

Erste Group reduces goodwill by EUR 300 million.

The regular annual impairment tests for goodwill carried on Erste Group's balance sheet have resulted in a write down requirement mainly on goodwill associated with its Romanian subsidiary, BCR, but also other participations in the total amount of about EUR 300 million (pre-tax). This is due to higher market risk premiums resulting in rising discount rates employed in these impairment tests.

As a result of this extraordinary measure and the recently announced disposal of Erste Group's Ukrainian subsidiary, Erste Group expects to post a net profit of about EUR 450 million for the full year of 2012. Erste Group confirms its guidance for operating performance and risk costs, as issued at its Q3 12 results announcement on 30 October 2012 and will propose to the annual general meeting to fully service participation capital as well as pay a dividend on ordinary shares for the 2012 business year. As goodwill is excluded from the regulatory capital calculation, Erste Group will report significantly improved capital ratios as at year-end 2012.