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INVESTOR INFORMATION

Erste Group posts net profit of EUR 483.5 million in 2012; improves core tier 1 ratio to 11.2%

HIGHLIGHTS

- **Net interest income** declined to **EUR 5,235.3 million** in 2012 (2011: EUR 5,569.0 million), which was mainly due to the economic environment and the subdued credit demand as well as the continuing reduction of non-core assets. **Net fee and commission income** decreased from EUR 1,787.2 million to **EUR 1,720.8 million** due to weaker lending and securities business. At **EUR 273.4 million**, the **net trading result** was significantly higher than in the previous year (EUR 122.3 million).
- **Operating income** totalled **EUR 7,229.5 million** (-3.3% versus 2011: EUR 7,478.5 million). Strict cost management reduced **general administrative expenses** by 2.4% from EUR 3,850.9 million to **EUR 3,756.7 million** in 2012. This led to an **operating result** of **EUR 3,472.8 million** (2011: EUR 3,627.6 million). The **cost/income ratio** was stable at **52.0%** (2011: 51.5%).
- **Risk costs** showed a positive trend and declined by 12.7% to **EUR 1,980.0 million**, or **148 basis points** of average customer loans, in 2012 from EUR 2,266.9 million, or 168 basis points, in 2011. Provisioning levels declined or were stable in all core markets, with the exception of Romania and Croatia. For the second consecutive quarter the NPL volume declined while the **NPL ratio** remained stable and stood at **9.2%** as of 31 December 2012 (year-end 2011: 8.5%). The **NPL coverage ratio** improved to **62.6%** (year-end 2011: 61.0%).
- **Other operating result** amounted to **EUR -724.3 million** (2011: EUR -1,589.9 million). The strong improvement was attributable to considerably smaller one-off effects in 2012: In particular, the buyback of tier 1 and tier 2 instruments had a favourable effect in the amount of EUR 413.2 million. Negative influences came from the adjustment of goodwill, including EUR 469.4 million for Banca Comercială Română. Banking taxes levied in Austria, Hungary and Slovakia had a negative impact of EUR 244.0 million (2011: EUR 132.1 million).
- Erste Group's **net profit after minorities**[1] amounted to **EUR 483.5 million** for 2012 despite net negative one-off effects of EUR 360.7 million. The management board will propose to the annual general meeting to pay a **dividend** of **EUR 0.4** per share for the financial year 2012 and to fully service participation capital.
- **Shareholders' equity**[2] improved to **EUR 12.9 billion** (year-end 2011: EUR 12.0 billion). The substantial rise in **core tier 1 capital** to **EUR 11.8 billion** (year-end 2011: EUR 10.7 billion) and the strong reduction of **risk-weighted assets** by 7.6% to **EUR 105.3 billion** as of 31 December 2012 (year-end 2011: EUR 114.0 billion) led to a significant increase in the **core tier 1 ratio** (total risk; Basel 2.5) to **11.2%** (year-end 2011: 9.4%).
- The **total balance sheet** as of 31 December 2012 stood at **EUR 213.8 billion**, up 1.8% year to date. The rise was primarily due to deposit growth in several core markets and investments in highly liquid assets. Lending volume decreased by 2.1% to EUR 131.9 billion.
- In view of the bank's exceptionally strong liquidity situation, with customer deposits up 3.5% to EUR 123.1 billion and the loan-to-deposit ratio down to 107.2% (year-end 2011: 113.3%) in 2012, Erste Group **repaid EUR 4.0 billion** borrowed under the ECB's long-term refinancing operations (**LTRO**) early.

1The term "net profit/loss for the year after minorities" corresponds to the term "net profit/loss for the year attributable to the owners of the parent"

2 The term "shareholders' equity" corresponds to the term "total equity attributable to the owners of the parent".

“Erste Group recorded a net profit of EUR 483.5 million in 2012, a solid bottom-line result considering the economically challenging environment and net negative one-off effects of EUR 361 million – including banking taxes in an amount of EUR 187 million,” said Andreas Treichl, CEO of Erste Group Bank AG, when presenting the preliminary results for the financial year 2012. “We will therefore propose to the annual general meeting to pay a dividend of EUR 0.4 per share”, Treichl continued. ”Regarding the business, we not only made progress in Romania and posted an excellent result in the Czech Republic, but the core tier 1 ratio (Basel 2.5) and the liquidity situation also showed positive developments. On the back of continued deposit inflows we repaid EUR 4 billion LTRO funds early”, Treichl concluded.

Earnings performance in brief

Despite a reduction of operating expenses, the **operating result** declined to EUR 3,472.8 million in the financial year 2012 (-4.3% versus EUR 3,627.6 million in 2011) due to lower operating income.

Operating income amounted to EUR 7,229.5 million (2011: EUR 7,478.5 million). The 3.3% decline was mainly due to lower net interest income (-6.0% to EUR 5,235.3 million) and lower net fee and commission income (-3.7% to EUR 1,720.8 million), which was not fully offset by a rise in the net trading result from EUR 122.3 million in 2011 to EUR 273.4 million.

General administrative expenses declined by 2.4% to EUR 3,756.7 million (2011: EUR 3,850.9 million). This resulted in a **cost/income ratio** of 52.0% (2011: 51.5%).

Net profit after minorities improved to EUR 483.5 million in the financial year 2012 (2011: EUR -718.9 million).

Cash return on equity, i.e. return on equity adjusted for non-cash expenses such as goodwill impairment and straight-line amortisation of customer relationships, was 7.6% (reported ROE: 3.8%) versus 2.3% (reported ROE: -5.5%) in 2011.

Cash earnings per share for the financial year 2012 amounted to EUR 2.17 (reported EPS: EUR 0.87) versus EUR 0.42 (reported EPS: EUR -2.28) in 2011.

Total assets, at EUR 213.8 billion, were up 1.8% versus year-end 2011. Risk-weighted assets declined by EUR 8.7 billion, or 7.6%, to EUR 105.3 billion.

The **solvency ratio** improved to 15.5% as of 31 December 2012 (year-end 2011: 14.4%), well above the legal minimum requirement. The **core tier 1 ratio** relating to total risk and as defined by Basel 2.5, was 11.2% as of 31 December 2012.

Outlook

Erste Group expects a slight improvement in economic performance for Central and Eastern Europe in 2013, even though growth will remain moderate. Accordingly, Erste Group targets a stable operating result for 2013. This is expected to be achieved by offsetting slightly lower operating income as a result of moderate loan demand and the low interest rate environment with lower operating costs. Erste Group expects to show a better year-on-year operating performance in the last three quarters of 2013 than in the first quarter of 2013.

For group risk costs a double-digit percentage decline is expected for 2013, mainly due to the likely improvement of the risk situation in Romania. Erste Group continues to expect that its Romanian subsidiary BCR will return to profitability in the financial year 2013.

I. FINANCIAL PERFORMANCE IN DETAIL

in EUR million	2012	2011	Change
Net interest income	5,235.3	5,569.0	-6.0%
Risk provisions for loans and advances	-1,980.0	-2,266.9	-12.7%
Net fee and commission income	1,720.8	1,787.2	-3.7%
Net trading result	273.4	122.3	>100.0%
General administrative expenses	-3,756.7	-3,850.9	-2.4%
Other result	-691.6	-1,682.9	na
Pre-tax profit/loss	**801.2**	**-322.2**	**na**
Net profit/loss for the period	**631.0**	**-562.6**	**na**
Attributable to non-controlling interests	147.5	156.3	-5.6%
Attributable to owners of the parent	**483.5**	**-718.9**	**na**

Net interest income: -6.0% versus 2011

Net interest income declined from EUR 5,569.0 million in 2011 to EUR 5,235.3 million in the financial year 2012, mainly due to a narrowing of the net interest margin (net interest income as a percentage of average interest-bearing assets) from 2.97% to 2.80%. This development was due to the low interest rate environment on the one hand and to subdued credit demand, especially for consumer loans, and the reduction of non-core assets on the other.

Net fee and commission income: -3.7% versus 2011

in EUR million	2012	2011	Change
Lending business	263.4	279.9	-5.9%
Payment transfers	862.3	863.3	-0.1%
Card business	202.2	205.6	-1.7%
Securities transactions	356.9	373.4	-4.4%
Investment fund transactions	195.2	205.6	-5.1%
Custodial fees	39.7	36.5	8.8%
Brokerage	122.0	131.3	-7.1%
Insurance brokerage	99.3	105.0	-5.4%
Building society brokerage	31.2	33.7	-7.4%
Foreign exchange transactions	25.2	24.8	1.6%
Investment banking business	20.4	13.1	55.7%
Other	62.1	94.0	-33.9%
Total	**1,720.8**	**1,787.2**	**-3.7%**

Net fee and commission income decreased from EUR 1,787.2 million to EUR 1,720.8 million in the financial year 2012. This development was mostly due to a decline in the securities business (primarily in Austria and the Czech Republic), as well as in lending and insurance brokerage. Positive contributions came from Erste Group’s factoring subsidiary Intermarket Bank AG (consolidated since 1 August 2011).

Net trading result

The net trading result improved from EUR 122.3 million in 2011 to EUR 273.4 million in 2012. This was mainly attributable to last year's changes in the fair value of the CDS investment portfolio (closed out in the meantime), which had had a negative impact of EUR -182.6 million, and higher contributions from foreign exchange business.

General administrative expenses: -2.4% versus 2011

in EUR million	2012	2011	Change
Personnel expenses	-2,284.1	-2,323.7	-1.7%
Other administrative expenses	-1,106.1	-1,152.4	-4.0%
Depreciation and amortisation	-366.5	-374.8	-2.2%
Total	**-3,756.7**	**-3,850.9**	**-2.4%**

General administrative expenses declined by 2.4% from EUR 3,850.9 million to EUR 3,756.7 million (currency-adjusted: -1.3%) despite increasing inflation rates during 2012.

Personnel expenses decreased by 1.7% (currency-adjusted -0.8%) from EUR 2,323.7 million to EUR 2,284.1 million due to a lower headcount. Major cost savings were achieved in **other administrative expenses** (mainly IT and office-related expenses), which declined by 4.0% (currency-adjusted: -2.4%) from EUR 1,152.4 million to EUR 1,106.1 million, and in **depreciation and amortisation**, which was down by 2.2% (currency-adjusted: -0.9%) from EUR 374.8 million to EUR 366.5 million.

The **headcount** declined by 2.1% versus year-end 2011 to 49.381 employees. This was mainly due to reorganisation measures in Hungary, Romania and Ukraine.

Headcount[3]

	Dec 12	Dec 11	Change
Employed by Erste Group	**49,381**	**50,452**	**-2.1%**
Erste Group, EB Oesterreich and subsidiaries	8,612	8,773	-1.8%
Haftungsverbund savings banks	7,448	7,416	0.4%
Česká spořitelna Group	11,014	10,661	3.3%
Banca Comercială Română Group	8,289	9,245	-10.3%
Slovenská sporiteľňa Group	4,185	4,157	0.7%
Erste Bank Hungary Group	2,690	2,948	-8.8%
Erste Bank Croatia Group	2,629	2,599	1.2%
Erste Bank Serbia	944	919	2.7%
Erste Bank Ukraine	1,530	1,685	-9.2%
Savings banks subsidiaries & foreign branch offices	1,145	1,117	2.5%
Other subsidiaries and foreign branch offices	895	932	-4.0%

Operating result: -4.3% versus 2011

Driven by declines in net interest income and net fee and commission income, operating income decreased by 3.3% to EUR 7,229.5 in 2012 from EUR 7,478.5 million in 2011. General administrative expenses were reduced by 2.4% from EUR 3,850.9 million to EUR 3,756.7 million. This led to an operating result of EUR 3,472.8 million (2011: EUR 3,627.6 million).

Risk provisions: -12.7% versus 2011

Risk provisions (i.e. the balance of the allocation and release of provisions for the lending business together with the costs of direct loan write-offs offset by income received from the recovery of loans already written off) decreased by 12.7% versus 2011, from EUR 2,266.9 million to EUR 1,980.0 million. This was mostly attributable to a decline in risk provisions in Hungary (one-off charge of EUR 450.0

3 End of period values.

million in 2011) and in the Czech Republic, which more than offset the rise in provisioning requirements in Romania and Croatia. In the financial year 2012, risk costs in relation to the average volume of customer loans were 148 basis points (2011: 168 basis points).

Other operating result

Other operating result improved from EUR -1,589.9 million in 2011 to EUR -724.3 million in 2012. This was primarily due to significantly lower goodwill adjustments of EUR 514.9 million of which EUR 469.4 million were for the Romanian subsidiary and EUR 45.5 million mostly for Austrian investments, versus EUR 1,064.6 million in 2011, of which EUR 699.2 million had been for the Romanian and EUR 312.7 million for the Hungarian subsidiaries, EUR 52.7 million for Austrian investments. Other taxes rose from EUR 163.5 million to EUR 269.1 million. A large proportion of these comprised banking taxes. In Slovakia, a banking tax was newly introduced in 2012 and resulted in a charge of EUR 31.5 million for 2012. In Hungary, the banking tax amounted to EUR 47.3 million in 2012, while in 2011 it was offset against losses resulting from the forced early repayment of foreign-currency loans on preferential terms. In Austria, banking tax was raised by 25% and totalled EUR 165.2 million. In addition, the other operating result was negatively impacted by the agreement on the sale of the Ukrainian subsidiary by EUR 75.0 million.

Other operating result also included straight-line amortisation of intangible assets (i.e. customer relationships) of EUR 69.2 million (2011: EUR 69.0 million) as well as deposit insurance contributions of EUR 80.7 million (2011: EUR 87.2 million). Positive contributions came from the buyback of tier 1 and tier 2 instruments, which generated one-off income of EUR 413.2 million, and gains on the sale of properties and financial assets amounting to EUR 73.7 million.

Results from financial assets

The overall result from all categories of financial assets improved from EUR -93.0 million in 2011 to EUR 32.7 million in the financial year 2012. This positive performance was primarily due to higher gains on sales and lower valuation effects in the available-for-sale portfolio.

Profit/loss for the year

The **pre-tax profit** for the financial year 2012 amounted to EUR 801.2 million versus a pre-tax loss of EUR 322.2 million in 2011.

Net profit after minorities for the financial year 2012 amounted to EUR 483.5 million versus a net loss after minorities of EUR 718.9 in the financial year 2011.

II. FINANCIAL RESULTS: QUARTER-ON-QUARTER COMPARISON

in EUR million	Q4 11	Q1 12	Q2 12	Q3 12	Q4 12
Net interest income	1,434.9	1,336.9	1,314.8	1,317.2	1,266.4
Risk provisions for loans and advances	-407.7	-580.6	-401.2	-483.5	-514.7
Net fee and commission income	435.2	430.3	435.2	418.8	436.5
Net trading result	84.9	93.6	27.9	69.9	82.0
General administrative expenses	-959.3	-945.1	-942.3	-938.7	-930.6
Other operating result	-129.5	131.2	-199.3	-145.9	-510.3
Result from financial instruments - FV	8.1	41.5	0.9	-6.1	-39.9
Result from financial assets - AfS	-3.4	-14.7	18.4	15.5	37.0
Result from financial assets - HtM	-10.1	-6.0	-13.8	0.5	-0.6
Pre-tax profit/loss	**453.1**	**487.1**	**240.6**	**247.7**	**-174.2**
Taxes on income	-135.4	-107.2	-89.4	-54.5	80.9
Net profit/loss for the period	**317.7**	**379.9**	**151.2**	**193.2**	**-93.3**
Attributable to non-controlling interests	63.6	33.4	44.1	49.5	20.5
Attributable to owners of the parent	**254.1**	**346.5**	**107.1**	**143.7**	**-113.8**

Net interest income decreased by 3.9% to EUR 1,266.4 million in the fourth quarter of 2012 from EUR 1,317.2 million in the third quarter of 2012. This decline was mainly due to lower income from money market transactions and valuation effects.

Net fee and commission income increased by 4.2% from EUR 418.8 million in the third quarter of 2012 to EUR 436.5 million in the fourth quarter of 2012. In the fourth quarter, higher commission income from the securities business and insurance brokerage more than offset the decline in income from the cards business.

The **net trading result** rose by 17.3% from EUR 69.9 million in the third quarter of 2012 to EUR 82.0 million. This was mainly attributable to an improvement in the securities and derivatives business.

General administrative expenses declined by 0.9% quarter on quarter, from EUR 938.7 million to EUR 930.6 million, as the decrease in other administrative expenses (by 8.1% from EUR 281.9 million to EUR 259.2 million) and in depreciation and amortisation (by 3.3% from EUR 92.9 million to EUR 89.8 million) more than offset the rise in personnel expenses (by 3.1% from EUR 563.9 million to EUR 581.6 million). This line item was impacted by Romanian one-off restructuring costs of EUR 24.1 million.

The **cost/income ratio** was stable in the fourth quarter of 2012 at 52.1% versus 52.0% in the third quarter of 2012.

Risk provisions for loans and advances rose by 6.5% quarter on quarter, from EUR 483.5 million to EUR 514.7 million, mainly driven by higher provisioning requirements in the large corporates business.

The **other operating result** deteriorated to EUR -510.3 million in the fourth quarter (third quarter of 2012: EUR -145.9 million). This was primarily due to higher one-off effects in the fourth quarter including goodwill adjustments totalling EUR 304.9 million (of which EUR 259.4 million were for Banca Comercială Română) and the negative effect of EUR 75.0 million from the agreement on the sale of the Ukrainian subsidiary. Valuation adjustments for property, plant and equipment and other movables held as financial investments, primarily in the Czech Republic, amounted to EUR -39.3 million in the fourth quarter of 2012 (third quarter of 2012: EUR -34.3 million).

The overall **result** from all categories of **financial assets** declined from EUR 9.9 million in the third quarter of 2012 to EUR -3.5 million in the fourth quarter of 2012. This was mainly attributable to valuation effects of financial instruments – at fair value through profit or loss.

Pre-tax loss amounted to EUR 174.2 million in the fourth quarter of 2012, due to one-off charges, versus a pre-tax profit of EUR 247.7 million in the third quarter of 2012.

Net loss after minorities totalled EUR -113.8 million in the fourth quarter of 2012 compared with a net profit of EUR 143.7 million in the third quarter of 2012.

III. BALANCE SHEET DEVELOPMENT

in EUR million	Dec 12	Dec 11	Change
Loans and advances to credit institutions	9,074	7,578	19.7%
Loans and advances to customers	131,928	134,750	-2.1%
Risk provisions for loans and advances	-7,644	-7,027	8.8%
Trading assets, derivative financial instruments	18,467	16,807	9.9%
Financial assets	42,109	38,132	10.4%
Other assets	19,890	19,766	0.6%
Total assets	**213,824**	**210,006**	**1.8%**

Loans and advances to credit institutions rose from a low level of EUR 7.6 billion as of 31 December 2011 to EUR 9.1 billion as of 31 December 2012. This increase was largely attributable to excess liquidity deposited with central banks.

Loans and advances to customers decreased slightly from EUR 134.8 billion as of 31 December 2011 to EUR 131.9 billion as of 31 December 2012. This was due to declines in lending in Hungary, in the real estate business and in the International Business as well as to the reclassification of loans related to Erste Bank Ukraine as assets held for sale (shown under other assets).

Risk provisions increased from EUR 7.0 billion to EUR 7.6 billion due to additional allocations. The NPL ratio (non-performing loans as a percentage of loans to customers) stood at 9.2% as of 31 December 2012 (8.5% as of 31 December 2011). The NPL coverage ratio improved, rising from 61.0% at year-end 2011 to 62.6%.

Investment securities held within the various categories of financial assets rose by 10.4% from EUR 38.1 billion at year-end 2011 to EUR 42.1 billion on the back of increased investments into bonds allocated to the available-for sale and held-to-maturity portfolios. This reflects the acquisition of highly liquid assets in preparing for the new Basel 3 liquidity rules and the investment of excess liquidity.

in EUR million	Dec 12	Dec 11	Change
Deposits by banks	21,822	23,785	-8.3%
Customer deposits	123,053	118,880	3.5%
Debt securities in issue	29,445	30,782	-4.3%
Trading liabilities, derivative financial instruments	11,359	9,873	15.1%
Other liabilities	6,502	5,723	13.6%
Subordinated liabilities	5,305	5,783	-8.3%
Total equity	16,338	15,180	7.6%
Attributable to non-controlling interests	3,483	3,143	10.8%
Attributable to owners of the parent	12,855	12,037	6.8%
Total liabilities and equity	**213,824**	**210,006**	**1.8%**

Customer deposits increased by 3.5% from EUR 118.9 billion to EUR 123.1 billion as of 31 December 2012. This development was driven primarily by deposit gains in Austria, in the Czech Republic and in Hungary.

At 107.2%, the **loan-to-deposit ratio** as of 31 December 2012 was lower than it had been as of 31 December 2011 (113.3%).

Debt securities in issue, in particular bonds and certificates of deposit, declined by 4.3% from EUR 30.8 billion to EUR 29.4 billion as of 31 December 2012.

The reduction of **subordinated liabilities** from EUR 5.8 billion to EUR 5.3 billion as of 31 December 2012 resulted primarily from the buyback of tier 1 and tier 2 instruments in a total notional amount of approximately EUR 1.3 billion, which more than offset new issuance of subordinated instruments.

Erste Group's **shareholders' equity** rose to EUR 12.9 billion as of 31 December 2012 (year-end 2011: EUR 12.0 billion). This was attributable to the profit of the year 2012 as well as to an improvement in the available-for-sale reserve. **Tier 1 capital** after the deductions defined in the Austrian Banking Act increased less due to the buyback of tier 1 instruments and amounted to EUR 12.2 billion (year-end 2011: EUR 11.9 billion).

Core tier 1 capital improved considerably to EUR 11.8 billion (year-end 2011: EUR 10.7 billion) due also to the full recognition of collateral for defaulted loans in Romania.

At EUR 105.3 billion, total **risk-weighted assets (RWA)** as of 31 December 2012 were 7.6% lower than as of 31 December 2011 (EUR 114.0 billion). This decline was due to the sale of non-core assets, a changed business mix with a larger proportion of mortgage loans as well as a number of additional measures taken to reduce risk-weighted assets.

Total eligible qualifying capital of the Erste Group credit institution group, as defined by the Austrian Banking Act, at EUR 16.3 billion as of year-end 2012 was almost unchanged versus year-end 2011. The coverage ratio with respect to the legal minimum requirement at the reporting date (EUR 8.4 billion) was 193.6% (year-end 2011: 179.9%).

The **tier 1 ratio**, which includes the capital requirements for market and operational risk (total risk), improved to 11.6% (year-end 2011: 10.4%). The **core tier 1 ratio** rose to 11.2% as of 31 December 2012 (year-end 2011: 9.4%).

The **solvency ratio** in relation to total risk (total eligible qualifying capital as a percentage of the assessment base for total risk pursuant to 22 par. 1 Austrian Banking Act) at 15.5% as of 31 December 2012 (year-end 2011: 14.4%) was well above the legal minimum requirement.

IV. SEGMENT REPORTING[4]

Erste Bank Oesterreich

The sub-segment Erste Bank Oesterreich comprises the retail and SME business of Erste Bank Oesterreich and its subsidiaries, including all the savings banks in which Erste Bank Oesterreich holds majority stakes (savings banks in Salzburg, Tirol, and Hainburg), as well as s Bausparkasse.

The decline in net interest income from EUR 665.9 million in the financial year 2011 by EUR 48.1 million, or 7.2%, to EUR 617.8 million was primarily due to lower income from the banking book, reflecting the development of interest rates. Net fee and commission income rose from EUR 320.6 million by EUR 18.4 million, or 5.7%, to EUR 339.0 million in the financial year 2012 despite a decline in the securities business. This improvement was mainly resulting from higher fees in the retail business as well as the inclusion of Intermarket Bank AG in August 2011. The decline in the net trading result from EUR 20.2 million in the financial year 2011 by EUR 24.4 million to EUR -4.2 million in the financial year 2012 was attributable to negative valuation results in 2012. The slight rise in operating expenses from EUR 609.4 million by EUR 5.3 million, or 0.9%, to EUR 614.7 million resulted from the integration of Intermarket Bank AG in August 2011 and higher IT expenditure. The operating result decreased from EUR 397.3 million in the financial year 2011 by EUR 59.4 million, or 15.0%, to EUR 337.9 million. The cost/income ratio was 64.5% versus 60.5% in the financial year 2011.

The further reduction in risk provisions from EUR 101.4 million in the previous year by EUR 5.2 million, or 5.1%, to EUR 96.2 million in 2012 reflected the continuing stabilisation of the loan portfolio. Improvement in the “other result” by EUR 77.1 million to EUR 13.4 million in the financial year 2012 was mainly driven by valuation gains, income from the sale of securities held in the available-for-sale portfolio and the sale of real estate. In the previous year, other financial assets had been affected significantly by valuation losses. Banking tax amounted to EUR 9.7 million in the financial year 2012 (financial year 2011: EUR 7.7 million). Net profit after minorities rose from EUR 177.6 million by EUR 14.8, or EUR 8.3%, to EUR 192.4 million in the financial year 2012. Return on equity stood at 15.0% versus 16.3% in the previous year.

Savings Banks

The decline in net interest income from EUR 1,015.6 million by EUR 75.6 million, or 7.4%, to EUR 940.0 million in the financial year 2012 was mainly due to lower income from the banking book due to interest rate developments. Net fee and commission income rose by EUR 7.8 million, or 2.0%, to EUR 398.0 million in 2012, driven by payment transfers and the lending business. The net trading result improved from EUR 12.2 million in the financial year 2011 by EUR 7.7 million to EUR 19.9 million in the financial year 2012, reflecting higher income from foreign exchange trading. Operating expenses rose only slightly by EUR 1.3 million, or 0.1%, to EUR 932.2 million. The operating result decreased from EUR 487.1 million by EUR 61.4 million, or 12.6%, to EUR 425.7 million. The cost/income ratio stood at 68.7% versus 65.6% in the previous year.

Risk provisions fell by EUR 24.5 million, or 9.8%, from EUR 250.4 million in the financial year 2011 to EUR 225.9 million. A significant improvement in the “other result” from EUR -82.0 million by EUR 84.5 million to EUR 2.5 million was largely due to gains on disposal in the available-for-sale portfolio in 2012 and valuation losses in the securities portfolio in 2011. Banking tax amounted to EUR 8.1 million in the financial year 2012 (2011: EUR 6.5 million). Net profit after minorities rose from EUR 6.0 million in the financial year 2011 by EUR 15.5 million, to EUR 21.5 million in the financial year 2012.

[4] In the segment report, financial results from the financial year 2012 are compared with those from the financial year 2011. Unless stated otherwise, terms such as “in the previous year“, “2011“ or “in 2011“ accordingly relate to the financial year 2011, and terms such as “this year“, “2012“, “in 2012“ relate to the financial year 2012. The term “net profit/loss for the period after minorities” corresponds to the term “net profit/loss attributable to the owners of the parent”.

Central and Eastern Europe

The CEE region includes the sub-segments Czech Republic, Romania, Slovakia, Hungary, Croatia, Serbia, and Ukraine. Contributions from the divisionalised business units – Group Corporate & Investment Banking and Group Markets – are reported in the respective segments.

Czech Republic

Net interest income in the Czech Republic sub-segment declined from EUR 1,183.3 million by EUR 69.5 million, or 5.9% (currency-adjusted: -3.7%), to EUR 1,113.8 million. This development was mainly attributable to falling market interest rates and subdued credit demand, especially for consumer loans. Net fee and commission income decreased from EUR 496.5 million in the previous year by EUR 49.3 million, or 9.9% (currency-adjusted: -7.9%), to EUR 447.2 million in 2012 mainly due to lower income from lending business and payment transfers. The net trading result improved from EUR -45.5 million in the financial year 2011 by EUR 65.4 million to EUR 19.9 million, which was attributable to negative valuation effects related to the pension fund in the previous year. Operating expenses declined by EUR 22.0 million, or 3.1% (currency-adjusted: -0.9%), to EUR 691.9 million in the financial year 2012.

The operating result declined from EUR 920.4 million in the financial year 2011 by EUR 31.4 million, or 3.4% (currency-adjusted: -1.2%), to EUR 889.0 million. As portfolio quality continued to stabilise, risk provisions fell by EUR 70.9 million, or 33.7% (currency-adjusted: -32.2%), to EUR 139.6 million in the financial year 2012. Improvement in the "other result" from EUR -122.0 million by EUR 28.8 million to EUR -93.2 million was primarily driven by higher income from financial assets. At EUR 518.0 million, net profit after minorities was EUR 61.7 million, or 13.5% (currency-adjusted: +16.1%) higher than in the previous year (EUR 456.3 million). The cost/income ratio, at 43.8%, was almost unchanged versus 2011 (43.7%). Return on equity declined from 42.8% to 40.9%.

Romania

The result of the Romania sub-segment was again affected by the adverse economic environment. Net interest income declined by EUR 99.9 million, or 14.9% (currency-adjusted: -10.4%), to EUR 572.4 million. This development was mainly driven by weak consumer credit demand and narrowing margins on retail and corporate business. The decline in net fee and commission income by EUR 9.8 million, or 7.5% (currency-adjusted: -2.7%), from EUR 130.1 million in 2011 to EUR 120.3 million in the financial year 2012 was mainly attributable to lower income from payment transfers. The increase in the net trading result by EUR 21.2 million from EUR 49.3 million in 2011 to EUR 70.5 million resulted largely from revaluation gains on currency positions. Operating expenses declined from EUR 376.4 million in the previous year by EUR 20.5 million, or 5.4%, to EUR 355.9 million in the financial year 2012. Currency-adjusted, operating expenses were stable. Restructuring provisions in the amount of EUR 24.1million created at year-end 2012 were covered by cost savings achieved through optimisation measures.

Additional provisioning requirements in the retail, corporate and real estate business resulted in an increase in risk costs from EUR 499.3 million by EUR 237.9 million, or 47.6% (currency-adjusted: +55.3%), to EUR 737.2 million in the financial year 2012. This led to a rise in the NPL coverage ratio to 58.6% as of 31 December 2012 versus 50.1% at year-end 2011. The decline in the item "other result" from EUR -30.9 million by EUR 17.8 million, or 57.6% (currency-adjusted: -65.8%) to EUR -48.7 million in the financial year 2012 was mainly due to one-off income from the liquidation of the subsidiary Anglo-Romanian Bank Ltd. in 2011. Net loss after minorities rose from EUR 22.5 million in the previous year by EUR 271.8 million to EUR 294.3 million. The cost/income ratio rose from 44.2% in the previous year to 46.6%.

Slovak Republic

Net interest income in the Slovak Republic sub-segment declined by EUR 20.8 million, or 4.7%, from EUR 445.7 million in the financial year 2011 to EUR 424.9 million in the financial year 2012. This resulted mainly from a change in the investment strategy for financial assets and a slight decline in retail business margins. The slight decline in net fee and commission income by EUR 2.2 million, or 2.0%, from EUR 112.2 million to EUR 110.0 million was mainly attributable to lower asset management commissions. The net trading result improved from EUR -4.6 million in 2011 by EUR 7.4 million to

EUR 2.8 million. Operating expenses rose by EUR 12.0 million, or 5.4%, from EUR 224.0 million to EUR 236.0 million due to higher IT depreciation charges.

Risk provisions reflected an improvement in the market environment versus 2011. The SME, retail and real estate businesses benefited, leading to a reduction by EUR 20.2 million, or 27.4%, from EUR 73.6 million in the financial year 2011 to EUR 53.4 million in the financial year 2012. Improvement in the "other result" by EUR 2.5 million versus 2011 was primarily driven by valuation effects from financial assets, lower revaluation of real estate as well as lower deposit insurance contributions. Banking tax amounted to EUR 26.5 million in the financial year 2012 (no banking tax in 2011). Net profit after minorities declined by EUR 3.9 million, or 2.3%, to EUR 169.3 million. The cost/income ratio increased from 40.5% in 2011 to 43.9% in 2012. Return on equity decreased from 43.2% to 39.4%.

Hungary

Net interest income in the Hungary sub-segment fell by EUR 67.5 million, or 16.8% (currency-adjusted: -13.8%), from EUR 402.7 million in the financial year 2011 to EUR 335.2 million in the financial year 2012. The decline in net interest income was attributable to falling margins and lending volumes as well as to the government-imposed early repayment of foreign currency loans at non-market rates. Net fee and commission income decreased by EUR 5.9 million, or 6.0% (currency-adjusted: -2.7%), to EUR 91.9 million. This development was due to lower commission income from the lending business. The drop in the net trading result from EUR 19.1 million by EUR 35.0 million to EUR -15.9 million in the financial year 2012 was largely attributable to a change in reporting of interest income from securities held for trading and lower income from foreign exchange trading. Due to the restructuring measures implemented in the fourth quarter of 2011, operating expenses decreased from EUR 200.5 million in 2011 by EUR 31.0 million, or 15.5% (currency-adjusted: -12.5%), to EUR 169.5 million in 2012. The cost/income ratio rose from 38.6% to 41.2% in 2012.

Risk provisions fell from EUR 812.0 million in the financial year 2011 by EUR 597.0 million to EUR 215.0 million in the financial year 2012. This marked reduction was due to the one-off allocation of additional provisions in the third quarter 2011 triggered by the government-imposed conversion of foreign-currency loans. The item "other result" deteriorated by EUR 16.0 million from EUR -56.9 million in 2011 to EUR -72.9 million in 2012. The negative effect of the banking tax in the amount of EUR 47.3 million was only partly offset by lower revaluation losses on collateral for loans and the release of restructuring provisions. In 2011, it was possible to offset the banking tax against the costs of repayment of foreign-currency loans at non-market rates. The provisions for future additional tax charges created in the first nine months of 2012 in the amount of EUR 60.6 million in connection with the government-imposed subsidisation of foreign-currency retail mortgage loans were fully released in the fourth quarter 2012. Net loss after minorities was EUR 55.1 million versus EUR 566.6 million in 2011.

Croatia

Net interest income in the Croatia sub-segment decreased from EUR 261.8 million in the financial year 2011 by EUR 8.1 million, or 3.1% (currency-adjusted: -2.0%) to EUR 253.7 million due to narrowing loans margins. Reflecting the October 2011 transfer of the credit card processing subsidiary to the Corporate Center segment, net fee and commission income declined from EUR 76.7 million in 2011 by EUR 11.1 million, or 14.5% (currency-adjusted: -13.5%), to EUR 65.6 million in 2012. The decrease in the net trading result from EUR 11.2 million by EUR 1.8 million, or 16.1% (currency-adjusted: -15.1%), to EUR 9.4 million was caused by negative valuation effects. Operating expenses were down by EUR 8.3 million, or 5.9% (currency-adjusted: -4.8%), from EUR 141.1 million to EUR 132.8 million, which was attributable to the transfer of the credit card processing business and lower IT expenditure.

The operating result declined by EUR 12.7 million, or 6.1% (currency-adjusted: -5.0%), from EUR 208.6 million in the financial year 2011 to EUR 195.9 million in the financial year 2012. The cost/income ratio was almost unchanged at 40.4%. Increased risk provisioning requirements in the real estate and corporate business led to a rise in risk costs by EUR 28.1 million, or 25.7% (currency-adjusted: +27.1%), from EUR 109.3 million to EUR 137.4 million in the financial year 2012. Net profit after minorities declined from EUR 43.6 million by EUR 19.9 million, or 45.6% (currency-adjusted: -45.0%) to EUR 23.7 million. Return on equity was 8.2% versus 17.4% in the financial year 2011.

Serbia
Net interest income in the Serbia sub-segment increased from EUR 36.4 million in the financial year 2011 by EUR 0.7 million, or 1.9% (currency-adjusted: +13.0%), to EUR 37.1 million in the financial year 2012. This improvement was driven by a rise in lending volumes to retail and corporate clients and wider margins in the retail business. Net fee and commission income improved from EUR 13.0 million by EUR 0.3 million, or 2.3% (currency-adjusted: +13.5%), to EUR 13.3 million. The net trading result rose by EUR 2.3 million on the back of growing income from foreign exchange business.

Operating expenses remained stable at EUR 33.6 million in the financial year 2012. The currency-adjusted rise of 10.2% was mainly attributable to personnel expenses. The cost/income ratio improved significantly from 68.3% in 2011 to 63.6% in 2012. Risk costs declined by EUR 0.5 million to EUR 9.0 million. Net profit after minorities grew by EUR 4.4 million to EUR 7.8 million. Return on equity was 18.8% versus 8.3% in the previous year.

Ukraine
Declining lending volumes and margins as well as lower income from the securities business caused net interest income in the Ukraine sub-segment to decrease from EUR 32.6 million in the financial year 2011 by EUR 9.0 million, or 27.6% (currency-adjusted: -32.3%), to EUR 23.6 million in the financial year 2012. Increased income from payment transfers led to an improvement in net fee and commission income by EUR 1.3 million to EUR 6.2 million. Impacted by lower income from foreign exchange businesses, the net trading result declined by EUR 4.0 million from EUR -3.2 million to EUR -7.2 million.

Operating expenses decreased by EUR 0.2 million, or 0.4%, to EUR 48.6 million. Currency-adjusted, operating expenses fell by 6.8%. The increase in risk provisions by EUR 5.0 million, or 46.7% (currency-adjusted: +37.2%), to EUR 15.7 million resulted from direct write-offs. The item “other result” deteriorated by EUR 4.0 million to EUR -2.4 million in 2012 due to losses on disposals related to the available-for-sale portfolio. Net loss after minorities was EUR 44.3 million versus EUR 23.1 million in 2011.

Because of growing economic and political uncertainty in Ukraine and the strategic decision to withdraw from Ukraine, Erste Group signed an agreement in December 2012 on the sale of Erste Bank Ukraine to the owners of FIDOBANK. The resulting loss of EUR 75.0 million is reported under "other result" in the Corporate Center segment. The formal approval of the transaction by the market supervisory authorities in Austria and Ukraine, and hence the closing of the transaction, is expected to be effected by the end of the second quarter of 2013.

Group Corporate & Investment Banking (GCIB)
The Group Corporate & Investment Banking segment includes the large corporate business, the real estate business of Erste Group with large corporate customers, equity capital markets (from the second quarter of 2012 onwards) as well as the investment banking subsidiaries in CEE and the International Business unit (excluding treasury activities). The leasing subsidiary Erste Group Immorent is also included in this segment.

Net interest income decreased by EUR 47.3 million, or 8.7%, to EUR 495.9 million in the financial year 2012. This development was exclusively attributable to sharply lower volumes in International Business and the real estate and Investment Banking business units, which were not offset by the stable development in the large corporate business. Net fee and commission income decreased by EUR 31.7 million, or 26.7%, to EUR 87.1 million. This was attributable to a reduction in new business and declining income from real estate project development activities. The net trading result rose by EUR 133.6 million to EUR 4.4 million in 2012. In 2011, the net trading result had been impacted by negative valuation results relating to the International Business unit’s CDS investment portfolio, which has meanwhile been closed out completely. Operating expenses increased by EUR 5.4 million, or 2.8%, from EUR 191.5 million to EUR 196.9 million. This development was driven primarily by organisational change (i.e. the shifting of units from the Group Markets segment to Group Corporate and Investment Banking).

The operating result improved by EUR 49.2 million, or 14.4%, from EUR 341.3 million in 2011 to EUR 390.5 million in the financial year 2012. Risk provisions increased by EUR 169.0 million, or 94.8%, to EUR 347.2 million. This was mainly due to higher risk provisions in the real estate business and in the large corporate business in Austria and Romania. Negative valuation results and losses on disposals relating to the real estate business and from the continued reduction of International Business assets led to a decline in the “other result” item by EUR 54.9 million to EUR -101.6 million. Net profit after minorities declined by EUR 129.3 million from EUR 73.7 million in the financial year 2011 to EUR -55.6 million in the financial year 2012. The cost/income ratio improved from 35.9% in 2011 to 33.5% in 2012.

Group Markets

The Group Markets segment comprises the divisionalised business units Group Treasury and Capital Markets and includes the treasury activities of Erste Group Bank AG, the CEE subsidiaries, the foreign branch offices in Hong Kong, New York, Berlin, and Stuttgart as well as the result of Erste Asset Management.

Net interest income decreased by EUR 13.7 million, or 6.9%, to EUR 183.7 million in the financial year 2012, which was primarily attributable to the global money market & government bonds business units. Net fee and commission income amounted to EUR 124.7 million. The decline by EUR 1.9 million, or 1.5%, versus 2011 resulted mainly from the asset management business. The net trading result rose by EUR 47.7 million, or 30.7%, to EUR 202.9 million, mostly on the back of the good performance of the credit and rates trading business units. Operating expenses were reduced by EUR 28.9 million, or 11.8%, to EUR 215.9 million. This decline was due to cost-cutting across all business units and to organisational changes (transfer of units from the Group Markets segment to Group Corporate and Investment Banking). Operating result improved by EUR 61.0 million, or 26.0%, to EUR 295.4 million in the financial year 2012. The cost/income ratio improved from 51.1% to 42.2%. Net profit after minorities rose by EUR 61.0 million, or EUR 36.6%, to EUR 227.6 million. Return on equity stood at 65.0% (2011: 53.4%).

Corporate Center

The Corporate Center segment includes the results of those companies that cannot be directly allocated to a segment or sub-segment, intragroup consolidation between the segments, straight-line amortisation of customer relationships especially for Banca Comercială Română, Erste Card Club, and Ringturm KAG, as well as one-time effects not allocated to any segment for the sake of consistency and to assist like-for-like comparisons. Furthermore, the asset/liability management of Erste Group Bank AG (Holding) is included in this segment. The results of the local asset/liability management units are allocated to the corresponding sub-segments.

The rise in net interest income from EUR 112.1 million to EUR 237.2 million was mainly driven by an increase in structural contributions from asset/liability management. The positive development of net fee and commission income was largely attributable to lower expenditure in connection with own issuance activity. The net trading result dropped from EUR 37.5 million to EUR -31.5 million due to lower valuation effects in asset/liability management.

The item “other result” included amortisation of customer relationships in the amount of EUR 69.2 million, goodwill adjustments for the Romanian subsidiary Banca Comercială Română in the amount of EUR 469.4 million and investments in Austria in the total amount of EUR 45.5 million, proceeds from buying back tier 1 and tier 2 instruments (hybrid capital and subordinated bonds) in the amount of EUR 413.2 million, and gains on the sale of real estate in the amount of EUR 38.2 million. Banking tax paid by the Holding (Erste Group Bank AG) in the amount of EUR 146.9 million (2011: EUR 117.5 million) as well as the loss on the sale of Erste Bank Ukraine in the amount of EUR 75.0 million were also reported in the item “other result”.

V. EXCHANGE RATE DEVELOPMENT

	End of period rates			Average rates		
	Dec 12	Dec 11	Change	2012	2011	Change
EUR/CZK	25.15	25.79	2.5%	25.15	24.59	-2.3%
EUR/RON	4.44	4.32	-2.8%	4.46	4.24	-5.2%
EUR/HUF	292.30	314.58	7.1%	289.22	279.32	-3.5%
EUR/HRK	7.56	7.54	-0.3%	7.52	7.44	-1.1%
EUR/RSD	112.05	106.00	-5.7%	112.99	101.89	-10.9%
EUR/UAH	10.62	10.36	-2.5%	10.39	11.11	6.5%

Positive change = appreciation vs. EUR, negative change = depreciation vs. EUR

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Appendix

I. INCOME STATEMENT (IFRS) OF ERSTE GROUP

in EUR million	2012	2011	Change
Net interest income	5,235.3	5,569.0	-6.0%
Risk provisions for loans and advances	-1,980.0	-2,266.9	-12.7%
Net fee and commission income	1,720.8	1,787.2	-3.7%
Net trading result	273.4	122.3	>100.0%
General administrative expenses	-3,756.7	-3,850.9	-2.4%
Other operating result	-724.3	-1,589.9	-54.4%
Result from financial instruments - FV	-3.6	0.3	na
Result from financial assets - AfS	56.2	-66.2	na
Result from financial assets - HtM	-19.9	-27.1	-26.6%
Pre-tax profit/loss	**801.2**	**-322.2**	**na**
Taxes on income	-170.2	-240.4	-29.2%
Net profit/loss for the period	**631.0**	**-562.6**	**na**
Attributable to non-controlling interests	147.5	156.3	-5.6%
Attributable to owners of the parent	**483.5**	**-718.9**	**na**

II. STATEMENT OF COMPREHENSIVE INCOME

in EUR million	2012	2011	Change
Net profit/-loss before minorities	**631.0**	**-562.6**	**na**
Available for sale - reserve (including currency translation)	975.9	-64.6	na
Cash flow hedge - reserve (including currency translation)	-3.4	30.6	na
Actuarial gains and losses	-45.9	-42.7	7.5%
Currency translation	16.2	-232.9	na
Deferred taxes on items recognised directly in equity	-183.9	23.1	na
Other comprehensive income – total	**758.9**	**-286.5**	**na**
Total comprehensive income	**1,389.9**	**-849.1**	**na**
Attributable to non-controlling interests	479.1	124.3	>100.0%
Attributable to owners of the parent	**910.8**	**-973.4**	**na**

III. BALANCE SHEET (IFRS) OF ERSTE GROUP

in EUR million	Dec 12	Dec 11	Change
ASSETS			
Cash and balances with central banks	9,740	9,413	3.5%
Loans and advances to credit institutions	9,074	7,578	19.7%
Loans and advances to customers	131,928	134,750	-2.1%
Risk provisions for loans and advances	-7,644	-7,027	8.8%
Derivative financial instruments	13,289	10,931	21.6%
Trading assets	5,178	5,876	-11.9%
Financial assets - at fair value through profit or loss	716	1,813	-60.5%
Financial assets - available for sale	22,418	20,245	10.7%
Financial assets - held to maturity	18,975	16,074	18.0%
Equity holdings in associates accounted for at equity	174	173	0.6%
Intangible assets	2,894	3,532	-18.1%
Property and equipment	2,228	2,361	-5.6%
Investment properties	1,023	1,139	-10.2%
Current tax assets	128	116	10.3%
Deferred tax assets	657	702	-6.4%
Assets held for sale	708	87	>100.0%
Other assets	2,338	2,243	4.2%
Total assets	**213,824**	**210,006**	**1.8%**
LIABILITIES AND EQUITY			
Deposits by banks	21,822	23,785	-8.3%
Customer deposits	123,053	118,880	3.5%
Debt securities in issue	29,427	30,782	-4.4%
Value adjustment for portfolio fair value hedges	1,220	915	33.3%
Derivative financial instruments	10,878	9,337	16.5%
Trading liabilities	481	536	-10.3%
Provisions	1,488	1,580	-5.8%
Current tax liabilities	53	34	55.9%
Deferred tax liabilities	324	345	-6.1%
Liabilities associated with assets held for sale	339	0	na
Other liabilities	3,078	2,849	8.0%
Subordinated liabilities	5,323	5,783	-8.0%
Total equity	16,338	15,180	7.6%
Attributable to non-controlling interests	3,483	3,143	10.8%
Attributable to owners of the parent	12,855	12,037	6.8%
Total liabilities and equity	**213,824**	**210,006**	**1.8%**

IV. SEGMENT REPORTING – ERSTE GROUP

Overview*

	Retail & SME		GCIB		Group Markets		Corporate Center		Total Group	
in EUR million	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Net interest income	4,318.5	4,716.3	495.9	543.2	183.7	197.4	237.2	112.1	5,235.3	5,569.0
Risk provisions for loans and advances	-1,629.4	-2,076.7	-347.2	-178.2	0.0	-12.0	-3.4	0.0	-1,980.0	-2,266.9
Net fee and commission income	1,591.5	1,642.0	87.1	118.8	124.7	126.6	-82.5	-100.2	1,720.8	1,787.2
Net trading result	97.6	58.8	4.4	-129.2	202.9	155.2	-31.5	37.5	273.4	122.3
General administrative expenses	-3,215.2	-3,278.8	-196.9	-191.5	-215.9	-244.8	-128.7	-135.8	-3,756.7	-3,850.9
Other result	-243.7	-405.4	-101.6	-46.7	2.0	10.2	-348.3	-1,241.0	-691.6	-1,682.9
Pre-tax profit/loss	919.3	656.2	-58.3	116.4	297.4	232.6	-357.2	-1,327.4	801.2	-322.2
Taxes on income	-246.1	-263.8	4.4	-31.3	-61.7	-55.6	133.2	110.3	-170.2	-240.4
Net profit/loss for the period	**673.2**	**392.4**	**-53.9**	**85.1**	**235.7**	**177.0**	**-224.0**	**-1,217.1**	**631.0**	**-562.6**
Attributable to non-controlling interests	134.2	144.5	1.7	11.4	8.1	10.4	3.5	-10.0	147.5	156.3
Attributable to owners of the parent	**539.0**	**247.9**	**-55.6**	**73.7**	**227.6**	**166.6**	**-227.5**	**-1,207.1**	**483.5**	**-718.9**
Average risk-weighted assets	70,310.6	74,934.3	20,830.4	24,428.6	2,697.5	2,743.4	8.7	970.4	93,847.1	103,076.6
Average attributed equity	4,919	4,117	2,085	1,956	350	312	5,395	6,654	12,748	13,038
Cost/income ratio	**53.5%**	**51.1%**	**33.5%**	**35.9%**	**42.2%**	**51.1%**	**104.5%**	**na**	**52.0%**	**51.5%**
Return on equity	**11.0%**	**6.0%**	**na**	**na**	**65.0%**	**53.4%**	**na**	**na**	**3.8%**	**na**

*) “Other result” for the Corporate Center includes the depreciation for the customer base amounting to EUR 69.2 million.

“Other result” summarises four P&L positions: Other operating result; Results from financial assets – at fair value through profit or loss, – available for sale, and – held to maturity.

Austria *

in EUR million	EB Oesterreich 2012	EB Oesterreich 2011	Savings banks 2012	Savings banks 2011	Austria 2012	Austria 2011
Net interest income	617.8	665.9	940.0	1,015.6	1,557.8	1,681.5
Risk provisions for loans and advances	-96.2	-101.4	-225.9	-250.4	-322.1	-351.8
Net fee and commission income	339.0	320.6	398.0	390.2	737.0	710.8
Net trading result	-4.2	20.2	19.9	12.2	15.7	32.4
General administrative expenses	-614.7	-609.4	-932.2	-930.9	-1,546.9	-1,540.3
Other result	13.4	-63.7	2.5	-82.0	15.9	-145.7
Pre-tax profit/loss	255.1	232.2	202.3	154.7	457.4	386.9
Taxes on income	-55.8	-50.3	-61.5	-40.1	-117.3	-90.4
Net profit/loss for the period	**199.3**	**181.9**	**140.8**	**114.6**	**340.1**	**296.5**
Attributable to non-controlling interests	6.9	4.3	119.3	108.6	126.2	112.9
Attributable to owners of the parent	**192.4**	**177.6**	**21.5**	**6.0**	**213.9**	**183.6**
Average risk-weighted assets	13,045.2	13,708.3	23,444.2	24,451.2	36,489.4	38,159.4
Average attributed equity	1,284.4	1,088.1	369.8	304.5	1,654.3	1,392.6
Cost/income ratio	**64.5%**	**60.5%**	**68.7%**	**65.6%**	**67.0%**	**63.5%**
Return on equity	**15.0%**	**16.3%**	**5.8%**	**2.0%**	**12.9%**	**13.2%**

*) "Other result" summarises four P&L positions: Other operating result; Results from financial assets – at fair value through profit or loss, – available for sale, and – held to maturity.

Central and Eastern Europe (CEE) *

in EUR million	Czech Republic 2012	Czech Republic 2011	Romania 2012	Romania 2011	Slovakia 2012	Slovakia 2011	Hungary 2012	Hungary 2011	Croatia 2012	Croatia 2011	Serbia 2012	Serbia 2011	Ukraine 2012	Ukraine 2011
Net interest income	1,113.8	1,183.3	572.4	672.3	424.9	445.7	335.2	402.7	253.7	261.8	37.1	36.4	23.6	32.6
Risk provisions for loans and advances	-139.6	-210.5	-737.2	-499.3	-53.4	-73.6	-215.0	-812.0	-137.4	-109.3	-9.0	-9.5	-15.7	-10.7
Net fee and commission income	447.2	496.5	120.3	130.1	110.0	112.2	91.9	97.8	65.6	76.7	13.3	13.0	6.2	4.9
Net trading result	19.9	-45.5	70.5	49.3	2.8	-4.6	-15.9	19.1	9.4	11.2	2.4	0.1	-7.2	-3.2
General administrative expenses	-691.9	-713.9	-355.9	-376.4	-236.0	-224.0	-169.5	-200.5	-132.8	-141.1	-33.6	-33.8	-48.6	-48.8
Other result	-93.2	-122.0	-48.7	-30.9	-37.7	-40.2	-72.9	-56.9	-3.0	-10.1	-1.7	-1.2	-2.4	1.6
Pre-tax profit/loss	656.2	587.9	-378.6	-54.9	210.6	215.5	-46.2	-549.8	55.5	89.2	8.5	5.0	-44.1	-23.6
Taxes on income	-135.7	-122.4	65.3	23.7	-41.0	-42.3	-8.9	-16.8	-9.8	-16.1	1.5	0.0	-0.2	0.5
Net profit/loss for the period	**520.5**	**465.5**	**-313.3**	**-31.2**	**169.6**	**173.2**	**-55.1**	**-566.6**	**45.7**	**73.1**	**10.0**	**5.0**	**-44.3**	**-23.1**
Attributable to non-controlling interests	2.5	9.2	-19.0	-8.7	0.3	0.0	0.0	0.0	22.0	29.5	2.2	1.6	0.0	0.0
Attributable to owners of the parent	**518.0**	**456.3**	**-294.3**	**-22.5**	**169.3**	**173.2**	**-55.1**	**-566.6**	**23.7**	**43.6**	**7.8**	**3.4**	**-44.3**	**-23.1**
Average risk-weighted assets	12,521.1	12,951.0	8,155.9	9,166.8	4,148.3	4,824.9	3,774.6	4,147.4	4,040.4	4,321.2	493.2	606.5	687.8	757.2
Average attributed equity	1,266.5	1,065.1	779.0	556.5	430.1	400.7	385.8	344.5	287.8	250.9	41.5	40.9	73.5	65.7
Cost/income ratio	**43.8%**	**43.7%**	**46.6%**	**44.2%**	**43.9%**	**40.5%**	**41.2%**	**38.6%**	**40.4%**	**40.3%**	**63.6%**	**68.3%**	**215.0%**	**142.3%**
Return on equity	**40.9%**	**42.8%**	**na**	**na**	**39.4%**	**43.2%**	**na**	**na**	**8.2%**	**17.4%**	**18.8%**	**8.3%**	**na**	**na**

*) "Other result" summarises four P&L positions: Other operating result; Results from financial assets – at fair value through profit or loss, – available for sale, and – held to maturity.