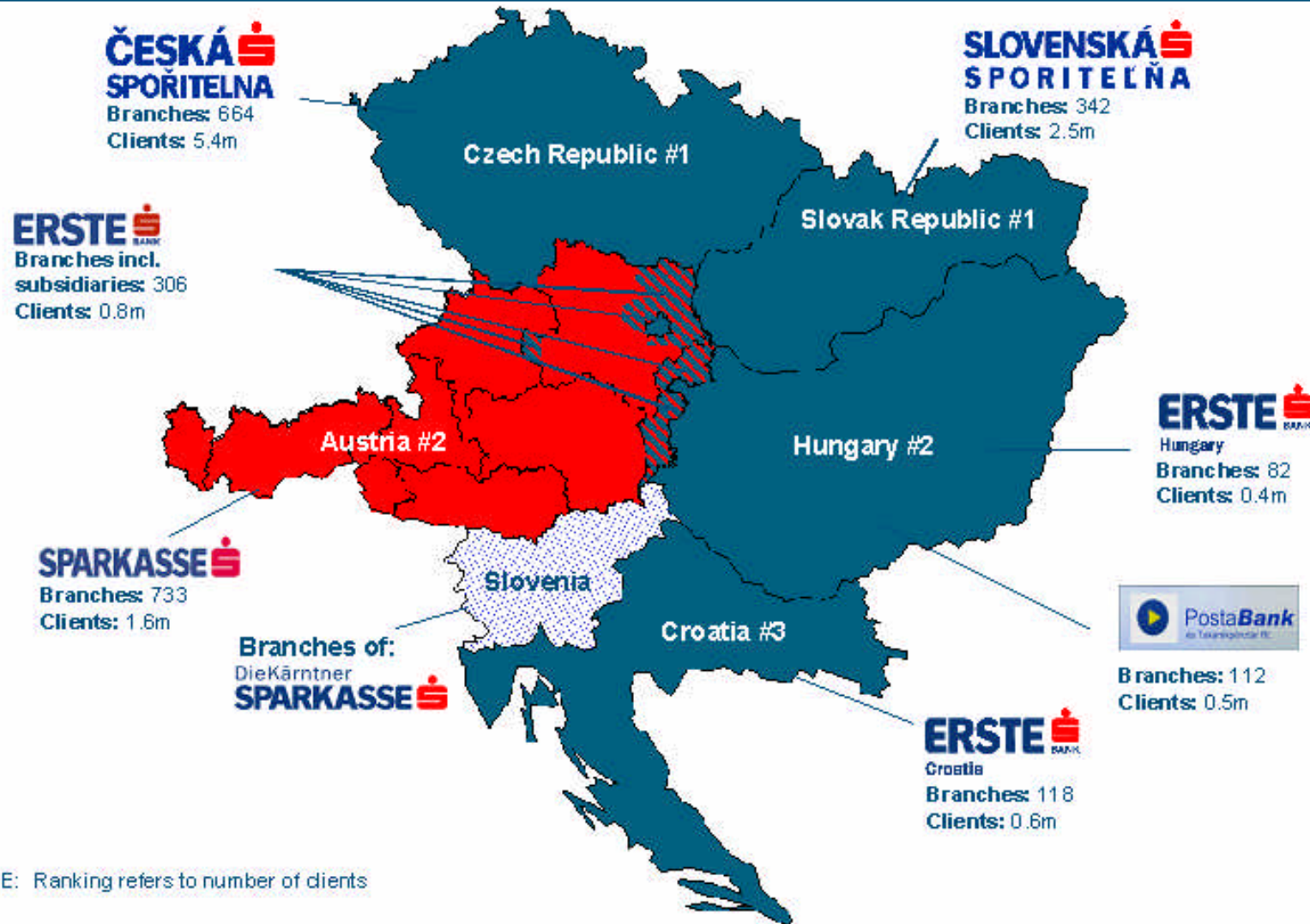


- > Erste Bank –
maintaining earnings growth

- > UBS – Global Financial Services Conference 2004
10 - 12 May 2004
New York
- > Reinhard Ortner, CFO

> Capturing the potential of EU accession

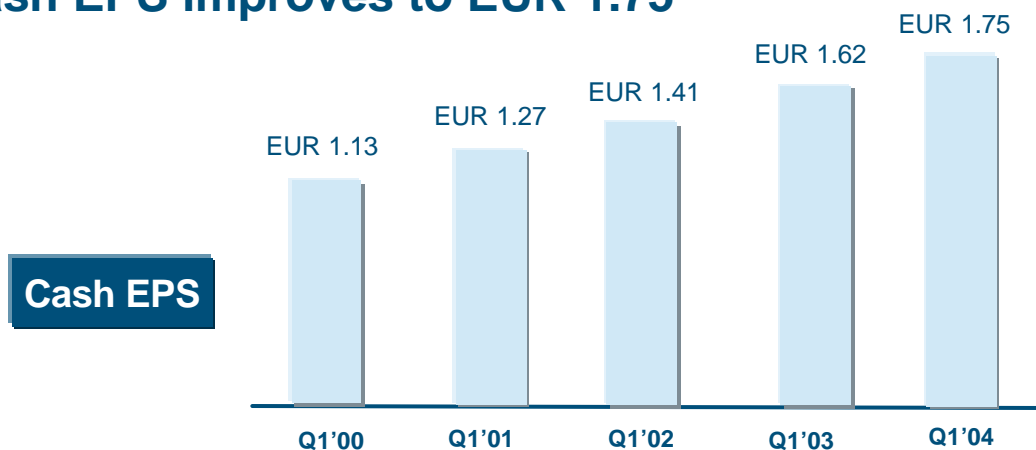
11.8 million customers in a close-knit region



> Q1 2004 – Financial highlights

Erste Bank Group - Key ratios

- » **Net profit increases by 37.5% to EUR 104.2m**
 - » No material effect by one-off items on bottom line
- » **Cash ROE 14.6%**
 - » Following 13.7% at YE 2003¹
- » **Further improvement of CIR to 63.8% from 64.2% at YE 2003**
 - » Revenues increase by 10.5% and costs grow by 6.1%
- » **Tier 1 ratio improves to 6.6% compared to 6.3% at YE 2003**
- » **Cash EPS improves to EUR 1.75**



¹ As reported in 2003 (including goodwill amortisation)

> Q1 2004 EB Group Divisional Figures

Overview

	Austria		CE Subsidiaries		Int. Business		Corp. Center	
	Q1 04	Q1 03	Q1 04	Q1 03	Q1 04	Q1 03	Q1 04	Q1 03
Pre-tax profit (EUR m)	153.5	96.2	117.7	93.7	22.1	15.6	(15.9)	(19.3)
Net profit (EUR m)	65.7	28.2	78.1	54.1	18.4	11.0	(58.0)	(17.4)
Cost-income ratio	65.6%	70.0%	61.3%	61.7%	19.1%	25.1%	n.a.	n.a.
ROE * (on net profit after minorities)	15.6%	7.2%	42.5%	38.6%	18.4%	11.6%	n.a.	n.a.

* Q1 2003 figures for ROE as reported (incl. goodwill amortisation)

> Q1 2004 EB Group Divisional Figures

Details - Austria

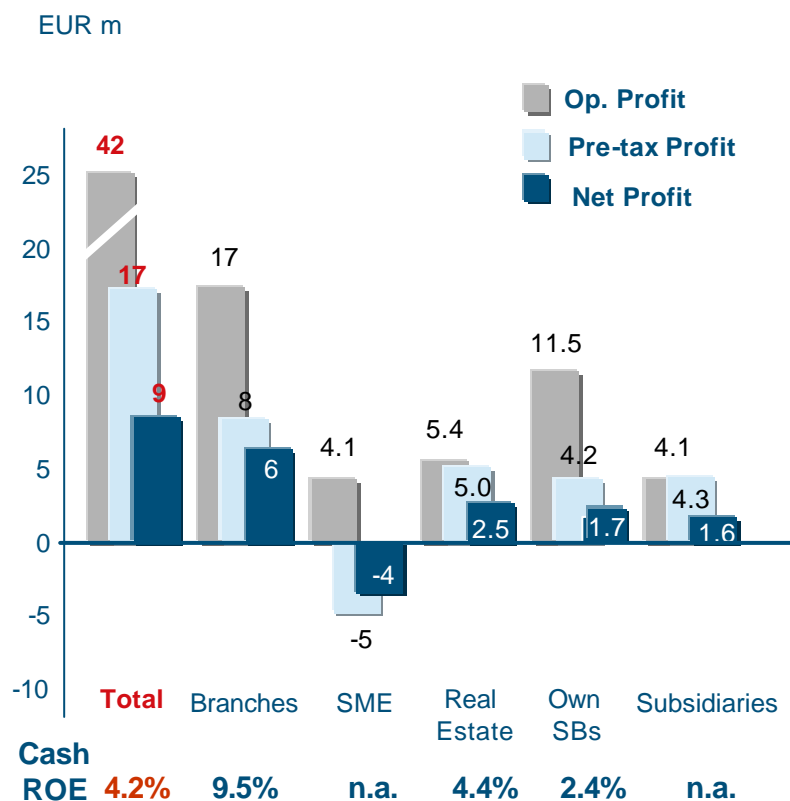
	Savings Banks		Retail & Real Est.		Large Corp.		Trdg & Inv. B.	
	Q1 04	Q1 03	Q1 04	Q1 03	Q1 04	Q1 03	Q1 04	Q1 03
Pre-tax profit (EUR m)	64.7	38.6	17.0	6.9	27.0	17.5	44.8	33.2
Net profit (EUR m)	5.5	(5.4)	8.5	3.0	18.1	7.4	33.6	23.2
Cost-income ratio	68.1%	73.2%	79.3%	83.0%	37.2%	38.8%	34.9%	39.2%
ROE * (on net profit after minorities)	10.0%	n.a%	4.2%	1.6%	16.9%	7.4%	56.7%	41.3%

* Q1 2003 figures for ROE as reported (incl. goodwill amortisation)

> Austrian core business: Potential for improvement

Retail initiatives progressing

Split of Retail & Real Estate segment



Retail branches:

- » 14 branches closed in Q1 2004
- » Further 4 branches to be sold before end Q3 04
- » Reduction of headcount and administrative expenses on track
- » Focus on revenue enhancement of large “mass-market” client segment

SME:

- » SME portfolio unchanged at EUR 1.5bn since YE
- » Risk provisions down by 10% on Q1 03

Real Estate:

- » Decrease mainly attributable to building society (s Bausparkasse). Strong reduction in NII due to legal repricing requirements effective in 2004.
- » NII expected to recover to 2003 levels after next adjustment due in 2005

Own savings banks (TISPA and SSK):

- » Termination of EUR 2m goodwill amortisation leads to positive Group contribution
- » On track to achieve targeted ROE of >10% on stand alone basis



AUSTRIA

» Challenges

- » Competitive market - low margin environment
- » High labour costs
- » Inflexible economic structures

» Opportunities

- » Potential for change in market dynamics
 - 75% of the Viennese retail market is controlled by publicly listed banks (BACA and EB)

» Goal

- » Retail division to achieve ROE >10%
- » Improve ROE of Austrian segment to 15%

> Q1 2004 EB Group Divisional Figures

Details - Central Europe

	CS		SLSP		EB Hungary ¹		Croatia	
	Q1 04	Q1 03	Q1 04	Q1 03	Q1 04	Q1 03	Q1 04	Q1 03
Pre-tax profit (EUR m)	71.7	59.8	20.4	22.7	8.9	3.1	16.8	8.2
Net profit (EUR m)	49.0	32.9	11.7	12.1	8.5	2.6	8.9	6.5
Cost-income ratio	59.8%	63.7%	60.5%	54.7%	70.8%	71.9%	53.8%	55.6%
ROE * (on net profit after minorities)	48.2%	35.4%	43.7%	72.8%	28.5%	23.3%	34.7%	33.4%

1: Postabank included since 1 January 2004

* Q1 2003 figures for ROE as reported (incl. goodwill amortisation)

> CE subsidiaries: Drivers of growth

Postabank – update on integration process

» Integration projects – key achievements to date

- » Headcount reduction – approx. 60% of 2004 target achieved
 - 414 employees out of targeted 670 lay-offs for 2004
- » Branch network integration on track
 - 13 branches (out of 42 planned) already closed
- » IT integration to be finalised by Q2 2005
 - Majority of migration projects to be completed by YE 2004

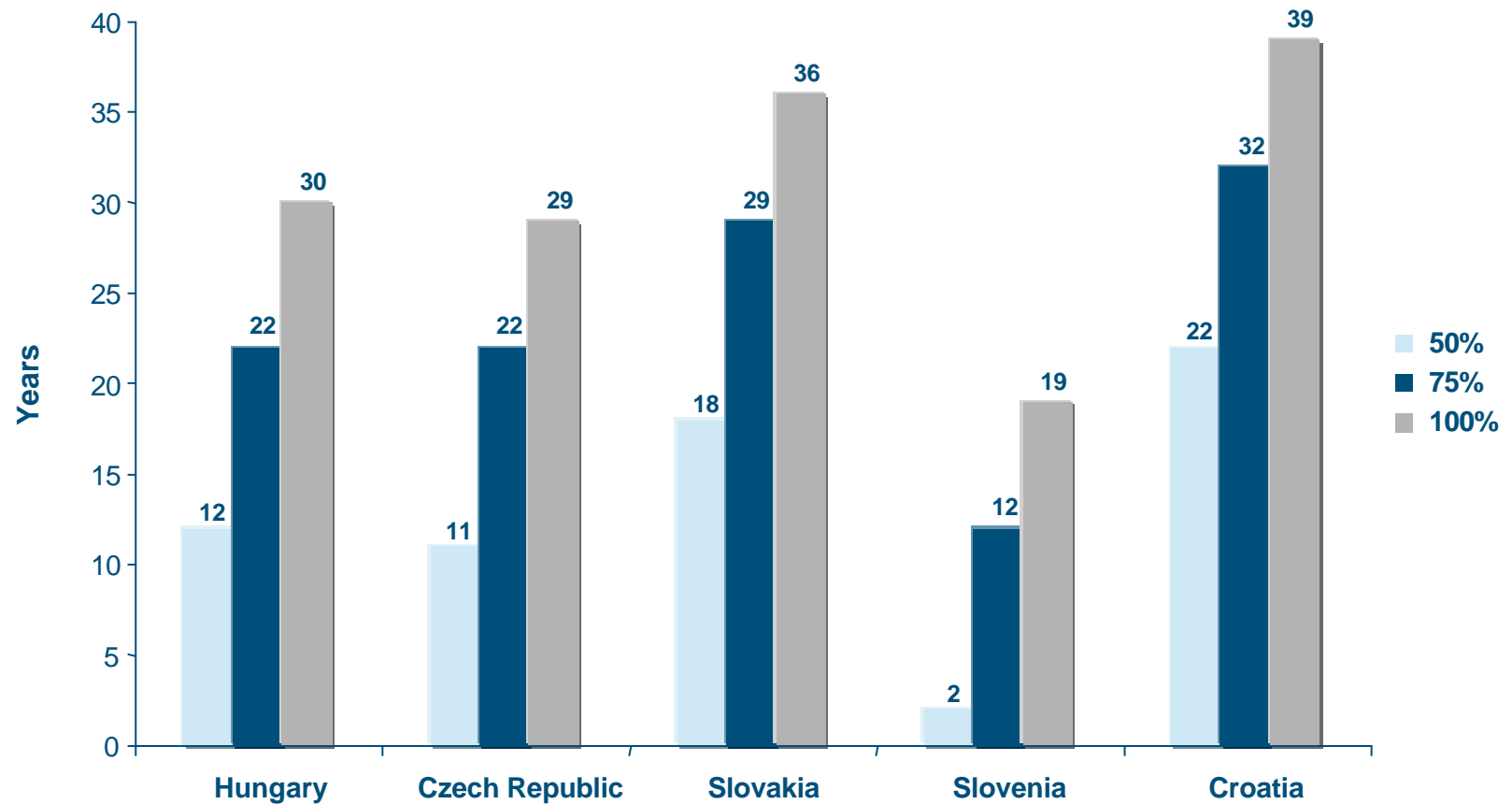
» Merged Erste Bank Hungary expected to achieve low double digit ROE and a positive Group contribution based on revised business plan for 2004

Key ratios	2004	2005	2006
Cost/income ratio	86%	65%	< 60%
ROE	positive	>15%	> 25%
ROI (ex funding costs)	0.2%	8.2%	13.7%
ROI (incl. funding costs)	-2.6%	5.4%	10.9%

> Favourable Economic growth prospects in CE

Years to reach EU 2002 level of GDP/Capita

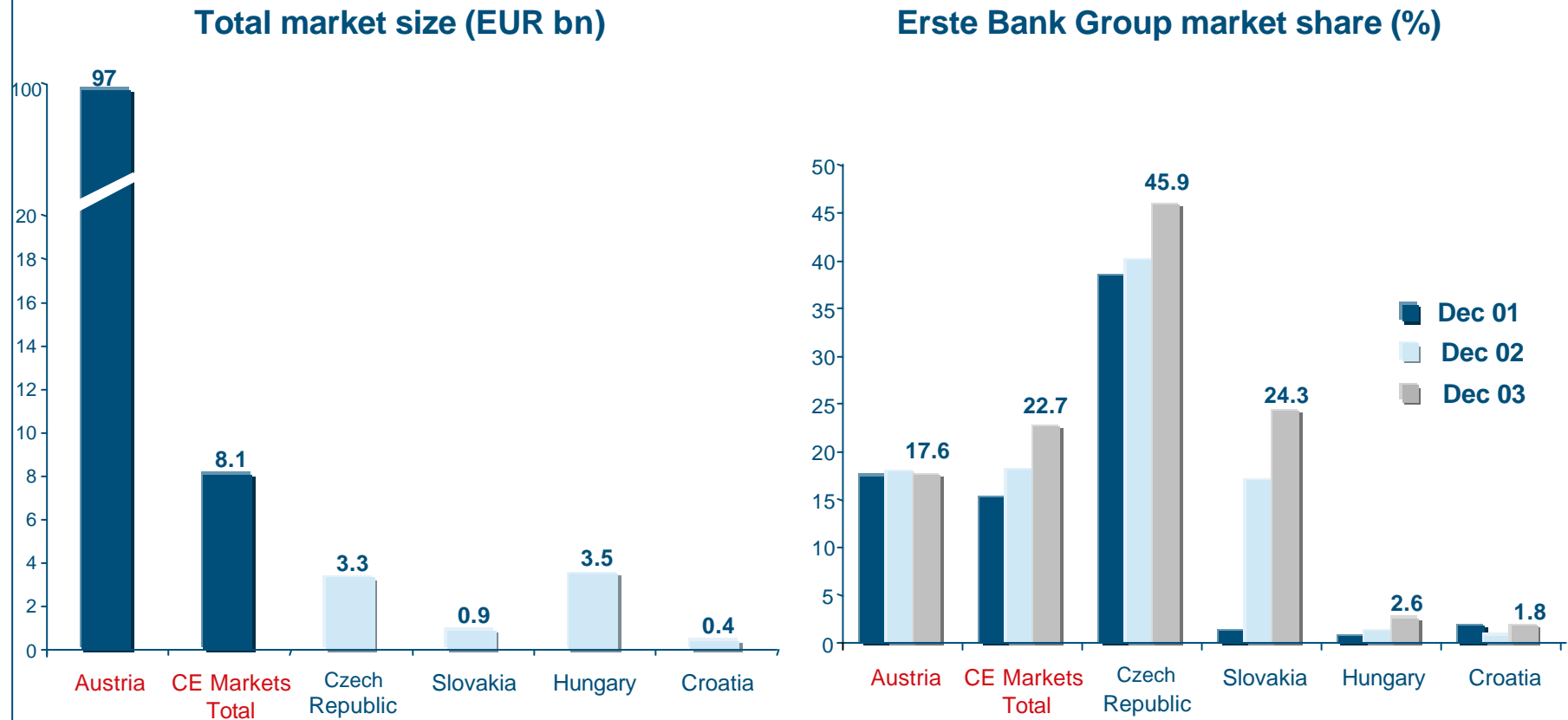
» Assumes CE countries have real growth differential of 4% with EU



Source: EBRD, Citigroup Research

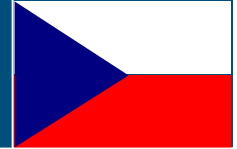
> Asset gathering in CE: positioned for growth

Market share stable in Austria, increasing in CE with potential for more



Source: Erste Bank data

> Challenges going forward (1)



CZECH REPUBLIC

» **Challenges**

- » VAT increase in 2004
- » Low interest rate environment
- » Low loan-deposit ratio (around 50%)
- » Securities portfolio maturing 2004/2005

» **Opportunities**

- » Loan growth driven by strong demand for mortgage loans
 - Retail mortgages grew by 56% yoy
- » Growing demand for wealth management products
 - GDP per capita expected to double within next 10 years
- » Reduction in corporate tax rate
- » Ever-improving professional staff

» **Goal**

- » Maintain ROE above 20%



SLOVAK REPUBLIC

» Challenges

- » Same scenario as in Czech Republic with a 2-3 year delay
- » Even lower loan to deposit ratio at SLSP (approx. 33%)

» Opportunities

- » Favourable tax regime – flat 19% tax rate
- » Similar to Czech Republic
 - Loan growth driven by mortgages
 - Demand for wealth management products starting from a low level

» Goal

- » Maintain ROE above 20%



HUNGARY

» Challenges

- » Maintain momentum of integration process at Postabank
- » Achieve planned cost synergies
- » Less stable economic environment

» Opportunities

- » Strengthen position and consolidate number 2 position in retail banking
- » Margins above Czech and Slovak levels

» Goal

- » Achieve positive ROE in 2004; above 15% in 2005 and above 25% as of 2006

> Challenges going forward (5)



CROATIA

» **Challenges**

- » Higher political risk
- » EU membership in 2007 uncertain

» **Opportunities**

- » Long-term high margin scenario
- » Growing demand for pension fund products
- » Economic growth supported by strong tourism industry

» **Goal**

- » Achieve ROE above 18%

> Outlook and targets

Guidance for 2004

- » **Application of IFRS 3 will increase net profit by EUR 75m in remaining three quarters of 2004**
 - » Q1 04 positive effect offset by tax provisions
- » **Therefore EB Group net profit after tax and minorities of at least EUR 500m within reach for 2004**

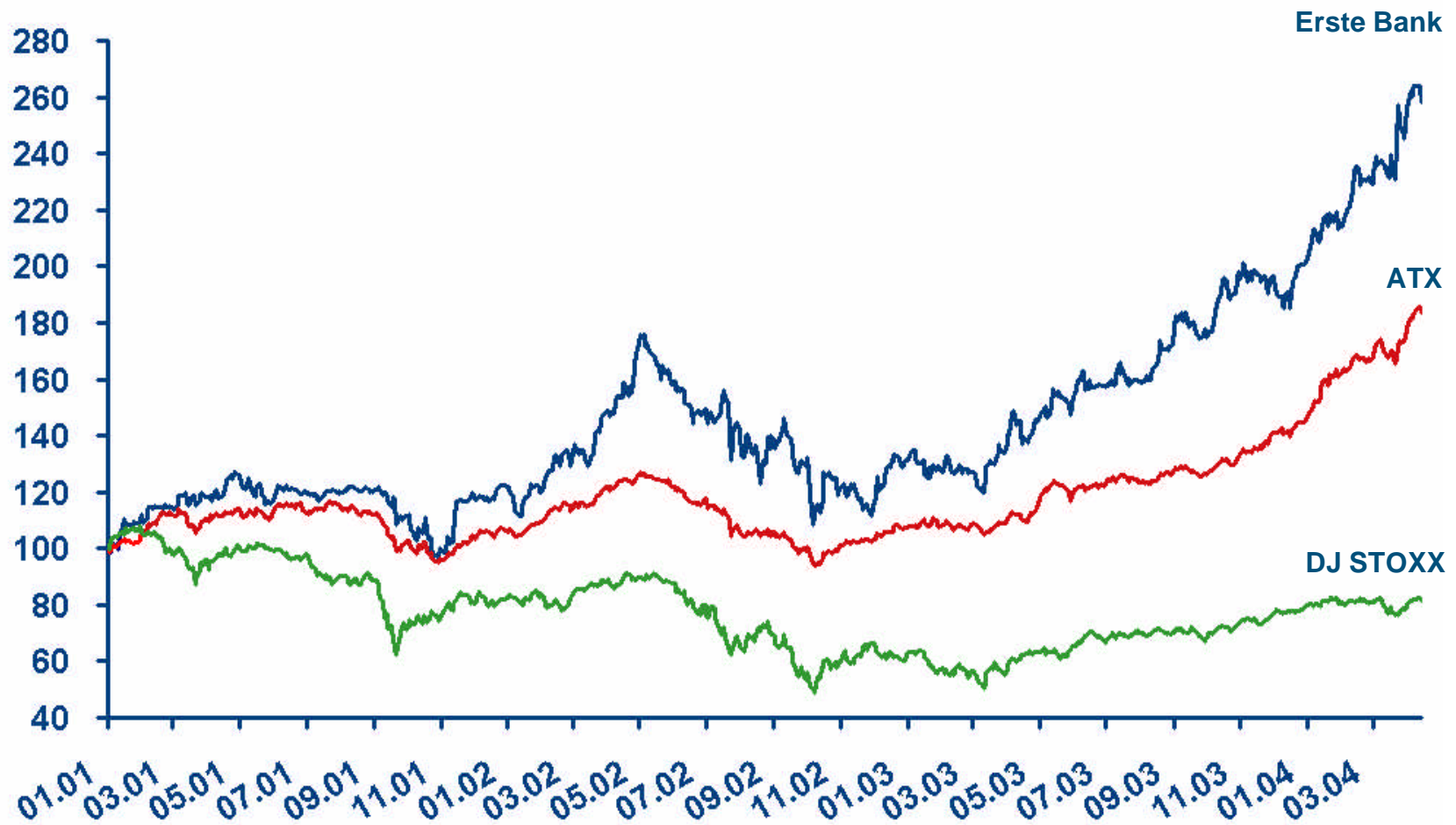
- » **Outlook 2004 for CE subsidiaries**
 - » CS and SLSP to maintain Return on Equity above 20%
 - » EB Croatia to achieve Return on Equity above 18%
 - » Hungarian subsidiaries expected to achieve low double digit ROE and a positive Group contribution based on revised business plan

Guidance for 2005

- » **Erste Bank adjusts targets for 2005 after change in accounting**
 - » Management confident achieving new target of EUR 600m net profit at EB Group
 - » Based on ROE of at least 18% and
 - » Cost-income ratio of maximum 62%

> Erste Bank share price development

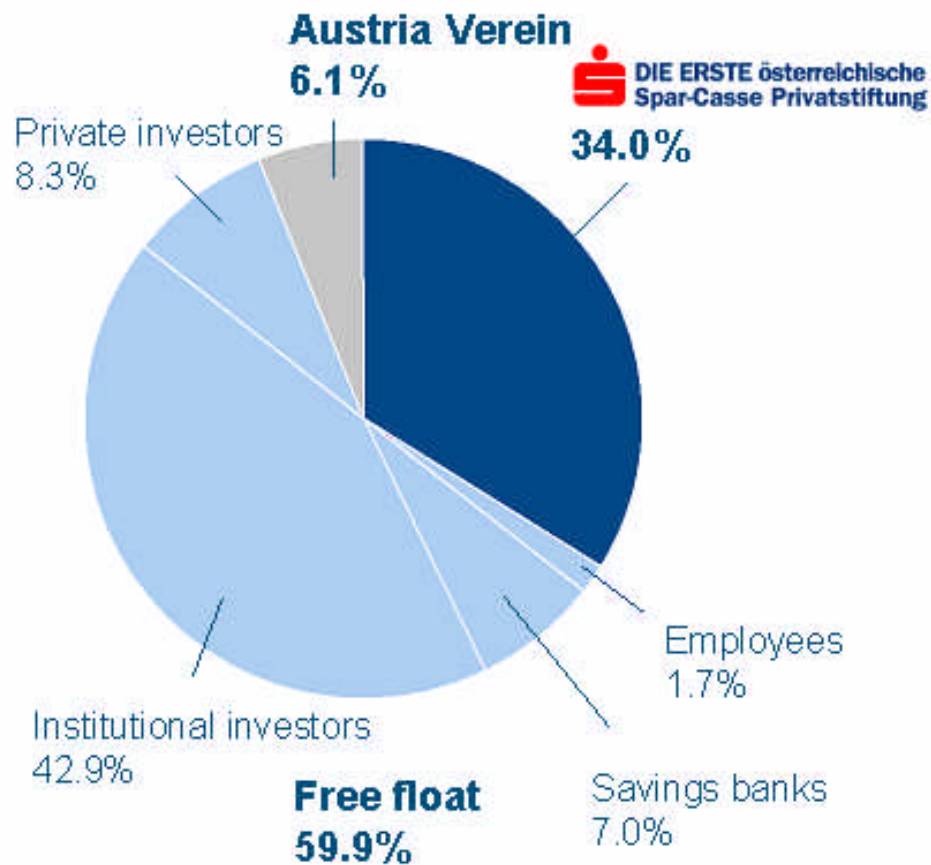
Erste Bank share vs ATX and DJ Euro Stoxx Index since 1.1.2001



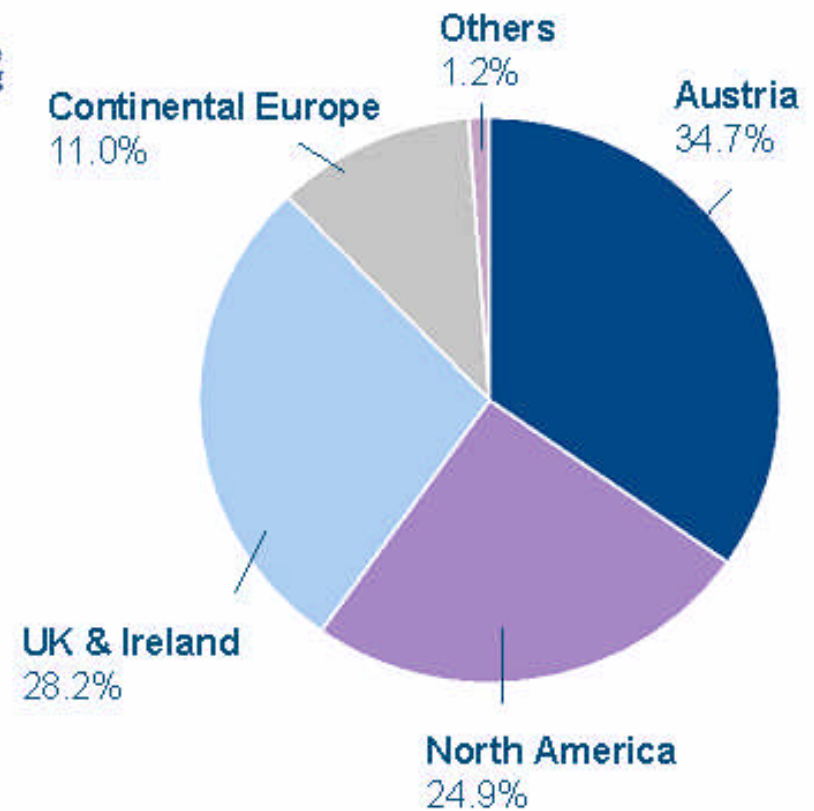
> Current shareholder structure

Total numbers of shares: 59,943,808

By Investor Type



Free Float (59.9%) split by Region



* Die Erste Foundation

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