

Erste Group –

Managing successfully through the crisis

Vienna, 15 June 2009



Disclaimer – Cautionary note regarding forward-looking statements



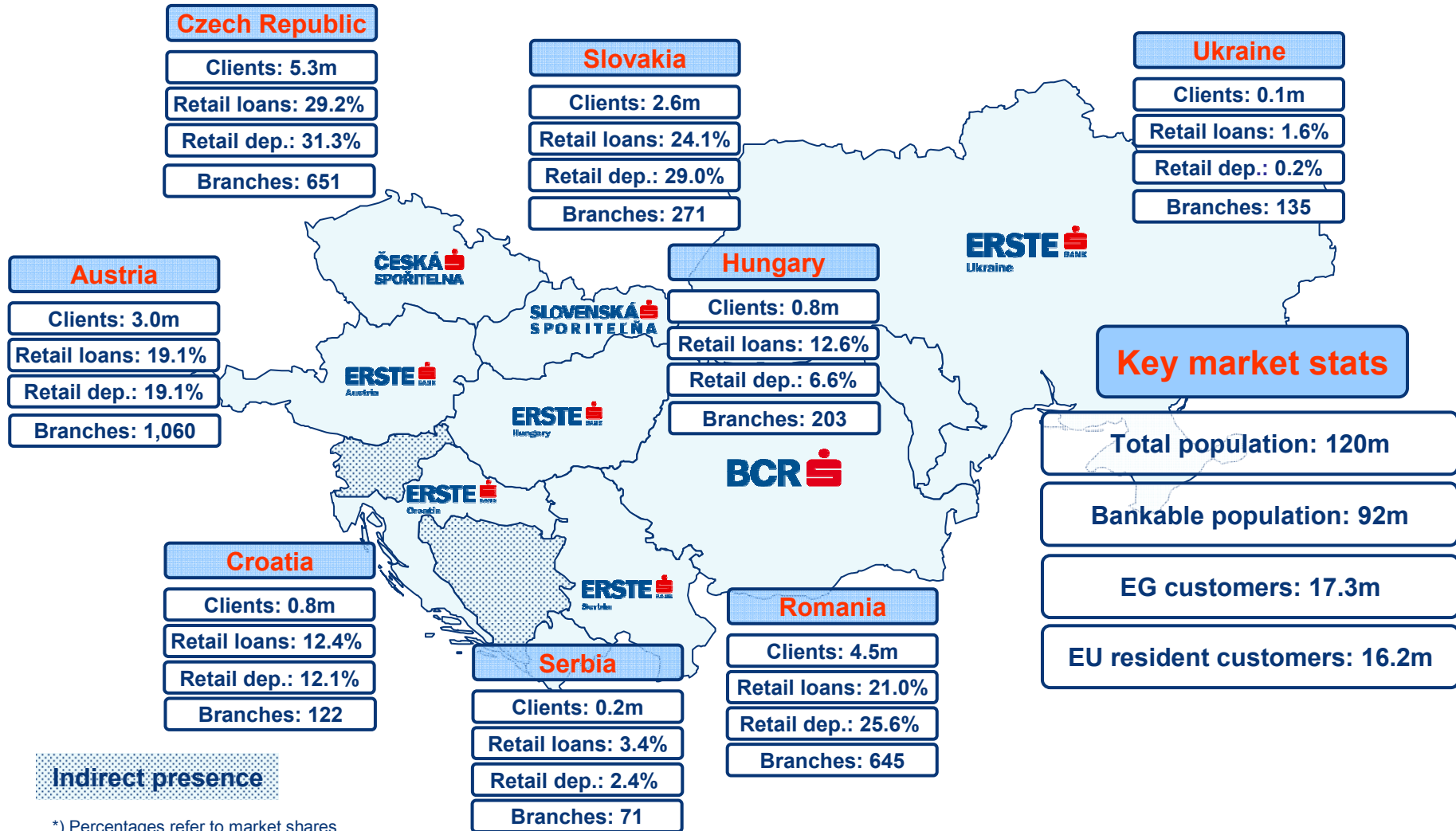
ERSTE GROUP

- THE INFORMATION CONTAINED IN THIS DOCUMENT HAS NOT BEEN INDEPENDENTLY VERIFIED AND NO REPRESENTATION OR WARRANTY EXPRESSED OR IMPLIED IS MADE AS TO, AND NO RELIANCE SHOULD BE PLACED ON, THE FAIRNESS, ACCURACY, COMPLETENESS OR CORRECTNESS OF THIS INFORMATION OR OPINIONS CONTAINED HEREIN.
- CERTAIN STATEMENTS CONTAINED IN THIS DOCUMENT MAY BE STATEMENTS OF FUTURE EXPECTATIONS AND OTHER FORWARD-LOOKING STATEMENTS THAT ARE BASED ON MANAGEMENT'S CURRENT VIEWS AND ASSUMPTIONS AND INVOLVE KNOWN AND UNKNOWN RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS, PERFORMANCE OR EVENTS TO DIFFER MATERIALLY FROM THOSE EXPRESSED OR IMPLIED IN SUCH STATEMENTS.
- NONE OF ERSTE GROUP OR ANY OF ITS AFFILIATES, ADVISORS OR REPRESENTATIVES SHALL HAVE ANY LIABILITY WHATSOEVER (IN NEGLIGENCE OR OTHERWISE) FOR ANY LOSS HOWSOEVER ARISING FROM ANY USE OF THIS DOCUMENT OR ITS CONTENT OR OTHERWISE ARISING IN CONNECTION WITH THIS DOCUMENT.
- THIS DOCUMENT DOES NOT CONSTITUTE AN OFFER OR INVITATION TO PURCHASE OR SUBSCRIBE FOR ANY SHARES AND NEITHER IT NOR ANY PART OF IT SHALL FORM THE BASIS OF OR BE RELIED UPON IN CONNECTION WITH ANY CONTRACT OR COMMITMENT WHATSOEVER.

Presentation topics

- **Erste Group in the CEE region**
- Erste Group's Q1 09 Financial highlights
- Fundamentals remain unchanged

Maintaining our conviction – CEE is the region of choice for Erste Group



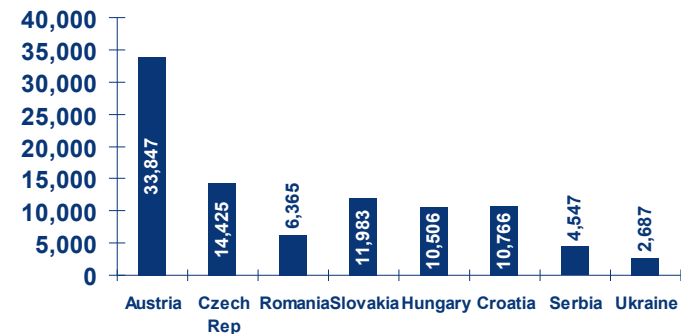
Erste Group in the region – Changes in the macro environment

- **Economies will contract in 2009 but intensity of macro shock is easing**
 - GDP growth outlook remains challenging but first signs of recovery in manufacturing and sustainability of capital inflows are being witnessed

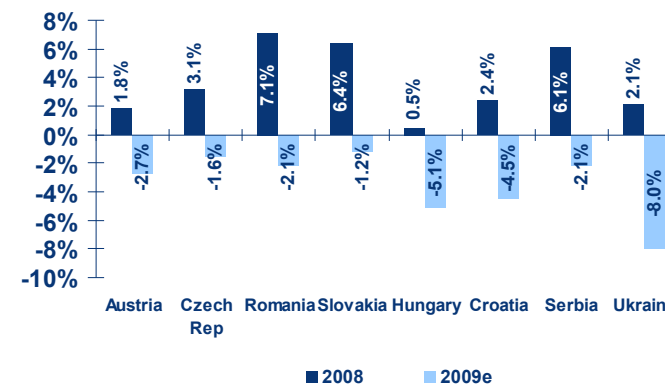
- **External support has stabilising impact on currencies and will support economies**
 - Preventive packages provided by IMF, EU and other IFIs for Hungary, Romania and Serbia as well as Ukraine

- **Fundamental differences between countries become more important**
 - Open economies like CZ and SK more exposed to EU slowdown but are well positioned for recovery
 - Romania to benefit from large home market and infrastructure investments

GDP per capita in the CEE in EUR (2008)



Real GDP growth outlook for CEE



Erste Group in the region – Solid liquidity position and improved capital ratios



ERSTE GROUP

-
- **Strength of deposit franchise sustaining growth and market share**
 - Erste Group has excess liquidity in all local currencies
 - Loan to deposit ratio expected to remain balanced – at around 115%

 - **Erste Group's long-term funding for 2009 already covered**
 - Total funding needs for 2009 expected to be maximum EUR 5 – 7bn
 - EUR 1bn has been pre-funded in 2008
 - Total of EUR 5.4bn already raised in 2009

 - **Capital strengthened through agreement with Austrian government**
 - Completion of deal with the Austrian government (EUR 2.7bn) will improve Erste Group's Tier 1 (7.8% as reported in Q1 09) by additional 170bps
 - Participation capital to reach approx. EUR 1.75bn after completion (inc. EUR 540m from public offering)
 - Hybrid capital of up to EUR 1bn to be issued in the coming months

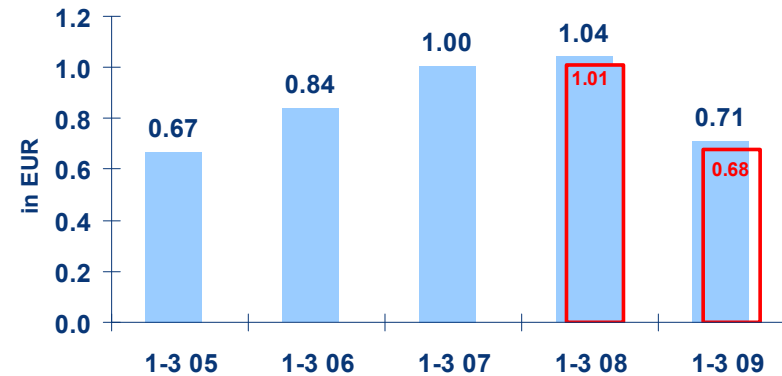
Presentation topics

- Erste Group in the CEE region
- **Erste Group's Q1 09 Financial highlights**
- Fundamentals remain unchanged

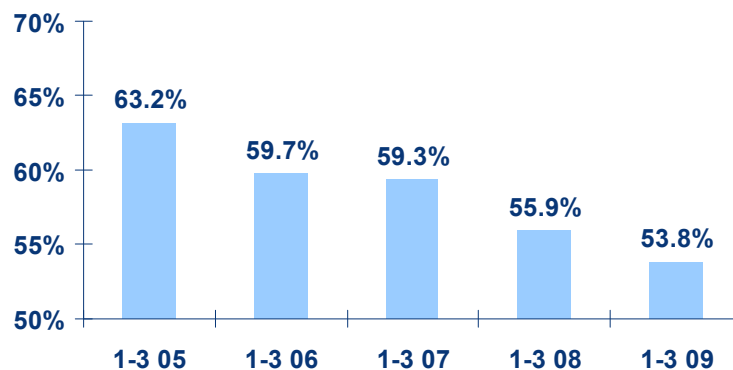
Q1 09 financial highlights – Strong operating performance – higher risk costs

- **Net profit declined by 26.5% to EUR 232.2m yoy**
 - Impacted by higher risk costs and negative m-t-m valuations
- **NIM on interest bearing assets (IBA) stable at 2.9% from 2.8% at FY 08**
 - Stable margins in Austria (NIM at 1.9%) offsetting a marginal decline in CEE to 4.5% (from 4.6% at YE 08) – mainly due to lower interest rates in CZ and SK and higher funding costs
- **Total assets declined by 1.2% to EUR 199.1bn**
 - Mainly due to weaker CEE currencies and a reduction of interbank business
- **Tier 1 ratio improved to 7.8% (7.2% at FY 08)**
 - Supported by EUR 1bn participation capital issued to the Austrian government in March 2009, ahead of public offering

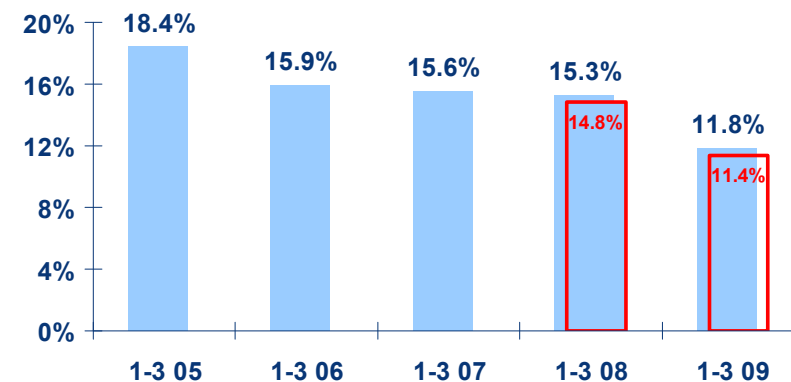
Cash earnings per share *



Cost/income ratio



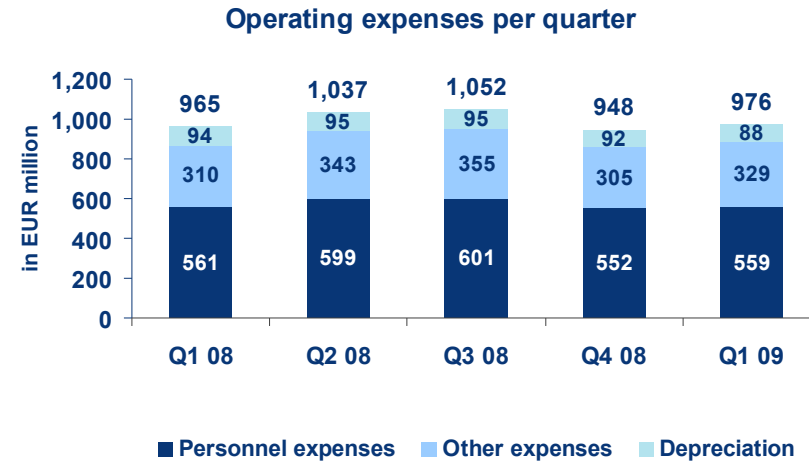
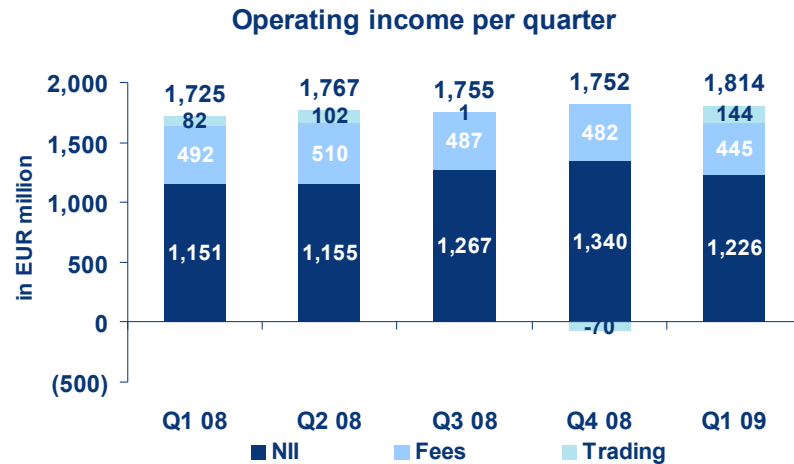
Cash return on equity *



*) Red bars denote reported EPS and ROE respectively.

Cash EPS and EPS are adjusted for non cash items amounting to EUR 15.8m in Q1 09 (linear depreciation of customer relationship value). EPS calculated on average number of shares for the period (ex treasury shares and shares owned by savings banks with EB participations).

Q1 09 financial highlights – Trading result supports revenues – costs under control



– Operating income up 5.2% yoy and 3.6% qoq

- NII remained solid (+6.5% yoy / -8.5% qoq) despite increasing funding costs, lower loan demand and lower interest rates impacting NII mainly in CZ and SK. Supported by resilient margins
- Fee income declined by 9.6% yoy (-7.8% qoq) on lower securities business in Austria and lower loan demand in CEE
- Trading result improved substantially by 74.7% yoy (up EUR 214m on negative Q4 08) mainly supported by positive contribution from customer business and fixed income as well as money market desks

– Contained increase in operating expenses up by only 1.2% yoy (+2.9% qoq)

- Declining personnel costs (-0.5% yoy) and depreciation (-6.0% yoy) offsetting a 6% yoy increase in other expenses
- Focus on cost management to continue throughout 2009

– Cost/income ratio improved, reaching another historic low at 53.8% (55.9% in Q1 08)

Q1 09 financial highlights – Segment operating performance overview



ERSTE GROUP

– Retail & SME segment contribution impacted by lower loan demand and weaker currencies

- Austria supported by resilient NII and strong cost control at EB Oesterreich.
- CEE performance impacted partly by weaker CEE currencies. Revenues were supported by strong NII across the region while fees and trading were impacted by lower volumes.
- Cost growth remained contained

– GCIB contributed strongly to operating performance

- Strong increase in NII offsetting decline in fees
- Costs declined by 0.9% after business division setup was finalised in 2008
- Erste Group well positioned to take advantage of business opportunities

– Group Markets operating result doubled

- Solid NII supported by money market result in Vienna and a EUR 83m increase in trading result
- Costs declined by 4.5% resulting in a very efficient CIR of 21.4%

– Corporate Center performance impacted by negative ALM contribution

- NII - Negative contribution from ALM – due to higher funding costs
- Costs driven by consolidation items and Group structure costs

Operating result per segment *

| in EUR million | 1-3 09 | 1-3 08 | Change |
|----------------------------|---------------|---------------|----------------|
| Retail & SME | 616.6 | 641.1 | (3.8%) |
| Austria | 189.4 | 197.1 | (3.9%) |
| <i>EB Oesterreich</i> | 71.6 | 64.8 | 10.6% |
| <i>Savings Banks</i> | 117.7 | 132.3 | (11.0%) |
| Central and Eastern Europe | 427.2 | 444.0 | (3.8%) |
| <i>Czech Republic</i> | 181.8 | 188.1 | (3.3%) |
| <i>Romania</i> | 132.1 | 136.9 | (3.5%) |
| <i>Slovakia</i> | 42.9 | 47.5 | (9.7%) |
| <i>Hungary</i> | 33.2 | 43.1 | (23.0%) |
| <i>Croatia</i> | 33.4 | 32.4 | 3.2% |
| <i>Serbia</i> | 3.1 | 0.4 | >100.0% |
| <i>Ukraine</i> | 0.8 | (4.3) | na |
| GCIB | 131.3 | 103.8 | 26.5% |
| Group Markets | 167.7 | 85.0 | 97.4% |
| Corporate Center | (77.0) | (69.3) | (11.0%) |
| Total Erste Group | 838.6 | 760.5 | 10.3% |

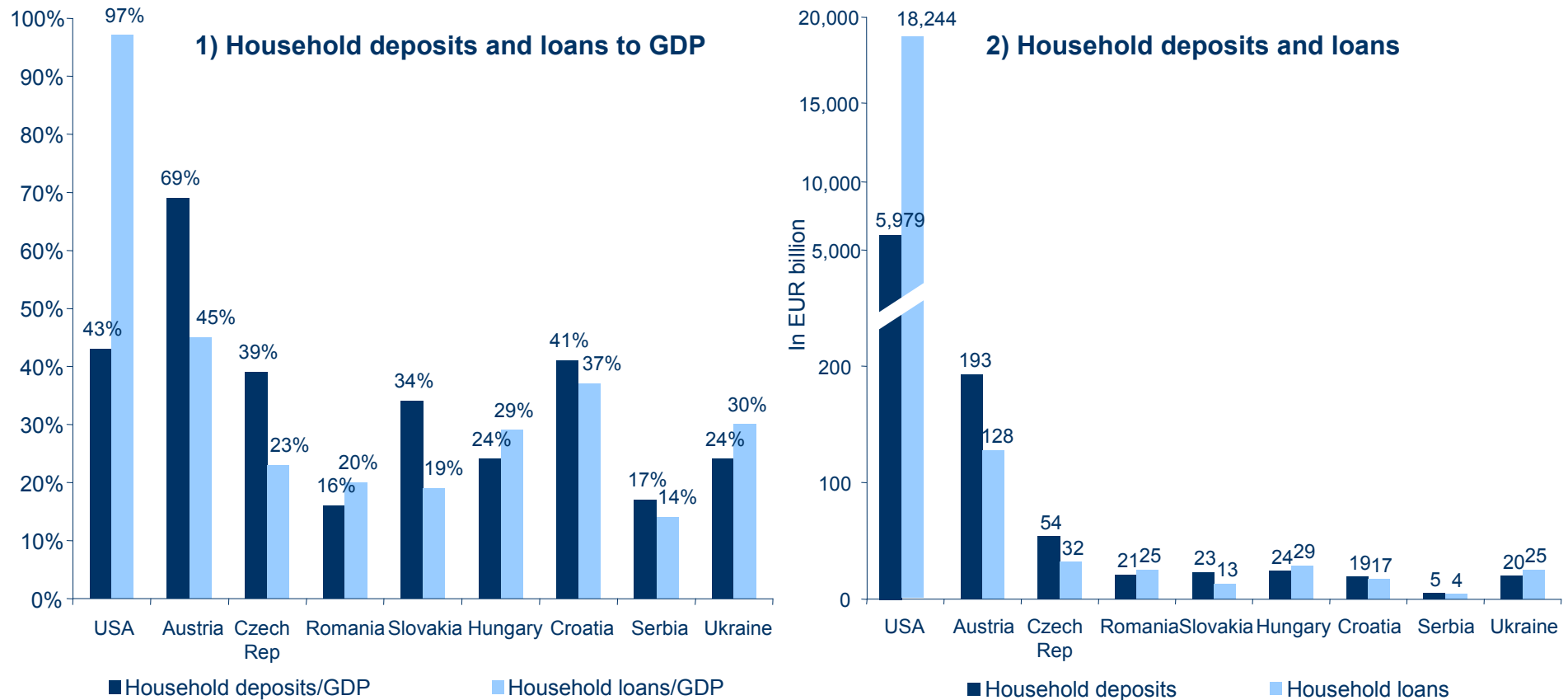
*) Changes in scope of consolidation leading to only minor distortion: 1 additional savings bank (Kufstein) joined the Haftungsverbund in Jan 2009; Investbanka, Macedonia was acquired by the Styrian SB in Oct 2008

Presentation topics

- Erste Group's region
- Erste Group's Q1 09 Financial highlights
- **Fundamentals remain unchanged**

Retail banking in CEE – Growth opportunities remain in place

Financial intermediation in the US and CEE (2008)



USA figures do not include money market funds; including these, deposit penetration would be 54%

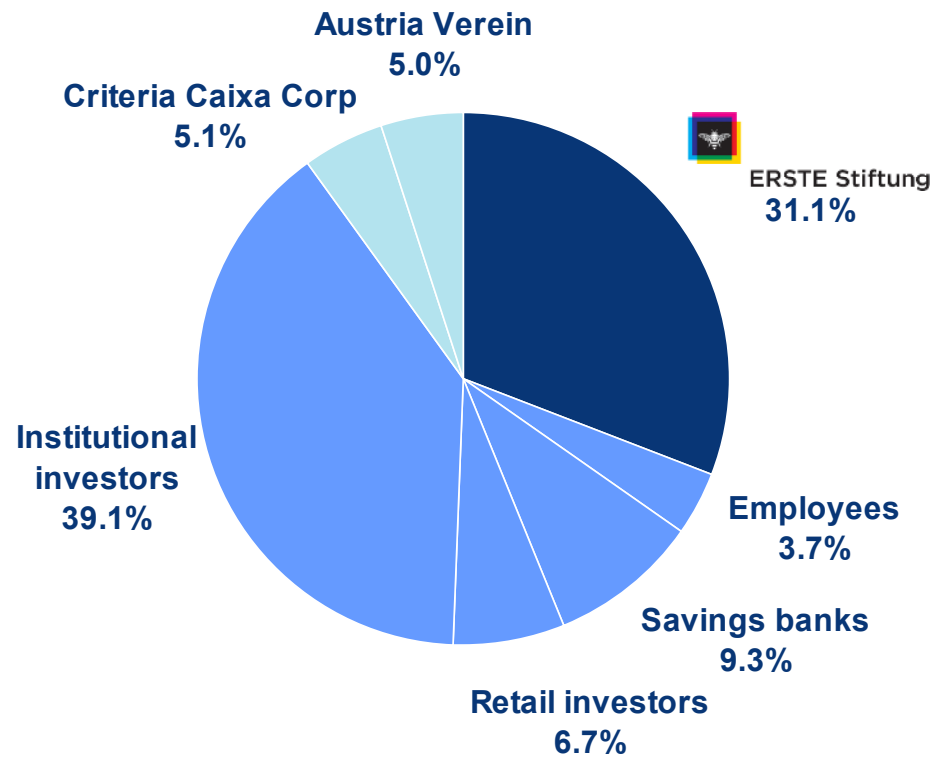
Conclusion

– Challenging outlook but

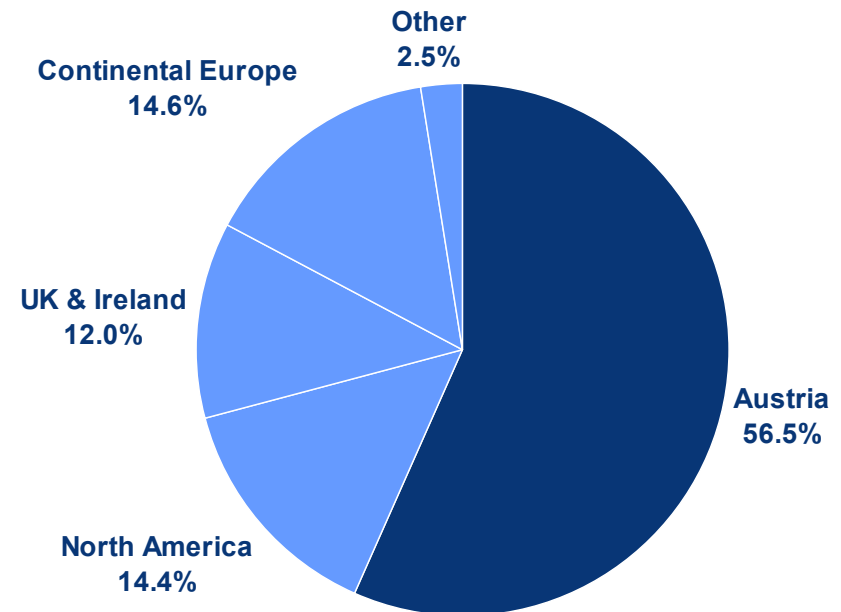
- Our core markets are EU-member states converging towards the Euro**
- We are market leaders in most of our chosen markets**
- We are operating in underpenetrated retail banking markets**
- Our growth remains selective**
- Long-term growth prospects remain unchanged**

Shareholder structure – Total number of shares: 317,012,763

By investor



By region



Investor relations contacts

– **Erste Group Bank AG, Graben 21, 1010 Vienna**

Fax **+43 (0)5 0100-913112**
E-mail: **investor.relations@erstegroup.com**
Internet: **www.erstegroup.com**

Reuters: **ERST.VI** Bloomberg: **EBS AV**
Datastream: **O:ERS** ISIN: **AT0000652011**

– **Investor relations**

Gabriele Werzer
Tel: +43 (0)5 0100-11286 e-mail: gabriele.werzer@erstegroup.com

Thomas Sommerauer
Tel: 43 (0)5 0100-17326 e-mail: thomas.sommerauer@erstegroup.com

Peter Makray
Tel: +43 (0)5 0100 16878 e-mail: peter.makray@erstegroup.com