Erste Group investor presentation
Q1 19 results (unaudited)

3 May 2019

Operating performance improves on strong revenue growth; guidance confirmed

Andreas Treichl, CEO Erste Group
Gernot Mittendorfer, CFO Erste Group
Willibald Cernko, CRO Erste Group

ERSTE Group

Disclaimer –
Cautionary note regarding forward-looking statements

- 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.

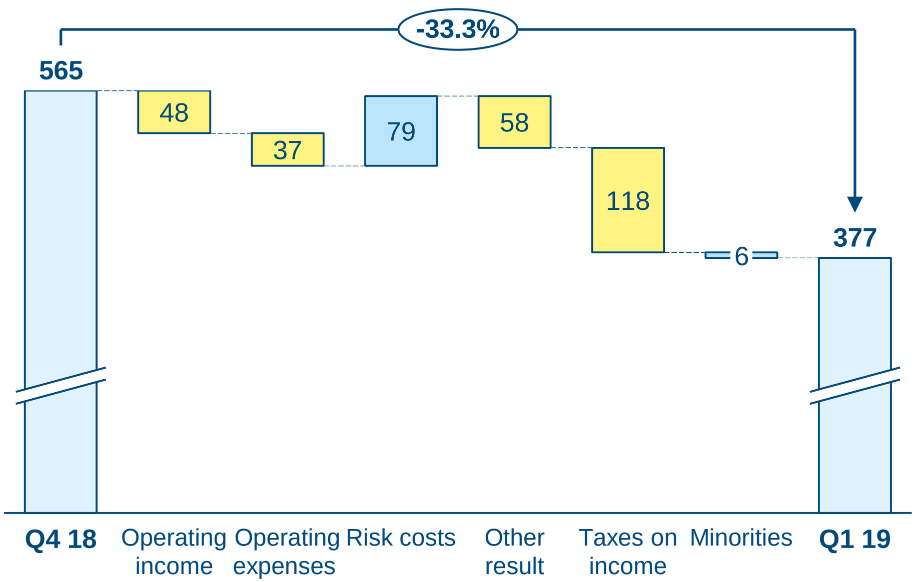
- THIS DOCUMENT DOES NOT CONSTITUTE AN OFFER OR INVITATION TO PURCHASE OR SUBSCRIBE FOR ANY SHARES AND NEITHER IT NOR ANY PART OF IT SHALL FORM THE BASIS OF OR BE RELIED UPON IN CONNECTION WITH ANY CONTRACT OR COMMITMENT WHATSOEVER.

Presentation topics

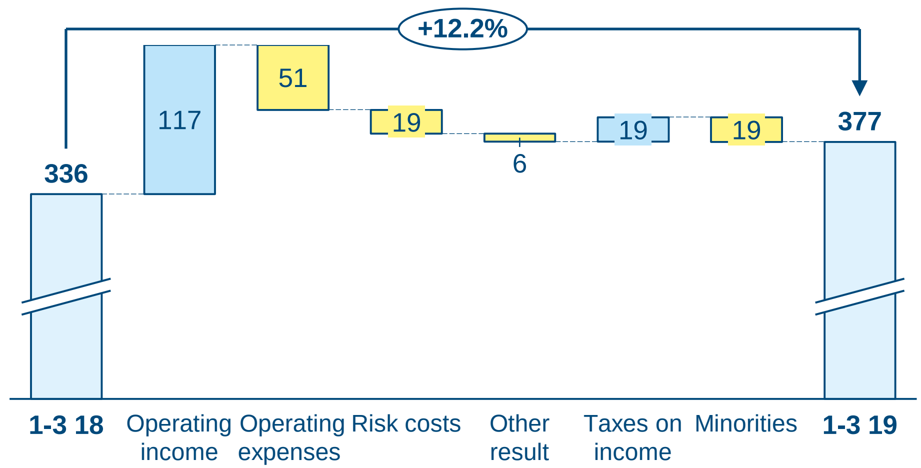
- Executive summary
- Business environment
- Business performance
- Assets and liabilities
- Outlook
- Additional information

Executive summary –
Group income statement performance

QoQ net profit reconciliation (EUR m)



YoY net profit reconciliation (EUR m)

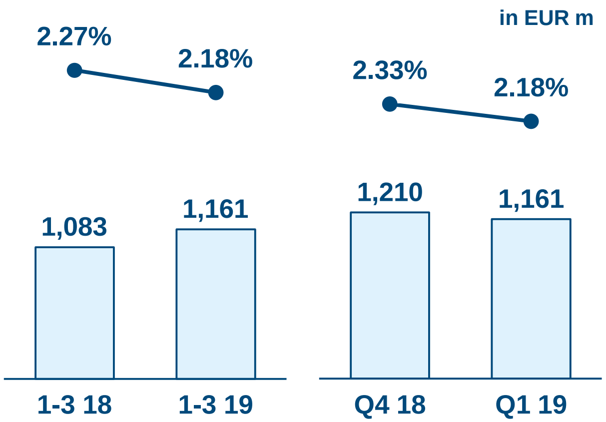


- Q1 19 net result at 377m, qoq decline mainly driven by deferred tax assets in Q4 18 (79.3m) and seasonally weaker operating performance in Q1
- Operating income declined on weaker NII (fewer calendar days), while other administrative expenses (deposit insurance contributions) contribute to higher OPEX
- After minor risk costs in Q4 18 again net releases

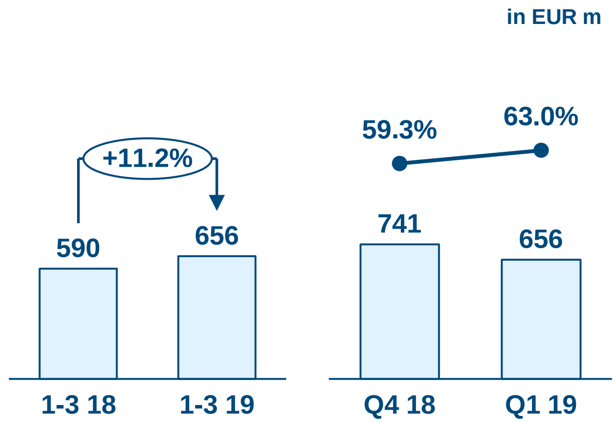
- Yoy net profit rises by 12.2% due to strong operating performance
- Increase in all major components of operating income: solid NII (+7.2%), exceptionally strong trading/FV result (+83.2%), and net fee income up by 1.9%; dividend income weaker in Q1 19
- Higher costs are attributable to increase in PEREX, higher depreciation and higher deposit insurance contributions

Executive summary –
Key income statement data

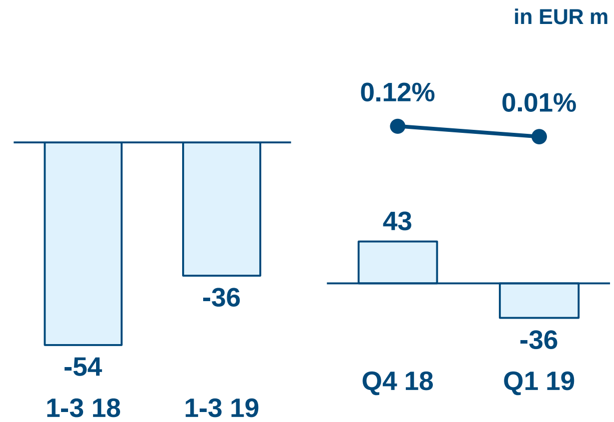
Net interest income & margin



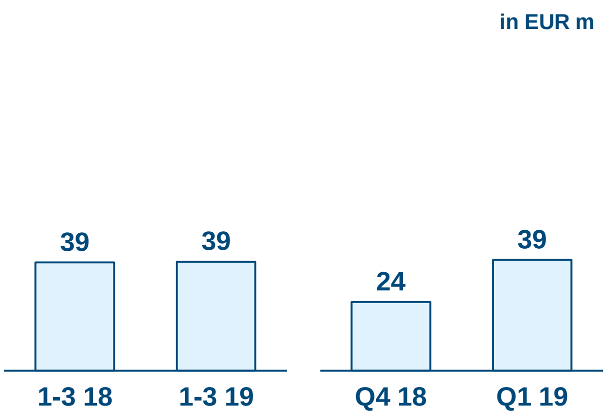
Operating result & cost/income ratio



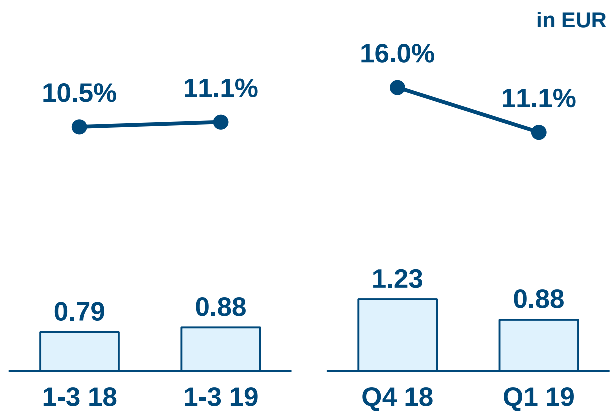
Cost of risk



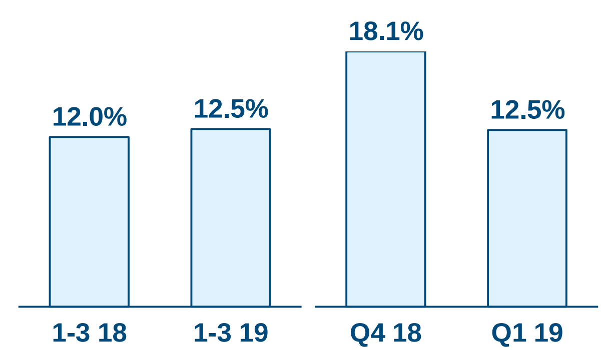
Banking levies



Reported EPS & ROE

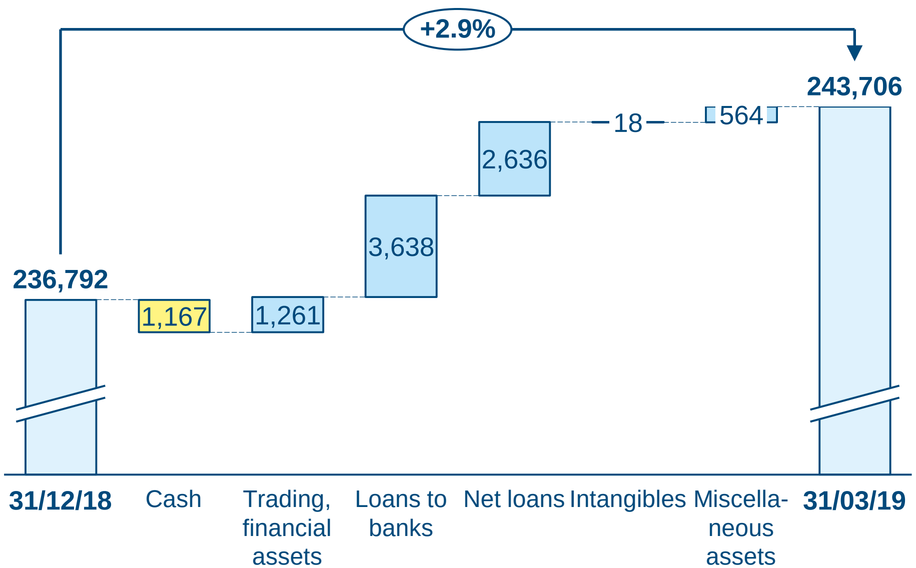


Return on tangible equity

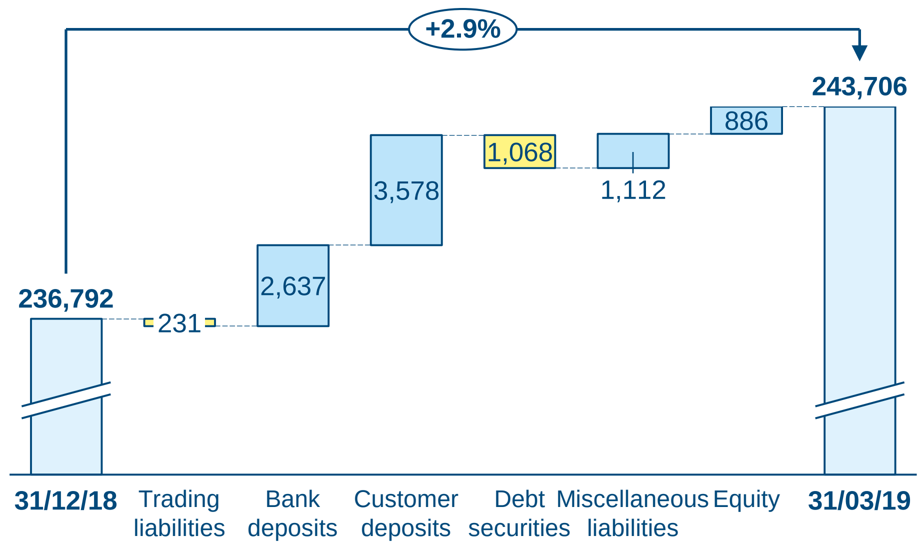


Executive summary –
Group balance sheet performance

YTD total asset reconciliation (EUR m)



YTD equity & total liability reconciliation (EUR m)



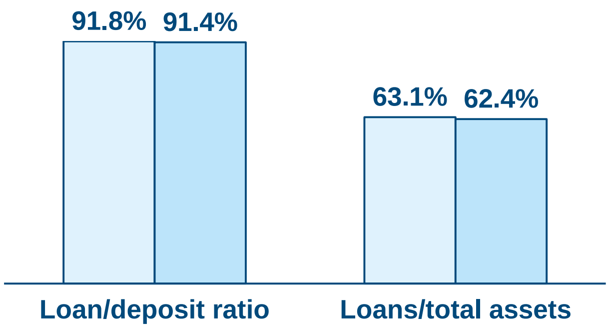
- Total assets continued to rise in Q1 19, mainly driven by interbank business (+19.0%), particularly in the Czech Republic and Holding, and customer loans (+1.8%)
- Decline in cash position correlated to increase in interbank assets
- Shift from cash to interbank assets also contributed to rise in interest bearing assets (YE18: EUR 210bn, March 19: EUR 217bn)

- Total liability growth driven by a continuation of rising customer deposits (+2.2%) and bank deposits (+14.9%)
- Growing customer deposits result in a loan/deposit ratio of 91.4% (YE18: 91.8%)
- Increase in equity (+EUR 497m) mainly attributable to the issuance of AT1 instruments in March 19

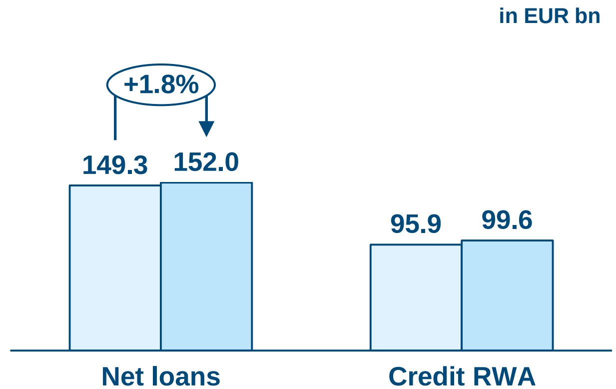
Executive summary –
Key balance sheet data

31/12/18
31/03/19

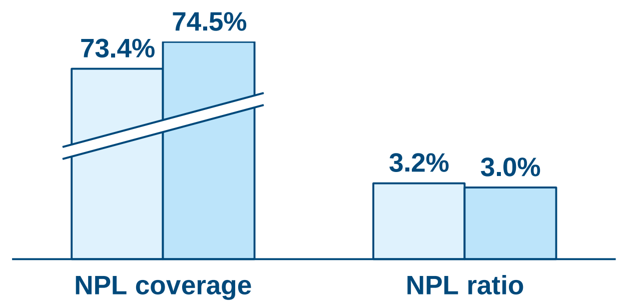
Loan/deposit & loan/TA ratio



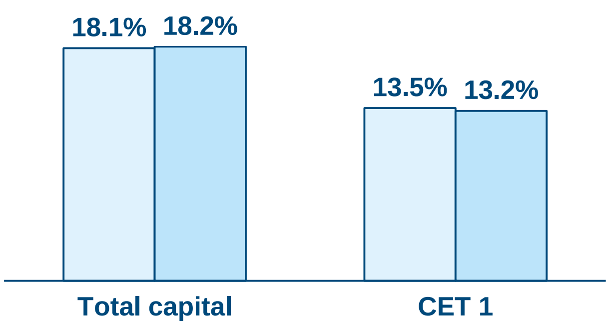
Net loans & credit RWA



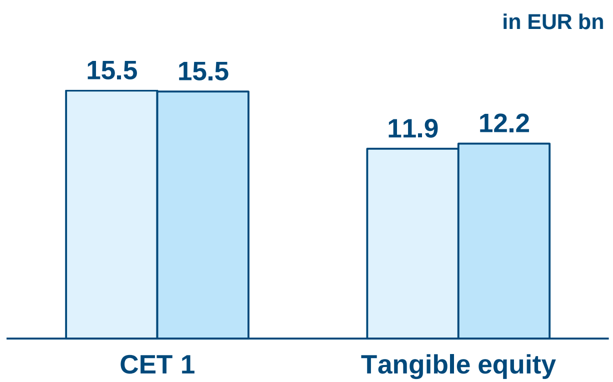
NPL coverage ratio & NPL ratio



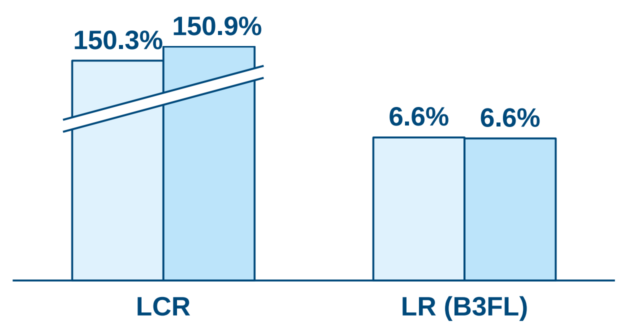
B3FL capital ratios



B3FL capital & tangible equity[1]



Liquidity coverage & leverage ratio[2]



1) Based on shareholders' equity, not total equity

2) Pursuant to Delegated Act

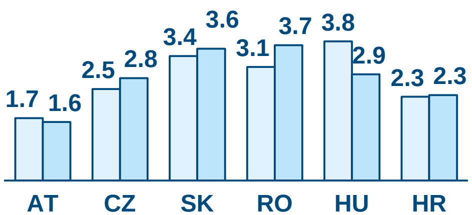
Presentation topics

- Executive summary
- Business environment
- Business performance
- Assets and liabilities
- Outlook
- Additional information

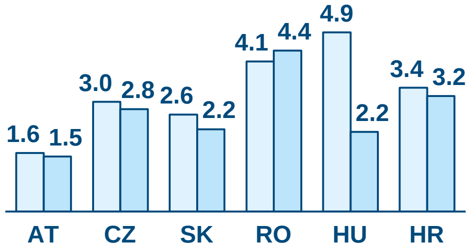
Business environment –
Economic outlook remains strong for 2019-2020

2019
2020

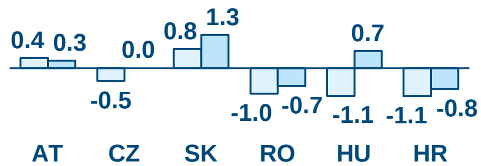
Real GDP growth (in %)



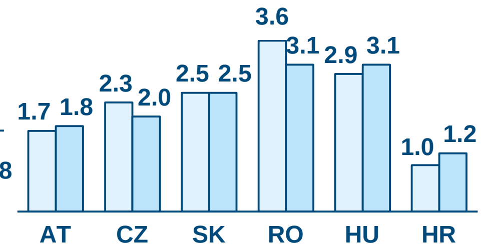
Dom. demand contribution* (in %)



Net export contribution* (in %)

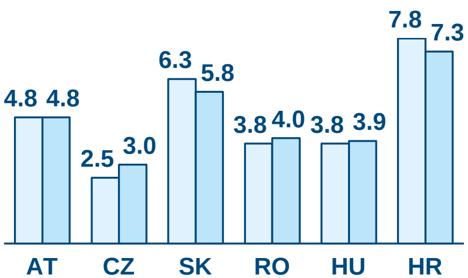


Consumer price inflation (avg, in %)

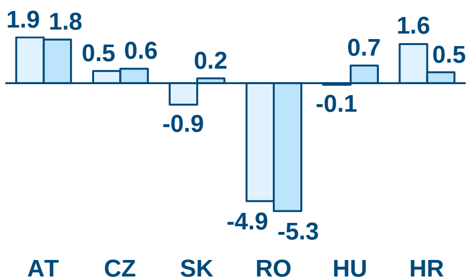


- Erste Group's core CEE markets expected to grow by about 3% in 2019
  - Domestic demand is expected to remain the main driver of economic growth
  - Consumption is supported by improving labour markets and significant wage increases across the region

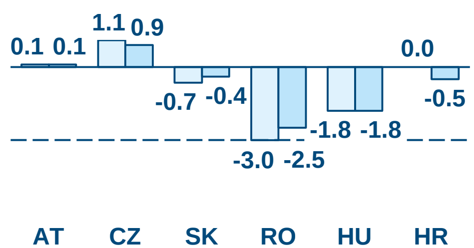
Unemployment rate (avg, in %)



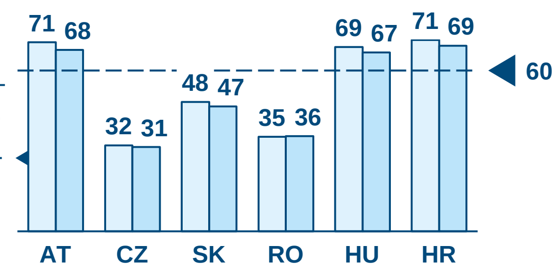
Current account balance (% of GDP)



Gen gov balance (% of GDP)



Public debt (% of GDP)



- Solid public finances across Erste Group's core CEE markets: almost all countries fulfill Maastricht criteria
- Sustainable current account balances, supported by competitive economies with decreasing unemployment rates

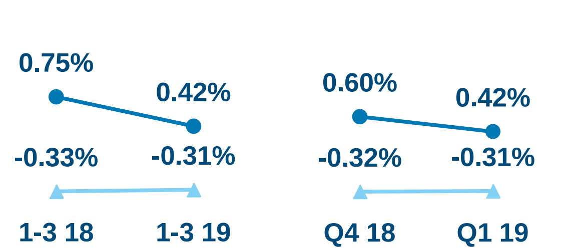
* Contribution to real GDP growth. Domestic demand contribution includes inventory change. Source: Erste Group Research, EU Commission

ERSTE Group

Business environment –
CZ has increased key policy rate in eight steps to 2.0% since August 2017

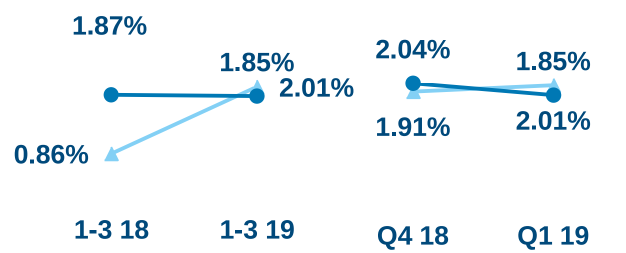
3M Interbank
10YR GOV

Austria



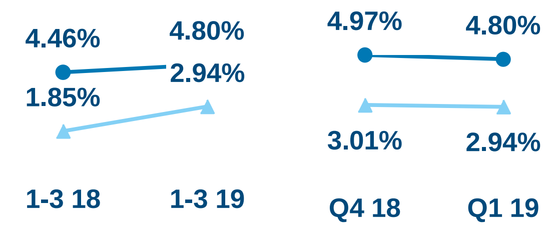
- ECB cut discount rate to zero in March 16
- Maintains expansionary monetary policy stance, despite tapering announcement

Czech Republic



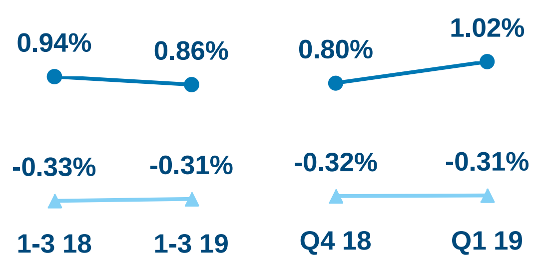
- National bank has increased its benchmark rate in eight steps from historic low of 0.05% to 2.00% since August 2017

Romania



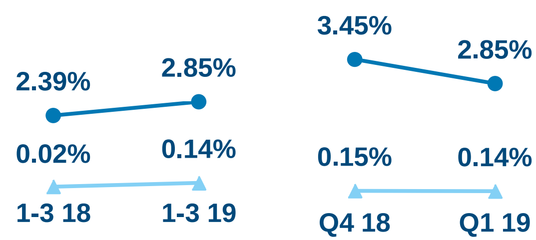
- Central bank increases policy rate from historic low of 1.75% to 2.50% in January, February and May 2018

Slovakia



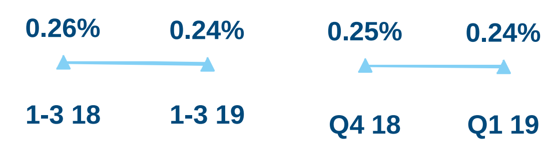
- As part of euro zone ECB rates are applicable in SK

Hungary



- National bank cut the benchmark interest rate to record low of 0.9% in May 2016

Croatia

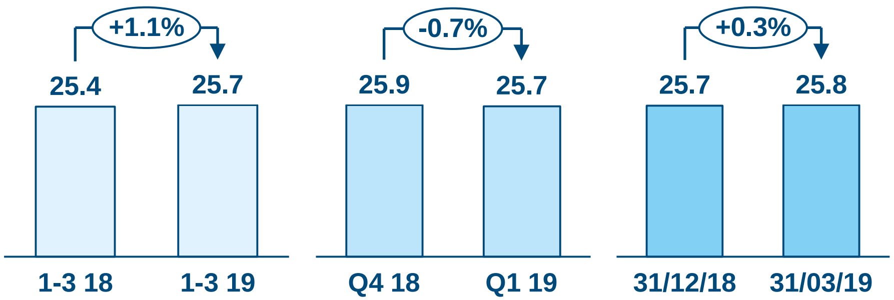


- Central bank maintains discount rate at 3.0% since 2015

Source: Bloomberg, Reuters for SK 10Y.

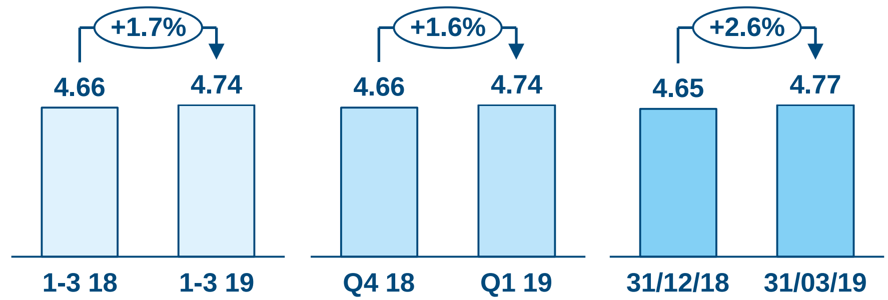
Business environment –
Emerging market volatility has minor impact on CEE currencies

EUR/CZK



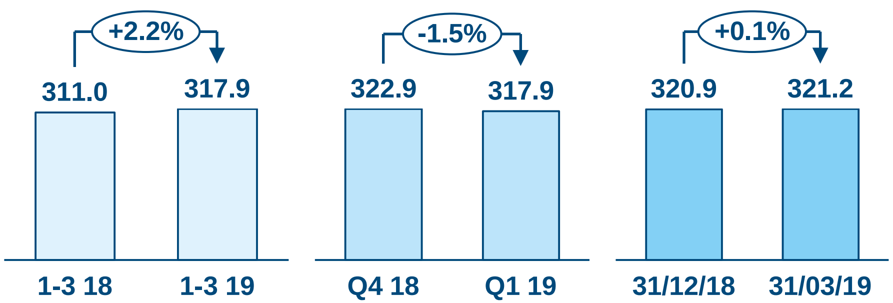
- Czech National Bank ended its currency peg in April 17; benchmark rate increased further to 2.00% in May 2019

EUR/RON



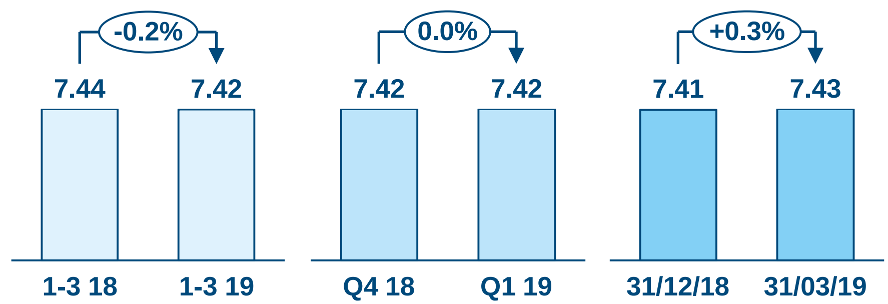
- RON depreciated slightly vs EUR amid political volatility; policy rate raised to 2.50% in May 2018

EUR/HUF



- HUF has recovered after reaching record low against the EUR in summer 2018

EUR/HRK



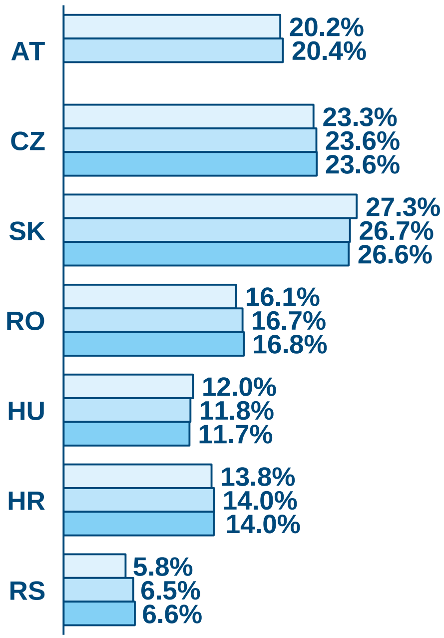
- Croatian National Bank continues to manage HRK in tight range

Source: Bloomberg

Business environment –
Market shares: mostly stable or increasing shares across the region

31/03/18
31/12/18
31/03/19

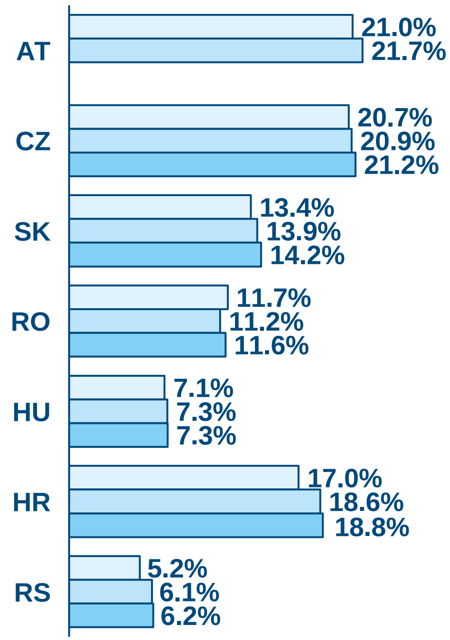
Gross retail loans



- CZ: increasing market shares in growing markets
- RO: increasing yoy market shares despite restrictive lending standards
- SK: declining market shares due to aggressive pricing by some of the smaller competitors

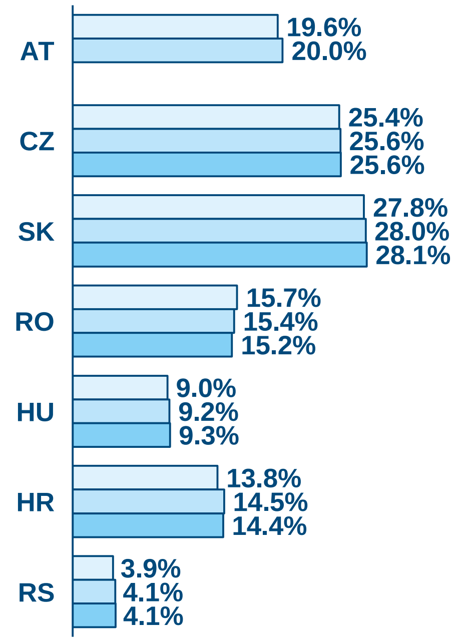
AT market shares for 31/03/19 not yet available

Gross corporate loans



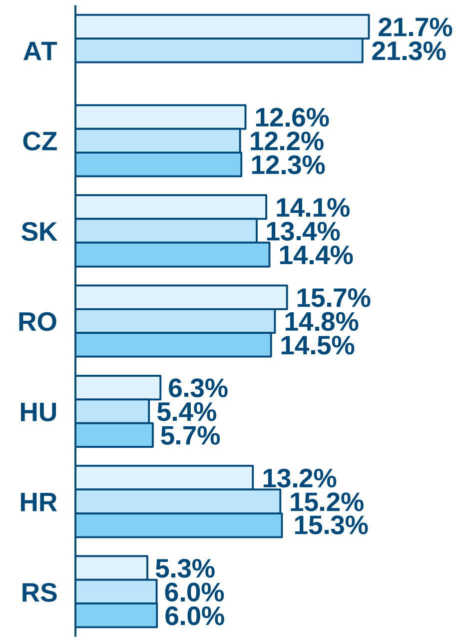
- RO: increasing qoq market share driven by all corporate segments except public sector
- HR: yoy market share increase mainly due to substantial sale of NPLs by other market participants

Retail deposits



- Continued inflows in all markets despite low interest rate environment, with growing market shares in CZ, SK, and HU

Corporate deposits



- Changes mainly due to normal quarterly volatility in corporate business

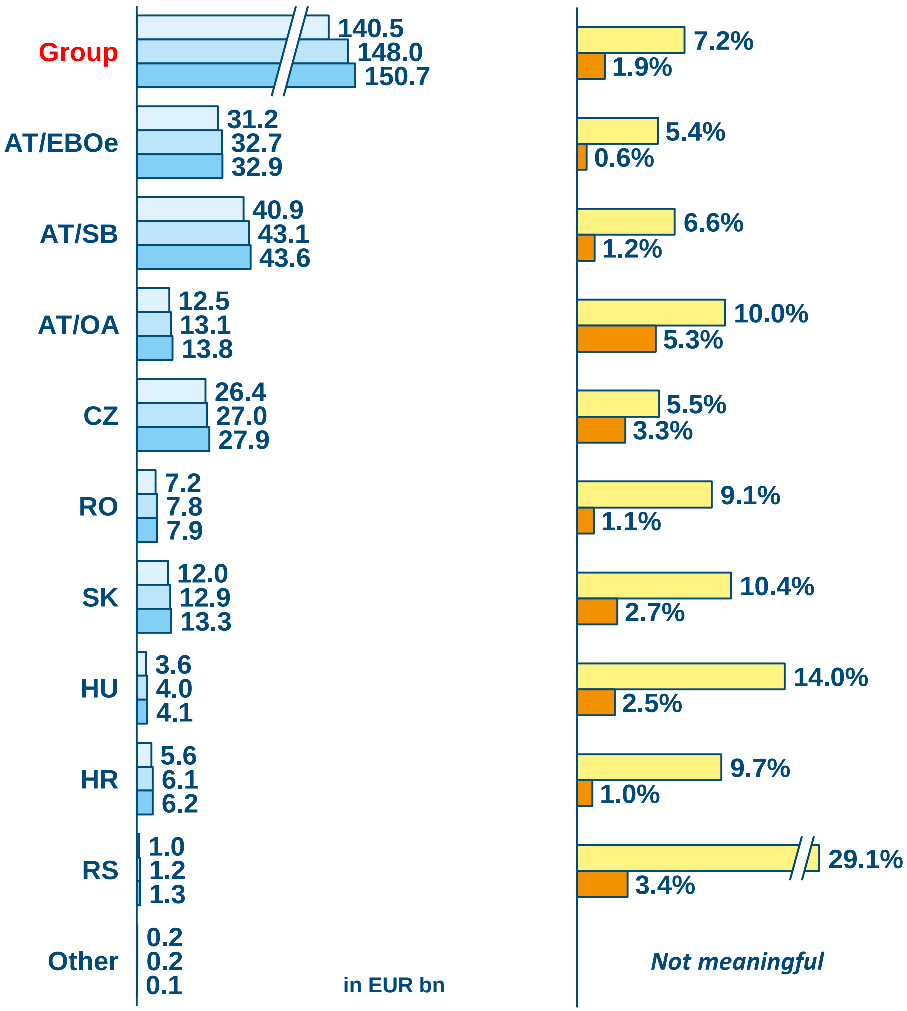
ERSTE Group

Presentation topics

- Executive summary
- Business environment
- Business performance
- Assets and liabilities
- Outlook
- Additional information

Business performance: performing loan stock & growth –

Performing loans continue to grow across all geographies



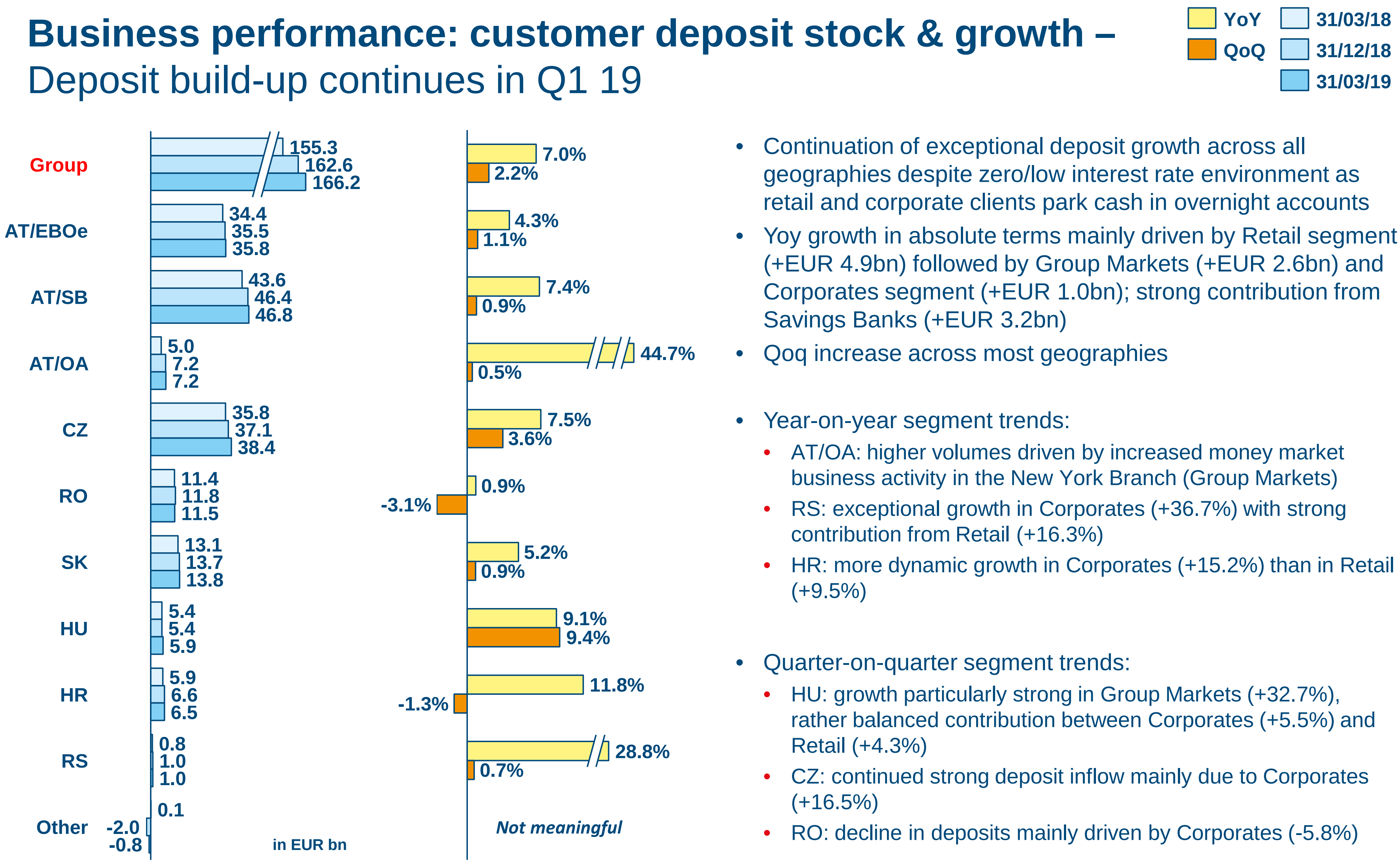
- Rising performing loan volume trend continued in Q1 19 across all geographies
- Yoy development driven by Corporates (+10.9%) and Retail (+5.4%), while Group Markets declines
- Qoq growth attributable to Corporates (+4.2%) as Retail shrinks slightly (-0.6%); Group Markets increase after temporary decline

- Year-on-year segment trends:
  - Continued growth across all segments in line with favourable economic fundamentals
  - HU: strong development in Corporates (+23.2%) as single-digit growth continues in Retail (+6.3%)
  - SK: Corporates drive growth (+17.2%); Retail (+6.6%)
  - HR: balanced growth between Corporates (+11.8%) and Retail (+10.1%)

- Quarter-on-quarter segment trends:
  - AT/OA: growth drivers within Corporates are Commercial Real Estate and Group Large Corporates
  - CZ: increases in Corporates (+1.8%) and Retail (+0.8%), high volatility in Group Markets loans due to short-term repo business
  - SK: solid increase in Corporates (+4.3%), minor growth in Retail (+0.8%)

ERSTE Group

Business performance: customer deposit stock & growth –
Deposit build-up continues in Q1 19

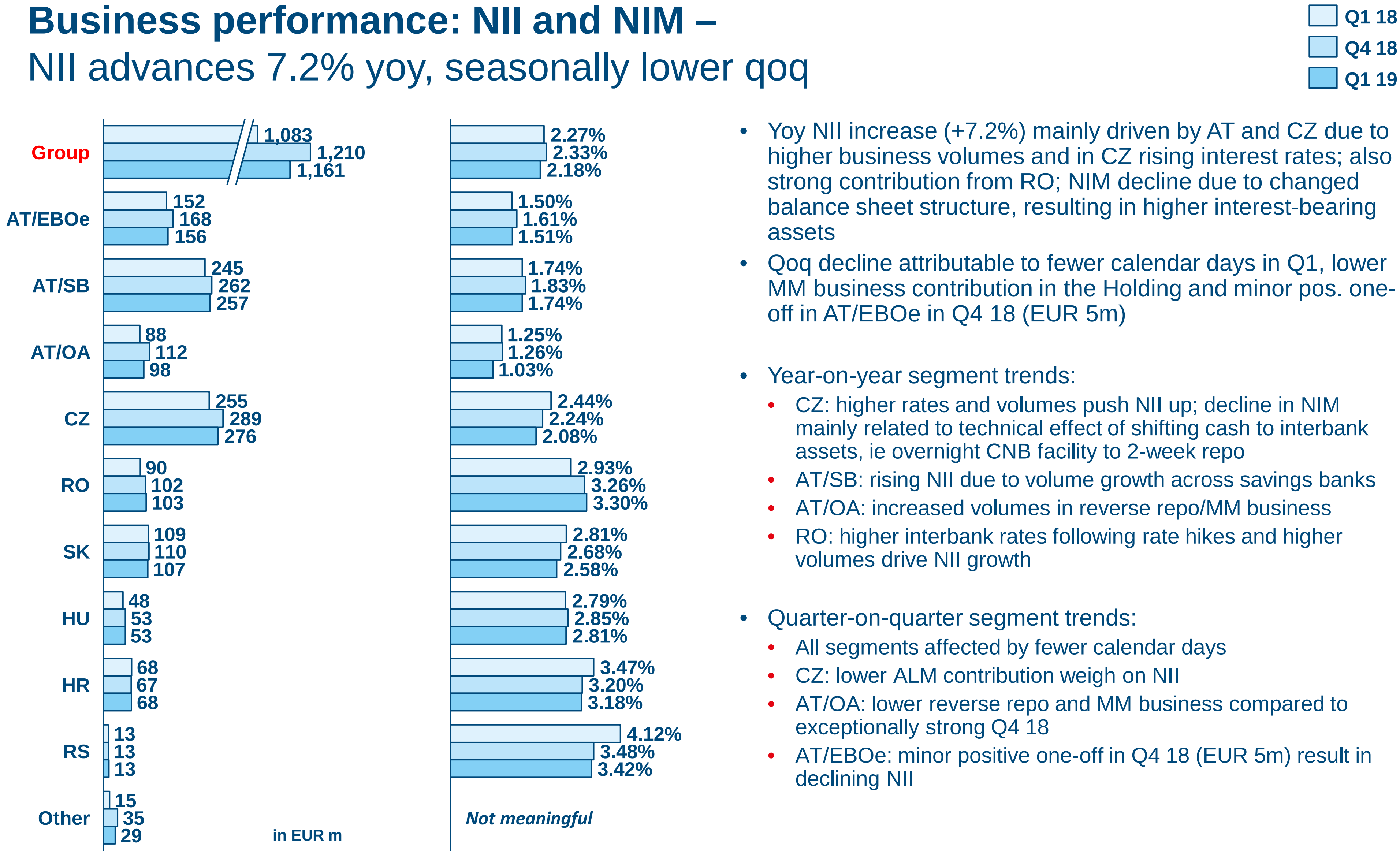


- Continuation of exceptional deposit growth across all geographies despite zero/low interest rate environment as retail and corporate clients park cash in overnight accounts
- Yoy growth in absolute terms mainly driven by Retail segment (+EUR 4.9bn) followed by Group Markets (+EUR 2.6bn) and Corporates segment (+EUR 1.0bn); strong contribution from Savings Banks (+EUR 3.2bn)
- Qoq increase across most geographies

- Year-on-year segment trends:
  - AT/OA: higher volumes driven by increased money market business activity in the New York Branch (Group Markets)
  - RS: exceptional growth in Corporates (+36.7%) with strong contribution from Retail (+16.3%)
  - HR: more dynamic growth in Corporates (+15.2%) than in Retail (+9.5%)

- Quarter-on-quarter segment trends:
  - HU: growth particularly strong in Group Markets (+32.7%), rather balanced contribution between Corporates (+5.5%) and Retail (+4.3%)
  - CZ: continued strong deposit inflow mainly due to Corporates (+16.5%)
  - RO: decline in deposits mainly driven by Corporates (-5.8%)

Business performance: NII and NIM –
NII advances 7.2% yoy, seasonally lower qoq



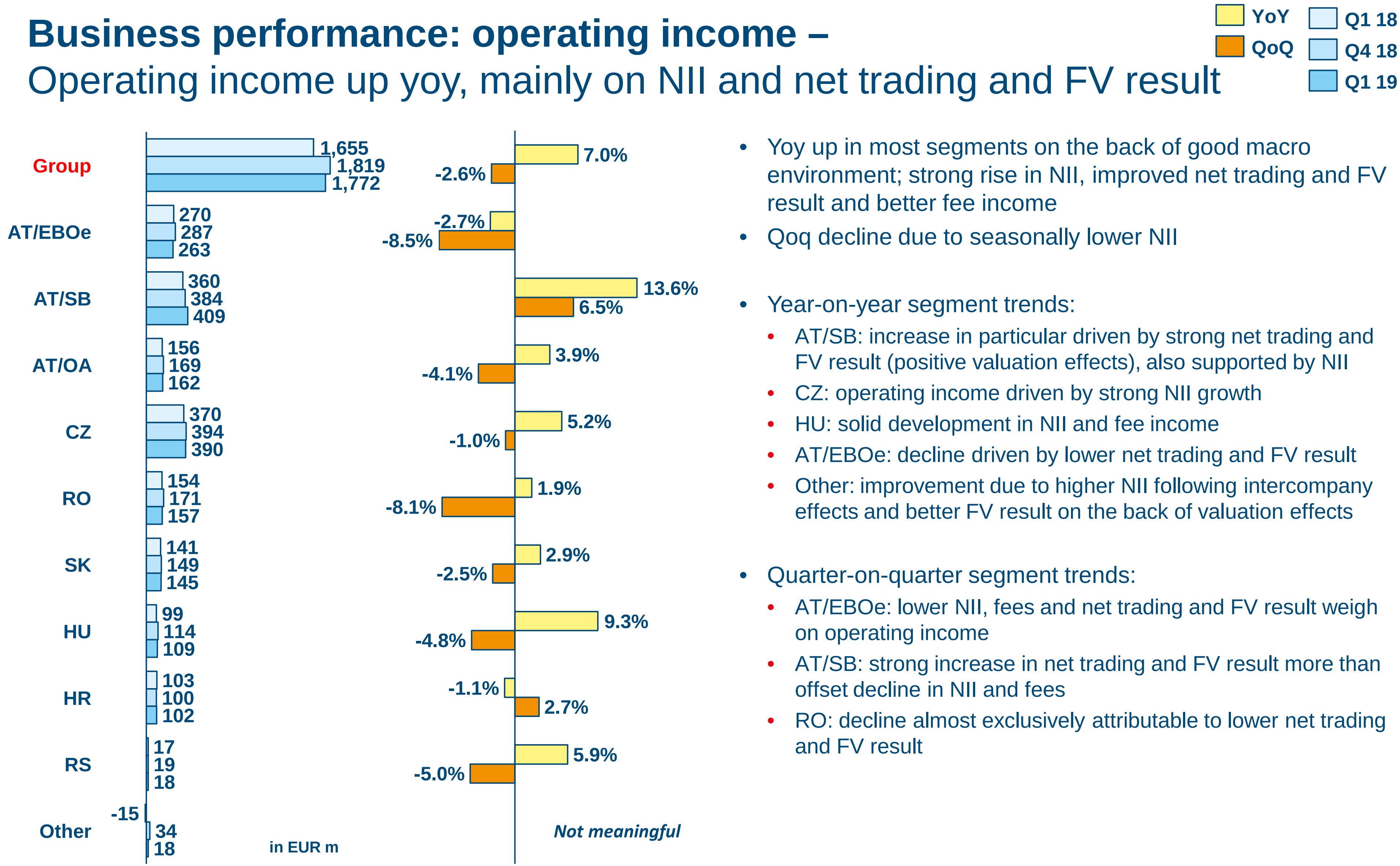
- Yoy NII increase (+7.2%) mainly driven by AT and CZ due to higher business volumes and in CZ rising interest rates; also strong contribution from RO; NIM decline due to changed balance sheet structure, resulting in higher interest-bearing assets
- Qoq decline attributable to fewer calendar days in Q1, lower MM business contribution in the Holding and minor pos. one-off in AT/EBOe in Q4 18 (EUR 5m)

- Year-on-year segment trends:
  - CZ: higher rates and volumes push NII up; decline in NIM mainly related to technical effect of shifting cash to interbank assets, ie overnight CNB facility to 2-week repo
  - AT/SB: rising NII due to volume growth across savings banks
  - AT/OA: increased volumes in reverse repo/MM business
  - RO: higher interbank rates following rate hikes and higher volumes drive NII growth

- Quarter-on-quarter segment trends:
  - All segments affected by fewer calendar days
  - CZ: lower ALM contribution weigh on NII
  - AT/OA: lower reverse repo and MM business compared to exceptionally strong Q4 18
  - AT/EBOe: minor positive one-off in Q4 18 (EUR 5m) result in declining NII

ERSTE Group

Business performance: operating income –
Operating income up yoy, mainly on NII and net trading and FV result

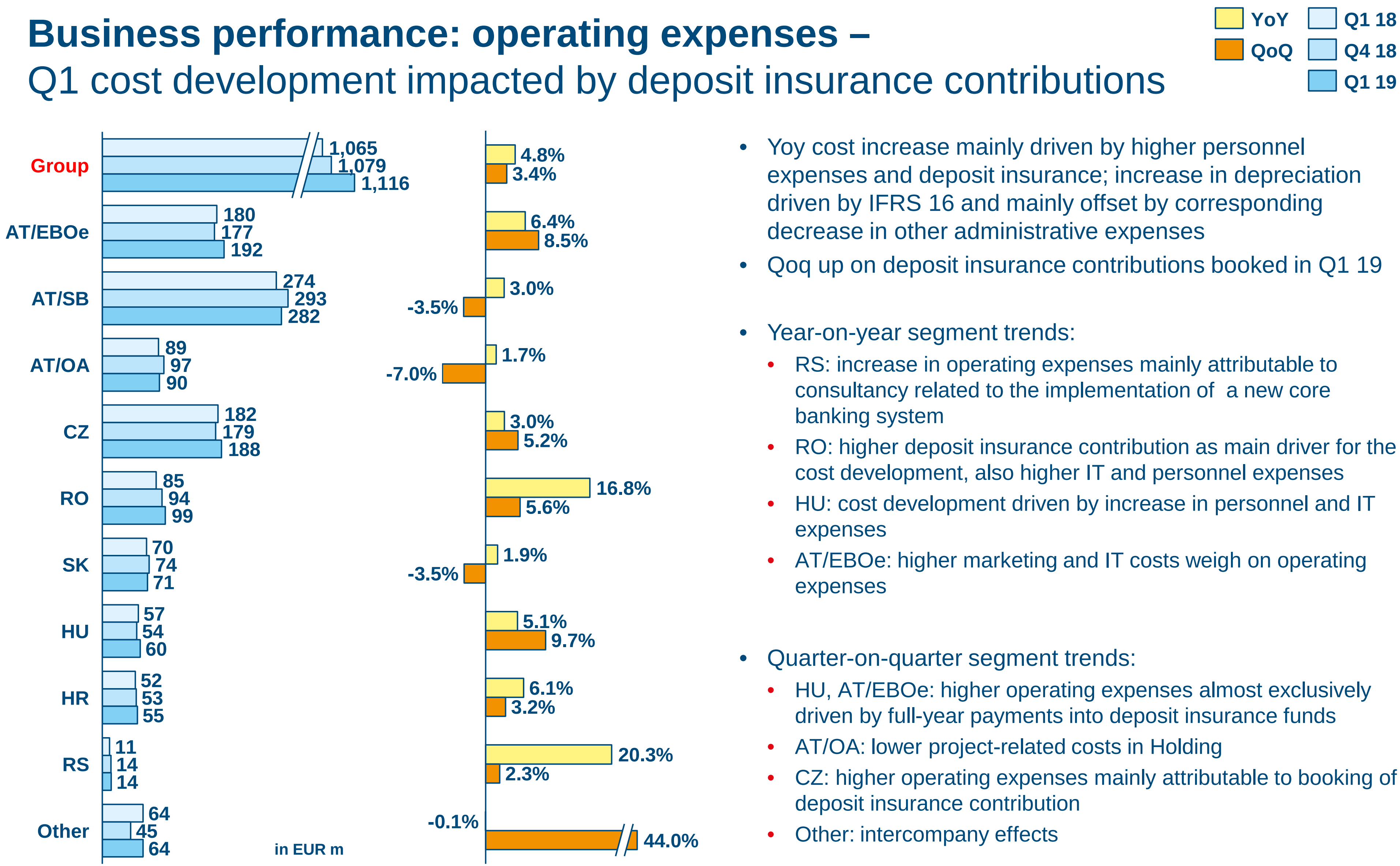


- Yoy up in most segments on the back of good macro environment; strong rise in NII, improved net trading and FV result and better fee income
- Qoq decline due to seasonally lower NII

- Year-on-year segment trends:
  - AT/SB: increase in particular driven by strong net trading and FV result (positive valuation effects), also supported by NII
  - CZ: operating income driven by strong NII growth
  - HU: solid development in NII and fee income
  - AT/EBOe: decline driven by lower net trading and FV result
  - Other: improvement due to higher NII following intercompany effects and better FV result on the back of valuation effects

- Quarter-on-quarter segment trends:
  - AT/EBOe: lower NII, fees and net trading and FV result weigh on operating income
  - AT/SB: strong increase in net trading and FV result more than offset decline in NII and fees
  - RO: decline almost exclusively attributable to lower net trading and FV result

Business performance: operating expenses –
Q1 cost development impacted by deposit insurance contributions



- Yoy cost increase mainly driven by higher personnel expenses and deposit insurance; increase in depreciation driven by IFRS 16 and mainly offset by corresponding decrease in other administrative expenses
- Qoq up on deposit insurance contributions booked in Q1 19

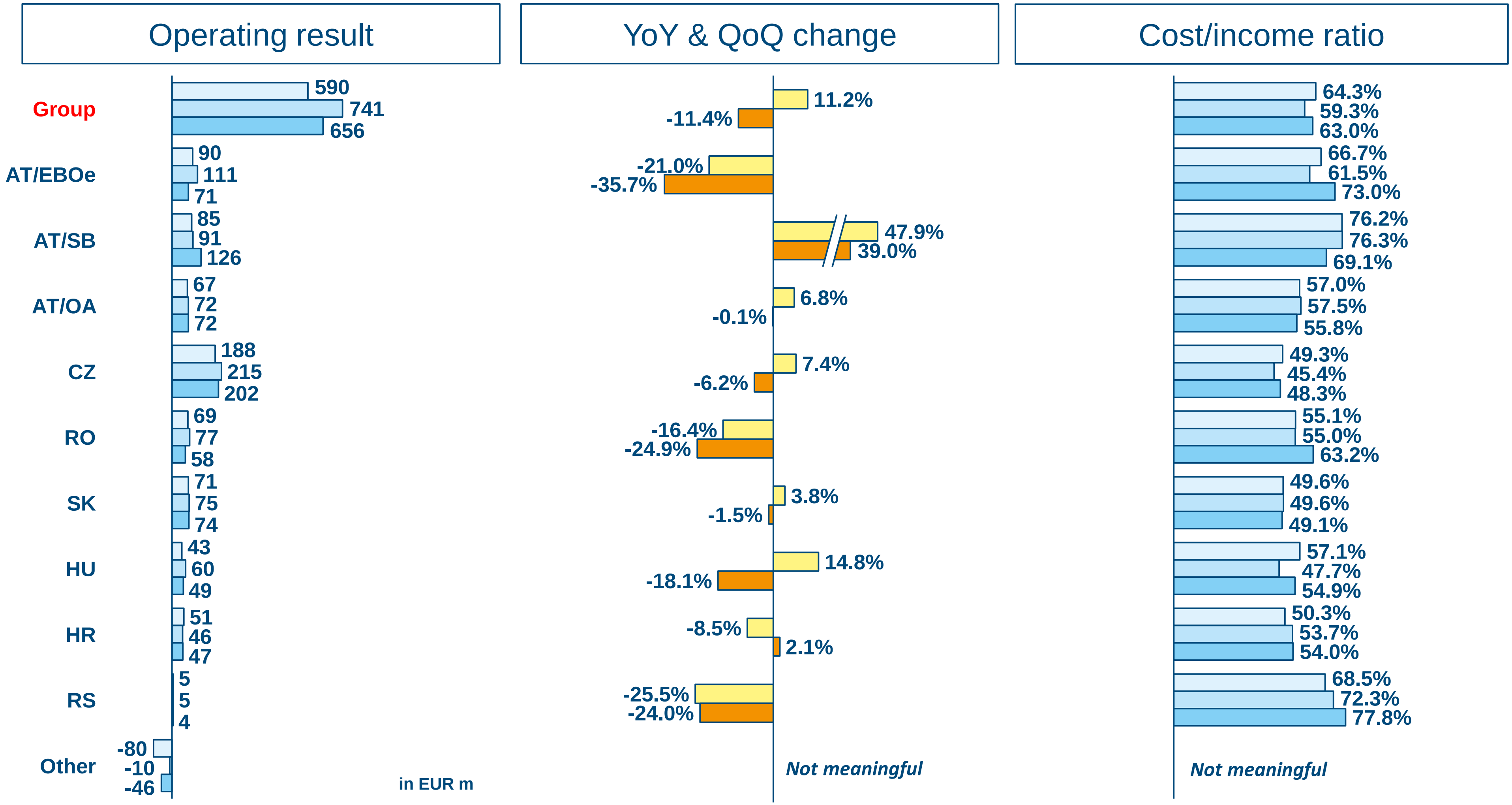
- Year-on-year segment trends:
  - RS: increase in operating expenses mainly attributable to consultancy related to the implementation of a new core banking system
  - RO: higher deposit insurance contribution as main driver for the cost development, also higher IT and personnel expenses
  - HU: cost development driven by increase in personnel and IT expenses
  - AT/EBOe: higher marketing and IT costs weigh on operating expenses

- Quarter-on-quarter segment trends:
  - HU, AT/EBOe: higher operating expenses almost exclusively driven by full-year payments into deposit insurance funds
  - AT/OA: lower project-related costs in Holding
  - CZ: higher operating expenses mainly attributable to booking of deposit insurance contribution
  - Other: intercompany effects

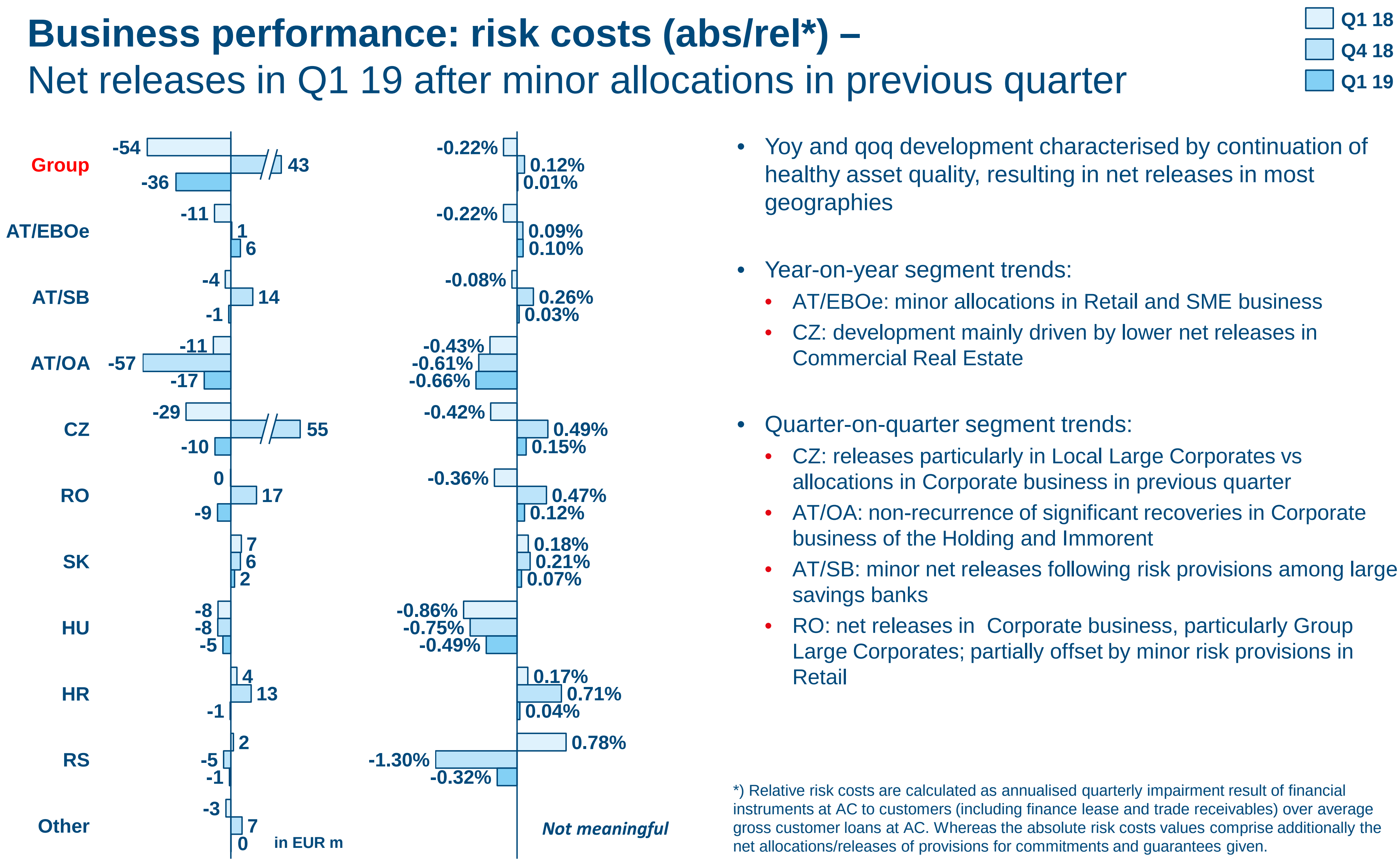
ERSTE Group

Business performance: operating result and CIR –
Operating result up 11.2% yoy, qoq decline due to deposit insurance

YoY QoQ Q1 18 Q4 18 Q1 19



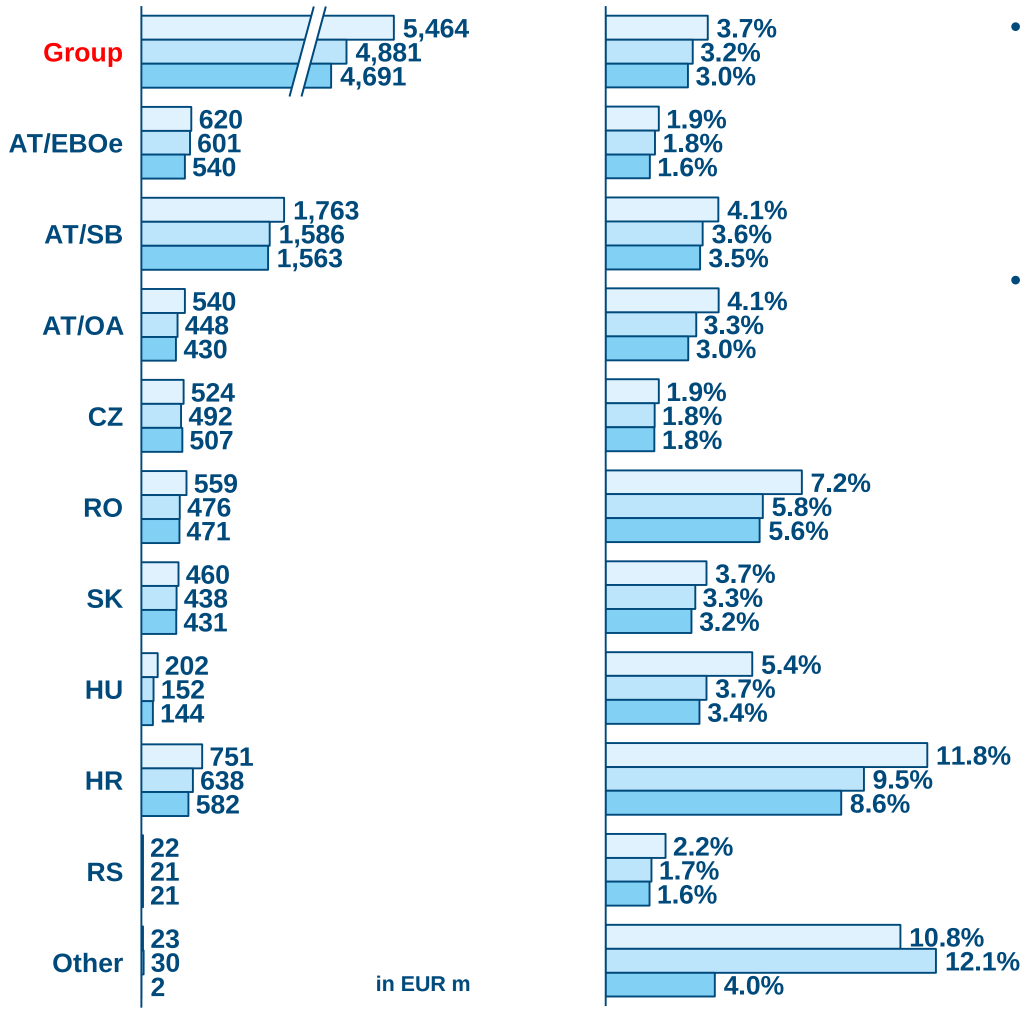
Business performance: risk costs (abs/rel*) –
Net releases in Q1 19 after minor allocations in previous quarter



- Yoy and qoq development characterised by continuation of healthy asset quality, resulting in net releases in most geographies
- Year-on-year segment trends:
  - AT/EBOe: minor allocations in Retail and SME business
  - CZ: development mainly driven by lower net releases in Commercial Real Estate
- Quarter-on-quarter segment trends:
  - CZ: releases particularly in Local Large Corporates vs allocations in Corporate business in previous quarter
  - AT/OA: non-recurrence of significant recoveries in Corporate business of the Holding and Immorent
  - AT/SB: minor net releases following risk provisions among large savings banks
  - RO: net releases in Corporate business, particularly Group Large Corporates; partially offset by minor risk provisions in Retail

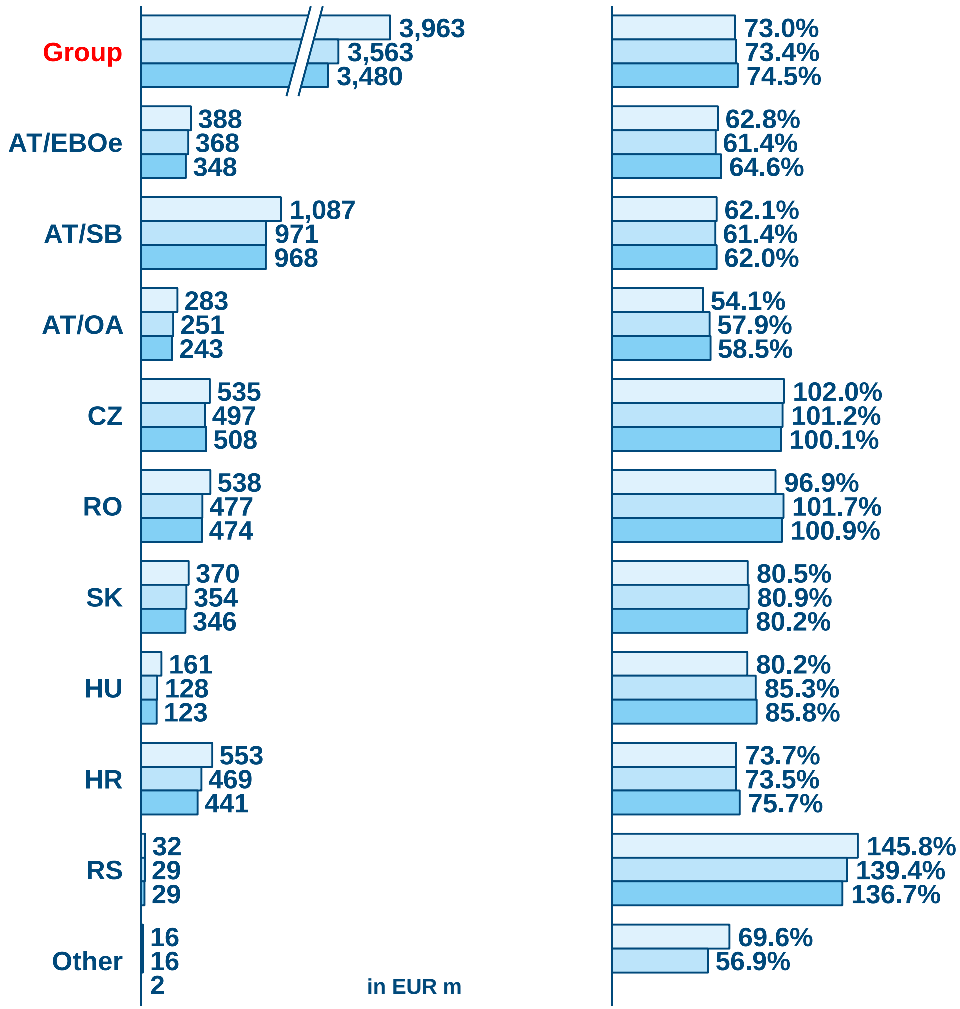
*) Relative risk costs are calculated as annualised quarterly impairment result of financial instruments at AC to customers (including finance lease and trade receivables) over average gross customer loans at AC. Whereas the absolute risk costs values comprise additionally the net allocations/releases of provisions for commitments and guarantees given.

Business performance: non-performing loans and NPL ratio –
NPL ratio improves further to 3.0%



- NPL volume declines qoq by EUR 0.2bn to EUR 4.7bn in Q1 19 concurrent with loan growth leading to the NPL ratio improvement. NPL volume development was supported by:
  - Gross new inflows at historically low levels
  - Continued high recoveries
- NPL sales of EUR 43.3m in Q1 19 (Q4 18: EUR 108.3m)
  - Retail: EUR 40.1m (Q4 18: EUR 66.6m)
  - Corporates: EUR 3.3m (Q4 18: EUR 41.7m)
  - Q1 19 NPL sales mainly in Slovakia

Business performance: allowances for loans and NPL coverage – NPL coverage rises to 74.5%

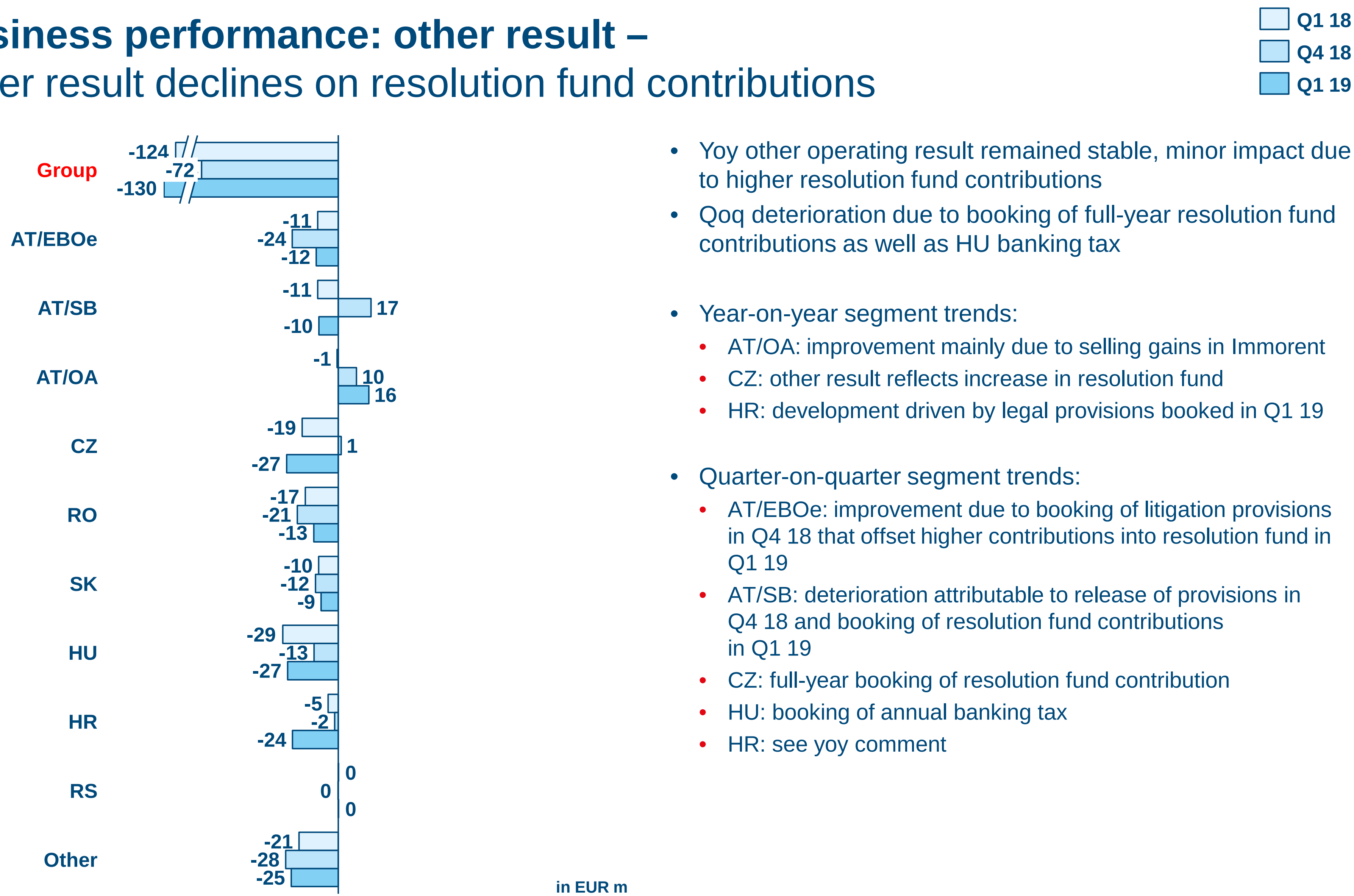


- NPL coverage rises yoy and qoq, exceptionally strong in Central & Eastern Europe
- Stock of provisions and stock of NPLs declined further

- Year-on-year segment trends:
  - AT/OA, HU, RO: significant reduction in NPLs results in higher coverage
  - No material changes in other markets; excellent macro backdrop allows for release of provisions in most markets

- Quarter-on-quarter segment trends:
  - AT/EBOe: coverage improves as NPL stock decreases proportionally more than allowances
  - In CEE, except CZ, allowances decline in line with NPLs

Business performance: other result –
Other result declines on resolution fund contributions



- Yoy other operating result remained stable, minor impact due to higher resolution fund contributions
- Qoq deterioration due to booking of full-year resolution fund contributions as well as HU banking tax

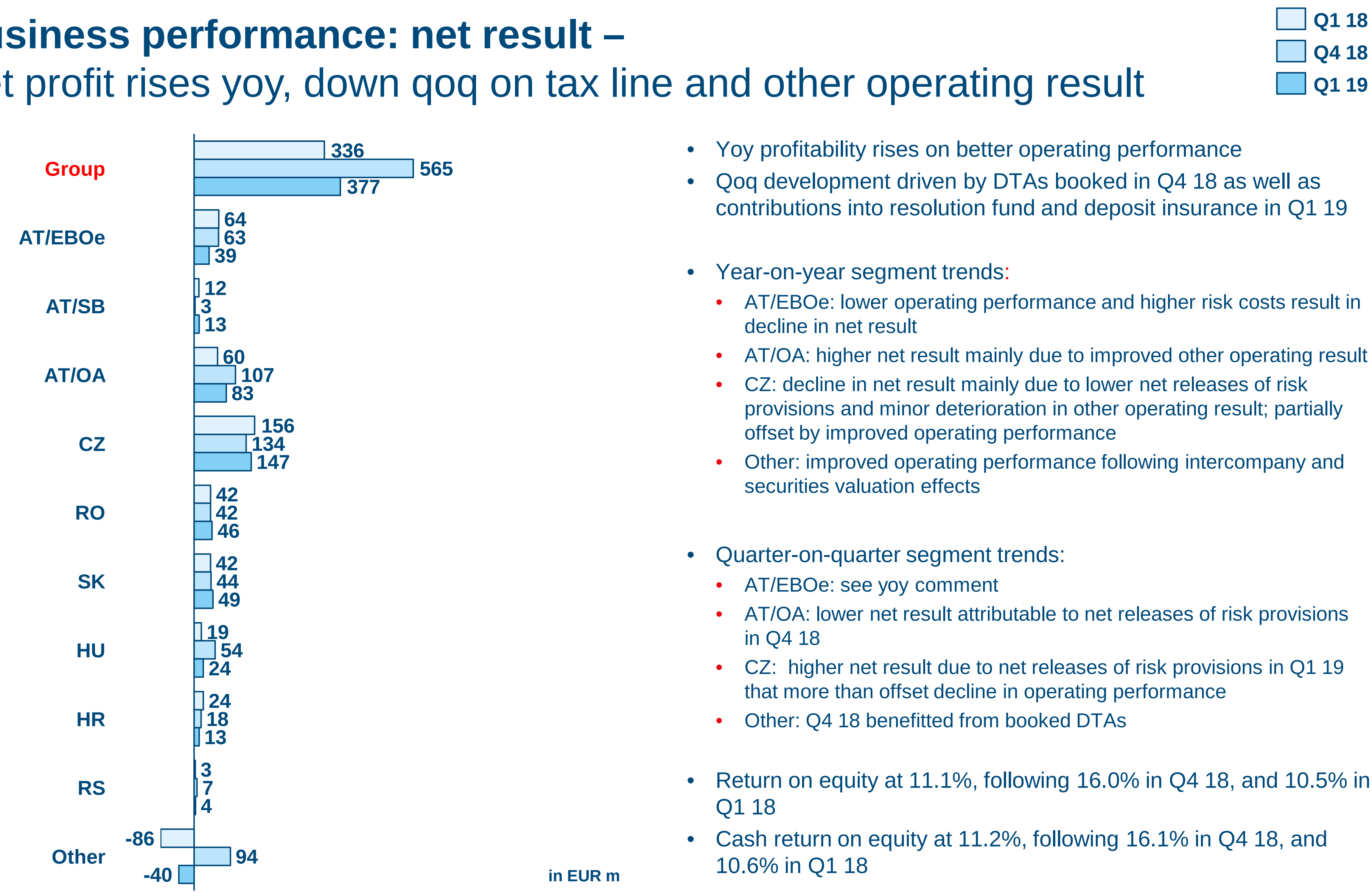
- Year-on-year segment trends:
  - AT/OA: improvement mainly due to selling gains in Immorent
  - CZ: other result reflects increase in resolution fund
  - HR: development driven by legal provisions booked in Q1 19

- Quarter-on-quarter segment trends:
  - AT/EBOe: improvement due to booking of litigation provisions in Q4 18 that offset higher contributions into resolution fund in Q1 19
  - AT/SB: deterioration attributable to release of provisions in Q4 18 and booking of resolution fund contributions in Q1 19
  - CZ: full-year booking of resolution fund contribution
  - HU: booking of annual banking tax
  - HR: see yoy comment

ERSTE Group

Business performance: net result –

Net profit rises yoy, down qoq on tax line and other operating result



- Yoy profitability rises on better operating performance
- Qoq development driven by DTAs booked in Q4 18 as well as contributions into resolution fund and deposit insurance in Q1 19

- Year-on-year segment trends:
  - AT/EBOe: lower operating performance and higher risk costs result in decline in net result
  - AT/OA: higher net result mainly due to improved other operating result
  - CZ: decline in net result mainly due to lower net releases of risk provisions and minor deterioration in other operating result; partially offset by improved operating performance
  - Other: improved operating performance following intercompany and securities valuation effects

- Quarter-on-quarter segment trends:
  - AT/EBOe: see yoy comment
  - AT/OA: lower net result attributable to net releases of risk provisions in Q4 18
  - CZ: higher net result due to net releases of risk provisions in Q1 19 that more than offset decline in operating performance
  - Other: Q4 18 benefitted from booked DTAs

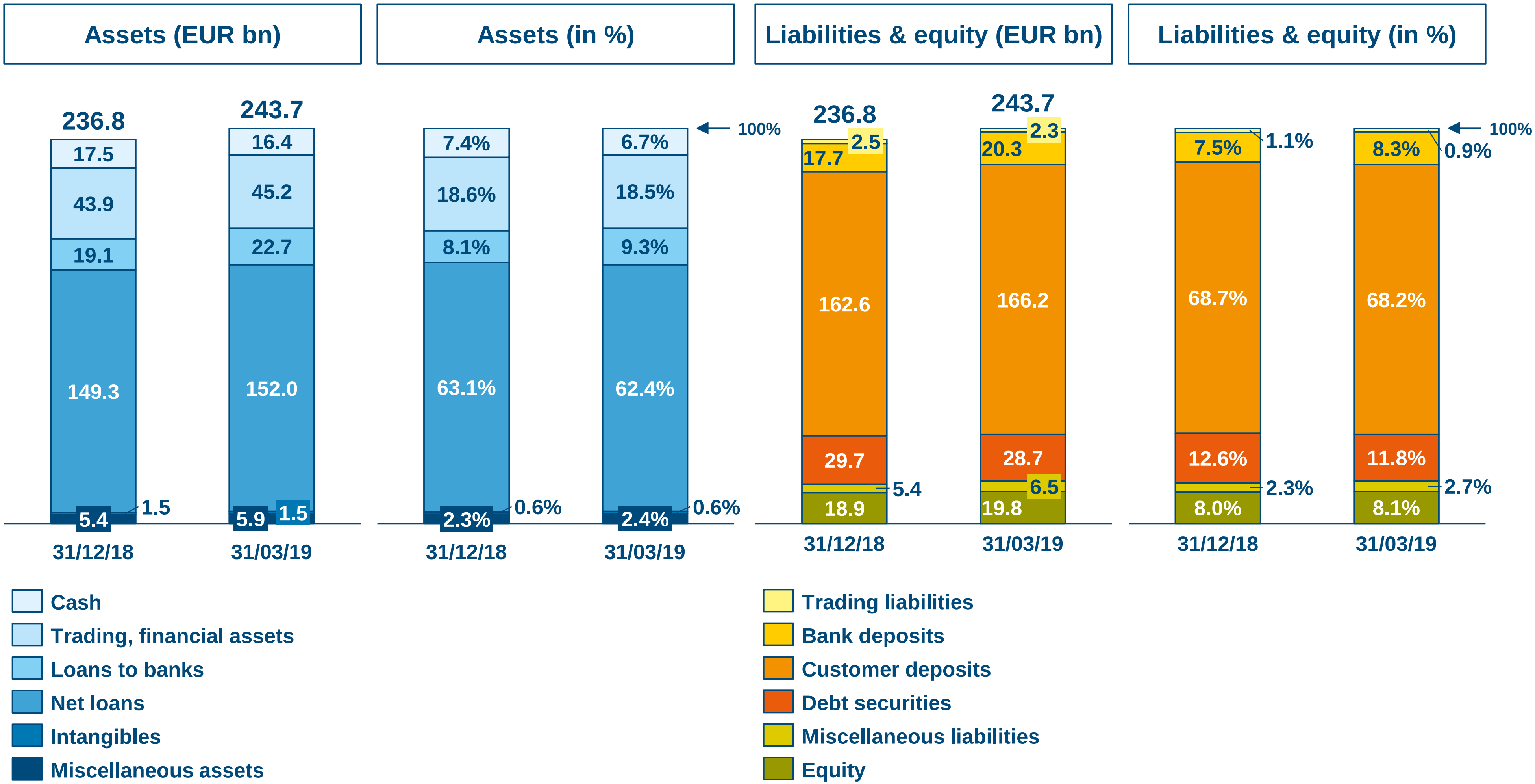
- Return on equity at 11.1%, following 16.0% in Q4 18, and 10.5% in Q1 18
- Cash return on equity at 11.2%, following 16.1% in Q4 18, and 10.6% in Q1 18

Presentation topics

- Executive summary
- Business environment
- Business performance
- Assets and liabilities
- Outlook
- Additional information

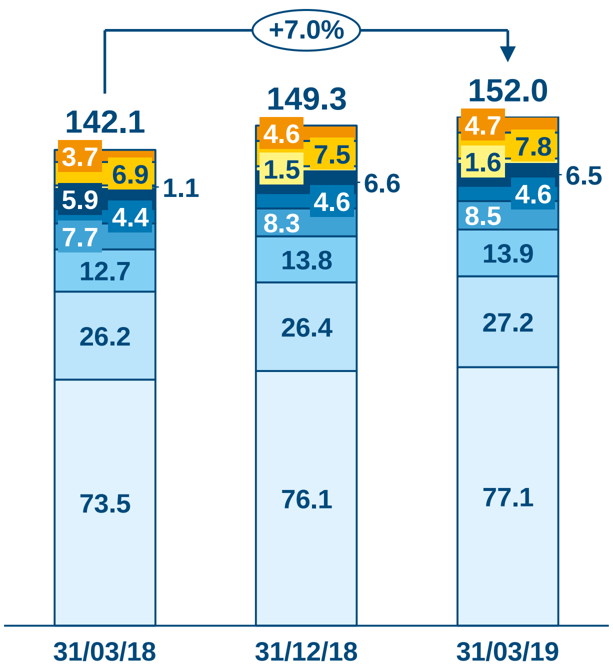
ERSTE Group

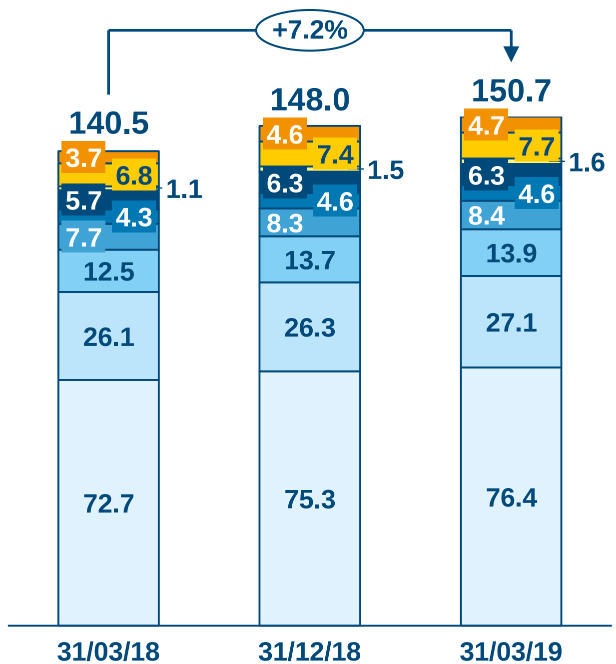
Assets and liabilities: YTD overview –
Loan/deposit ratio stable at 91.4% at Mar 19 (Dec 18: 91.8%)

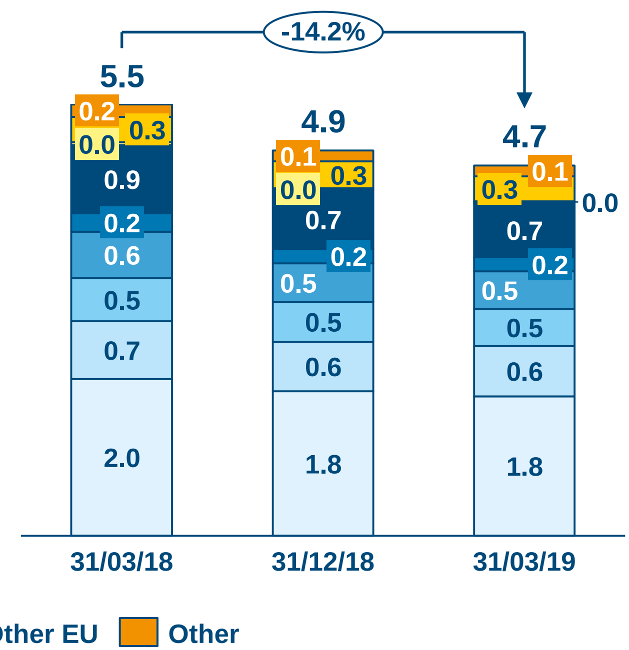


Assets and liabilities: customer loans by country of risk –

Net customer loans up 1.8%, NPLs down 3.9% ytd



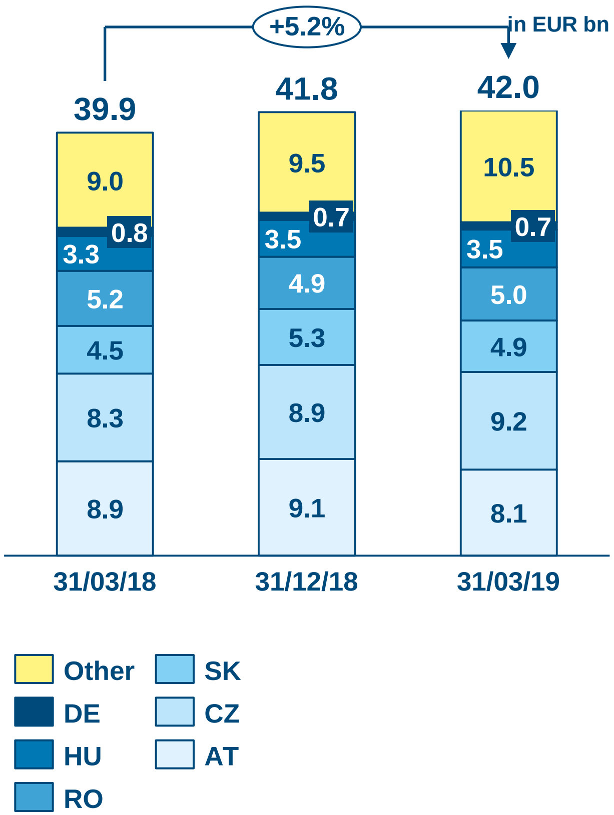




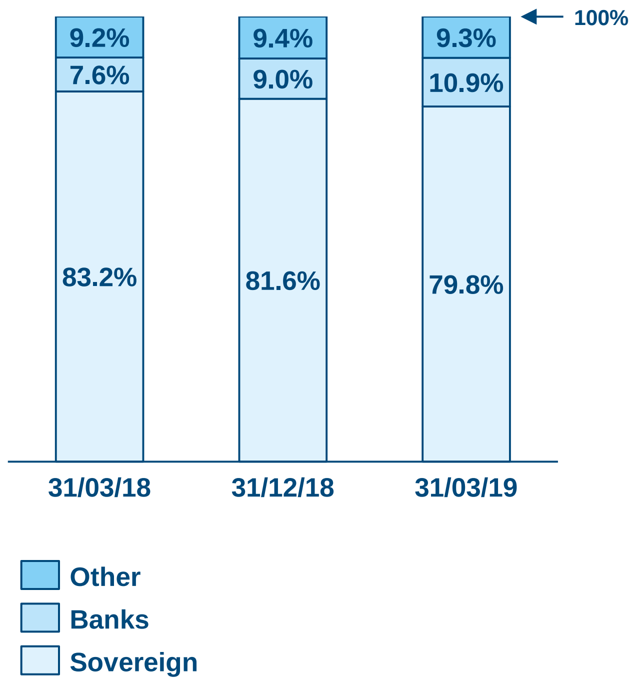
- Performing loans enjoy solid growth in all geographies
- Corporates business lines (+10.9%) contribute yoy more visibly to growing performing loans than Retail (+5.4%)
- 14.2% yoy decline in NPL stock driven by reductions across all geographies

Assets and liabilities: financial and trading assets * –
LCR at excellent 150.9%

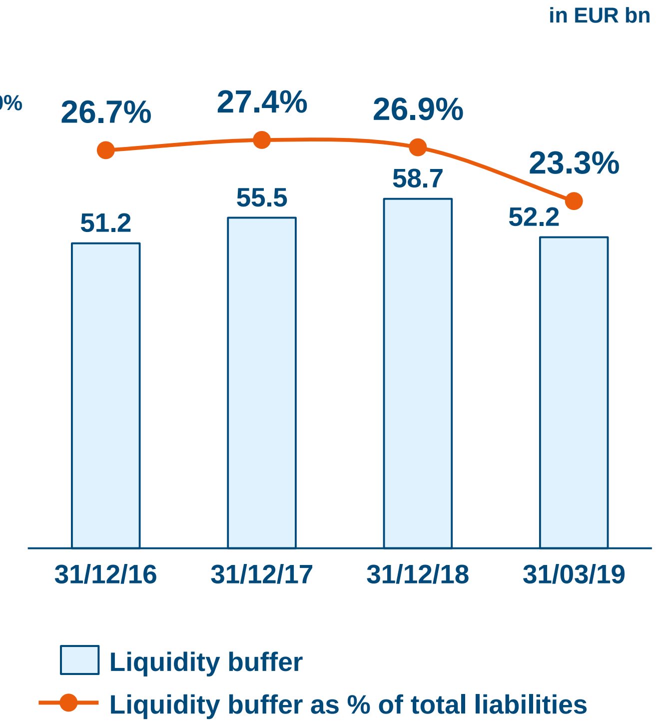
By geography



By debtor type



Liquidity buffer

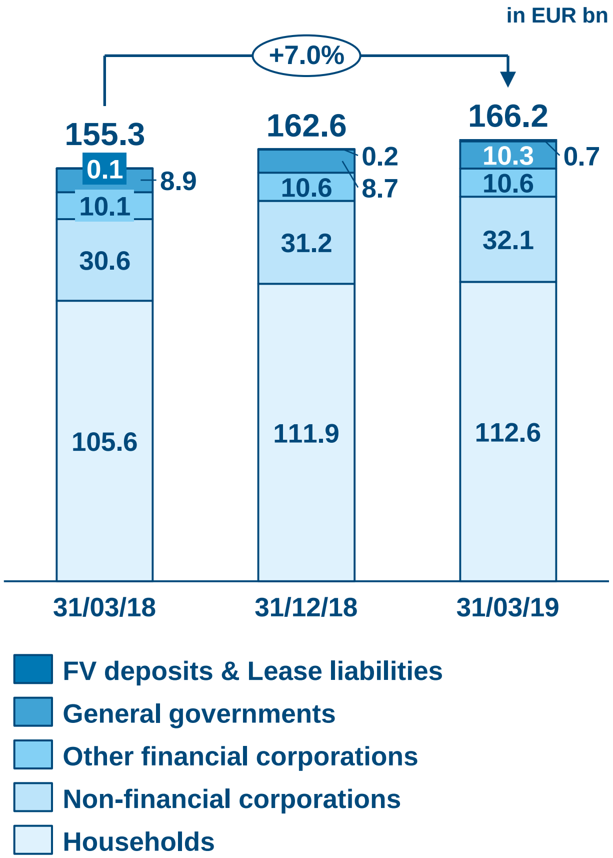


- Liquidity buffer is defined as unencumbered collateral plus cash
- Total liabilities are defined as total on balance sheet liabilities excluding total equity

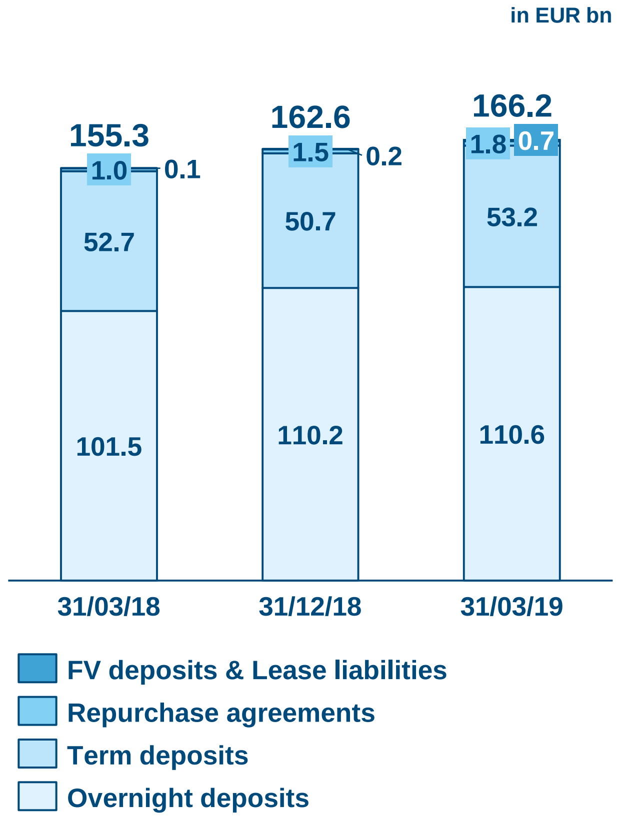
* Excludes derivatives held for trading.

Assets and liabilities: customer deposit funding –
Customer deposits grow by 2.2% ytd, driven by households and corporates

By customer type



By product type

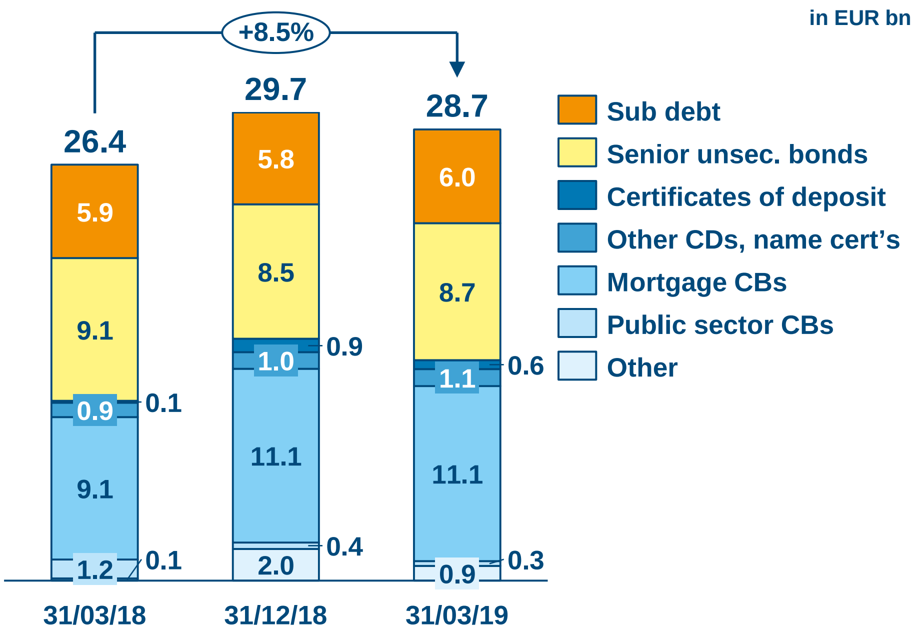


Highlights

- Continued deposit inflows driven by Retail segment with highest demand for overnight deposits amid low interest rate environment
- Solid growth also in corporate and public sector deposits
- Increasing share of overnight deposits with significantly longer behavioural maturity provides a cost effective funding source

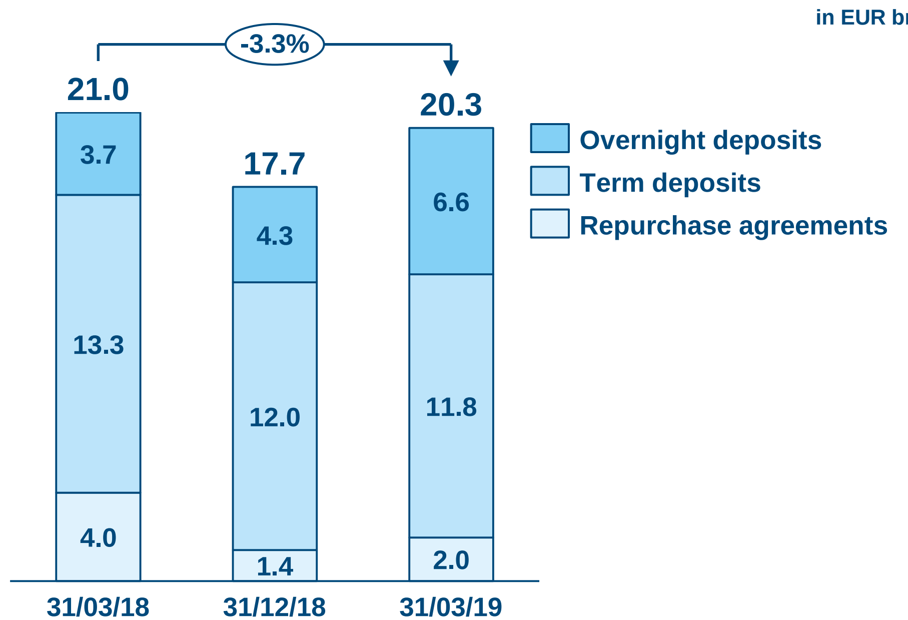
Assets and liabilities: debt vs interbank funding –
Taking advantage of favourable market conditions

Debt securities issued



- Amount of debt stable in Q1 19. After a period of issuing wholesale covered bonds and capital (AT1), the bank again started to issue wholesale senior unsecured; benchmark issue in April 19 to be seen in Q2 19 results.

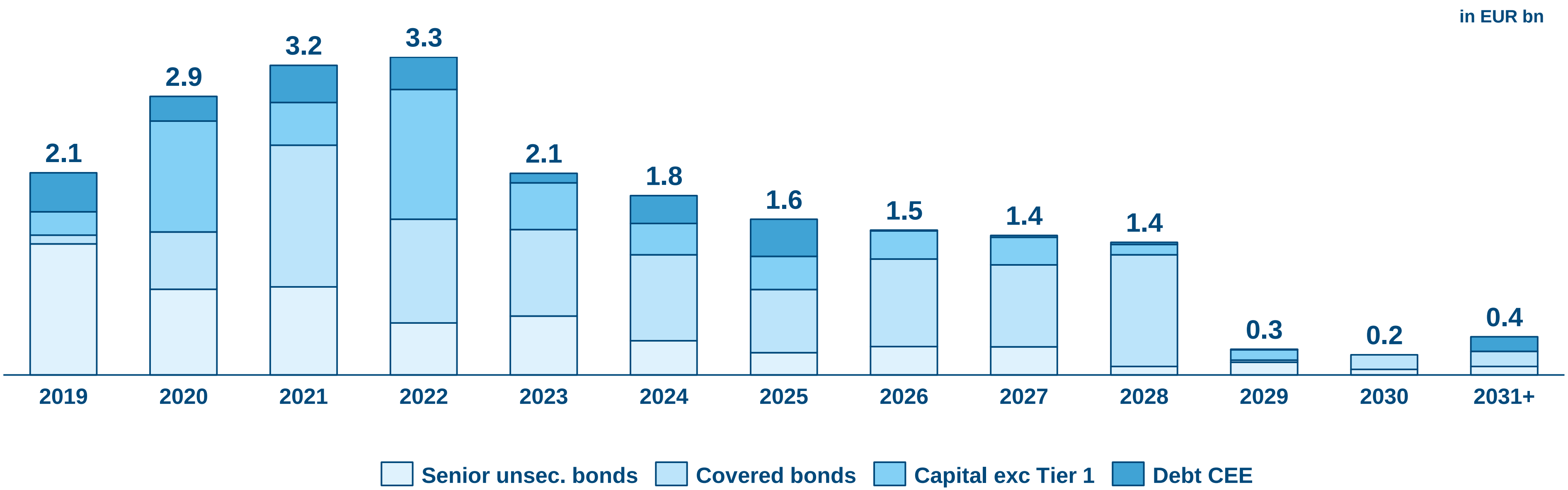
Interbank deposits



- Stable development of interbank deposits

Assets and liabilities: LT funding –
Limited LT funding needs in 2019

Maturity profile of debt



- Funding needs in 2019 amount to approx. EUR 3.8bn in various seniorities
- Erste Group capitalised on favourable market conditions beginning of March 2019 by issuing a third tranche of AT1 (EUR 500m, perpNC6.6, coupon 5.125%) and targets to fill 1.5%-AT1 bucket by year-end 2020
- Erste Group placed EUR 500m senior preferred at MS+45bps in April and attracted 240 investors with an orderbook above EUR 3.9bn after the last senior benchmark has been printed in 2013

Assets and liabilities: LT funding – MPE resolution strategy

Resolution strategy

- Direct presence in 7 geographically connected countries
- Erste Group's setup suggests a multiple point of entry (MPE) resolution strategy
- When determined, MREL needs are likely to be met with a mix of own funds, senior non-preferred and senior preferred instruments

Austrian resolution group

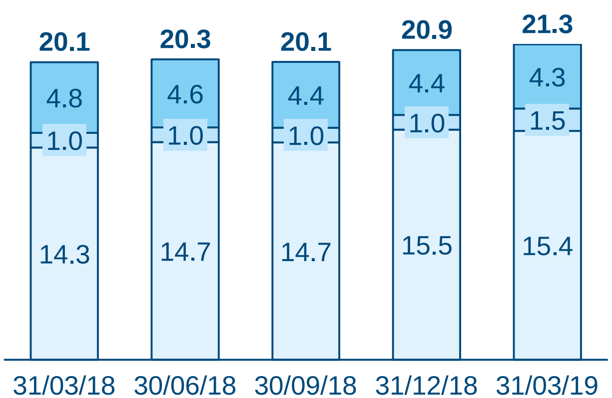
- Major entities within the Austrian resolution group *:
  - Erste Group Bank AG
  - Erste Bank Oesterreich and its subsidiaries
  - All other savings banks of the Haftungsverbund
- Limited non-preferred senior (NPS) need as subordination requirement does not seem to be a limiting factor
- NPS out of Austrian resolution group is expected to have a positive impact on the senior unsecured rating
- NPS benchmark issuance by Erste Group Bank AG planned in 2019 and 2020 to further strengthen subordination layer in capital structure

* Subject to joint decision of resolution authorities

Assets and liabilities: capital position –
B3FL CET1 ratio at 13.2% (excluding interim profit)

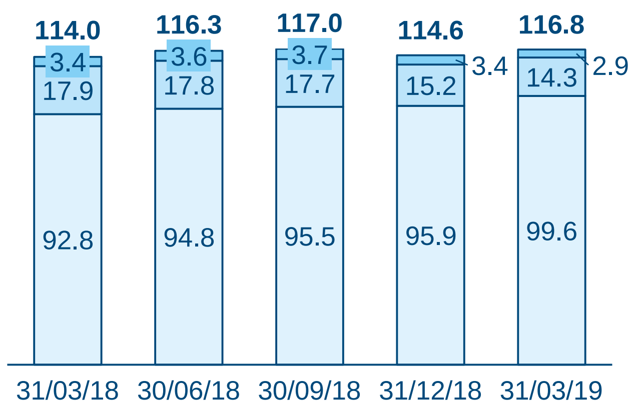
Basel 3 capital (phased-in)

in EUR bn

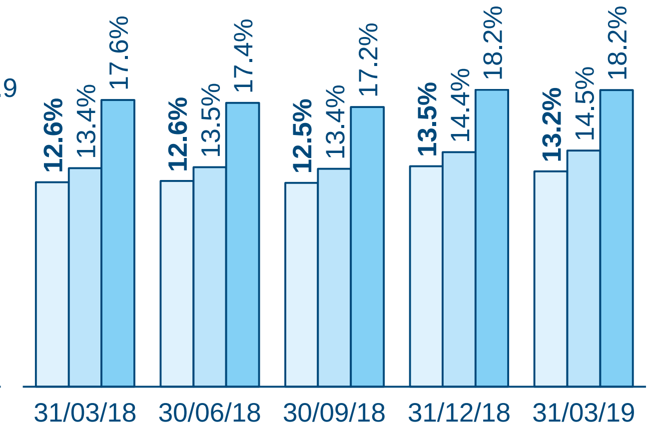


Risk-weighted assets (phased-in)

in EUR bn



Basel 3 capital ratios (phased-in)



- CET1 capital: -EUR 65m mainly on
  - Decrease in OCI (considering prudential filters): -EUR 97m
  - Own instruments: +EUR 24m
  - Increase in IRB shortfall: -EUR 17m
- Non-inclusion of interim profit in Q1 19
- AT1 issuance in March 19: +EUR 497m

- Credit RWA: +EUR 3.7bn ytd
  - Business effects (loan growth): +EUR 2.8bn
  - Regulatory one-off effects (mainly IFRS 16) +EUR 1.2bn
  - Portfolio changes (migration): -EUR 0.3bn
- Operational RWA declined further on parameter updates

- B3FL CET1 ratio at 13.2% at 31 Mar 2019 (YE 2018: 13.5%)
- B3FL total capital ratio at 18.2% (YE 2018: 18.1%)

Presentation topics

- Executive summary
- Business environment
- Business performance
- Assets and liabilities
- Outlook
- Additional information

Conclusion – Outlook 2019

Macro outlook 2019	• Real GDP growth of approx. 3% expected in 2019 in CEE and about 2% in Austria • Real GDP growth to be driven by solid domestic demand, as real wage growth and low unemployment support economic activity in CEE • Solid public finances across CEE

Business outlook 2019	• ROTE for 2019 targeted at >11% (based on average tangible equity)
	  • Revenue growth > cost growth based on mid-single digit loan growth
	  • Risk costs to rise, but to remain at historically low levels (10-20bps)
	  • Other operating result negatively impacted by Romanian banking tax (max EUR 20m)
	  • Tax rate expected below 20%

Risk factors for guidance	• Impact from other than expected interest rate development • Political or regulatory measures against banks • Geopolitical risks and global economic risks

Presentation topics

- Executive summary
- Business environment
- Business performance
- Assets and liabilities
- Outlook
- Additional information

Additional information: new segmentation –
Business line and geographic view

Erste Group – Business segments

- Retail
- Corporates
  - SME
  - Local Large Corporate
  - Group Large Corporate
  - Commercial Real Estate
  - Public Sector
- Group Markets
- ALM & Local CC (ALM&LCC)
  - Asset/Liability Management
  - Local Corporate Center
- Savings Banks
- Group Corporate Center
  - Other Subsidiaries
  - Group bookings
  - Holding Corporate Center
  - Free Capital
- Intragroup Elimination

Erste Group – Geographical segmentation

- Austria
  - EBOe & Subsidiaries (AT/EBOe)
  - Savings Banks (AT/SB)
  - Other Austria (AT/OA)
    - Holding Business
    - Erste Group Immorent
    - Erste Asset Management
    - Intermarket Bank AG
- Central and Eastern Europe
  - Czech Republic (CZ)
  - Slovakia (SK)
  - Romania (RO
  - Hungary (HU)
  - Croatia (HR)
  - Serbia (RS)
- Other
  - Holding ALM
  - Holding CC
  - Other Subsidiaries
  - Group bookings and IC elimination
  - Free Capital

Additional information: income statement –
Year-to-date and quarterly view*

in EUR million	Year-to-date view 1-3 18	1-3 19	YOY-Δ	Quarterly view Q1 18	Q4 18	Q1 19	YOY-Δ	QOQ-Δ
Net interest income	1,082.6	1,160.9	7.2%	1,082.6	1,210.0	1,160.9	7.2%	-4.1%
Interest income	1,222.0	1,356.6	11.0%	1,222.0	1,374.9	1,356.6	11.0%	-1.3%
Other similar income	473.8	425.3	-10.2%	473.8	437.0	425.3	-10.2%	-2.7%
Interest expenses	-229.7	-271.2	18.1%	-229.7	-270.6	-271.2	18.1%	0.2%
Other similar expenses	-383.5	-349.8	-8.8%	-383.5	-331.3	-349.8	-8.8%	5.6%
Net fee and commission income	478.6	487.7	1.9%	478.6	477.7	487.7	1.9%	2.1%
Fee and commission income	602.9	595.8	-1.2%	602.9	587.0	595.8	-1.2%	1.5%
Fee and commission expenses	-124.3	-108.1	-13.1%	-124.3	-109.3	-108.1	-13.1%	-1.1%
Dividend income	2.6	0.5	-79.6%	2.6	6.7	0.5	-79.6%	-92.0%
Net trading result	11.3	153.3	>100.0%	11.3	48.7	153.3	>100.0%	>100.0%
Gains/losses from financial instruments measured at fair value through profit or loss	30.3	-77.1	n/a	30.3	29.6	-77.1	n/a	n/a
Net result from equity method investments	1.8	1.8	0.8%	1.8	3.1	1.8	0.8%	-42.2%
Rental income from investment properties & other operating leases	47.9	44.6	-7.1%	47.9	43.6	44.6	-7.1%	2.2%
Personnel expenses	-604.5	-621.9	2.9%	-604.5	-643.8	-621.9	2.9%	-3.4%
Other administrative expenses	-344.5	-358.3	4.0%	-344.5	-313.4	-358.3	4.0%	14.3%
Depreciation and amortisation	-115.9	-135.4	16.8%	-115.9	-121.7	-135.4	16.8%	11.3%
Gains/losses from derecognition of financial assets measured at amortised cost	0.1	0.3	>100.0%	0.1	-0.1	0.3	>100.0%	n/a
Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss	4.1	0.7	-82.5%	4.1	-4.1	0.7	-82.5%	n/a
Impairment result from financial instruments	54.4	35.8	-34.3%	54.4	-42.9	35.8	-34.3%	n/a
Other operating result	-128.0	-131.1	2.4%	-128.0	-67.6	-131.1	2.4%	94.0%
Levies on banking activities	-38.6	-38.8	0.7%	-38.6	-24.1	-38.8	0.7%	61.2%
Pre-tax result from continuing operations	**520.7**	**561.8**	**7.9%**	**520.7**	**626.0**	**561.8**	**7.9%**	**-10.3%**
Taxes on income	-114.6	-95.5	-16.6%	-114.6	22.5	-95.5	-16.6%	n/a
Net result for the period	**406.2**	**466.3**	**14.8%**	**406.2**	**648.5**	**466.3**	**14.8%**	**-28.1%**
Net result attributable to non-controlling interests	70.1	89.3	27.4%	70.1	83.3	89.3	27.4%	7.2%
Net result attributable to owners of the parent	**336.1**	**377.0**	**12.2%**	**336.1**	**565.2**	**377.0**	**12.2%**	**-33.3%**
Operating income	1,655.1	1,771.7	7.0%	1,655.1	1,819.5	1,771.7	7.0%	-2.6%
Operating expenses	-1,065.0	-1,115.6	4.8%	-1,065.0	-1,078.8	-1,115.6	4.8%	3.4%
Operating result	**590.2**	**656.0**	**11.2%**	**590.2**	**740.6**	**656.0**	**11.2%**	**-11.4%**

* 1-3 2018 adjusted

Additional information: group balance sheet* –
Assets

in EUR million	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	YOY-Δ	YTD-Δ	QOQ-Δ
	Quarterly data					Change		
Cash and cash balances	25,246	16,888	15,237	17,549	16,382	-35.1%	-6.6%	-6.6%
Financial assets held for trading	6,603	6,888	6,034	5,584	6,331	-4.1%	13.4%	13.4%
Derivatives	3,696	3,804	3,303	3,037	3,208	-13.2%	5.6%	5.6%
Other financial assets held for trading	2,907	3,083	2,731	2,547	3,123	7.4%	22.6%	22.6%
Non-trading financial assets at FVPL	3,405	3,430	3,403	3,310	3,328	-2.3%	0.5%	0.5%
Equity instruments	278	279	303	372	367	32.1%	-1.5%	-1.5%
Debt securities	2,727	2,739	2,717	2,651	2,692	-1.3%	1.6%	1.6%
Loans and advances to banks	0	0	0	0	0	-100.0%	n/a	n/a
Loans and advances to customers	**401**	**412**	**383**	**287**	**269**	**-32.9%**	**-6.2%**	**-6.2%**
Financial assets at FVOCI	10,289	9,965	9,850	9,272	9,207	-10.5%	-0.7%	-0.7%
Equity instruments	262	242	259	239	271	3.3%	13.5%	13.5%
Debt securities	10,027	9,723	9,591	9,033	8,936	-10.9%	-1.1%	-1.1%
Financial assets at AC	172,805	180,748	188,323	189,106	195,852	13.3%	3.6%	3.6%
Debt securities	23,710	24,029	25,430	26,050	26,594	12.2%	2.1%	2.1%
Loans and advances to banks	11,944	17,149	19,972	19,103	22,741	90.4%	19.0%	19.0%
Loans and advances to customers	**137,151**	**139,570**	**142,921**	**143,953**	**146,518**	**6.8%**	**1.8%**	**1.8%**
Finance lease receivables	3,561	3,676	3,715	3,763	3,779	6.1%	0.4%	0.4%
Hedge accounting derivatives	103	116	90	132	139	35.0%	4.7%	4.7%
Property and equipment	2,342	2,363	2,327	2,293	2,663	13.7%	16.2%	16.2%
Investment properties	1,106	1,102	1,100	1,159	1,243	12.4%	7.3%	7.3%
Intangible assets	1,511	1,507	1,483	1,507	1,489	-1.5%	-1.2%	-1.2%
Investments in associates and joint ventures	197	201	200	198	200	1.3%	0.8%	0.8%
Current tax assets	122	125	110	101	98	-19.7%	-3.2%	-3.2%
Deferred tax assets	319	320	333	402	412	29.0%	2.4%	2.4%
Assets held for sale	228	203	196	213	141	-38.0%	-33.8%	-33.8%
Trade and other receivables	947	1,072	1,292	1,318	1,391	46.9%	5.5%	5.5%
Other assets	1,235	1,274	1,136	882	1,050	-15.0%	19.0%	19.0%
Total assets	**230,018**	**229,878**	**234,827**	**236,792**	**243,706**	**6.0%**	**2.9%**	**2.9%**

* Mar 2018 adjusted

Additional information: group balance sheet* –
Liabilities and equity

in EUR million	Quarterly data					Change		
	Mar 18	**Jun 18**	**Sep 18**	**Dec 18**	**Mar 19**	**YOY-Δ**	**YTD-Δ**	**QOQ-Δ**
Financial liabilities HfT	2,940	3,070	2,865	2,508	2,277	-22.5%	-9.2%	-9.2%
Derivatives	2,384	2,529	2,153	2,000	1,979	-17.0%	-1.1%	-1.1%
Other financial liabilities held for trading	555	541	712	508	298	-46.3%	-41.3%	-41.3%
Financial liabilities at FVPL	14,478	14,473	14,267	14,122	14,449	-0.2%	2.3%	2.3%
Deposits from customers	**58**	**56**	**62**	**212**	**229**	**>100.0%**	**8.0%**	**8.0%**
Debt securities issued	13,855	13,874	13,668	13,446	13,784	-0.5%	2.5%	2.5%
Other financial liabilities	565	544	537	464	436	-22.8%	-6.1%	-6.1%
Financial liabilities at AC	189,427	189,875	194,025	196,863	201,357	6.3%	2.3%	2.3%
Deposits from banks	20,988	17,867	19,086	17,658	20,295	-3.3%	14.9%	14.9%
Deposits from customers	**155,248**	**156,775**	**159,765**	**162,426**	**165,556**	**6.6%**	**1.9%**	**1.9%**
Debt securities issued	12,596	14,601	14,582	16,293	14,886	18.2%	-8.6%	-8.6%
Other financial liabilities	595	633	591	486	620	4.1%	27.5%	27.5%
Lease liabilities	0	0	0	0	432	>100.0%	>100.0%	>100.0%
Hedge accounting derivatives	277	311	342	277	285	2.9%	2.8%	2.8%
Fair value changes of hedged items in portfolio hedge of interest rate risk	0	0	0	0	0	>100.0%	-9.2%	-9.2%
Provisions	1,799	1,688	1,628	1,705	1,877	4.3%	10.1%	10.1%
Current tax liabilities	114	127	126	99	88	-22.8%	-11.5%	-11.5%
Deferred tax liabilities	54	65	67	23	30	-44.3%	32.3%	32.3%
Liabilities associated with assets held for sale	4	3	3	3	6	60.1%	72.2%	72.2%
Other liabilities	2,958	2,558	3,109	2,323	3,151	6.5%	35.6%	35.6%
Total equity	**17,968**	**17,708**	**18,396**	**18,869**	**19,754**	**9.9%**	**4.7%**	**4.7%**
Equity attributable to non-controlling interests	4,353	4,402	4,518	4,494	4,570	5.0%	1.7%	1.7%
Additional equity instruments	993	993	993	993	1,490	50.1%	50.1%	50.1%
Equity attributable to owners of the parent	12,622	12,313	12,884	13,381	13,694	8.5%	2.3%	2.3%
Subscribed capital	860	860	860	860	860	0.0%	0.0%	0.0%
Additional paid-in capital	1,477	1,477	1,477	1,477	1,477	0.0%	0.0%	0.0%
Retained earnings and other reserves	10,286	9,977	10,548	11,045	11,358	10.4%	2.8%	2.8%
Total liabilities and equity	**230,018**	**229,878**	**234,827**	**236,792**	**243,706**	**6.0%**	**2.9%**	**2.9%**

* Mar 2018 adjusted

Additional information: regulatory capital position/requirement (SREP) –

Capital requirements (SREP) for 2019; Erste Group target of 13.5% unchanged

- Combined impact of countercyclical buffers amounts to 44bps in 2019
- Management buffer targeted in 100-150bps range

	Erste Group Consolidated				Erste Group Unconsolidated		
	Phased-in			Fully loaded	Phased-in		Fully loaded
	2017	2018	2019	2019e	2018	2019	2019e
Pillar 1 CET1 requirement	**4.50%**	**4.50%**	**4.50%**	**4.50%**	**4.50%**	**4.50%**	**4.50%**
Combined buffer requirement	**1.90%**	**3.19%**	**4.87%**	**4.94%**	**3.07%**	**4.73%**	**4.77%**
Capital conservation buffer	1.25%	1.88%	2.50%	2.50%	1.88%	2.50%	2.50%
Countercyclical capital buffer 2)	0.15%	0.31%	0.37%	0.44%	0.20%	0.23%	0.27%
OSII/Systemic risk buffer	0.50%	1.00%	2.00%	2.00%	1.00%	2.00%	2.00%
Pillar 2 CET1 requirement	**1.75%**	**1.75%**	**1.75%**	**1.75%**	**1.75%**	**1.75%**	**1.75%**
Pillar 2 CET1 guidance		**1.05%**	**1.00%**	**1.00%**	**0.00%**	**0.00%**	**0.00%**
Regulatory minimum ratios excluding P2G							
CET1 requirement	8.15%	9.44%	11.12%	11.19%	9.32%	10.98%	11.02%
1.50% AT1 Tier 1 requirement	9.65%	10.94%	12.62%	12.69%	10.82%	12.48%	12.52%
2.00% T2 Own funds requirement	11.65%	12.94%	14.62%	14.69%	12.82%	14.48%	14.52%
Regulatory minimum ratios including P2G							
CET1 requirement	**9.81%**	**10.49%**	**12.12%**	**12.19%**	**9.32%**	**10.98%**	**11.02%**
1.50% AT1 Tier 1 requirement	9.65%	10.94%	12.62%	12.69%	10.82%	12.48%	12.52%
2.00% T2 Own funds requirement	11.65%	12.94%	14.62%	14.69%	12.82%	14.48%	14.52%
Reported CET1 ratio as of March 2019 1)			**13.22%**		**21,35%3)**		

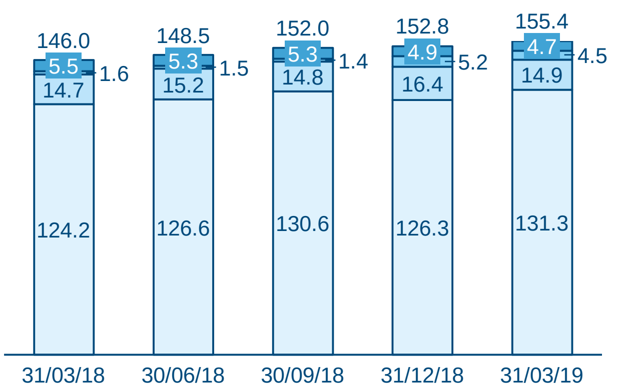
- Buffer to MDA restriction as of 31 Mar 19: 189bps
- Available distributable items (ADI) as of 31 Mar 19: EUR 2.7bn (pre dividend and AT1 coupon)

1) Consolidated capital ratios pursuant to IFRS. Unconsolidated capital ratios pursuant to Austrian Commercial Code (UGB) and on phased-in basis. ADIs pursuant to UGB.
2) Planned values based on Q1 2019 exposure (Q1 19 countercyclical buffer of 0.37% for Erste Group consolidated)
3) Unconsolidated figures are based on Q4 2018.

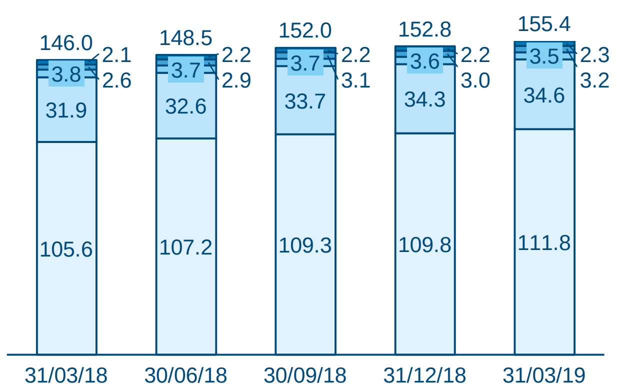
Additional information: gross customer loans –

By risk category, by currency, by industry

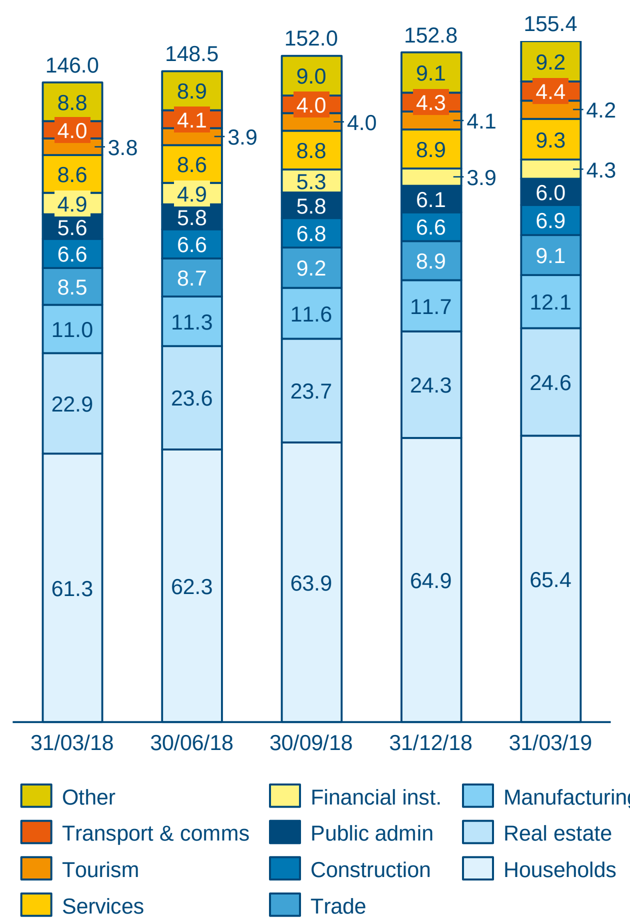
Gross cust. loans by risk category (EUR bn)



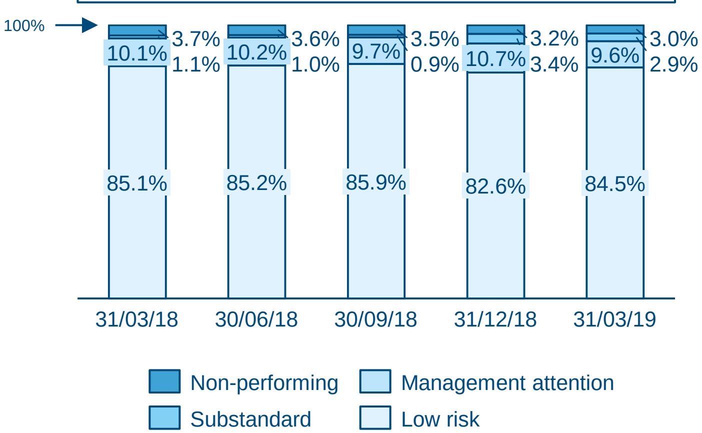
Gross customer loans by currency (EUR bn)



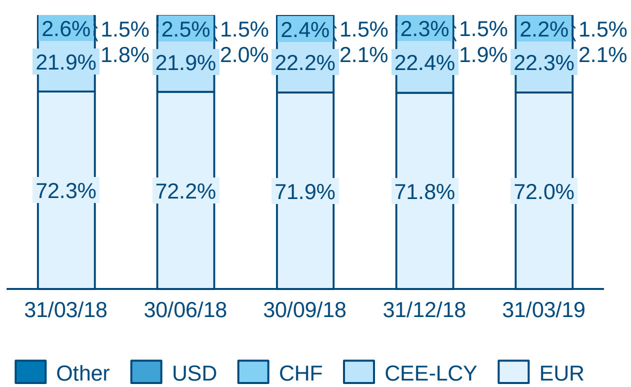
Gross customer loans by industry (EUR bn)



Gross customer loans by risk category (in %)

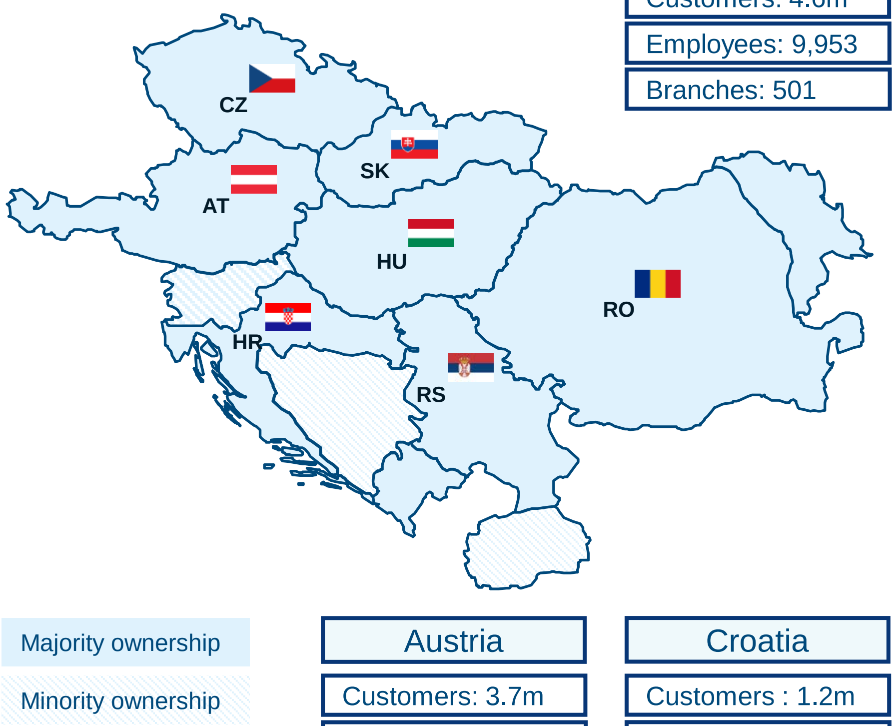


Gross customer loans by currency (in %)



Additional information: footprint –
Customer banking in Austria and the eastern part of the EU

Erste Group footprint



Czech Republic
Customers: 4.6m
Employees: 9,953
Branches: 501

Slovakia
Customers: 2.2m
Employees: 4,070
Branches: 248

Hungary
Customers: 0.9m
Employees: 3,103
Branches: 111

Romania
Customers: 3.4m
Employees: 7,158
Branches: 509

Austria
Customers: 3.7m
Employees: 16,212
Branches: 899

Croatia
Customers : 1.2m
Employees : 3,222
Branches: 149

Serbia
Customers: 0.5m
Employees: 1,138
Branches: 88

Highlights

- Leading retail and corporate bank in 7 geographically connected countries
- Favourable mix of mature & emerging markets with low penetration rates
- Potential for cross selling and organic growth in CEE

Employees: FTEs as of end of reporting period

Additional information: strategy –
A real customer need is the reason for all business

Customer banking in Central and Eastern Europe

Eastern part of EU		Focus on CEE, limited exposure to other Europe		
Retail banking	**Corporate banking**	**Capital markets**	**Public sector**	**Interbank business**
Focus on local currency mortgage and consumer loans funded by local deposits FX loans only in EUR for clients with EUR income (or equivalent) and where funded by local FX deposits (HR & RS) Savings products, asset management and pension products Expansion of digital banking offering	Large, local corporate and SME banking Advisory services, with focus on providing access to capital markets and corporate finance Real estate business that goes beyond financing	Focus on customer business, incl. customer-based trading activities In addition to core markets, presences in Poland, Germany and London 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 only 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

ERSTE Group

Additional information: Ratings –
Composition of Erste Group Bank AG's issuer ratings

Moody's

Macro Profile	
Strong	

\+

Financial Profile	
Asset Risk	baa2
Capital	baa1
Profitability	baa3
Funding Structure	a3
Liquid Resources	baa1

\+

Qualitative Factors	
Business Diversification	0
Opacity, Complexity	0
Corporate Behaviour	0

=

BCA Baseline Credit Assessment	**baa1**

\+

Affiliate Support	0

=

Adjusted BCA	**baa1**

\+

LGF Loss Given Failure	**+ 2**
Government Support	0

=

Issuer Rating / Senior Unsecured
Long-Term Outlook / Short-Term

A2 Positive / P-1

S&P Global Ratings

SACP - Stand-Alone Credit Profile

a

▲

Anchor	bbb+	
Business Position	Strong	+1
Capital & Earnings	Adequate	0
Risk Position	Adequate	0
Funding	Above Average	+1
Liquidity	Strong	

\+

Support	**0**

▲

ALAC Support	0
GRE Support	0
Group Support	0
Sovereign Support	0

\+

Additional Factors	0

=

Issuer Credit Rating
Long-Term Outlook / Short-Term

A Positive / A-1

FitchRatings

VR - Viability Rating
(Individual Rating)

a

SRF - Support Rating Floor

NF (No Floor)

IDR - Issuer Default Rating
Long-Term Outlook / Short-Term

A Stable / F1

Status as of 5 February 2019

ERSTE Group

Additional information: ESG ratings, indices and alignment with UN SDGs

ESG Ratings and Indices

Included in the Vienna Stock Exchange's sustainability index since its launch in 2008

Included in 2016 in the FTSE4Good Index Series, which measures the performance of companies with strong environmental, social and governance (ESG) practices

Included in 2017 in the Euronext Vigeo Index: Eurozone 120

In October 2018, Erste Group was awarded prime status in the ISS-oekom corporate ratings

At the beginning of 2019 imug Investment Research raised the rating for Erste Group from neutral to positive, and public sector covered bonds are now rated as very positive.

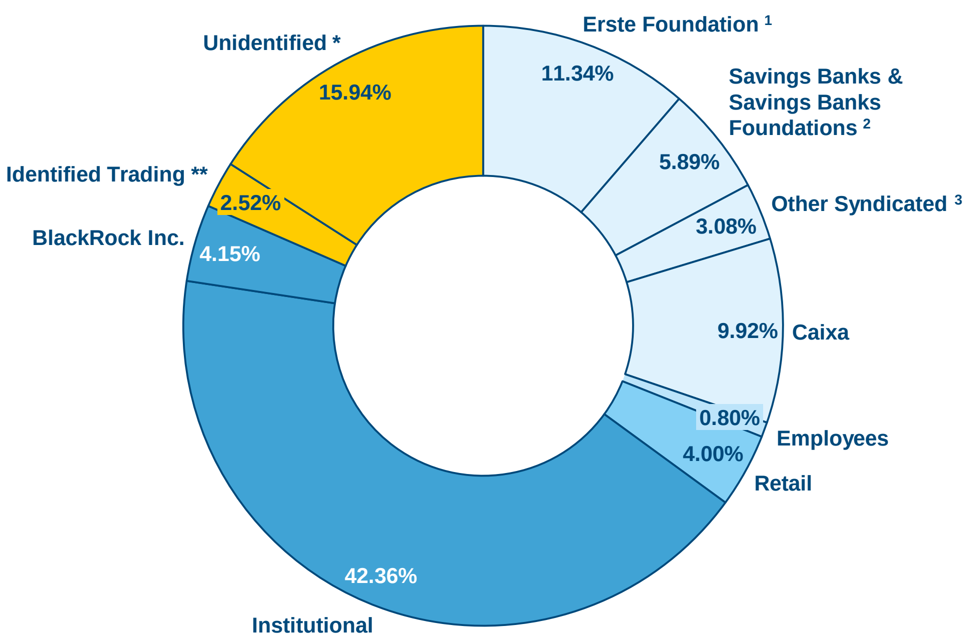
UN Sustainable Development Goals

In principle, Erste Group supports all SDGs. Given its regional footprint and business model, Erste Group is in fact able to make notable contributions to the achievement of the below-mentioned SDGs:

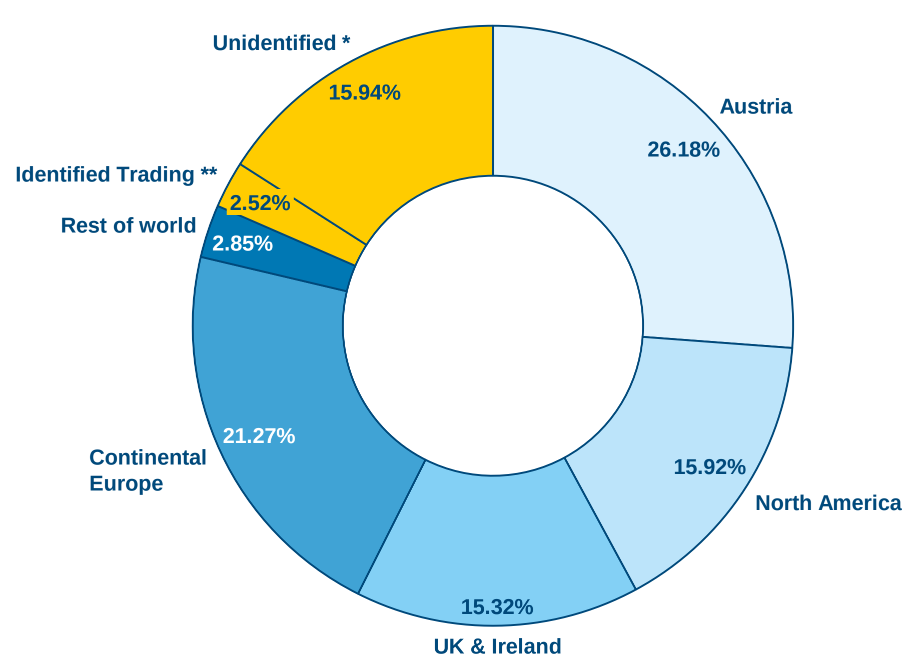
- Since its foundation 200 years ago, Erste Group's purpose has been to promote and secure prosperity. Erste Group values responsibility, respect and sustainability.
- Financial literacy is key to economic prosperity. Therefore, Erste Group offers a variety of financial literacy trainings.
- Erste Group respects and promotes work-life balance among its employees and also contributes to their good health.
- Diversity and equal opportunity are key elements of Erste Group's human resource strategy.
- For Erste Group social and/or ecological criteria are as important as economic criteria in its investment decision process.
- Erste Group has launched social banking initiatives aiming at the financial inclusion of those parts of the population that are often excluded.
- Erste Group contributes to the cultural and social development of society.
- Erste Group aims at protecting the environment by minimising its ecological footprint, in particular with its consumption of energy and paper.
- Erste Group cooperates with national and international organisations and it promotes corporate volunteering

Additional information: shareholder structure –
Total number of shares: 429,800,000

By investor



By region



[1] Economic interest Erste Foundation, including Erste Employees Private Foundation
[2] Economic interest Savings Banks & Savings Banks Foundations
[3] Other parties to the shareholder agreement of Erste Foundation, Savings Banks and CaixaBank
* Unidentified institutional and retail investors
** Including Market Makers, Prime Brokerage, Proprietary Trading, Collateral and Stock Lending positions which are visible through custodian banklists

Status as of 30 April 2019

Investor relations details

- **Erste Group Bank AG, Am Belvedere 1, 1100 Vienna**

  E-mail: **investor.relations@erstegroup.com**

  Internet: **http://www.erstegroup.com/investorrelations**
  http://twitter.com/ErsteGroupIR **http://www.slideshare.net/Erste_Group**

  Erste Group IR App for iPad, iPhone and Android http://www.erstegroup.com/de/Investoren/IR_App

  Reuters: **ERST.VI** Bloomberg: **EBS AV**

  Datastream: **O:ERS** ISIN: **AT0000652011**

- **Contacts**

  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

  Simone Pilz
  Tel: +43 (0)5 0100 13036 e-mail: simone.pilz@erstegroup.com

  Gerald Krames
  Tel: +43 (0)5 0100 12751 e-mail: gerald.krames@erstegroup.com