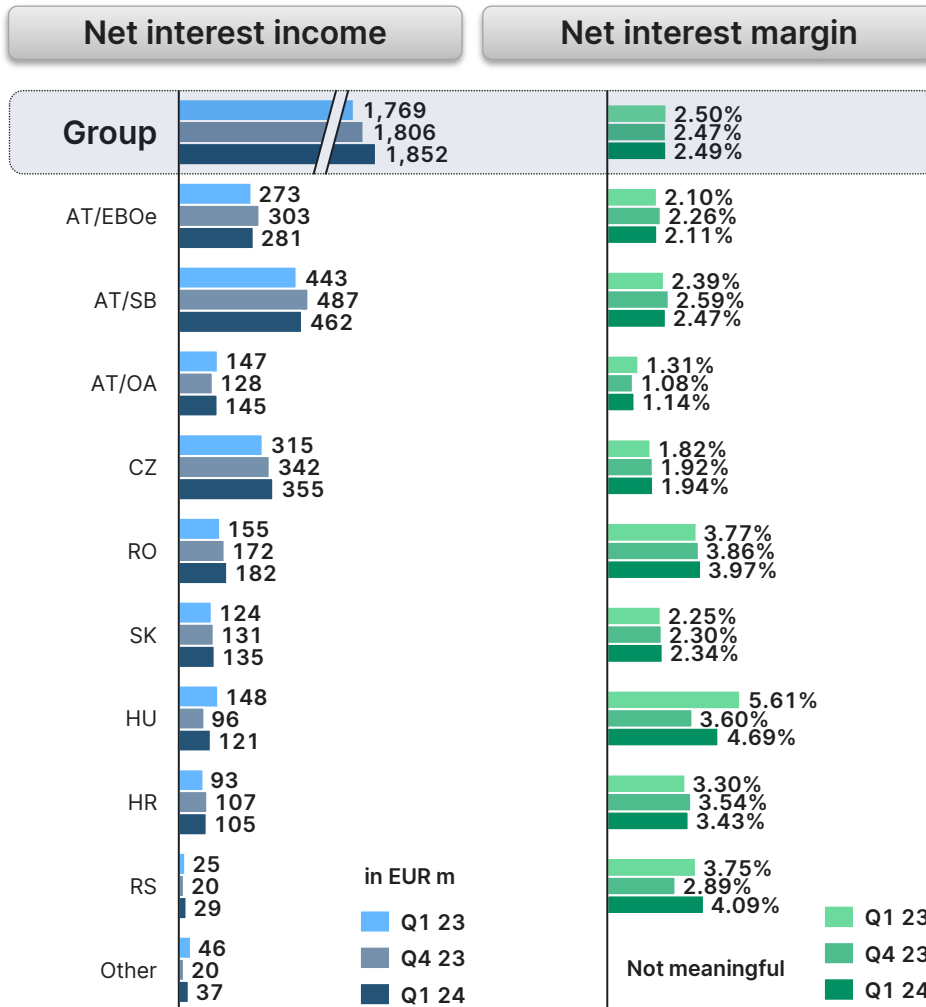


## Deposits by currency



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

## NII consolidates near record levels



### NII grows 4.7% yoy, up 2.6% qoq

- YoY increase driven by favourable interest rate backdrop
- Qoq increase due to strong CEE performance, more than offsetting declines in Austrian retail and SME segments

### Key NII drivers in Q1 24

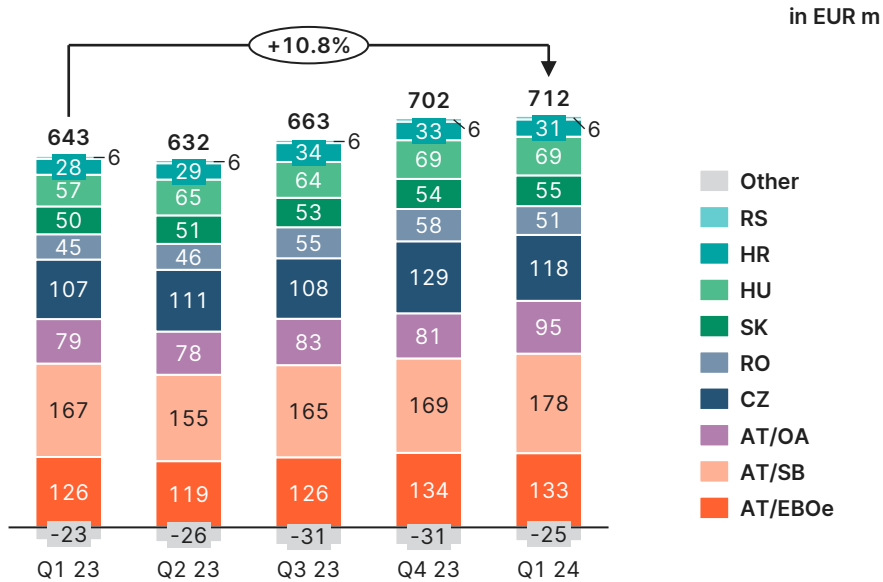
- AT/EBOe and AT/SB: qoq continued rise in deposit pass-through rates, stop of minimum reserve remuneration weigh on NII (yoy)
- AT/OA: qoq NII normalisation following technical adjustment in the previous quarter
- HU: yoy decline due to lower market interest rates, qoq increase driven by non-recurrence of Q4 23 rate cap modification loss one-off and interest cap on corporate deposits in Q1 24
- RS: qoq increase explained by modification loss one-off in Q4 23

### Unchanged 2024 NII guidance

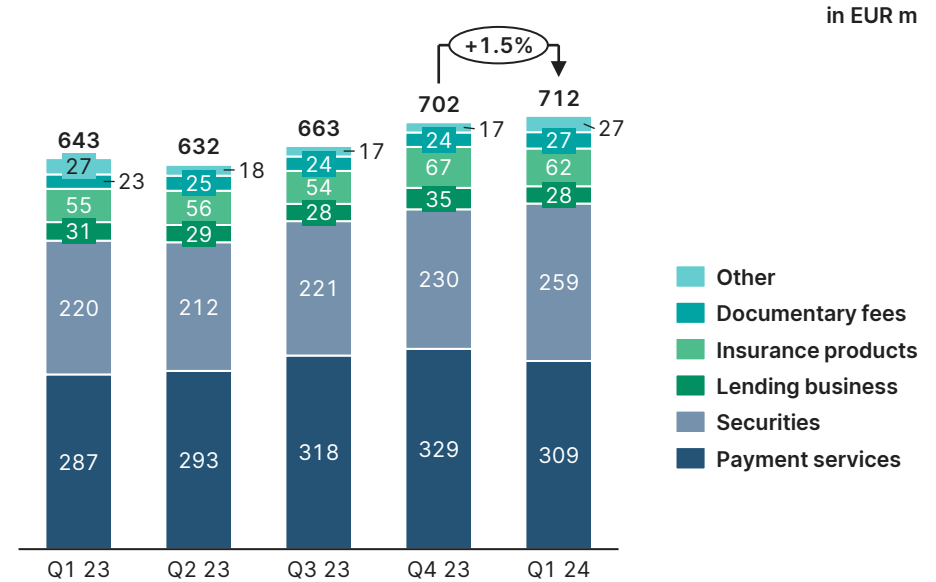
- Current projection is for NII to slip by ~3%, with potential pressures being **mostly neutral to bottom line** as mainly affecting the minority-owned savings banks, which benefitted most in the up cycle
- **Headwinds:** expected rate cuts, stop of remuneration of minimum reserves in CZ and euro zone
- **Tailwinds:** volume growth, increased income from bond portfolio
- Timing and magnitude of central bank rate cuts primarily in the euro zone and the Czech Republic will be key driver

# Another quarter, another record fee print

Net fee income by segment



Net fee income by fee type



## Key fee drivers in Q1 24

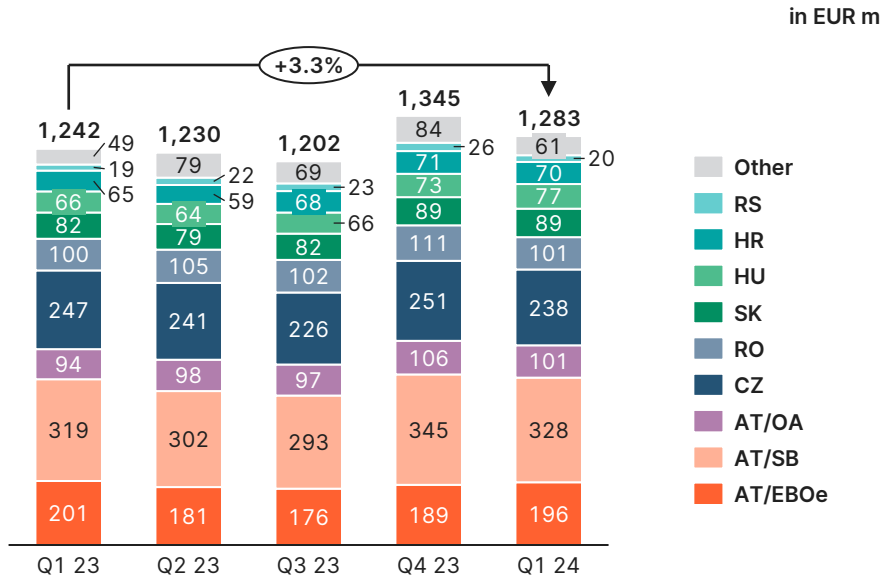
- Yoy performance supported by balanced growth in all key fee categories (payment services, securities, insurance brokerage)
- Qoq uptick driven by strong securities performance on the back of supportive market environment

## FY24 guidance: mid-single-digit growth

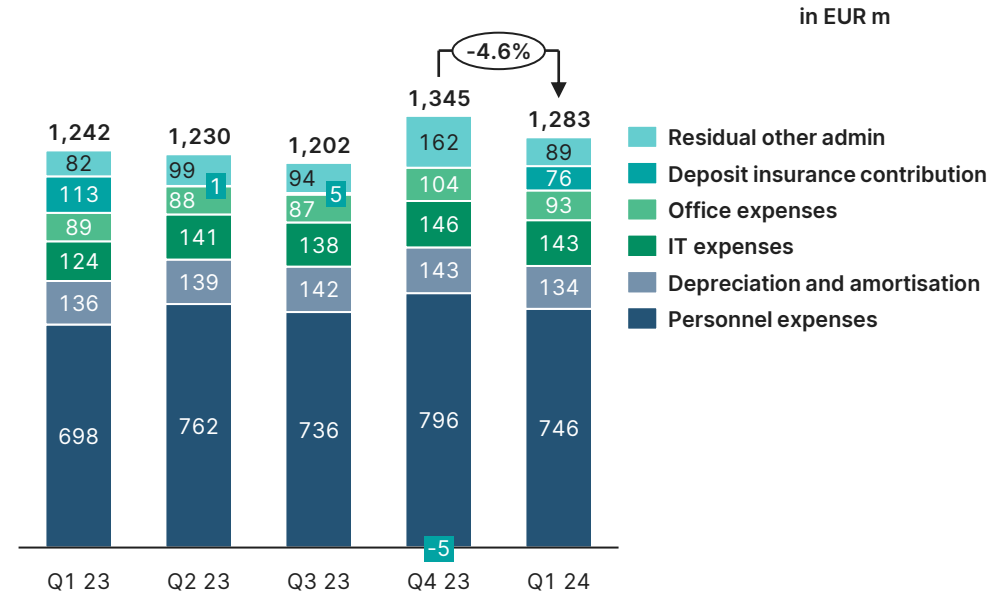
Fee income remains a key long-term structural growth opportunity

# Operating expenses benefit from lower deposit insurance contributions

Operating expenses by segment



Operating expenses by type



## Key cost drivers in Q1 24

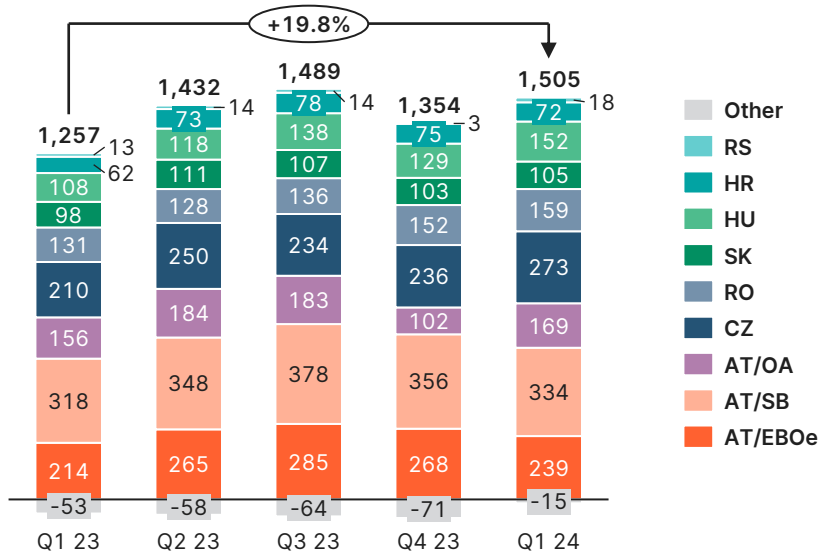
- Yoy cost updrift mitigated by lower deposit insurance contributions (EUR -37m), primarily in Austrian segments
- Qoq decline attributable to seasonally lower personnel, marketing, legal and consultancy expenses

FY24 guidance: ~ +5%, mainly on continued wage drift, especially in Austria

# 2024 starts with a record operating performance

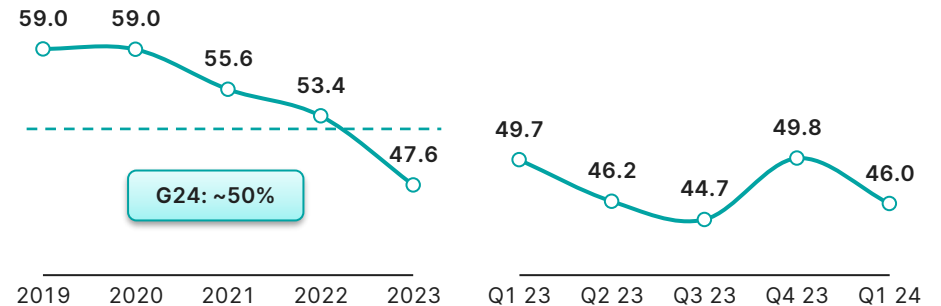
## Operating result

in EUR m



## Cost/income ratio

in %



### Key operating result drivers in Q1 24

- Revenue momentum re-accelerated, with NII consolidating near record highs, fees setting another quarterly record and trading & FV result also making an exceptionally strong positive contribution
- Expenses were seasonally lower qoq, on decreased personnel and other administrative expenses

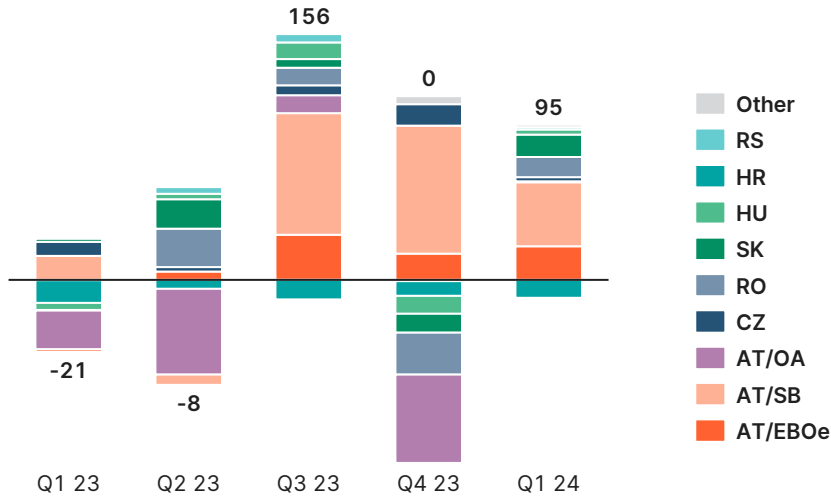
Q1 24 saw re-acceleration in revenue momentum paired with seasonally lower costs qoq

FY24 guidance: CIR of ~50%

# Q1 24 risk costs come in at 18 bps, 2024 outlook confirmed

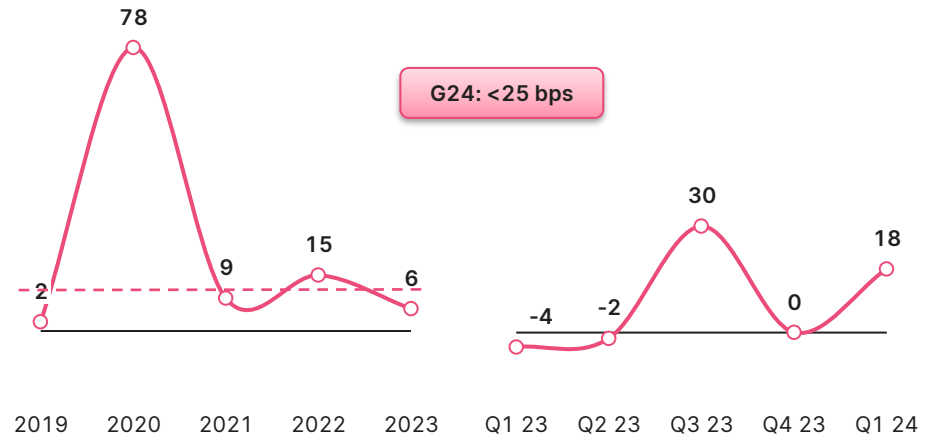
Risk costs by segment \*

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.

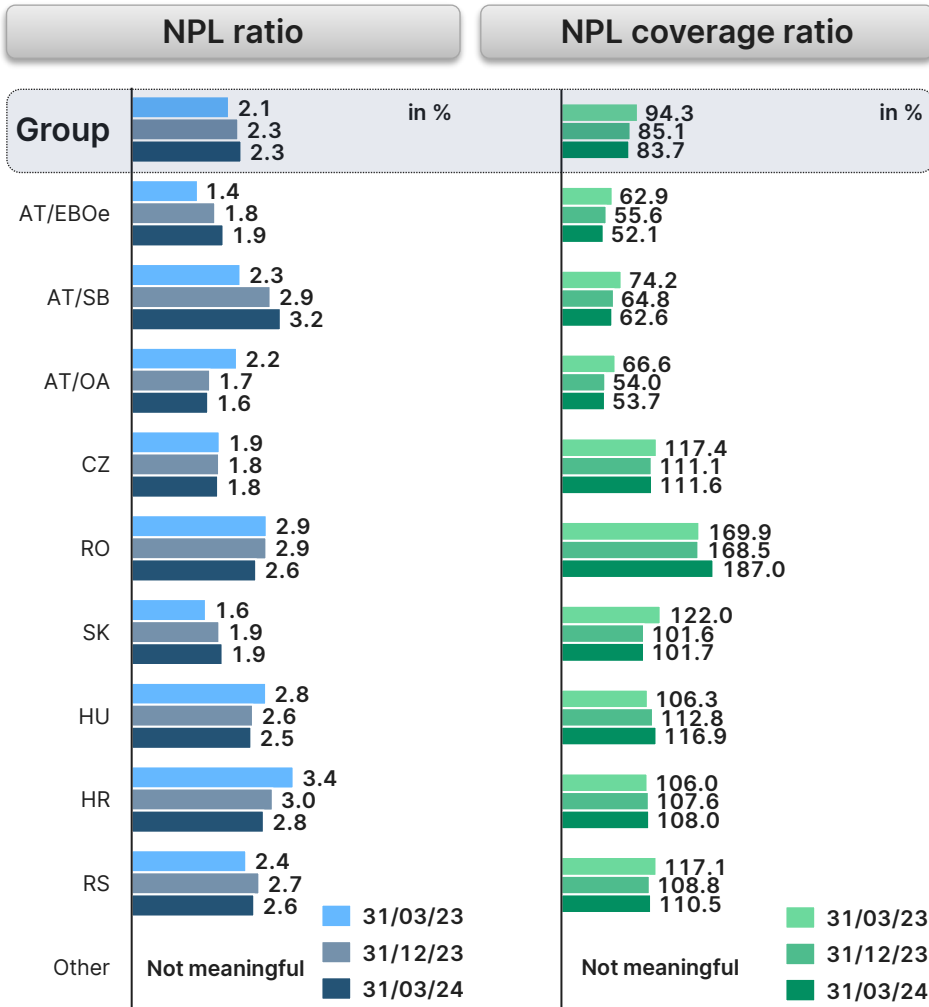
## Key risk costs drivers in Q1 24

- Allocations primarily at the savings banks and Erste Bank Oesterreich due to some defaults in the corporate segment, primarily residential real estate
- Very positive development across Central and Eastern Europe
- **No release of FLI provisions and industry overlays** in Q1 24

## 2024 guidance confirmed at <25 bps

- Minority-owned savings banks expected to post somewhat higher risk costs, **limiting bottom line impact**
- EUR ~750m of portfolio overlays and FLI provisions available for portfolio/macro deterioration, of which **approx. EUR 200m expected for release in 2024**

# NPL and NPL coverage ratios at comfortable levels

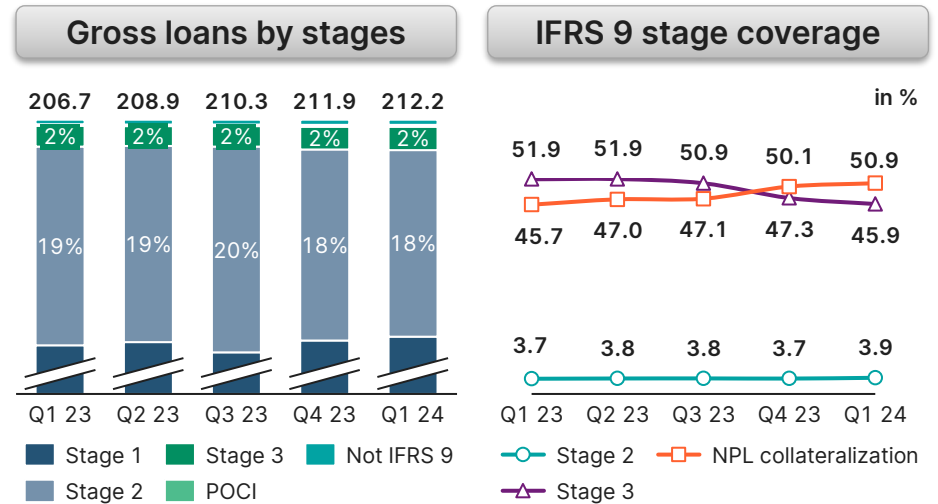


## NPL ratio edges up slightly in Q1 24

- Primarily driven by small, well collateralised residential real estate development projects at the mostly minority-owned savings banks (AT/SB) and to a lesser extent a similar development in AT/EBOe
- Minor deterioration in AT/EBOe primarily driven by Corporates
- Continued excellent performance in CEE segments

## Stage 3 coverage slips ytd, collateralisation improves

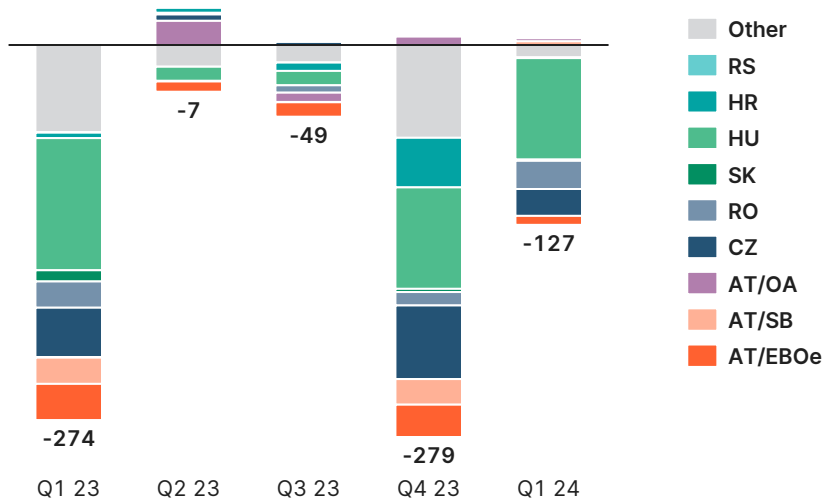
- Stage 3 coverage impacted by new NPL inflows at AT/SB, AT/EBOe
- Stage 2 coverage improved on portfolio movement
- AT/OA coverage declined yoy due to release of overlay provisions in Q4 23



# Other result improves yoy on lower resolution fund contribution

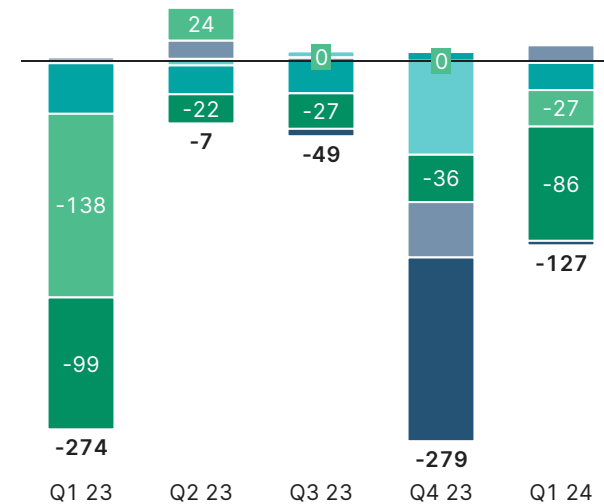
Other result by segment

in EUR m



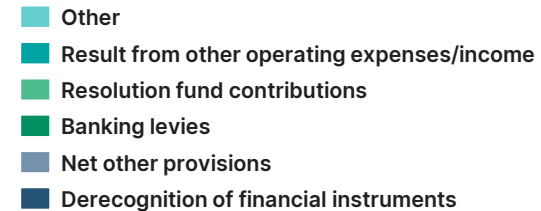
Other result by accounting categories

in EUR m



## Key other result drivers in Q1 24

- Significantly lower resolution fund contributions as euro zone resolution fund was filled at year-end 2023
- Lower banking taxes due to halving of extra profit tax in HU, despite booking of new banking tax in RO and SK (affecting tax line)
- Net other provisions benefit from releases at Austrian entities

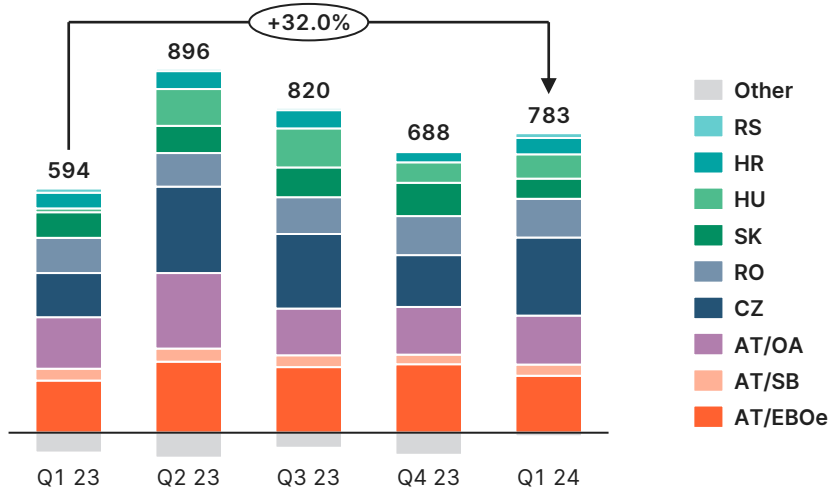




# Q1 24 ROTE at 17.2%, 2024 ROTE target confirmed at ~15%

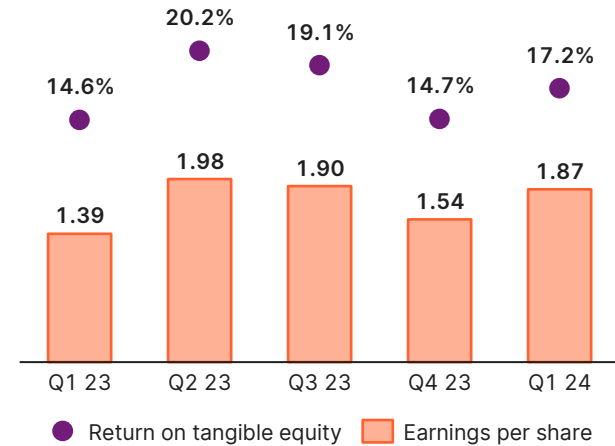
## Net result by segment

in EUR m



## EPS & ROTE

in EUR



### Key net profit drivers in Q1 24

- Strong yoy, qoq operating performance driven by top line growth
- Continued moderate risk costs
- Strongly improved yoy, qoq other result

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

Erste Group targets ROTE of ~15% in 2024

INTRODUCTION TO ERSTE GROUP

EXECUTIVE SUMMARY

MACROECONOMIC AND BUSINESS UPDATE

FINANCIAL OUTLOOK

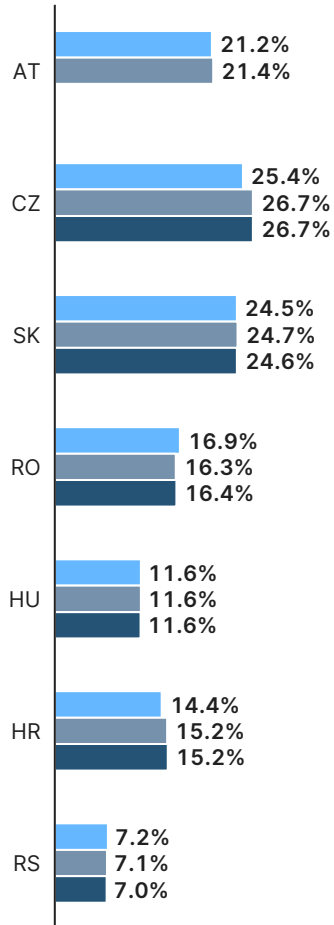
WHOLESALE FUNDING AND CAPITAL

OPERATING TRENDS

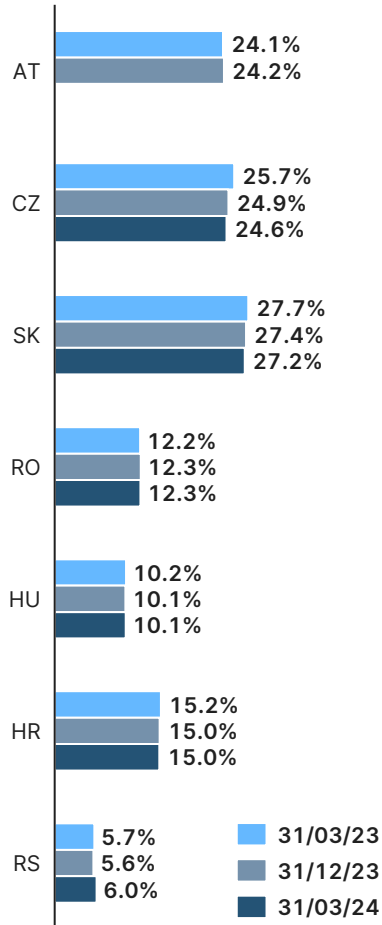
APPENDIX

# Commanding market shares across the CEE region

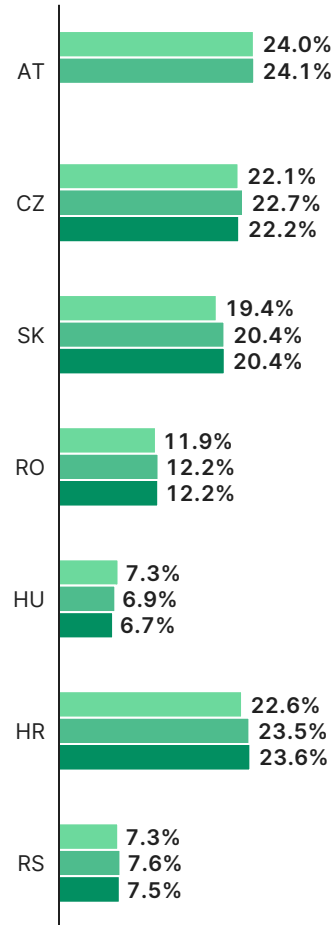
## Gross retail loans



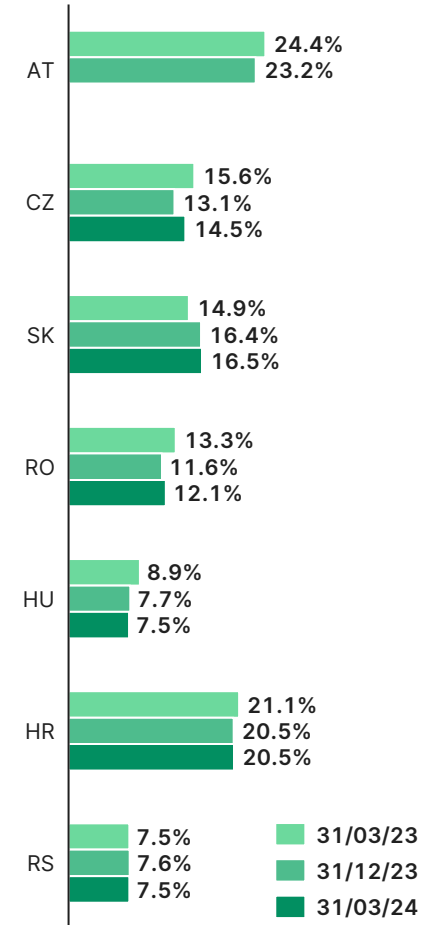
## Retail deposits



## Gross corporate loans



## Corporate deposits



Market shares for Austria are not yet available as of 31/03/2024

## Strong track record of profitability

in EUR million	Year-to-date view			Quarterly view				
	1-3 23	1-3 24	YOY-Δ	Q1 23	Q4 23	Q1 24	YOY-Δ	QOQ-Δ
Net interest income	1,769.0	1,852.4	4.7%	1,769.0	1,805.6	1,852.4	4.7%	2.6%
Interest income	3,388.2	3,966.0	17.1%	3,388.2	3,919.3	3,966.0	17.1%	1.2%
Other similar income	1,068.2	1,080.5	1.2%	1,068.2	1,103.4	1,080.5	1.2%	-2.1%
Interest expenses	-1,412.1	-1,981.8	40.3%	-1,412.1	-1,894.1	-1,981.8	40.3%	4.6%
Other similar expenses	-1,275.4	-1,212.3	-4.9%	-1,275.4	-1,323.1	-1,212.3	-4.9%	-8.4%
Net fee and commission income	642.7	712.2	10.8%	642.7	702.0	712.2	10.8%	1.5%
Fee and commission income	746.5	836.0	12.0%	746.5	813.6	836.0	12.0%	2.7%
Fee and commission expenses	-103.8	-123.7	19.2%	-103.8	-111.6	-123.7	19.2%	10.9%
Dividend income	6.3	3.6	-42.5%	6.3	9.0	3.6	-42.5%	-59.9%
Net trading result	116.7	106.4	-8.8%	116.7	416.8	106.4	-8.8%	-74.5%
Gains/losses from financial instruments measured at fair value through profit or loss	-81.4	33.0	n/a	-81.4	-288.0	33.0	n/a	n/a
Net result from equity method investments	4.6	3.5	-23.8%	4.6	5.3	3.5	-23.8%	-33.6%
Rental income from investment properties & other operating leases	40.9	76.7	87.4%	40.9	48.2	76.7	87.4%	59.1%
Personnel expenses	-697.5	-746.5	7.0%	-697.5	-795.9	-746.5	7.0%	-6.2%
Other administrative expenses	-408.6	-401.9	-1.6%	-408.6	-406.5	-401.9	-1.6%	-1.1%
Depreciation and amortisation	-135.9	-134.1	-1.3%	-135.9	-142.5	-134.1	-1.3%	-5.9%
Gains/losses from derecognition of financial assets measured at amortised cost	-0.9	-2.1	>100.0%	-0.9	-10.2	-2.1	>100.0%	-79.8%
Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss	1.1	-1.1	n/a	1.1	-127.7	-1.1	n/a	-99.1%
Impairment result from financial instruments	20.7	-94.8	n/a	20.7	-0.3	-94.8	n/a	>100.0%
Other operating result	-274.3	-123.4	-55.0%	-274.3	-141.0	-123.4	-55.0%	-12.5%
Levies on banking activities	-99.1	-86.0	-13.2%	-99.1	-35.7	-86.0	-13.2%	>100.0%
<b>Pre-tax result from continuing operations</b>	<b>1,003.2</b>	<b>1,283.9</b>	<b>28.0%</b>	<b>1,003.2</b>	<b>1,074.7</b>	<b>1,283.9</b>	<b>28.0%</b>	<b>19.5%</b>
Taxes on income	-185.6	-256.8	38.4%	-185.6	-204.5	-256.8	38.4%	25.5%
<b>Net result for the period</b>	<b>817.6</b>	<b>1,027.1</b>	<b>25.6%</b>	<b>817.6</b>	<b>870.2</b>	<b>1,027.1</b>	<b>25.6%</b>	<b>18.0%</b>
Net result attributable to non-controlling interests	224.0	243.9	8.9%	224.0	182.2	243.9	8.9%	33.9%
<b>Net result attributable to owners of the parent</b>	<b>593.6</b>	<b>783.3</b>	<b>32.0%</b>	<b>593.6</b>	<b>688.0</b>	<b>783.3</b>	<b>32.0%</b>	<b>13.8%</b>
Operating income	2,498.7	2,787.9	11.6%	2,498.7	2,698.9	2,787.9	11.6%	3.3%
Operating expenses	-1,242.0	-1,282.5	3.3%	-1,242.0	-1,345.0	-1,282.5	3.3%	-4.6%
<b>Operating result</b>	<b>1,256.7</b>	<b>1,505.4</b>	<b>19.8%</b>	<b>1,256.7</b>	<b>1,353.9</b>	<b>1,505.4</b>	<b>19.8%</b>	<b>11.2%</b>

## Strong balance sheet dominated by customer loans

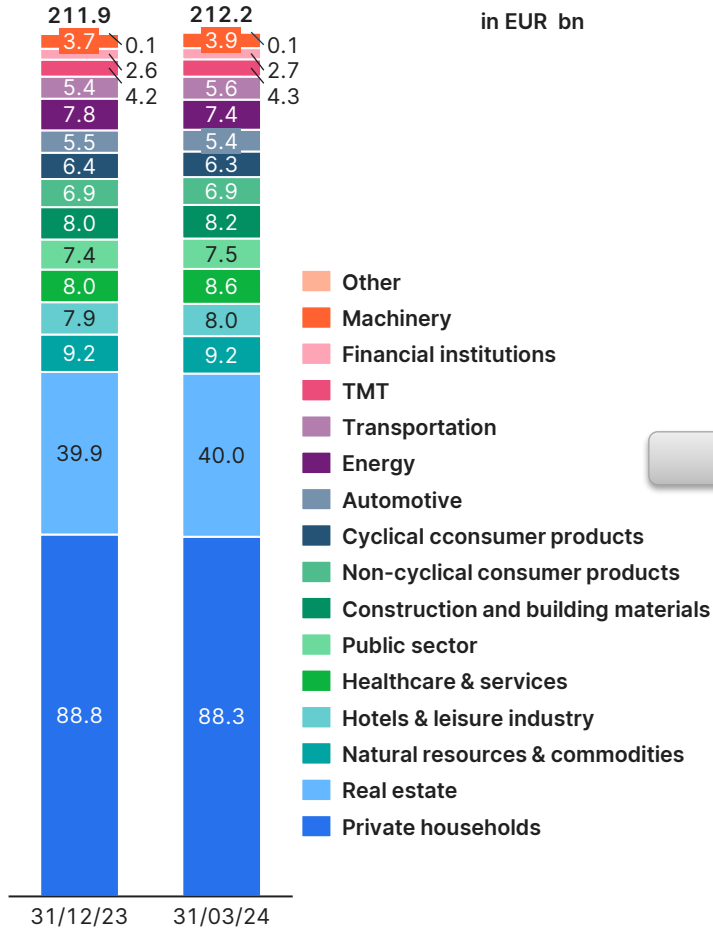
in EUR million	Quarterly data					Change		
	Mar 23	Jun 23	Sep 23	Dec 23	Mar 24	YOY-Δ	YTD-Δ	QOQ-Δ
Cash and cash balances	43,305	32,810	31,922	36,685	29,425	-32.1%	-19.8%	-19.8%
Financial assets held for trading	6,472	8,076	6,971	8,773	9,342	44.4%	6.5%	6.5%
Derivatives	1,668	1,306	1,357	1,262	1,105	-33.8%	-12.4%	-12.4%
Other financial assets held for trading	4,803	6,770	5,615	7,511	8,237	71.5%	9.7%	9.7%
Non-trading financial assets at fair value through profit and loss	2,870	2,902	2,889	3,004	2,965	3.3%	-1.3%	-1.3%
Equity instruments	366	381	384	415	430	17.6%	3.8%	3.8%
Debt securities	1,633	1,584	1,555	1,551	1,500	-8.2%	-3.3%	-3.3%
Loans and advances to banks	0	0	0	0	0	n/a	n/a	n/a
<b>Loans and advances to customers</b>	<b>870</b>	<b>938</b>	<b>949</b>	<b>1,038</b>	<b>1,035</b>	<b>18.9%</b>	<b>-0.4%</b>	<b>-0.4%</b>
Financial assets at fair value through other comprehensive income	9,811	10,087	10,227	8,905	8,710	-11.2%	-2.2%	-2.2%
Equity instruments	99	96	98	110	99	0.1%	-10.5%	-10.5%
Debt securities	9,712	9,991	10,129	8,794	8,611	-11.3%	-2.1%	-2.1%
Financial assets at amortised cost	265,455	274,936	270,286	264,721	277,092	4.4%	4.7%	4.7%
Debt securities	43,401	44,819	44,367	44,047	46,647	7.5%	5.9%	5.9%
Loans and advances to banks	27,299	33,454	28,094	21,432	30,874	13.1%	44.1%	44.1%
<b>Loans and advances to customers</b>	<b>194,755</b>	<b>196,663</b>	<b>197,825</b>	<b>199,241</b>	<b>199,570</b>	<b>2.5%</b>	<b>0.2%</b>	<b>0.2%</b>
Finance lease receivables	4,640	4,790	4,869	4,970	5,060	9.1%	1.8%	1.8%
Hedge accounting derivatives	218	226	204	183	157	-27.8%	-13.9%	-13.9%
Fair value changes of hedged items in portfolio hedge of interest rate risk	-35	-35	-35	-25	-26	-27.6%	2.5%	2.5%
Property and equipment	2,671	2,665	2,593	2,605	2,660	-0.4%	2.1%	2.1%
Investment properties	1,391	1,408	1,457	1,524	1,534	10.2%	0.7%	0.7%
Intangible assets	1,335	1,328	1,313	1,313	1,281	-4.1%	-2.5%	-2.5%
Investments in associates and joint ventures	217	225	225	241	269	24.3%	11.7%	11.7%
Current tax assets	105	115	113	72	72	-31.1%	0.7%	0.7%
Deferred tax assets	582	516	450	468	441	-24.2%	-5.8%	-5.8%
Assets held for sale	175	163	173	163	14	-92.0%	-91.4%	-91.4%
Trade and other receivables	2,402	2,489	2,510	2,579	2,421	0.8%	-6.1%	-6.1%
Other assets	1,308	1,290	994	976	1,282	-2.0%	31.4%	31.4%
<b>Total assets</b>	<b>342,921</b>	<b>343,993</b>	<b>337,161</b>	<b>337,155</b>	<b>342,699</b>	<b>-0.1%</b>	<b>1.6%</b>	<b>1.6%</b>

## Liabilities dominated by retail deposits

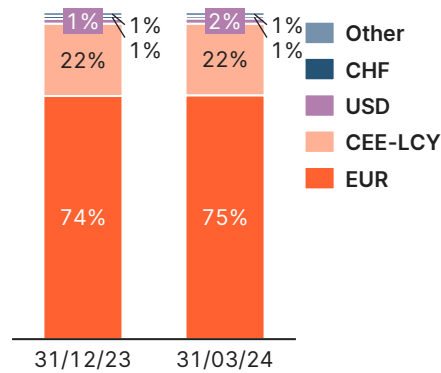
in EUR million	Quarterly data					Change		
	Mar 23	Jun 23	Sep 23	Dec 23	Mar 24	YOY-Δ	YTD-Δ	QOQ-Δ
Financial liabilities held for trading	3,139	2,788	2,428	2,304	1,805	-42.5%	-21.6%	-21.6%
Derivatives	2,505	2,070	1,918	1,614	1,228	-51.0%	-23.9%	-23.9%
Other financial liabilities held for trading	635	718	510	690	577	-9.1%	-16.4%	-16.4%
Financial liabilities at fair value through profit or loss	11,227	11,223	10,931	11,152	10,865	-3.2%	-2.6%	-2.6%
<b>Deposits from customers</b>	<b>1,384</b>	<b>1,201</b>	<b>1,016</b>	<b>593</b>	<b>158</b>	<b>-88.6%</b>	<b>-73.4%</b>	<b>-73.4%</b>
Debt securities issued	9,708	9,890	9,781	10,429	10,572	8.9%	1.4%	1.4%
Other financial liabilities	135	132	134	130	135	0.1%	3.5%	3.5%
Financial liabilities at amortised cost	295,892	297,334	290,402	289,842	294,020	-0.6%	1.4%	1.4%
Deposits from banks	29,876	25,669	23,223	22,911	19,737	-33.9%	-13.9%	-13.9%
<b>Deposits from customers</b>	<b>236,690</b>	<b>239,881</b>	<b>234,758</b>	<b>232,223</b>	<b>235,178</b>	<b>-0.6%</b>	<b>1.3%</b>	<b>1.3%</b>
Debt securities issued	28,538	30,756	31,307	33,330	37,994	33.1%	14.0%	14.0%
Other financial liabilities	787	1,027	1,114	1,378	1,111	41.1%	-19.4%	-19.4%
Lease liabilities	699	703	684	670	690	-1.4%	2.9%	2.9%
Hedge accounting derivatives	365	322	300	286	269	-26.3%	-5.8%	-5.8%
Fair value changes of hedged items in portfolio hedge of interest rate risk	0	0	0	0	0	0.0%	0.0%	0.0%
Provisions	1,857	1,702	1,636	1,612	1,664	-10.4%	3.2%	3.2%
Current tax liabilities	163	171	174	265	284	74.7%	7.5%	7.5%
Deferred tax liabilities	19	3	3	14	50	>100.0%	>100.0%	>100.0%
Liabilities associated with assets held for sale	112	104	119	113	0	-100.0%	-100.0%	-100.0%
Other liabilities	2,966	2,909	2,796	2,396	3,731	25.8%	55.7%	55.7%
<b>Total equity</b>	<b>26,483</b>	<b>26,735</b>	<b>27,687</b>	<b>28,502</b>	<b>29,322</b>	<b>10.7%</b>	<b>2.9%</b>	<b>2.9%</b>
Equity attributable to non-controlling interests	6,188	6,424	6,672	6,853	7,088	14.5%	3.4%	3.4%
Additional equity instruments	2,236	2,236	2,394	2,405	2,405	7.6%	0.0%	0.0%
Equity attributable to owners of the parent	18,059	18,074	18,621	19,243	19,829	9.8%	3.0%	3.0%
Subscribed capital	860	860	851	843	842	-2.1%	-0.2%	-0.2%
Additional paid-in capital	1,478	1,478	1,486	1,494	1,495	1.2%	0.1%	0.1%
Retained earnings and other reserves	15,721	15,737	16,284	16,906	17,492	11.3%	3.5%	3.5%
<b>Total liabilities and equity</b>	<b>342,921</b>	<b>343,993</b>	<b>337,161</b>	<b>337,155</b>	<b>342,699</b>	<b>-0.1%</b>	<b>1.6%</b>	<b>1.6%</b>

# Erste Group benefits from a highly diversified loan book

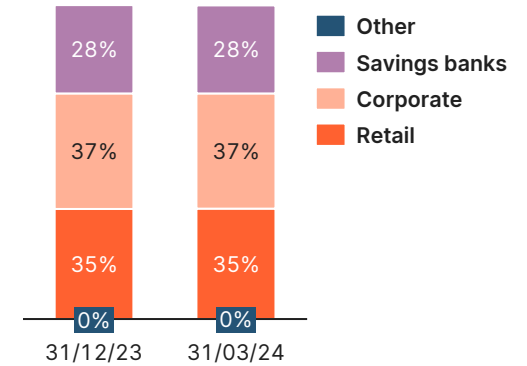
Gross customer loans by industry



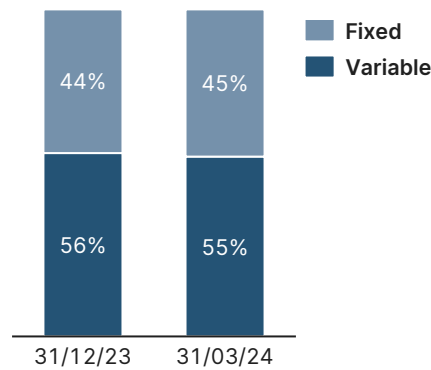
By currency



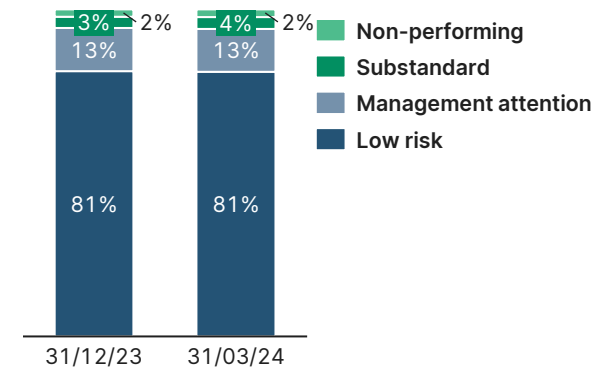
By business segment



By interest rate



By risk category



# Real estate snapshot

## Sound lending standards

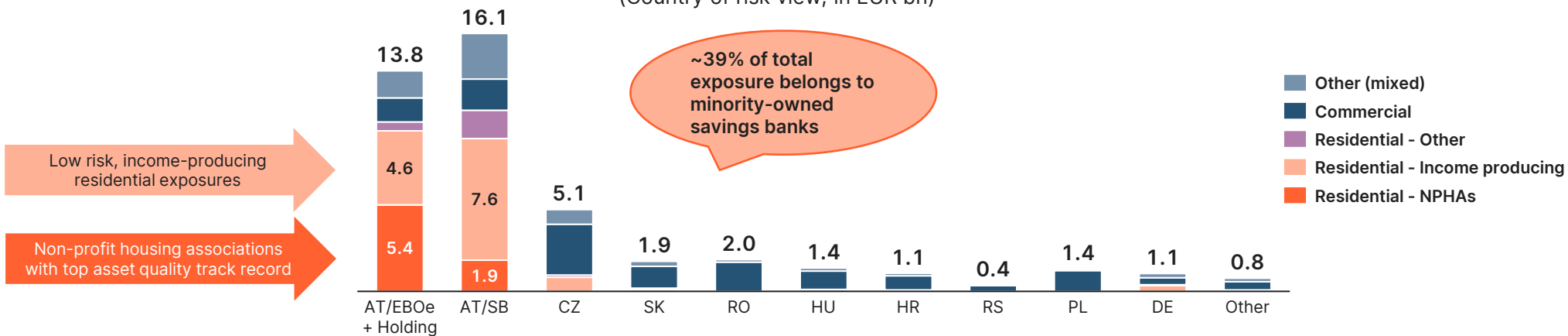
- Income producing projects (>80%)
- Ring-fenced, A-class buildings in prime locations with risk-mitigating structures
- Highly collateralised business with conservative valuation approach (application of valuation haircuts) and LTVs in the 50-60% range

## 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 Q1 24 (EUR 45.1bn)

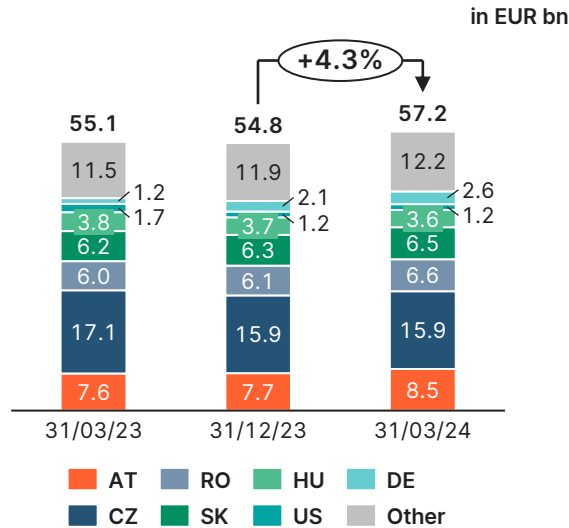
(Country of risk view, in EUR bn)



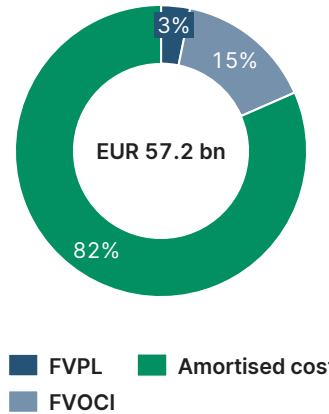


# Financial asset portfolio creates strong net interest income tailwinds

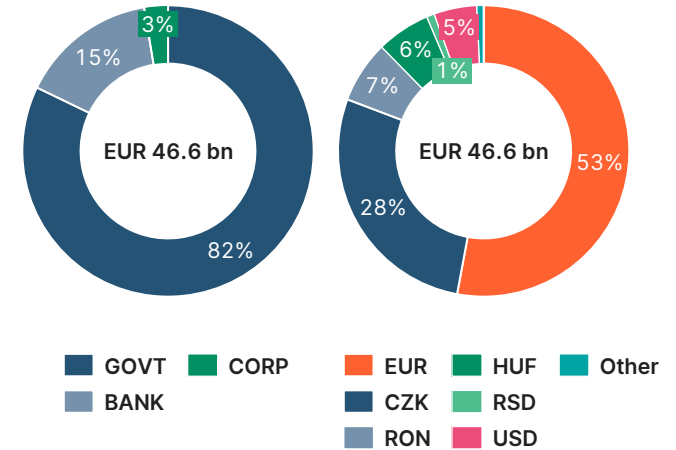
## Financial assets – geographic view



## 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

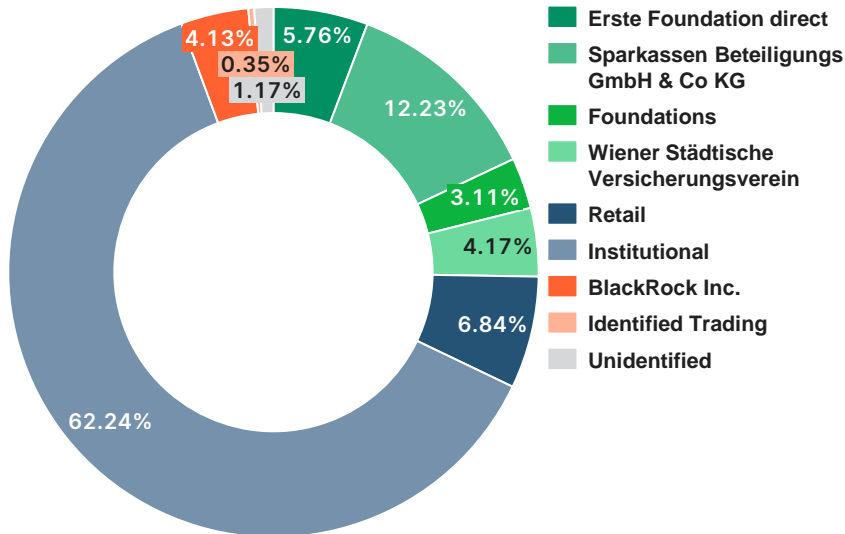
### Amortised cost portfolio as at Q1 24

- Amounts to EUR 46.6bn or 82% of total financial assets, +5.9% as of Mar 2024
- Portfolio duration: 4.4 years
- Portfolio yield: 2.5%

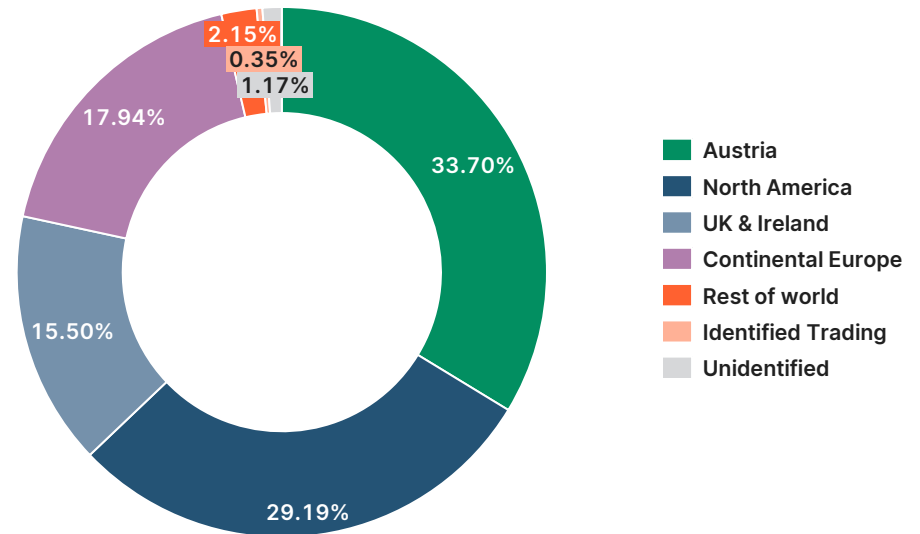
- Rolling maturities are re-invested at higher yields
- Focus on euro driven by investments in core markets (AT, SK) as well as other euro zone exposures
- Focus on strong ratings: ~76% A or higher, ~22% BBB

# Erste Group benefits from strong and well-diversified shareholder base

By investor



By region



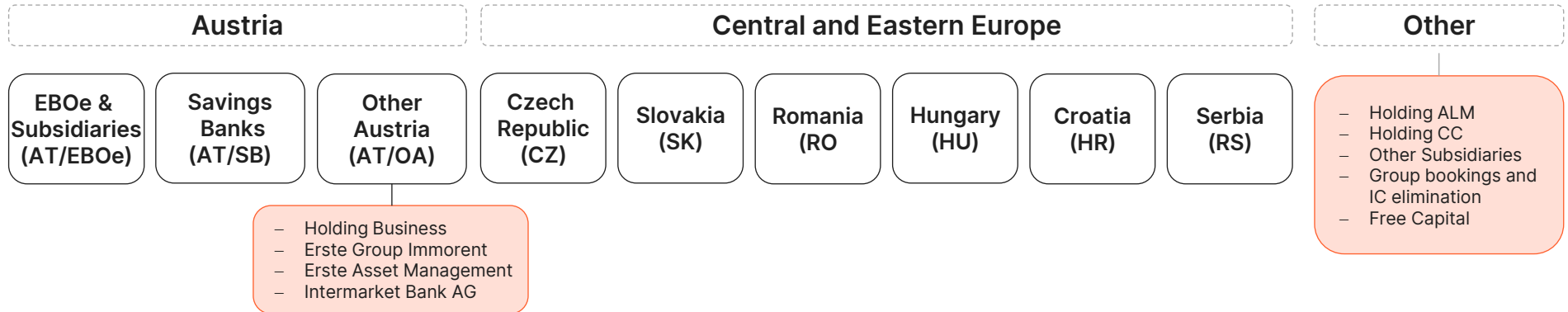
## Notes to shareholder structure

- **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

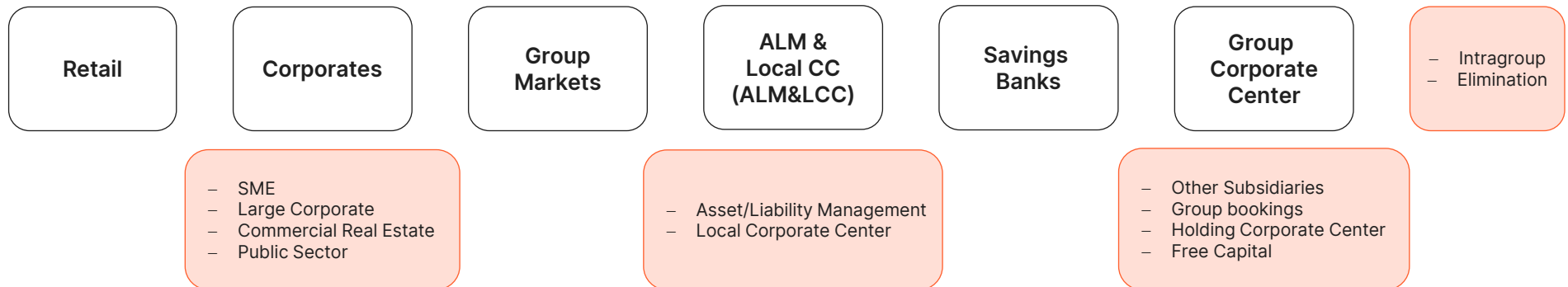
Status as of 31 March 2024

## Geographical/operating and business segment view

### Erste Group – Geographical/operating segments



### Erste Group – Business segments



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