ERSTE GROUP

17th Annual General Meeting of Erste Group Bank AG

12 May 2010
Austria Center Vienna

Heinz Kessler

President of the Supervisory Board

First item on the agenda

ERSTE GROUP

Presentation of the approved annual financial statements, the status report and the corporate governance report of the Management Board as well as the report of the Supervisory Board for the financial year 2009, and presentation of the group financial statements and the group status report for the financial year 2009.

Report on the financial year 2009 for Erste Group Bank AG (consolidated)

Andreas Treichl

Chairman of the Management Board

Erste Group business snapshot –
Retail market leadership in the eastern part of the EU

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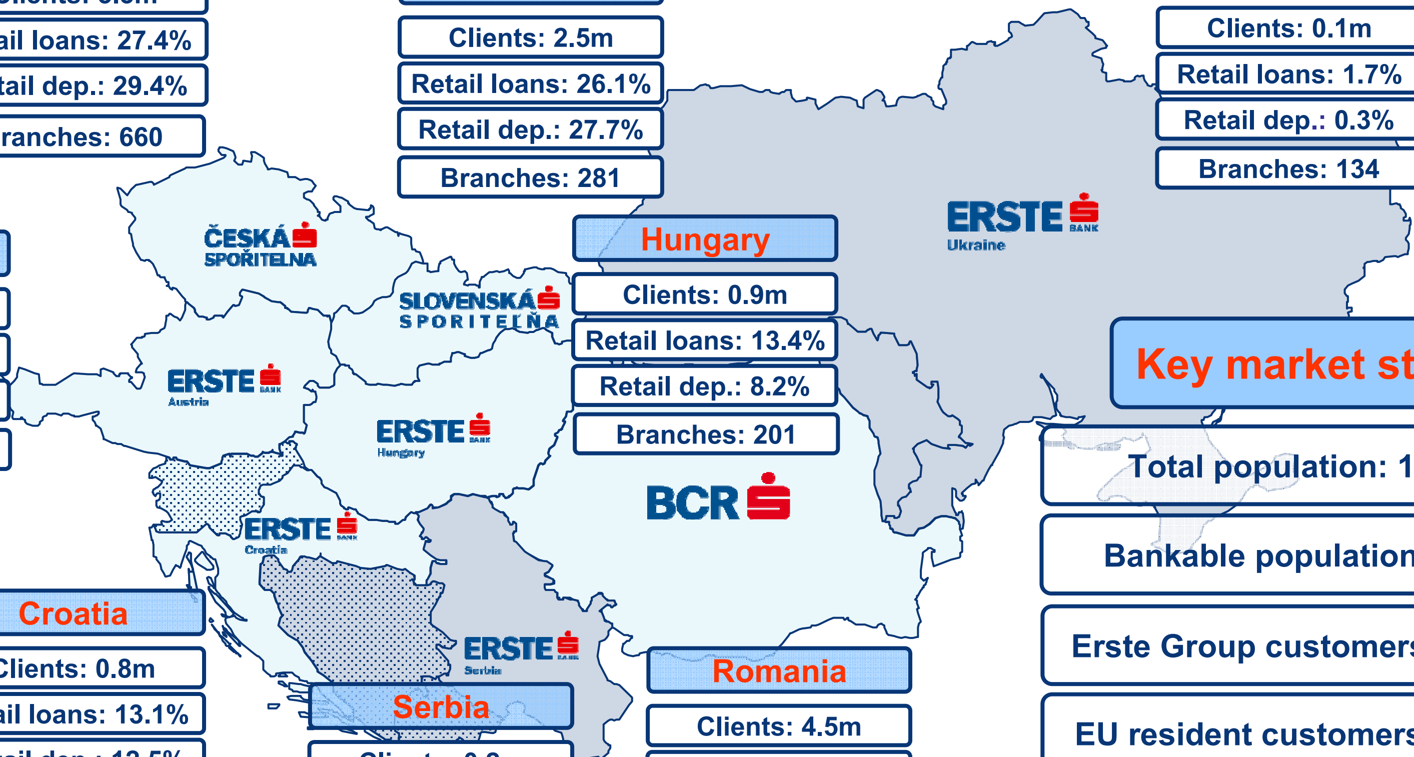


Czech Republic
- Clients: 5.3m
- Retail loans: 27.4%
- Retail dep.: 29.4%
- Branches: 660

Slovakia
- Clients: 2.5m
- Retail loans: 26.1%
- Retail dep.: 27.7%
- Branches: 281

Ukraine
- Clients: 0.1m
- Retail loans: 1.7%
- Retail dep.: 0.3%
- Branches: 134

Austria
- Clients: 3.1m
- Retail loans: 19.0%
- Retail dep.: 19.1%
- Branches: 1,053

Hungary
- Clients: 0.9m
- Retail loans: 13.4%
- Retail dep.: 8.2%
- Branches: 201

Croatia
- Clients: 0.8m
- Retail loans: 13.1%
- Retail dep.: 12.5%
- Branches: 138

Serbia
- Clients: 0.2m
- Retail loans: 3.2%
- Retail dep.: 2.7%
- Branches: 73

Romania
- Clients: 4.5m
- Retail loans: 19.9%
- Retail dep.: 23.4%
- Branches: 665

Key market stats
- Total population: 120m
- Bankable population: 92m
- Erste Group customers: 17.5m
- EU resident customers: 16.4m

EU or-EU candidate country

Non-EU or non-EU candidate country

Indirect presence

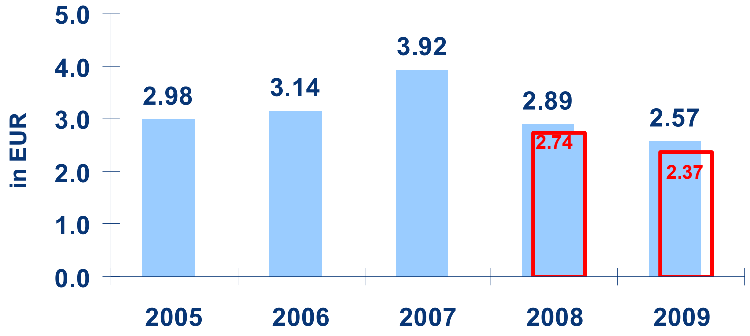
Percentage numbers refer to market shares and are as of Feb 2010. All other data are as of March 2010. Croatia branch numbers include Montenegro.

FY 2009 financial highlights –
Cost/income ratio reached record low in 2009

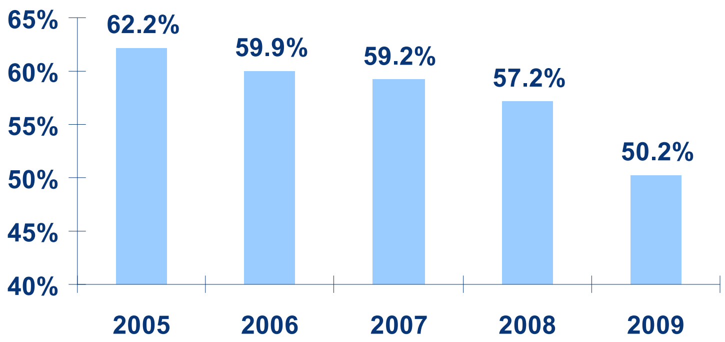
ERSTE GROUP

- Net profit improved by 5.1% to EUR 903.4m
- Decline in EPS & ROE due to higher capital
- NIM on interest bearing assets at highest ever level of 3.0% at FY 09 (FY 08: 2.8%)
- CIR improved to record low of 50.2%
- Dividend of EUR 0.65 per share will be proposed at AGM

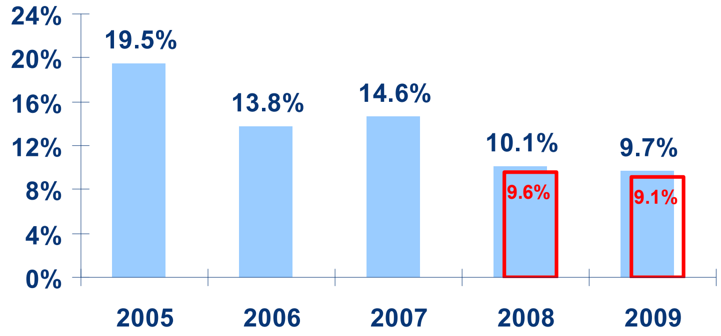
Cash earnings per share *



Cost/income ratio



Cash return on equity *



Group income statement (IFRS) –
Operating income and costs drive operating result

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in EUR million	2009	2008	Change
Net interest income	5,220.9	4,913.1	6.3%
Risk provisions for loans and advances	(2,056.6)	(1,071.4)	92.0%
Net fee and commission income	1,772.8	1,971.1	(10.1%)
Net trading result	585.1	114.7	>100,0%
General administrative expenses	(3,807.4)	(4,001.9)	(4.9%)
Other operating result	(355.8)	(778.8)	54.3%
Result from financial assets - FV	113.2	(295.6)	na
Result from financial assets - AfS	(204.1)	(213.8)	4.5%
Result from financial assets - HtM	(6.8)	(61.2)	88.9%
Pre-tax profit from continuing operations	**1,261.3**	**576.2**	**>100,0%**
Taxes on income	(284.7)	(177.3)	60.6%
Post-tax profit from discontinuing operations	0.0	639.7	na
Net profit for the period	**976.6**	**1,038.6**	**(6.0%)**
Attributable to non-controlling interests	73.2	179.0	(59.1%)
Attributable to owners of the parent	**903.4**	**859.6**	**5.1%**
Operating income	7,578.8	6,998.9	8.3%
Operating expenses	(3,807.4)	(4,001.9)	(4.9%)
Operating result	**3,771.4**	**2,997.0**	**25.8%**
Cost/income ratio	50.2%	57.2%	
Return on equity	9.1%	9.6%	

Group balance sheet (IFRS) –
Total assets unchanged yoy, loans up slightly

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in EUR million	Dec 09	Dec 08	Change
Cash and balances with central banks	5,996	7,556	(20.6%)
Loans and advances to credit institutions	13,140	14,344	(8.4%)
Loans and advances to customers	129,134	126,185	2.3%
Risk provisions for loans and advances	(4,954)	(3,783)	31.0%
Trading assets	8,598	7,534	14.1%
Financial assets - FV	2,997	4,058	(26.1%)
Financial assets - AfS	16,390	16,033	2.2%
Financial assets - HtM	14,899	14,145	5.3%
At-equity holdings	241	260	(7.3%)
Intangible assets	4,867	4,805	1.3%
Property and equipment	2,344	2,386	(1.8%)
Tax assets	577	859	(32.8%)
Assets held for sale	58	526	(89.0%)
Other assets	7,423	6,533	13.6%
Total assets	**201,710**	**201,441**	**0.1%**
Risk-weighted assets[1]	**106,383**	**103,663**	**2.6%**

1) RWA assets for credit risk

Group balance sheet (IFRS) –
Loan growth is driven by Retail & SME segment

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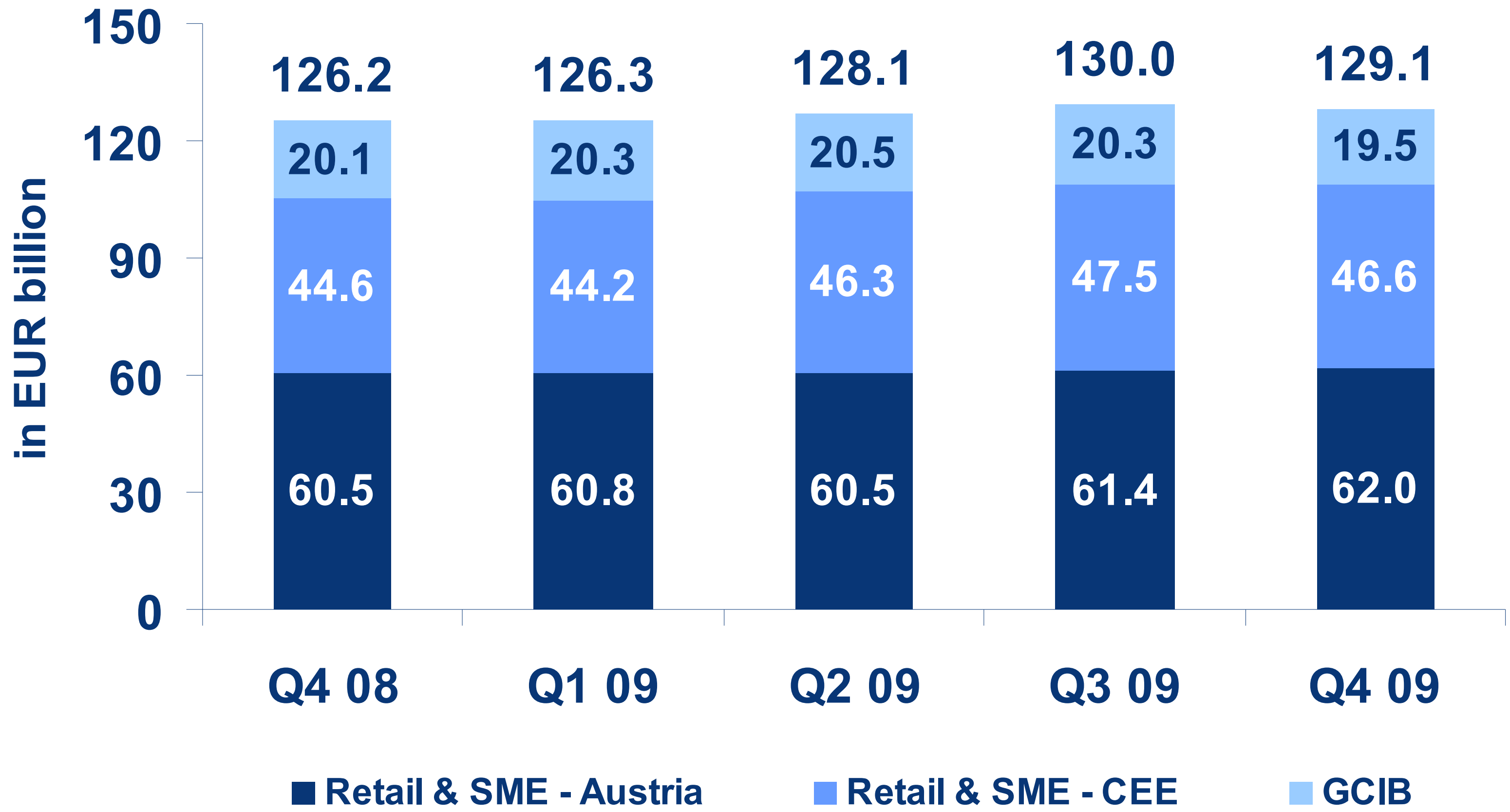
Customer loans by main segments *



*) Segments do not exactly add up to total due to consolidation effects.

Group balance sheet (IFRS) –
Loan to deposit ratio was stable at 115.3% in 2009

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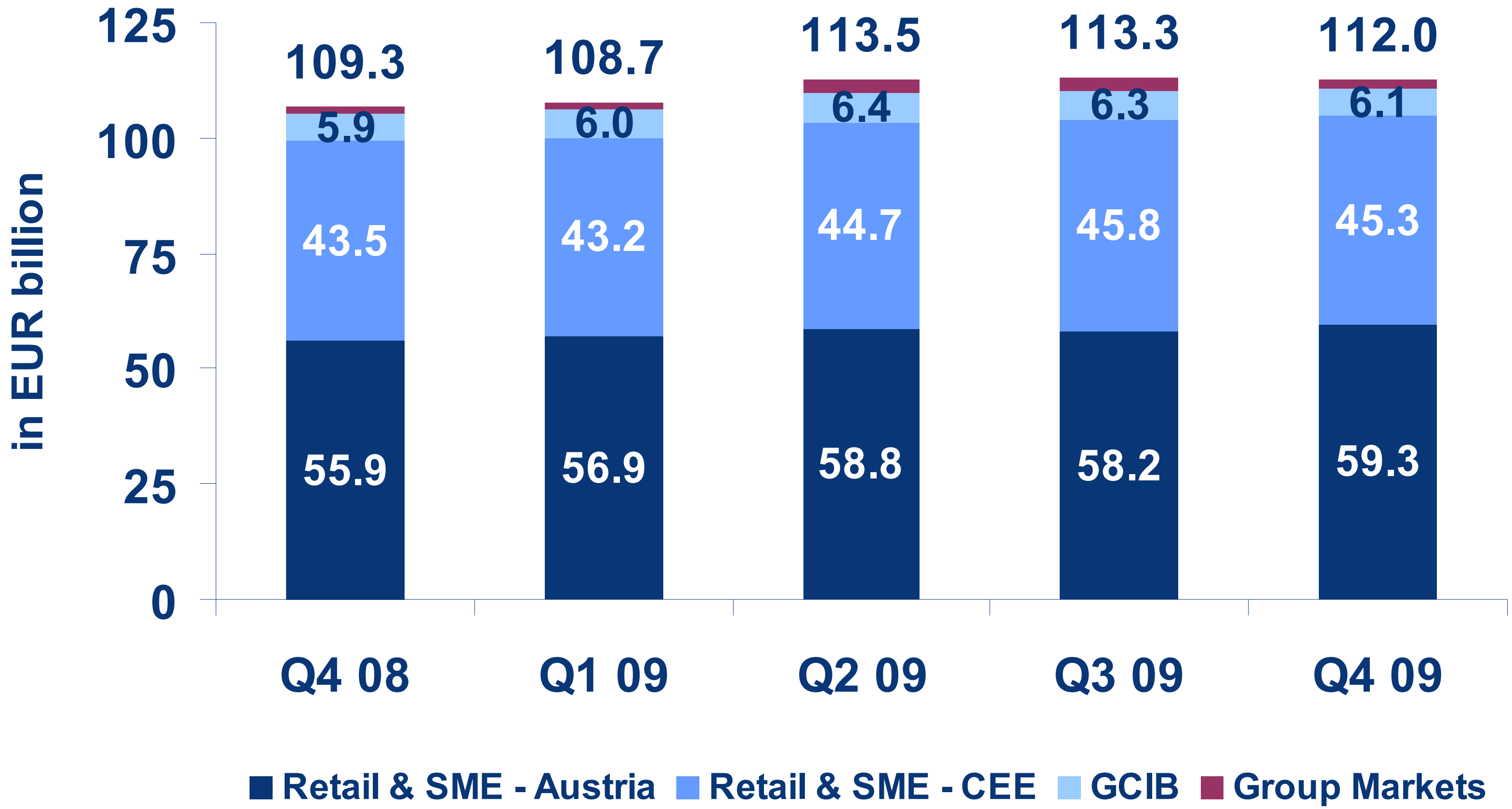
ERSTE GROUP

in EUR million	Dec 09	Dec 08	Change
Deposits by banks	26,295	34,672	(24.2%)
Customer deposits	112,042	109,305	2.5%
Debt securities in issue	29,612	30,483	(2.9%)
Trading liabilities	3,157	2,519	25.3%
Other provisions	1,670	1,620	3.1%
Tax liabilities	361	389	(7.2%)
Liabilities associated with assets held for sale	0	343	na
Other liabilities	6,302	4,968	26.9%
Subordinated liabilities	6,148	6,047	1.7%
Total equity	16,123	11,095	45.3%
Attributable to non-controlling interests	3,414	3,016	13.2%
Attributable to owners of the parent	12,709	8,079	57.3%
Total liabilities and equity	**201,710**	**201,441**	**0.1%**
Tier 1 ratio (credit risk)	**10.8%**	**7.2%**	
Solvency ratio	**12.7%**	**9.8%**	

Group balance sheet (IFRS) –
Austria segment drives deposit growth in 2009

Customer deposit trends by main segments



*) Segments do not exactly add up to total due to consolidation effects.

Key topics 2009/2010

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1. Asset quality and risk costs – improvements in 2009/2010
2. Enhanced capital position –
   Participation capital and equity add to capital base
3. Funding – funding mix continued to improve in 2009/2010
4. Q1 2010 update –
   Record operating income and lower costs drive net profit growth
5. Current business environment –
   Macroeconomic developments in Q1 2010

Topic 1: Asset quality and risk costs –
NPL coverage starts to rise in H2 09

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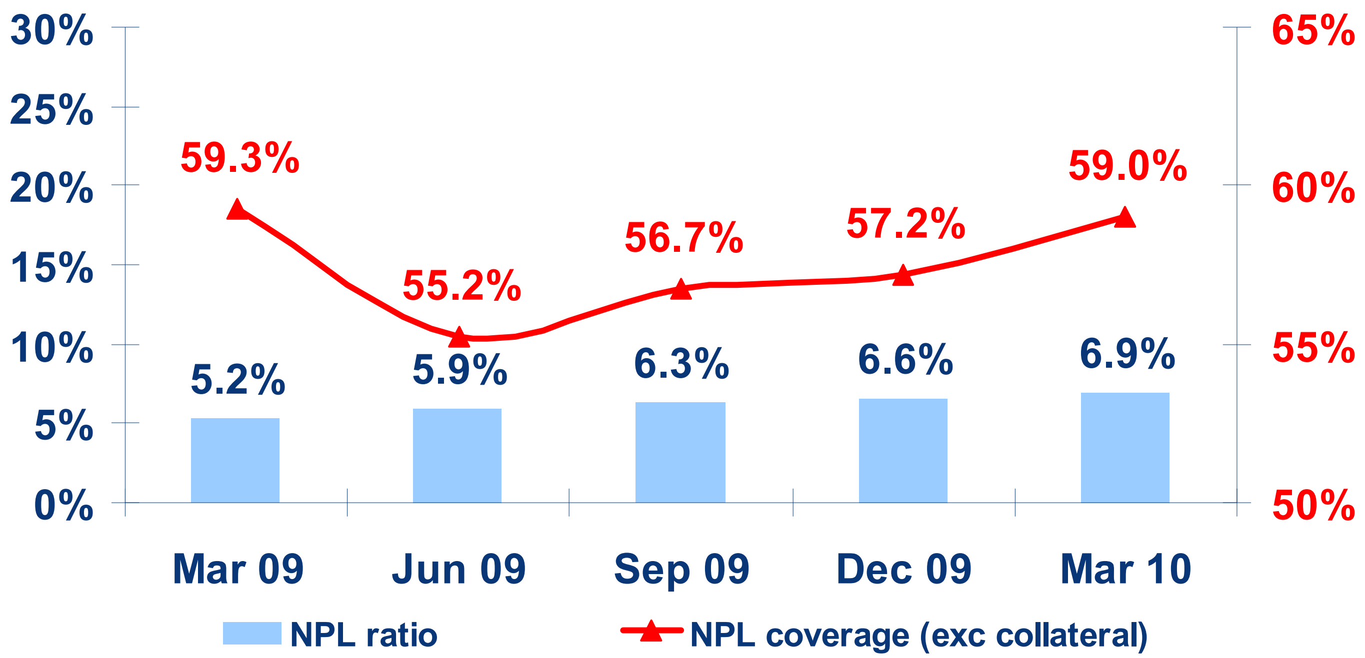
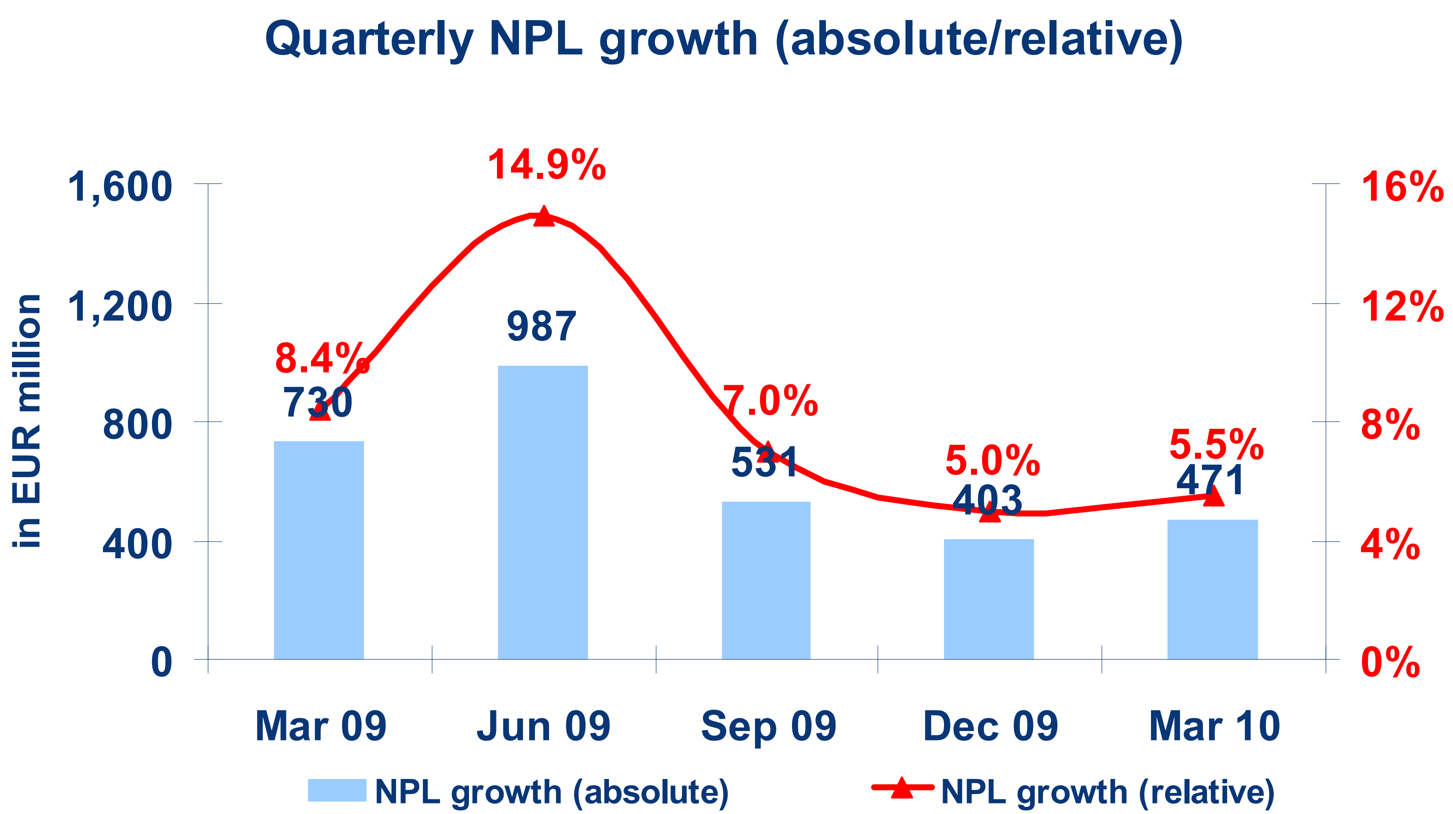
Erste Group: NPL ratio vs NPL coverage

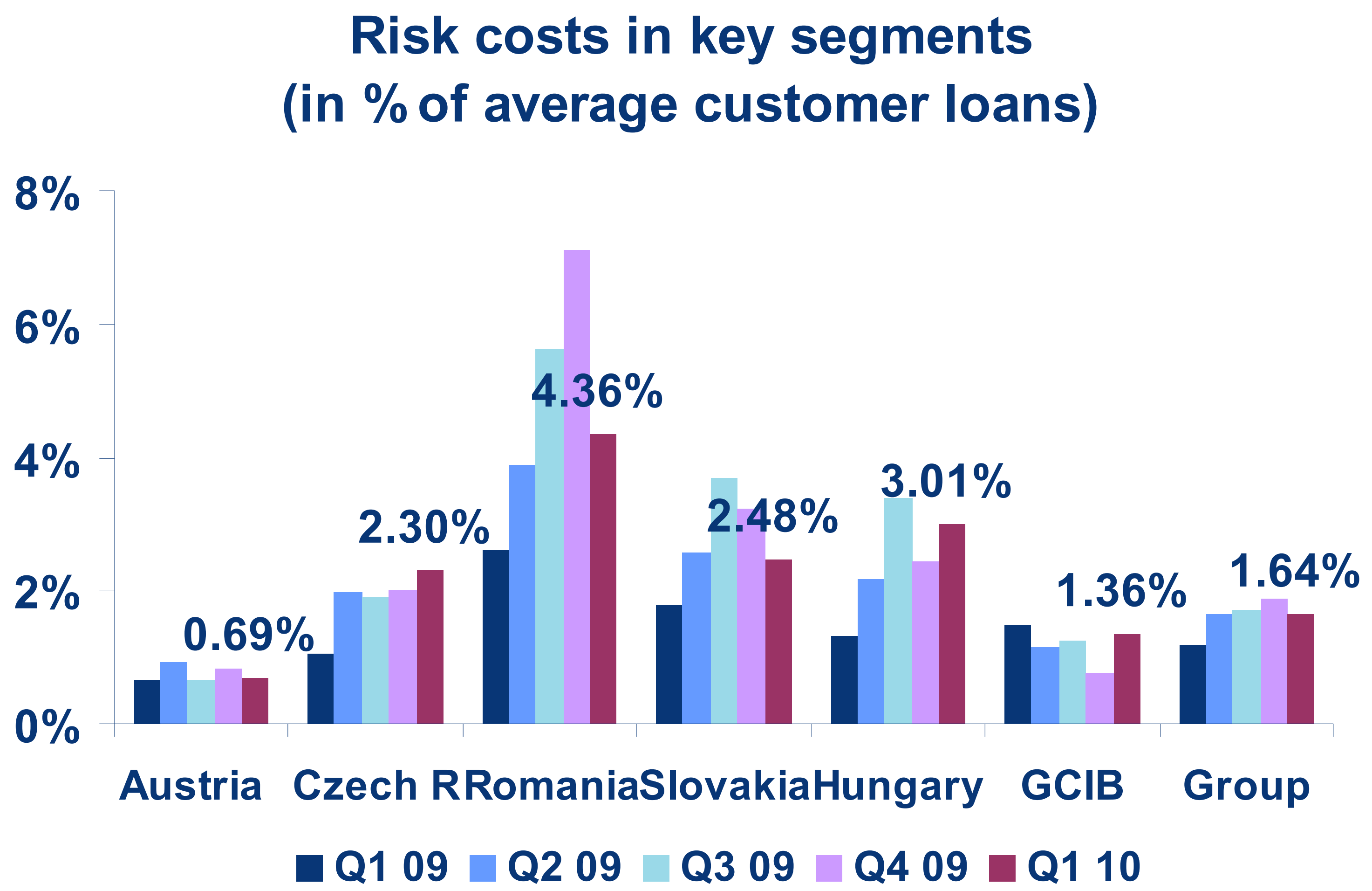


Topic 1: Asset quality and risk costs –
Quarter-on-quarter NPL growth declines since H2 09

ERSTE GROUP



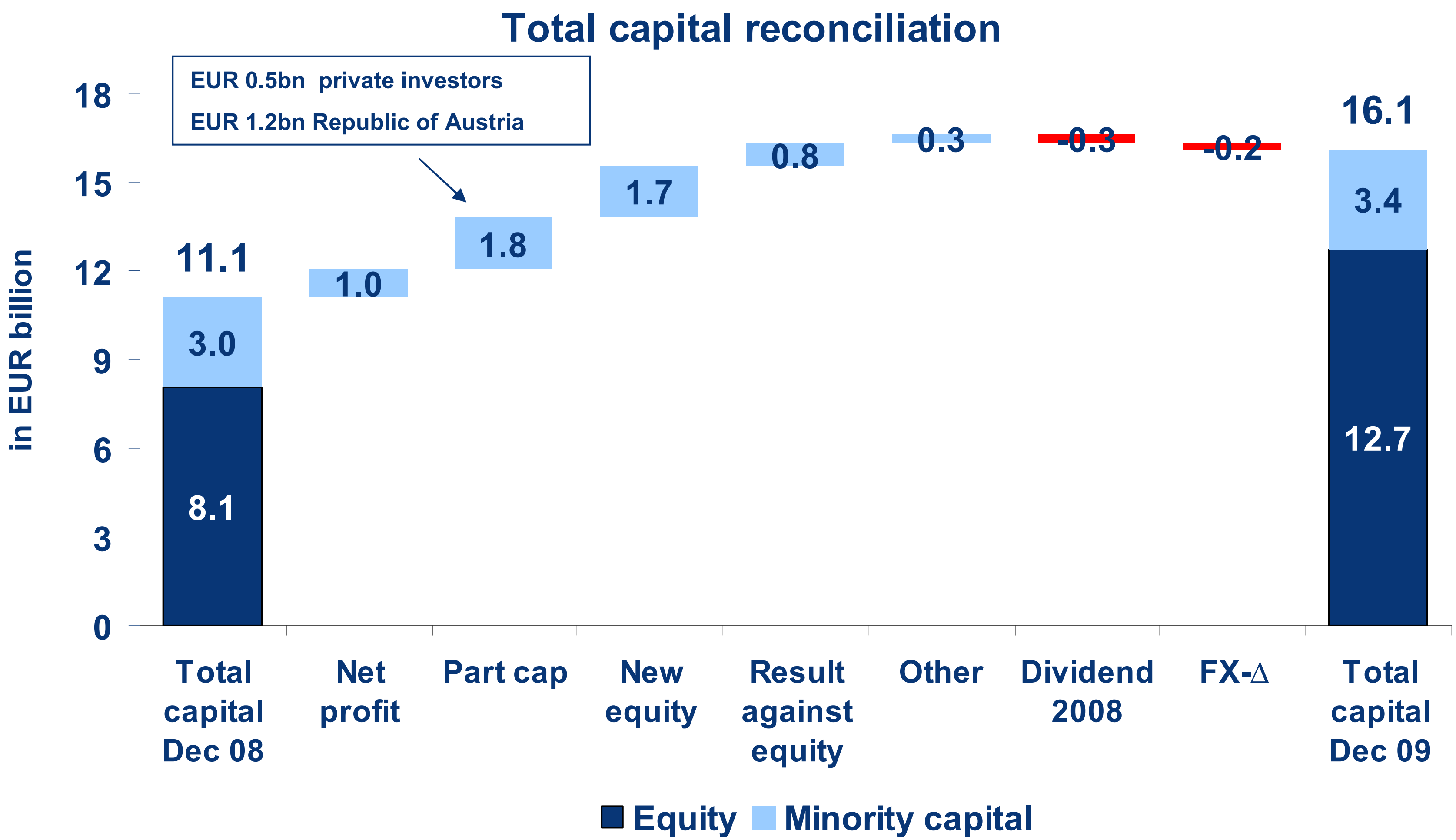
Topic 1: Asset quality and risk costs –
Risk costs decline for the first time in four quarters



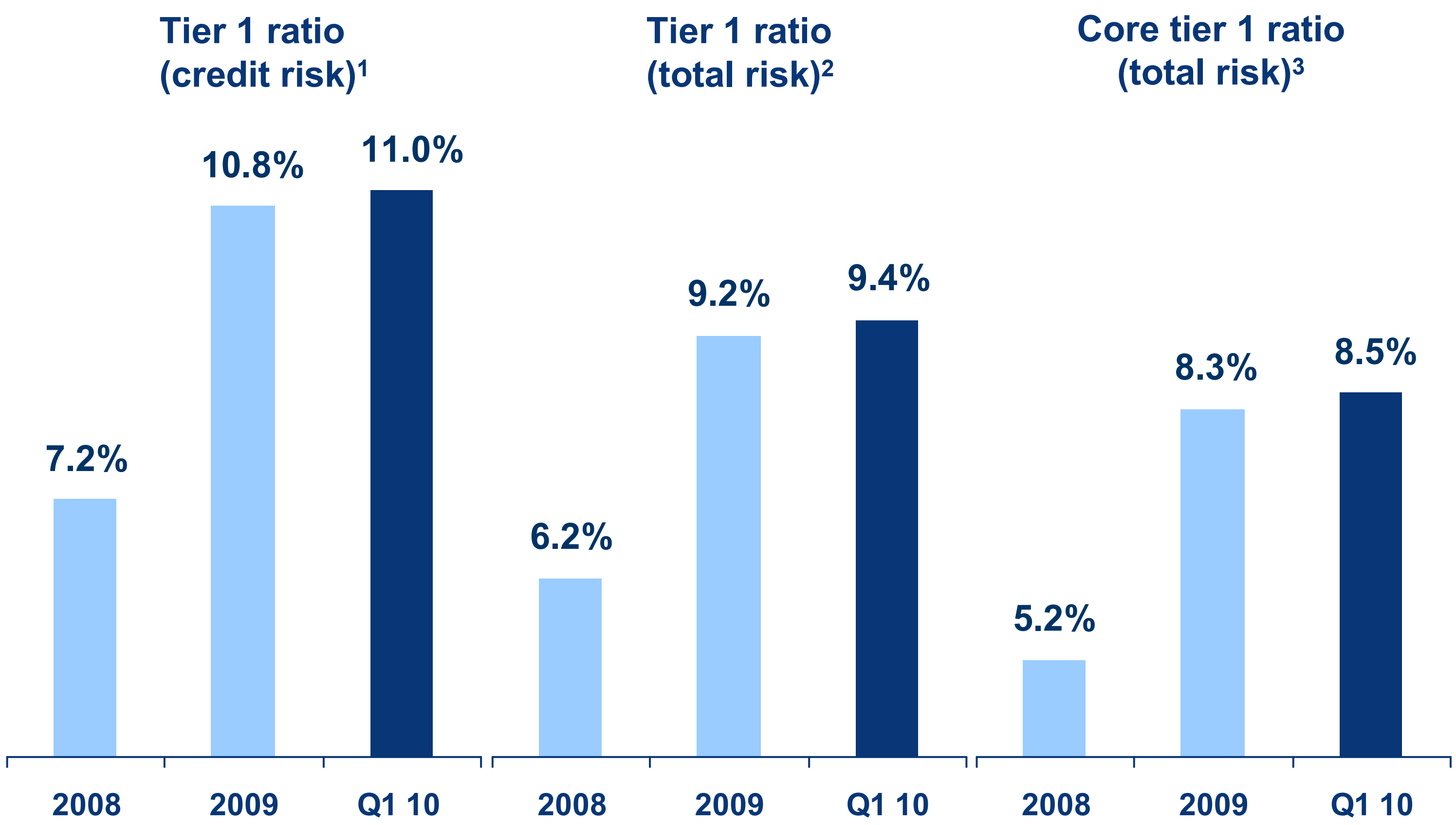
Topic 2: Enhanced capital position –

IFRS total equity increased by EUR 5bn in 2009

ERSTE GROUP



Topic 2: Erste Group's capital position –
Continuing improvement of capital ratios



1) Tier 1 ratio (credit risk) = tier 1 capital incl. hybrid and after regulatory deductions divided by credit RWA.

2) Tier 1 ratio (total risk) = tier 1 capital incl. hybrid and after regulatory deductions divided by total RWA (which includes credit risk, market and operational risk).

3) Core tier 1 ratio (total risk) = tier 1 capital excl. hybrid and after regulatory deductions divided by total RWA (which includes credit risk, market and operational risk).

Topic 2: Erste Group's capital position –
Own shares

ERSTE GROUP

Report about transactions in own shares

Topic 3: Improved funding mix –
Customer deposits are the main source of funding

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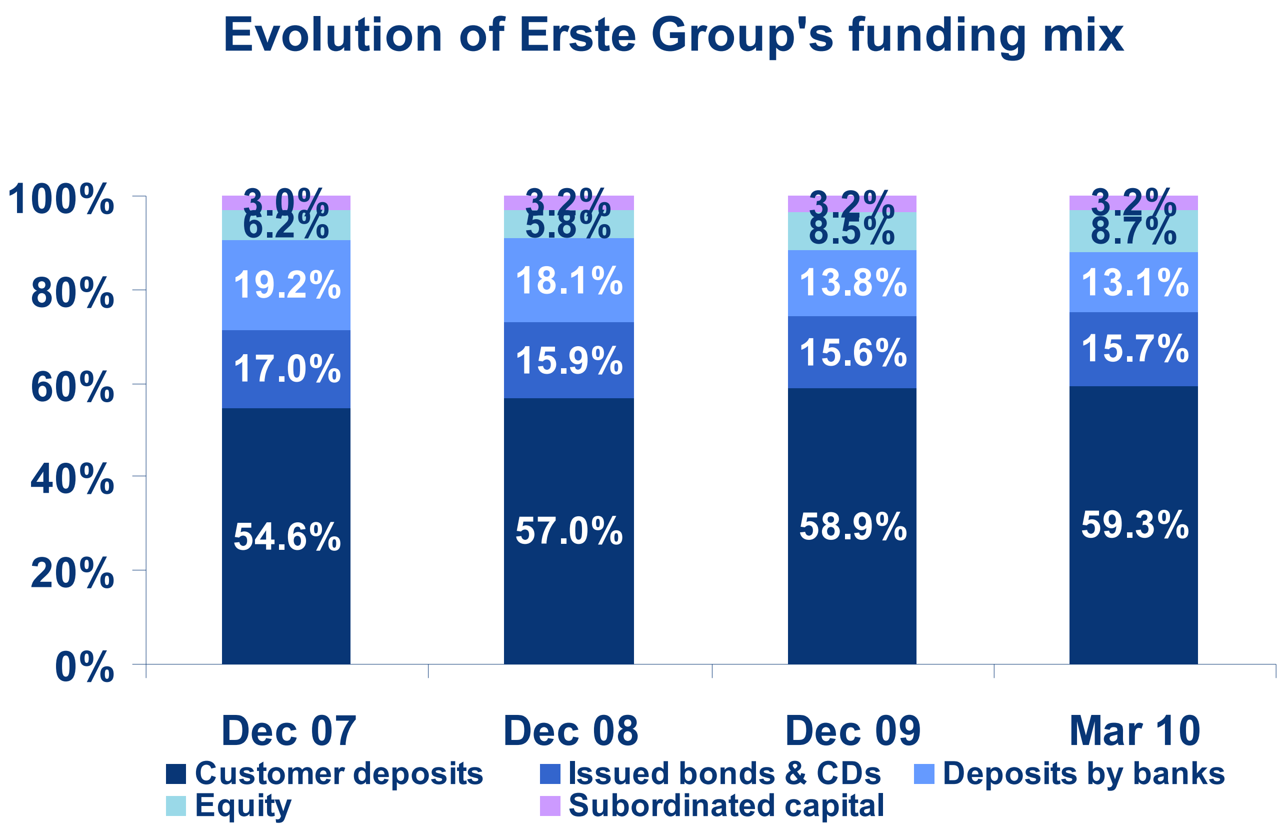

Topic 3: Improved funding mix –
Short-term funding needs well covered

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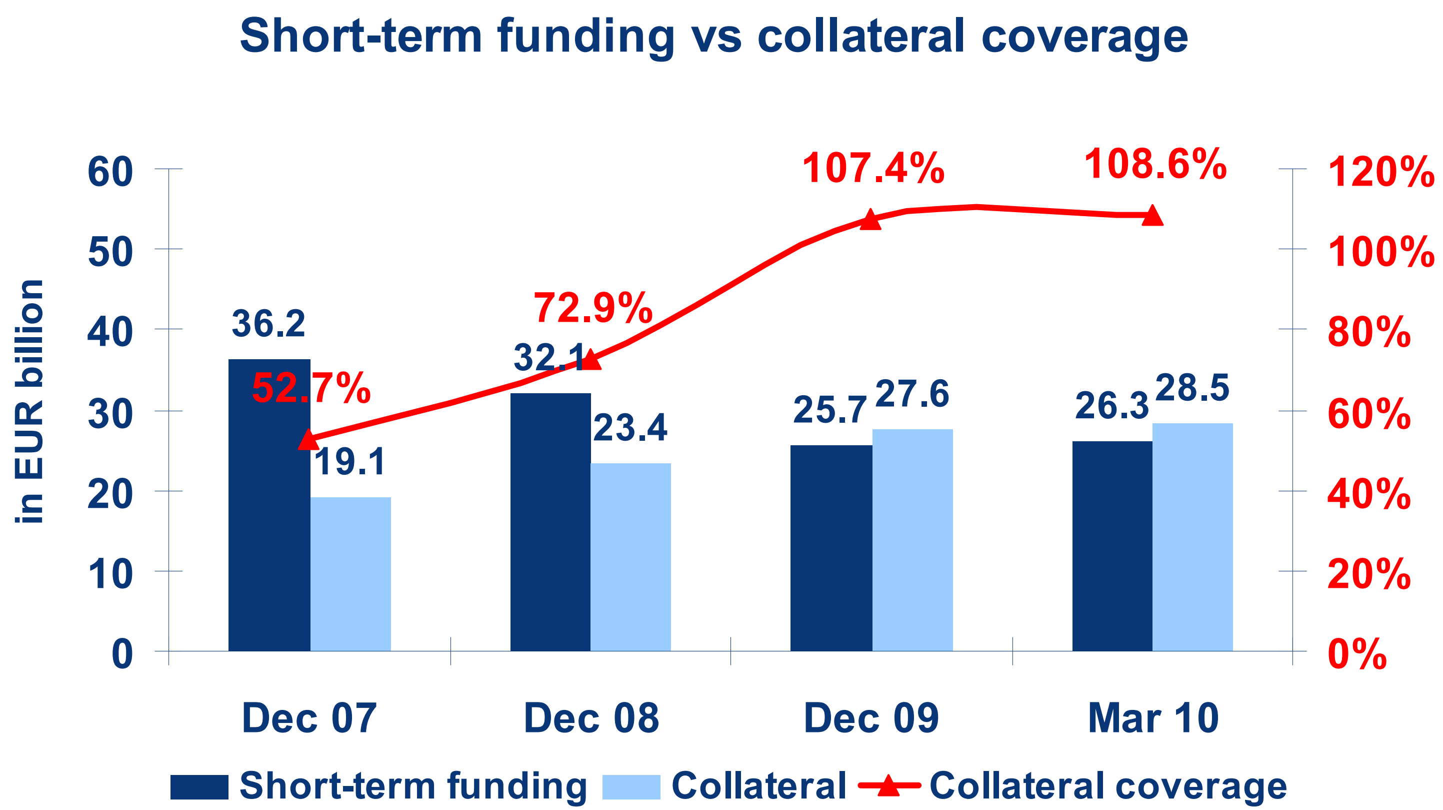

Topic 3: Improved funding mix –
Limited long-term funding required

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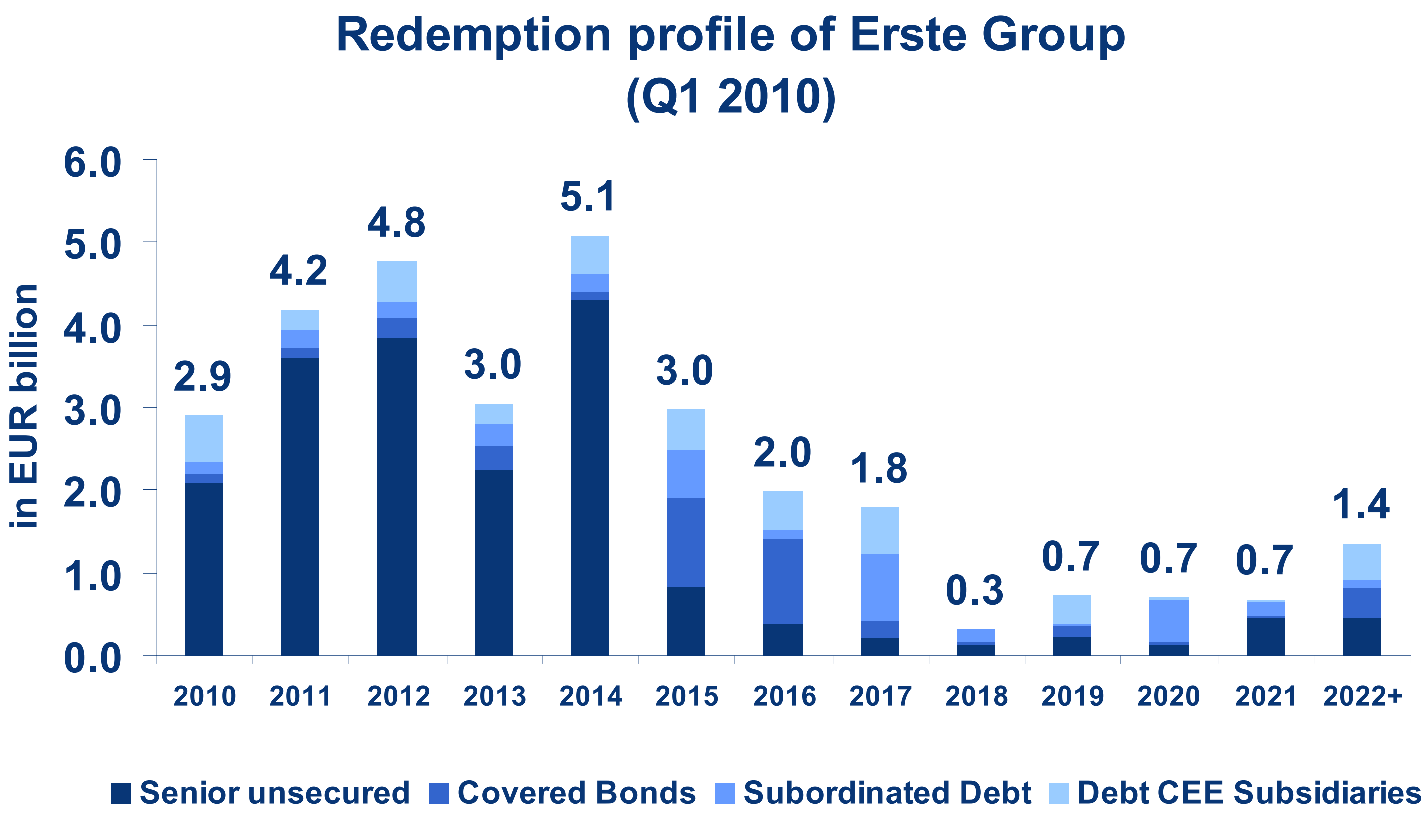


Topic 4: Q1 2010 update –
Encouraging start to FY 2010

ERSTE GROUP

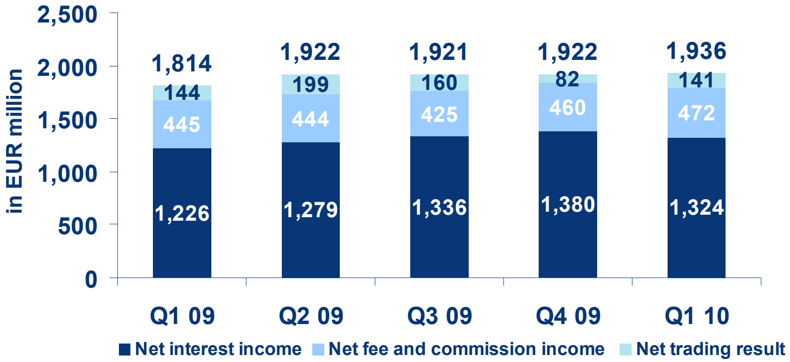
- **Macroeconomic environment continued to stabilise in Q1 2010**
- **Strong operating performance drives net profit growth**
- **Continued improvement in asset quality trends in Q1 2010**
- **Risk costs decline quarter-on-quarter for the first time since Q1 09**
- **Total equity (IFRS) increases by EUR 0.8 billion (+4.7%) year-to-date**

Topic 4: Q1 2010 update –

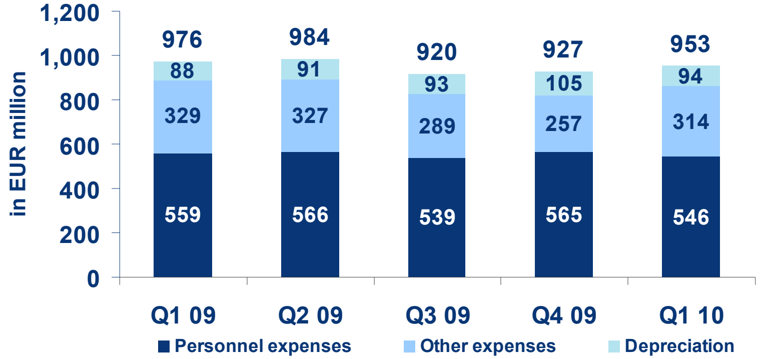
Higher revenues and lower costs drive operating result

ERSTE GROUP

Operating income per quarter



Operating expenses per quarter



- **Record operating income in Q1 2010: +6.7% vs Q1 2009 to EUR 1,936.3 million**
  - **Net interest income** grew by 8.0% to EUR 1,323.6 million due to an improving net interest margin
  - **Net commission income** posted the first year-on-year increase in six quarters
  - **Net trading result** held up well, declining by only 1.8% compared to Q1 2009 to EUR 141.2 million
- **Operating expenses declined by 2.3% to EUR 953.1 million in Q1 2010**
  - Driven by lower personnel and other administrative expenses

1) Operating result = Operating income (NII + net fee & commission income + net trading result) minus general administrative expenses

Topic 4: Q1 2010 update –
Operating result improves in all key segments

ERSTE GROUP

in EUR million	Q1 10	Q1 09	Change
Retail & SME	**738.5**	**638.6**	**15.6%**
Austria	**200.0**	**199.0**	**0.5%**
EB Oesterreich	95.0	73.9	28.6%
Savings Banks	105.0	125.2	(16.1%)
Central and Eastern Europe	**538.4**	**439.5**	**22.5%**
Czech Republic	211.0	186.1	13.4%
Romania	146.4	133.7	9.5%
Slovakia	71.3	44.5	60.0%
Hungary	68.7	35.2	95.0%
Croatia	40.8	36.2	12.9%
Serbia	1.3	3.1	(57.7%)
Ukraine	(0.9)	0.8	na
GCIB	**145.4**	**133.4**	**9.0%**
Group Markets	**115.0**	**167.7**	**(31.4%)**
Corporate Center	**(15.7)**	**(101.1)**	**84.5%**
Total Erste Group	**983.2**	**838.6**	**17.2%**

Topic 4: Q1 2010 update –
Group income statement (IFRS)

ERSTE GROUP

in EUR million	Q1 10	Q1 09	Change
Net interest income	1,323.6	1,226.0	8.0%
Risk provisions for loans and advances	(531.2)	(370.2)	43.5%
Net fee and commission income	471.5	444.6	6.1%
Net trading result	141.2	143.8	(1.8%)
General administrative expenses	(953.1)	(975.9)	(2.3%)
Other operating result	(67.7)	(39.9)	(69.7%)
Result from financial assets - FV	13.0	(44.1)	na
Result from financial assets - AfS	0.1	(10.8)	na
Result from financial assets - HtM	4.7	(0.1)	na
Pre-tax profit from continuing operations	**402.1**	**373.4**	**7.7%**
Taxes on income	(92.5)	(84.0)	10.1%
Post-tax profit from discontinuing operations	0.0	0.0	na
Net profit for the period	**309.6**	**289.4**	**7.0%**
Attributable to non-controlling interests	54.4	57.3	(5.1%)
Attributable to owners of the parent	**255.2**	**232.1**	**10.0%**
Operating income	1,936.3	1,814.4	6.7%
Operating expenses	(953.1)	(975.9)	(2.3%)
Operating result	**983.2**	**838.5**	**17.3%**
Cost/income ratio	49.2%	53.8%	
Return on equity	7.8%	11.4%	

Topic 4: Q1 2010 update –

Group balance sheet (IFRS) - Assets

ERSTE GROUP

in EUR million	Mar 10	Dec 09	Change
Cash and balances with central banks	5,965	5,996	(0.5%)
Loans and advances to credit institutions	16,123	13,140	22.7%
Loans and advances to customers	130,255	129,134	0.9%
Risk provisions for loans and advances	(5,390)	(4,954)	8.8%
Trading assets	9,268	8,598	7.8%
Financial assets - FV	3,373	2,997	12.5%
Financial assets - AfS	18,246	16,390	11.3%
Financial assets - HtM	13,808	14,899	(7.3%)
At-equity holdings	230	241	(4.6%)
Intangible assets	4,926	4,867	1.2%
Property and equipment	2,369	2,344	1.1%
Tax assets	493	577	(14.6%)
Assets held for sale	59	58	1.7%
Other assets	8,262	7,423	11.3%
Total assets	**207,987**	**201,710**	**3.1%**
Risk-weighted assets[1]	**105,944**	**106,383**	**(0.4%)**

1) RWA assets for total risk (including market and operational risk) at EUR 123.8 billion in Q1 2010 (year-end 2009: 123.9 billion)

Topic 4: Q1 2010 update –

Group balance sheet (IFRS) - Liabilities

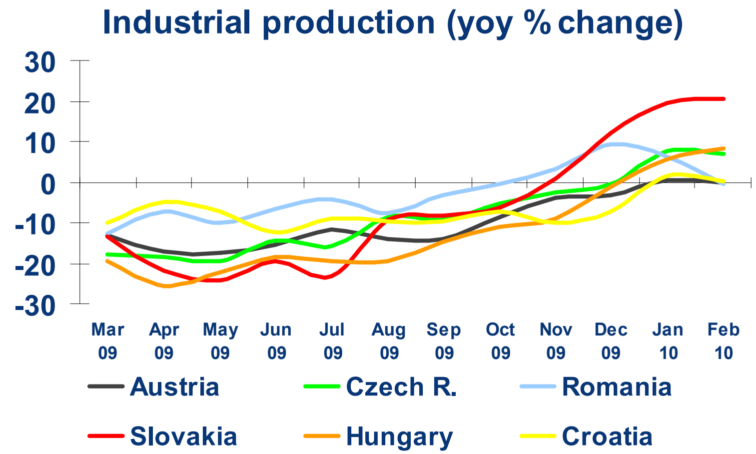
ERSTE GROUP

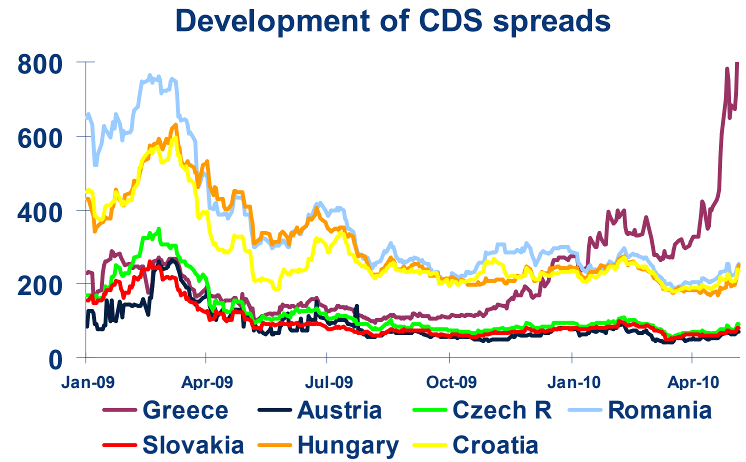
in EUR million	Mar 10	Dec 09	Change
Deposits by banks	25,605	26,295	(2.6%)
Customer deposits	115,595	112,042	3.2%
Debt securities in issue	30,596	29,612	3.3%
Trading liabilities	3,302	3,157	4.6%
Provisions	1,646	1,670	(1.4%)
Tax liabilities	352	361	(2.5%)
Liabilities associated with assets held for sale	0	0	na
Other liabilities	7,824	6,302	24.2%
Subordinated liabilities	6,191	6,148	0.7%
Total equity	16,876	16,123	4.7%
Attributable to non-controlling interests	3,560	3,414	4.3%
Attributable to owners of the parent	13,316	12,709	4.8%
Total liabilities and equity	**207,987**	**201,710**	**3.1%**
Tier 1 ratio (credit risk)	**11.0%**	**10.8%**	
Solvency ratio	**12.8%**	**12.7%**	

Topic 5: Business environment/macro trends –
What has changed in CEE in Q1 2010?

ERSTE GROUP

- **Industrial output improved significantly thanks to rising exports**
  - Main driver behind recovery
  - Unit labour costs declined in CEE as productivity increased
- **Perception of the region has improved**
  - Substantial reduction in CDS spreads from their crisis-driven highs
  - No contagion from south European states to CEE region, due to more favourable fiscal positions
  - Some CEE countries successfully placed Eurobonds in March/April (Poland, Romania, Slovakia, Czech Republic)
- **Central banks cut interest rates further**
  - Supported by appreciation of currencies
  - Benchmark interest rates at historic lows in Romania and Hungary





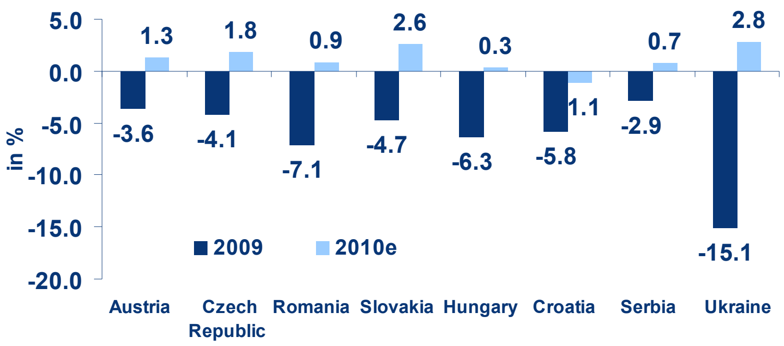
Source: Erste Group Research

Topic 5: Business environment/macro trends –
Focus: GDP growth and external balances in CEE

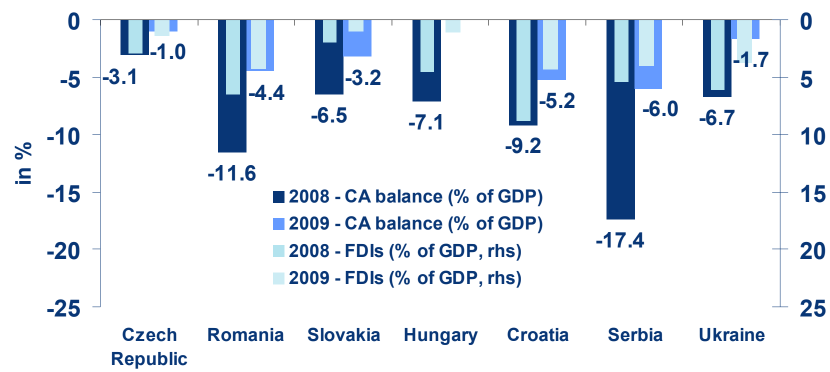
- **As CEE economies emerge from recession, growth is set to return in 2010**
  - Growth is mainly driven by foreign demand supporting industrial production while household consumption remains weak
  - Stabilisation packages also helping to support economies
  - With the exception of Croatia, real GDP to increase in all of Erste's countries

- **Current account deficits have narrowed substantially – good coverage by FDIs**
  - Mainly due to improved trade balances
  - CEE remains an attractive investment desti-nation, with capital flowing back to the region

GDP growth in CEE



Current account balance vs FDI inflows

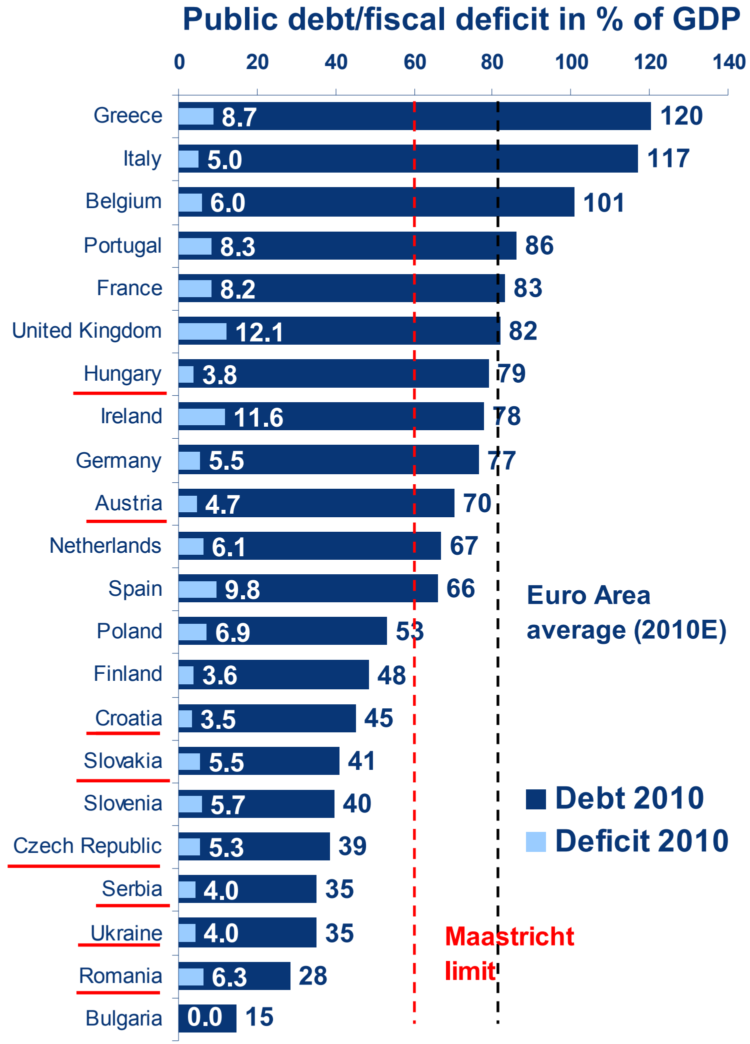


Source: Erste Group Research

Topic 5: Business environment/macro trends –
Focus: budget balances and public debt in CEE

ERSTE GROUP

- **CEE benefits from lower levels of public debt**
  - Only Hungary and Austria are expected to be above the Maastricht threshold of 60% by end-2010, but remain below the euro zone average
  - Erste Group's other markets to remain significantly below the 60% threshold
- **CEE focused on fiscal responsibility earlier**
  - Involvement of international organisations (IMF, EBRD, etc) helped to enforce fiscal discipline
  - Annual fiscal deficits to remain below the euro zone average (6.9% of GDP) in all countries



Source: European Commission, Erste Group Research

ERSTE GROUP

Heinz Kessler

President of the Supervisory Board

Second item on the agenda

ERSTE GROUP

Resolution on the allocation of profits

<u>Proposition</u>:

„The allocation of the balance sheet profit shown in the annual accounts of the Company as of 31 December 2009 in the amount of EUR 386,750,825.90 shall be made pursuant to the recommendation of the Management Board as follows:

- **The holders of participation certificates will receive a dividend in the amount of 8% of the nominal value.**
- **Each share entitled to a dividend will receive EUR 0.65. Own shares of the Company have no dividend rights.**

The remaining amount is carried forward."

Third item on the agenda

ERSTE GROUP

Resolution

<u>Proposition:</u>

„The actions of the members of

a) the Management Board and

b) the Supervisory Board

of Erste Group Bank AG in the business year 2009 shall be formally approved in separate votes.“

Third item on the agenda –
Request to speak

ERSTE GROUP

On agenda items 1, 2 and 3:

- **Report on the financial year 2009**
- **Resolution on the allocation of profits**
- **Grant of discharge to the members of the Management Board and Supervisory Board**

Fourth item on the agenda

ERSTE GROUP

Resolution on the remuneration of the members of the Supervisory Board

<u>Proposition:</u>

“The members of the Supervisory Board shall be granted a remuneration for the business year 2009 in the aggregate amount of EUR 350,000, whereby the allocation of this amount shall be in the responsibility of the Supervisory Board. The additional meeting attendance fee for the members of the Supervisory Board shall be determined with EUR 500 per meeting of the Supervisory Board or one of its committees.“

Fifth item on the agenda

ERSTE GROUP

Elections to the Supervisory Board

<u>Proposition:</u>

„Dkfm. Elisabeth Gürtler, Mag. Dr. Wilhelm Rasinger and Univ.-Prof. Dr. Georg Winckler shall be elected as members of the Supervisory Board of Erste Group Bank AG until the conclusion of the general meeting which resolves on the formal approval of the actions of the Supervisory Board for the business year 2014.“

Sixth item on the agenda

ERSTE GROUP

Appointment of an additional auditor and group auditor for the audit of the annual financial statements and the status report as well as the group financial statements and the group status report for the financial year 2011.

<u>Proposition:</u>

„In addition to Sparkassen-Prüfungsverband as mandatory bank auditor, Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. shall be elected as auditor of the annual financial statements and the status report of the Company as well as the group financial statements and the group status report, which the Company must prepare for the business year 2011 according to § 1 of the auditing rules for savings banks (Prüfungsordnung für Sparkassen), annex to § 24 Savings Banks Act (Sparkassengesetz)."

Seventh item on the agenda

ERSTE GROUP

Resolution on the revocation of the existing authorized capital and the new authorization to increase the registered capital against cash contribution and/or contribution in kind, with the possibility of the exclusion of the subscription rights in case of issuing shares to employees, senior employees and members of the Management Board of the Company or a Group Company or in case of issuing shares against contribution in kind.
The articles of association shall be amended accordingly.

Seventh item on the agenda
Proposition

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„Revocation of the existing authorized capital according to the resolution of the general meeting from 19th May 2006 to the extent not already used

and

Authorization of the Management Board, until 12th May 2015 to increase the registered capital with the consent of the Supervisory Board – also in several tranches – by an amount of up to EUR 200,000,000 by issuing up to 100,000,000 shares as follows, whereas the type of shares, the issue price, the terms and conditions and – to the extent provided for – the exclusion of the subscription rights will be determined by the Management Board with the consent of the Supervisory Board:

a) by issuing shares against cash contribution without the exclusion of the subscription rights of shareholders; however, if the capital increase serves for the issue of shares to employees, senior employees and members of the Management Board of the Company or a Group Company, by excluding the subscription rights of shareholders;

b) by issuing shares against contribution in kind, excluding the subscription rights of shareholders.

This authorization replaces the existing authorized capital according to section 5 of the articles of association. The articles of association will be amended in section 5 according to the annexed wording with the amendments highlighted.“

Eighth item on the agenda

ERSTE GROUP

Resolution on the authorization to redeem participation capital and corresponding amendment of the articles of association.

<u>Proposition:</u>

„Authorization of the Management Board to redeem until 12 May 2015 the total participation capital or single tranches thereof if already distinguished at the time of issue – and if the equal treatment of the holders of participation capital is safeguarded, also parts thereof – with the consent of the Supervisory Board.

This authorization will be included in section 8.4 of the articles of association pursuant to the annexed wording of the articles of association with the proposed formulation highlighted."

Ninth item on the agenda

Resolution on amendments of the articles of association, in particular to reflect changes in the law – Stock Corporation Amendment Act 2009 (Aktienrechts-Änderungsgesetz 2009).

Proposition:

„The articles of association shall be amended in sections

4) „Registered Capital and Shares“,

9) „Voting Rights“,

16) “Tasks of the Supervisory Board”,

19) „Shareholders' Meeting“,

23) „Financial Statements and Distribution of Profits“ and

26) „Language Regulation“

according to the annexed wording of the articles of association with the proposed amendments highlighted.“

Tenth item on the agenda

ERSTE GROUP

Resolution on the consent to the De-Merger and Acquisition Agreement dated 16.3.2010 on the taking up of the business division "Division Group Large Corporate Austria and Group Real Estate and Leasing Austria" demerged from Erste Bank der oesterreichischen Sparkassen AG, FN 286283 f, as transferring company, by way of universal succession by Erste Group Bank AG, FN 33209 m, as acquiring company, without granting shares in the acquiring company.

Tenth item on the agenda
Proposition

„Resolution on the proportionate de-merger by acquisition pursuant to § 1 para. 2 No. 2 in connection with § 8 para. 1 of the De-merger Act (SpaltG) on the basis of the De-Merger and Acquisition Agreement dated 16 March 2010 as filed with the Vienna Companies Register on the basis of the final balance sheet of Erste Bank der oesterreichischen Sparkassen AG of 31 December 2009.

De-merger of the business division „Division Group Large Corporate Austria and Group Real Estate and Leasing Austria“ of Erste Bank der oesterreichischen Sparkassen AG with its seat in Vienna, FN 286283 f, as transferring company, by way of universal succession to Erste Group Bank AG with its seat in Vienna, FN 33209 m, as acquiring company, with the continuance of the transferring company, without granting shares in the acquiring company, as Erste Group Bank AG is the sole shareholder of Erste Bank der oesterreichischen Sparkassen AG.

Consent to the De-Merger and Acquisition Agreement dated 16 March 2010.“

ERSTE GROUP

17th Annual General Meeting

Erste Group Bank AG

Thank you for your Attention!