

Profile

Founded in 1819 as the first Austrian savings bank, Erste Group went public in 1997 with a strategy to expand its retail business into Central and Eastern Europe (CEE).

Since then, Erste Group has grown through numerous acquisitions and organic growth to one of the largest financial services providers in the Eastern part of EU in terms of clients and total assets:

ONE OF THE LEADING FINANCIAL SERVICE PROVIDERS IN THE EASTERN PART OF EU

AMONG THE TOP 3 BANKS IN ITS LARGEST CORE MARKETS

INNOVATION LEADER IN RETAIL BANKING IN AUSTRIA

In the first half of 2024, Erste Group had:

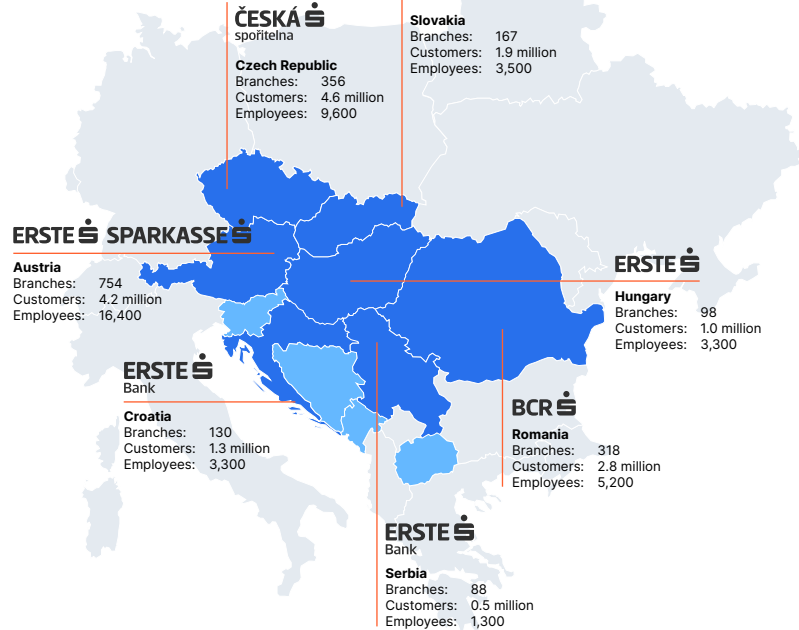
- ca. **16.4 million** customers
- **45,400** employees
- **1,911** branches in 7 countries
- EUR **344 billion** total assets
- EUR **1.63 billion** net profit
- EUR **2.97 billion** operating result
- EUR **29.0 billion** total equity
- **15.5%** CET1 ratio (final)

Strategy

Customer banking in Central and Eastern Europe

Eastern part of the EU		Focus on CEE, limited exposure to other Europe		
RETAIL BANKING	CORPORATE BANKING	CAPITAL MARKETS	PUBLIC SECTOR	INTERBANK BUSINESS
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.	SME and local 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 customer business, including customer-based trading activities. In addition to core markets, presence in Poland, Germany, New York and Hong Kong with institutional client focus and selected product mix. Building debt and equity capital markets in CEE.	Financing sovereigns and municipalities with focus on infrastructure development in core markets. Any sovereign holdings are held for market-making, liquidity or balance sheet management reasons.	Focus on banks that operate in the core markets. Any bank exposure is only held for liquidity or balance sheet management reasons or to support client business.

Extensive presence in CEE



Listings and index representation

30.06.2024

LISTINGS	INDEX	WEIGHTING
Vienna Stock Exchange	ATX	20.2 %
Prague Stock Exchange	PX	20.7 %
Bucharest Stock exchange	BET-BK	7.2 %

- Public trading via a level I ADR programme in the U.S.
- MSCI Standard Index
- EURO STOXX Banks Index
- FTSEurofirst 300 Index

Ratings

21.07.2024

	LONG-TERM	SHORT-TERM	OUTLOOK
S&P	A+	A-1	Stable
Fitch	A	F1	Stable
Moody's	A1	P-1	Stable

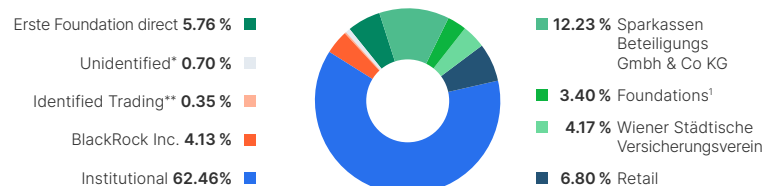
Management board

Peter Bosek, CEO and CRetO
Stefan Dörfler, CFO
Alexandra Habeler-Drabek, CRO

Ingo Bleier, Chief Corporates and Markets Officer
Maurizio Poletto, COO and Chief Platform Officer

Shareholder structure

30.06.2024



¹ Foundations include Erste Employees Private Foundation, Syndicated Savings Banks Foundations, own holdings of Savings Banks
^{*} Unidentified include unidentified institutional and retail investors
^{**} Identified Trading includes market makers, prime brokerage, proprietary trading, collateral and stock lending positions which are visible through custodian bank lists

Total number of shares 420,912,908	Free float 74.44 %
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Current financial outlook 2024

OPERATING ENVIRONMENT

- Moderately improving economic outlook
- Loan growth of around 5% in 2024

BUSINESS PERFORMANCE

- Stable development of the NII due to the later than expected first rate cut by the ECB
- fee growth of around 10%
- Cost/income ratio of below 50%

CREDIT RISK

- Risk costs expected below 20 bps in 2024

DIVIDEND

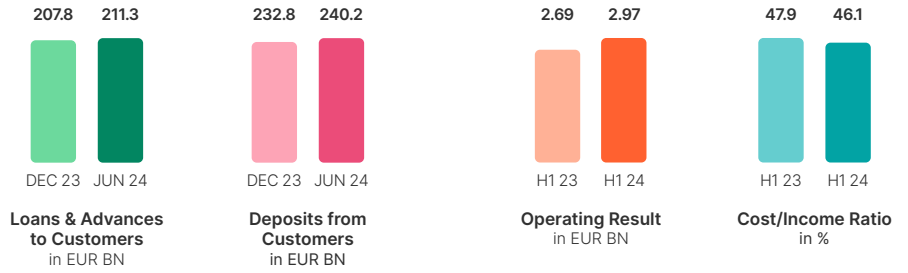
- FY2024 dividend per share of EUR 3.00 planned
- Unchanged dividend policy going forward with payout ratio targeted at 40-50%

PROFITABILITY

- ROTe of above 15% targeted for 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
- Economic downturn may put goodwill at risk



Central and Eastern Europe

Real GDP Growth (%)

Source: Erste Group Research (05.08.2024)

	HR	CZ	HU	PL	RO	RS	SK	SI	CEE8	AT	EZ
2024e	3.4	1.0	2.0	2.8	2.6	3.8	2.2	2.3	2.4	0.2	0.7
2025e	2.8	3.0	3.5	3.7	3.4	4.0	2.5	2.4	3.4	1.5	1.1

Statements



"The results for the first half of 2024 confirm the successful path of our banking group in Austria and CEE. Financing the energy transition and digital transformation in Europe requires strong banks that actively drive this development forward together with politicians and businesses. We want to play an even stronger role in this in the future. Our excellent results provide a good basis for this."

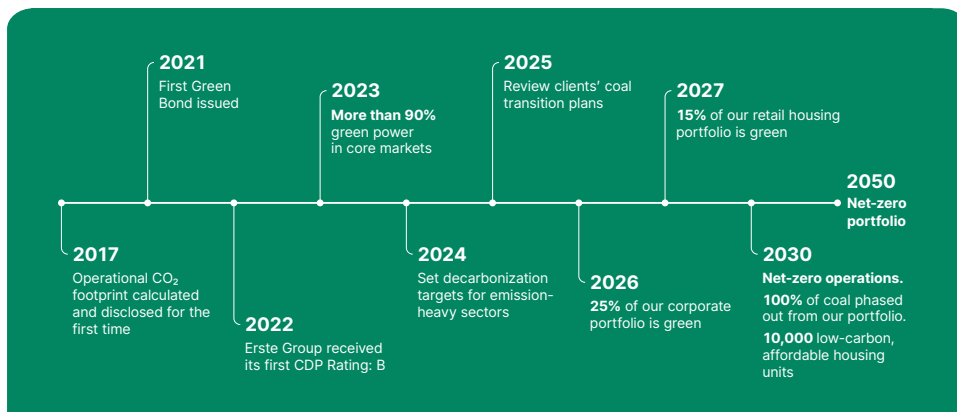
Peter Bosek, CEO of Erste Group



"The results we have achieved in the first six months of the year reflect the growth of our main revenue drivers as well as our solid work in risk and cost management. These results and the general environment in our region allow us to raise our forecast for the full year and to propose a dividend of three euros for the current financial year."

Stefan Dörfler, CFO of Erste Group

We are on the path to net zero



MEMBERSHIPS

- Net-Zero Banking Alliance (NZBA)
- Green Consumption Pledge
- Financial Initiative of the UN Environmental Program
- PCAF (Partnership for Carbon Accounting Financials)

ESG: for our society and for the planet

Economic success paired with environmental and social responsibility

Our aim ...

We believe in a strong, healthy and prosperous society in the CEE region.

As a member of the Net-Zero Banking Alliance we will take a leading role the green transition in CEE, promote innovations and make the most of opportunities.

Tackling climate change:

sustainable financing and the transition to net-zero emissions – that is, a modern economy in which greenhouse gases are no longer emitted into the atmosphere and in which human activities have no net impact on the climate system.

Find out more about our ESG efforts

erstegroup.com/en/about-us/sustainability-esg