

Erste Group Bank AG – Q3 2009 Results Presentation

30 October 2009

Andreas Treichl

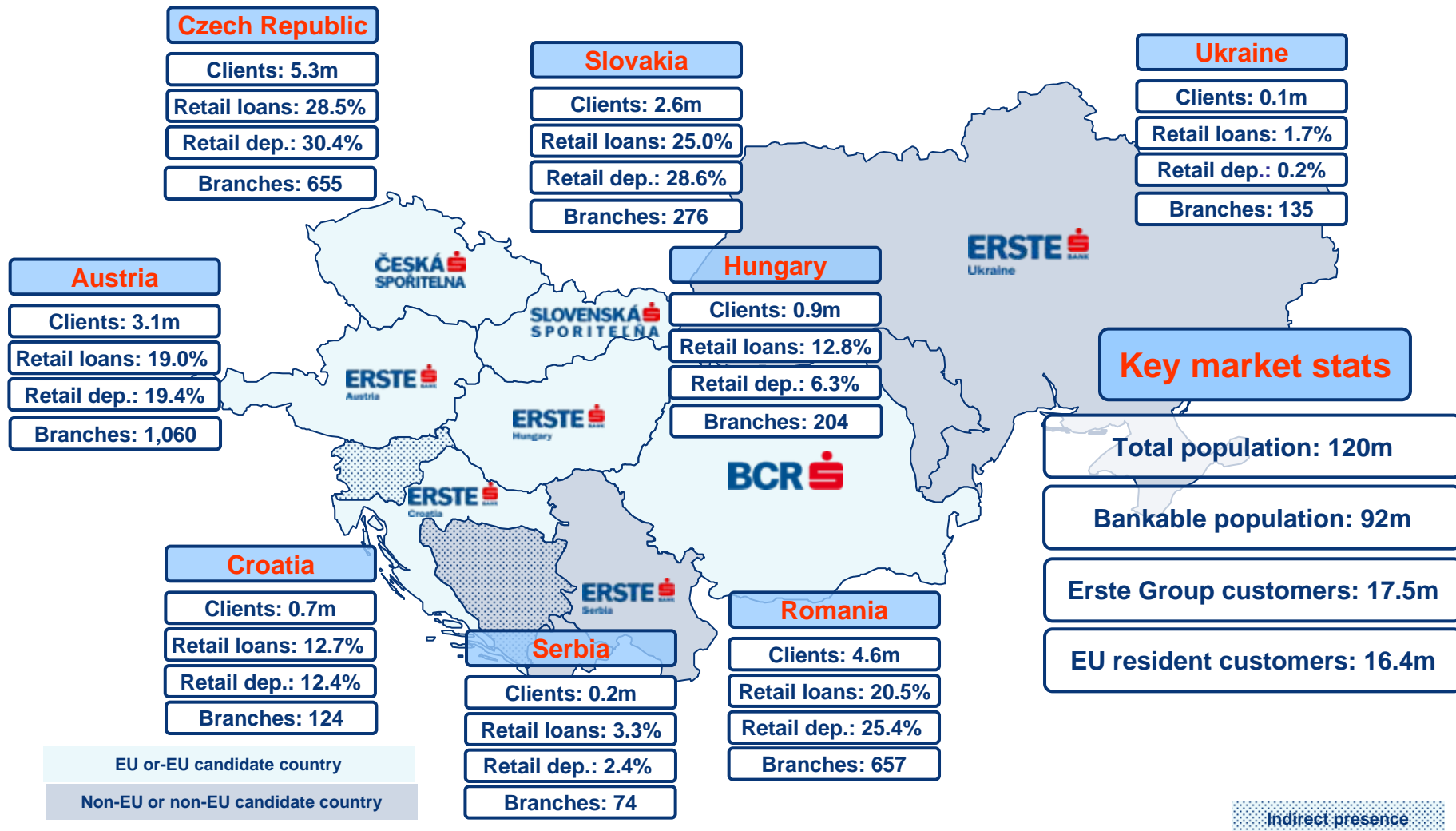
Franz Hochstrasser

Herbert Juranek

Johannes Leobacher

Bernhard Spalt

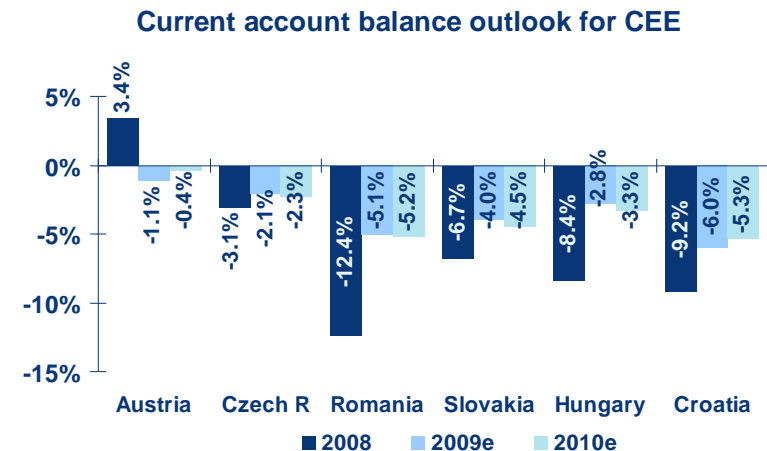
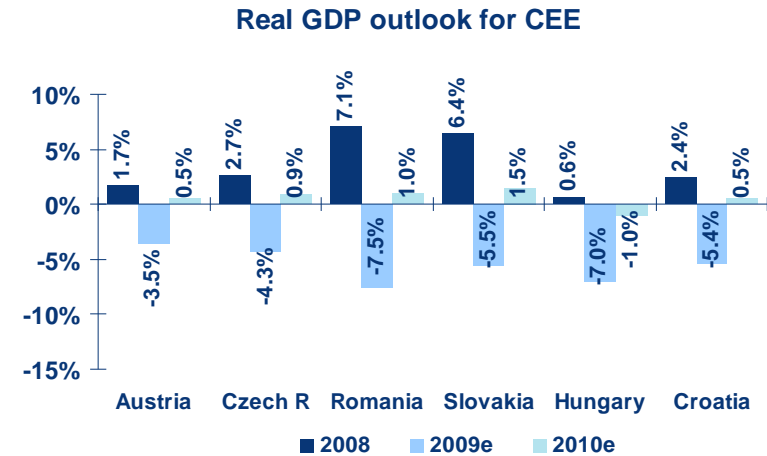
Erste Group in the region – Overview of key facts



Percentage numbers refer to market shares and are as of June 2009. All other data as of September 2009.

Continued growth potential – CEE economies expected to recover in 2010

- **CEE economies expected to contract in 2009 but intensity of macro pressure is easing**
 - First signs of stabilisation, supported by global stabilisation packages
- **Consumer confidence on the rise**
 - Gradual improvement in CZ, RO, HU and SK
- **Improving current account balances**
 - Romanian current account deficit almost fully covered by foreign direct investments in 2009
- **Lower levels of public debt**
- **CEE's competitive advantages are still in place**
 - CEE remains an attractive investment destination
 - Attractive tax regimes
 - Labour market flexibility and productivity
 - Educated workforce



Source: Chart data based on Economist Intelligence Unit.

1-9 09 financial highlights –

Record operating performance in almost all key segments

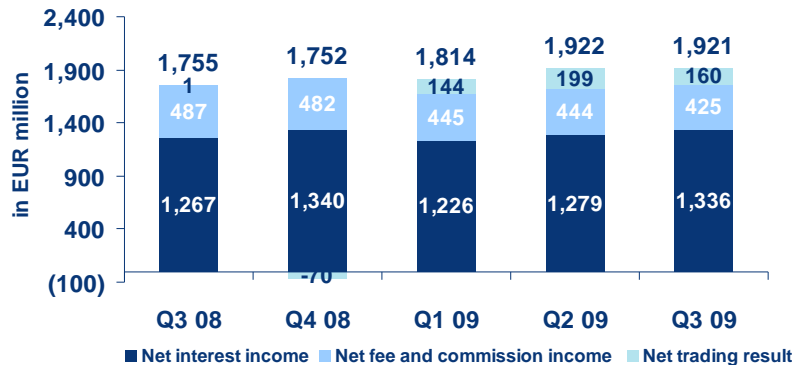
in EUR million	1-9 09	1-9 08	Change	Q3 09	Q2 09	Q3 08
Retail & SME	2,068.4	1,861.0	11.1%	773.0	678.8	633.9
Austria	552.1	500.3	10.3%	196.6	166.1	165.4
EB Oesterreich	235.5	195.8	20.3%	87.7	76.2	63.7
Savings Banks	316.5	304.5	3.9%	108.9	89.9	101.7
Central and Eastern Europe	1,516.4	1,360.6	11.4%	576.5	512.7	468.5
Czech Republic	619.5	547.0	13.3%	224.1	213.6	188.1
Romania	422.6	406.8	3.9%	156.6	133.9	131.1
Slovakia	171.0	154.1	11.0%	77.1	51.1	56.0
Hungary	179.4	145.1	23.6%	73.6	72.6	51.8
Croatia	116.3	116.8	(0.4%)	43.0	39.9	45.9
Serbia	9.1	6.7	35.9%	2.7	3.3	3.8
Ukraine	(1.6)	(15.9)	89.7%	(0.6)	(1.8)	(8.3)
GCIB	394.5	321.5	22.7%	131.8	131.4	112.1
Group Markets	446.8	232.0	92.6%	104.8	174.3	28.1
Corporate Center	(132.8)	(220.9)	39.9%	(9.2)	(46.6)	(71.5)
Total Erste Group	2,776.9	2,193.5	26.6%	1,000.5	937.8	702.6

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

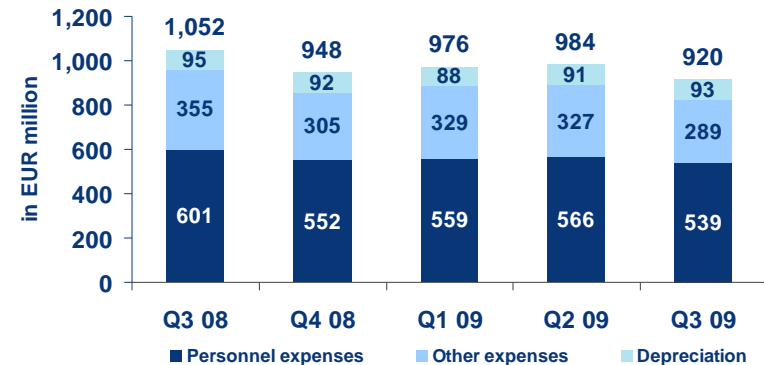
1-9 09 financial highlights –

Continued support from solid NII & net trading result

Operating income per quarter



Operating expenses per quarter



– Operating income up 7.8% on 1-9 08 and stable qoq

- Continued sound performance of NII (+7.5% yoy / +4.4% qoq) despite low volume growth (continued low demand as well as more selective growth). Successful repricing of both assets and liabilities resulted in stable NIM at higher levels. The positive contribution from money market business declined in Q3 09.
- Fee income declined by 11.8% on 1-9 08, seasonal effects impacting qoq performance (-4.2% qoq) while weak securities business in Austria and lower transaction and lending volumes in CEE persist.
- Trading result continued to outperform +172.0% yoy supported by positive contribution from customer business and fixed income as well as money market desks, despite a qoq decrease of 19.8% as contribution mainly from money market desks declined in line with markets

– Operating expenses continued to decline by 5.7% yoy and contracted substantially by 6.5% qoq

- Successful cost control leading to about 4% lower headcount (adjusted for major changes in consolidation) and a reduction in personnel costs of 5.6% yoy (also supported by release of performance related payments in Q3 09). Other administrative expenses (-6.3% yoy) and depreciation (-4.0% yoy) also continued to decline
- Successful cost management was especially visible in Q3 09 but will continue to be in the focus of management's attention

– Operating result¹ again performed strongly: up 26.6% yoy; reaching record EUR 1000.5m (+6.7% qoq)

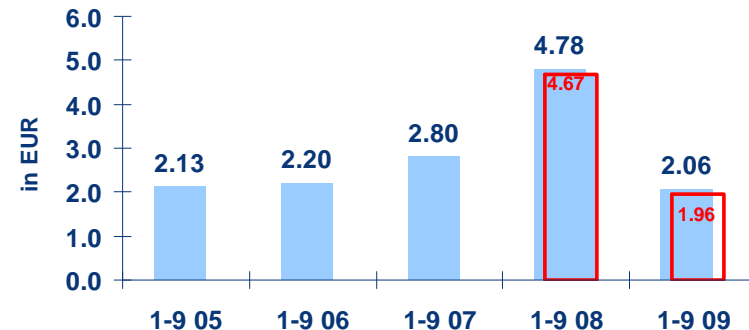
1) Operating result = Operating income (NII + net fee & commission income + net trading result) minus general administrative expenses

1-9 09 financial highlights –

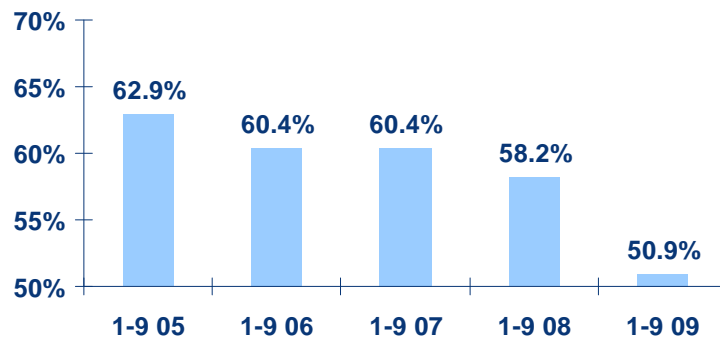
Operating performance mitigating higher risk provisions

- **Net profit on an adjusted bases (for the sale of the insurance business) declined by 16.4% to EUR 720.1m**
 - Compared to reported EUR 1,463.0m decline was 50.8%
 - Decline due to significant increase in risk provisions (to EUR 1,449.2m)
- **NIM on interest bearing assets improved slightly to 3.0% up from 2.8% 1-9 08**
 - Based on continued slight improvement both in CEE (up to 4.6%) and Austria (up to 1.9%)
- **Cash ROE stood at 10.7%**
 - Adjusting for the sale of the insurance business Q3 08 ROE was 13.6%, decline was also due the higher capital base (EUR 1.76bn participation capital issued in H1 09)
- **CIR improved to record low of 50.9%**

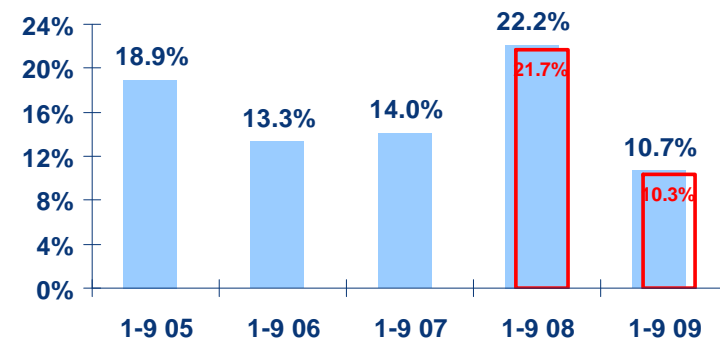
Cash earnings per share *



Cost/income ratio



Cash return on equity *



*) Red bars denote reported EPS and ROE respectively.

Cash EPS and EPS are calculated on average number of shares for the period (ex treasury shares and shares owned by savings banks with EB participations), adjusted for non cash items amounting to EUR 53.0m in 1-9 09 (linear depreciation of customer relationship value after tax and minorities) as well as the dividend for the participation capital (EUR 105.8m).

Erste Group's loan book – Quarterly loan book trends by segment

– **Customer loans increased by 3.4% yoy due to slow down of loan growth starting Q4 08**

- Loan growth increased moderately in Q3 09 up 1.4% qoq
- Growth rates were also impacted by strong volatility of most CEE currencies

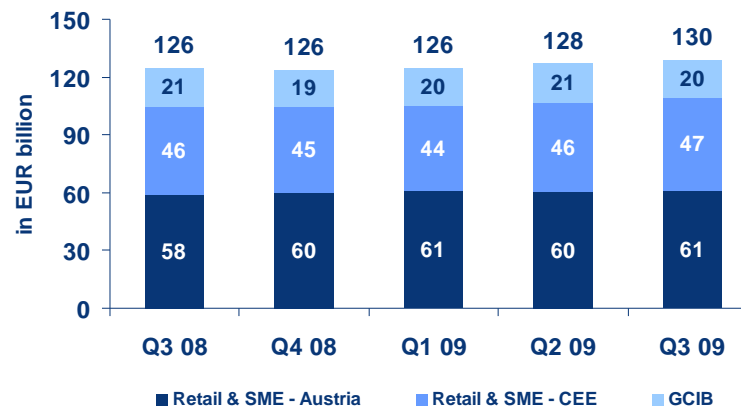
– **Loans in core Retail & SME increased by 4.5% yoy**

- Based on growth of 5.0% yoy in Austria while CEE retail & SME lending increased by + 3.9% yoy impacted by FX volatility

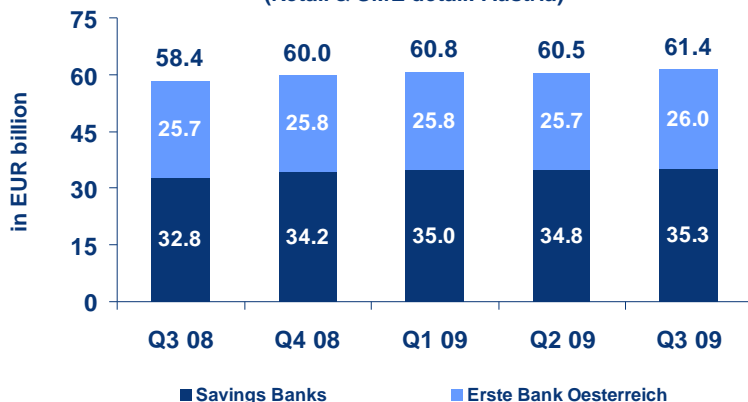
– **GCIB loan stock declined by 2.5% yoy**

- Although selected opportunities were taken, loan stock declined due to redemptions and lower demand

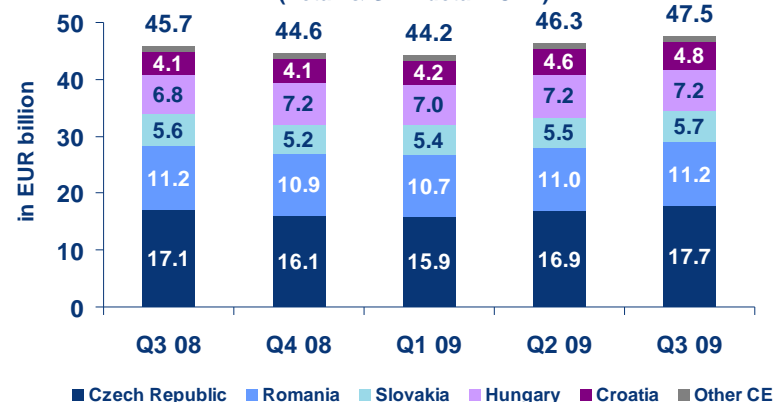
Customer loans by main segments *



Quarterly loan book trends
(Retail & SME detail: Austria)



Quarterly loan book trends
(Retail & SME detail: CEE)

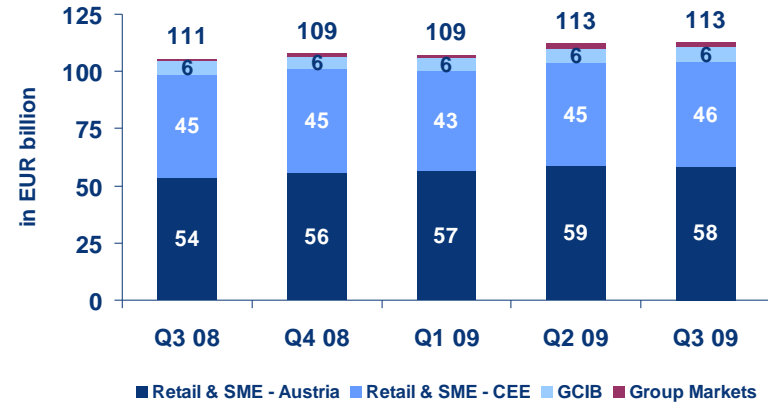


*) Segments do not exactly add up to total due to consolidation effects

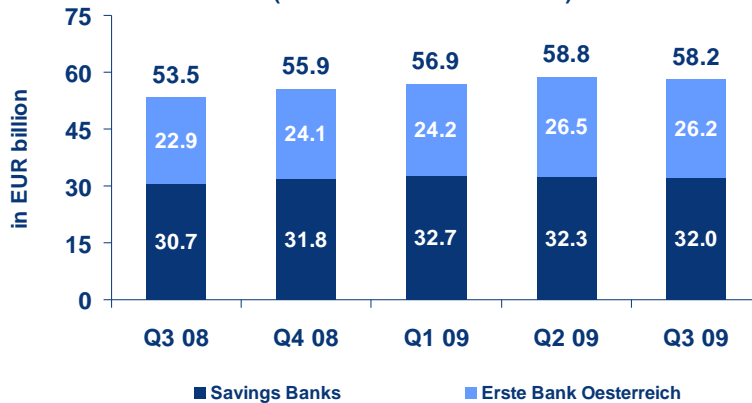
Erste Group's customer deposits – Quarterly deposit trends by segment

- **Total customer deposits increased by 2.1% yoy**
 - Continued inflows and stabilising of CEE currencies supported deposit growth
- **Retail & SME deposit growth of 4.9% yoy**
 - Strong inflows in Austria (+ 8.7% yoy) – supported by + 14.5% yoy at EB Oesterreich
 - Deposits increased across the region (currency adjusted)
- **GCIB deposits increased by + 9.2% yoy**
 - Supported by focus on core customer relationships

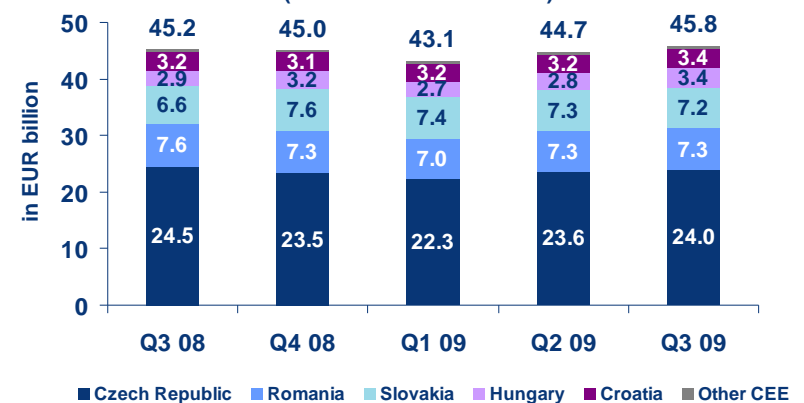
Customer deposit trends by main segments *



Customer deposit trends by subsegments (Retail & SME detail: Austria)



Customer deposit trends by subsegments (Retail & SME detail: CEE)



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

Risk profile benefits from business mix – Deceleration of NPL formation and improved coverage

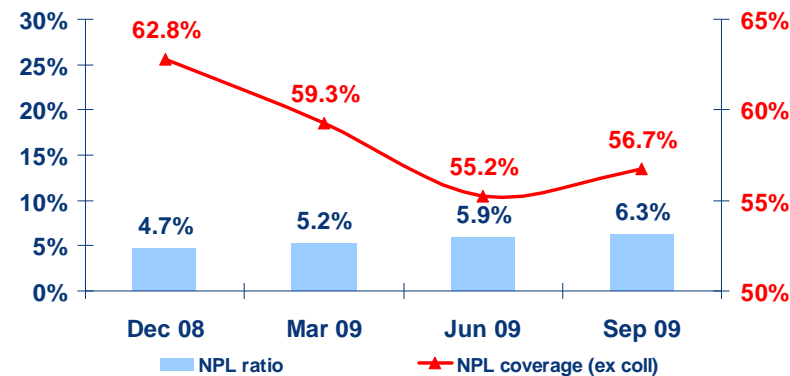
- NPL growth slowed down in Q3 09

- NPL ratio rose by 40 bps to 6.3% after a rise of 70 bps in Q2 09 on the back of slowing new NPL formation in CEE and a decline in NPLs in Austria
- Slowdown of new NPL formation in corporate business was more significant than in the retail business
- CEE NPL ratios deteriorated most in Romania and Ukraine, while Hungary performed comparatively well

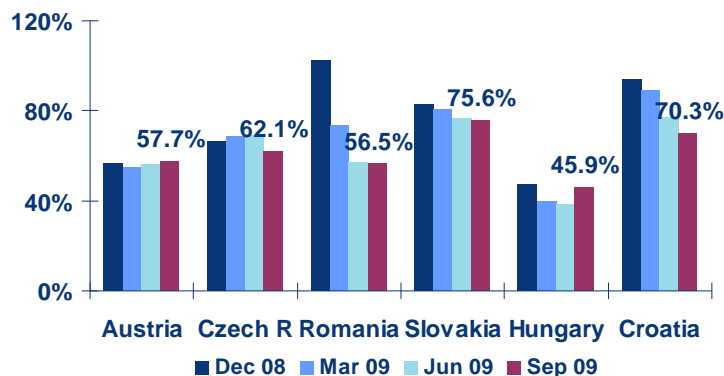
- NPL coverage improved in Q3 09

- Stabilising coverage ratios in Romania and Hungary
- Continued high collateral coverage

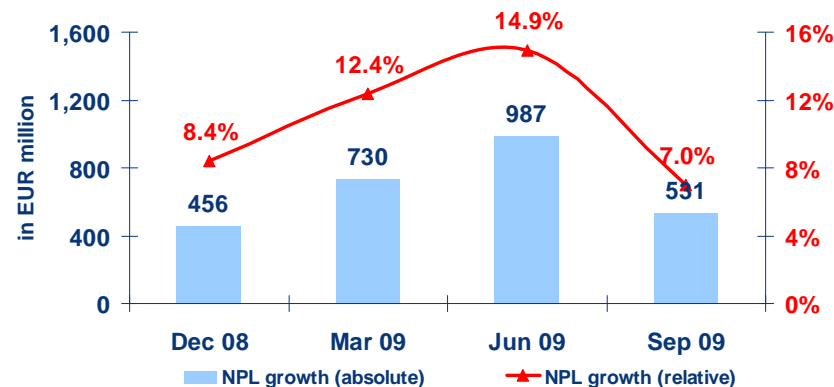
Erste Group: NPL ratio vs NPL coverage



NPL coverage ratios in key markets



NPL growth (absolute/relative)



NPL coverage ratios in key markets based on country of origination concept. Overall NPL ratio and NPL coverage ratio based on customer loans.

Erste Group's loan book –

Prudent lending criteria and risk mitigating factors

- **Retail portfolio dominated by secured loans**
 - Low average LTV's in CEE retail leave cushion for potential further decline in property prices
 - Around 60% in Hungary and Romania - including currency depreciation
 - High collateralisation ensures sufficient total NPL coverage
- **Above average income of Erste Group's customers across all CEE markets**
- **Prudent levels of debt service to disposal income ratio for retail customers**
- **FX-portfolio declining**
 - Suspension of CHF and USD loans for private individuals
- **Tighter lending criteria leading to improved quality of new loans**
 - Even lower LTV's as well as lower maximum loan sizes
 - Continued focus on cash-flow based lending
 - Strengthened rating models and customer authentication processes
- **Tailored and selective restructurings to help challengend customers with positive mid-to long-term outlook**
 - Building customer loyalty as a basis long-term relationship and cooperation
 - Restructuring principles: lengthening maturity and/or deferring capital repayment – but regular interest payments necessary

Strongly improving capital position – Increasing share of high quality, core Tier 1 capital

– Enhanced capital ratio

- Improve Erste Group’s overall financial flexibility
- Prepare Erste Group for potential changes in the regulatory environment and investors’ expectations
- Allow Erste Group to finance growth in CEE

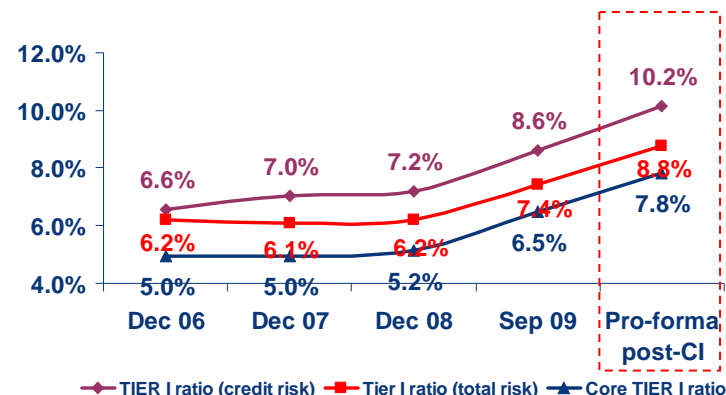
– Higher quality capital structure

- Share of core tier 1 capital in capital structure to rise to 89%, while hybrid capital will decline to 11%
- Common equity raised in the public markets instead of previously planned issuance of government-sponsored hybrid capital

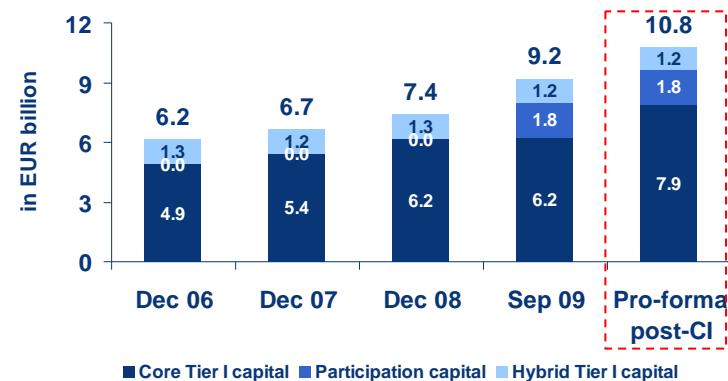
– Participation capital to be retained

- Raised at market terms with Republic of Austria and private investors
- Government investment limited to EUR 1,224m
- Core tier 1 eligible

Key capital ratios



Tier 1 capital composition



¹ Assumes rights issue proceeds based on Erste Group share price of [●] as of [●].

Group income statement (IFRS) –

Cost/income ratio improves to historic low

in EUR million	1-9 09	1-9 08	Change	Q3 09	Q2 09	Q3 08
Net interest income	3,840.9	3,573.3	7.5%	1,335.6	1,279.3	1,267.3
Risk provisions for loans and advances	(1,449.2)	(602.3)	>100.0%	(557.1)	(521.9)	(218.2)
Net fee and commission income	1,313.3	1,489.0	(11.8%)	425.1	443.6	486.8
Net trading result	503.0	184.9	>100.0%	159.9	199.3	0.5
General administrative expenses	(2,880.3)	(3,053.7)	(5.7%)	(920.1)	(984.3)	(1,052.1)
Other operating result	(201.8)	(141.0)	(43.1%)	(114.3)	(47.6)	(56.2)
Result from financial assets - FV	56.4	(114.9)	na	68.5	32.0	(35.0)
Result from financial assets - AfS	(106.4)	(11.6)	na	(87.7)	(7.9)	(5.1)
Result from financial assets - HtM	2.0	(1.9)	na	2.9	(0.8)	(2.0)
Pre-tax profit from continuing operations	1,077.9	1,321.8	(18.5%)	312.8	391.7	386.0
Taxes on income	(269.6)	(264.4)	2.0%	(78.3)	(107.3)	(77.2)
Post-tax profit from discontinuing ops	0.0	610.2	na	0.0	0.0	600.1
Minority interests	(88.2)	(204.6)	(56.9%)	(6.5)	(24.4)	(82.5)
Net profit after minorities	720.1	1,463.0	(50.8%)	228.0	260.0	826.4
Operating income	5,657.2	5,247.2	7.8%	1,920.6	1,922.2	1,754.6
Operating expenses	(2,880.3)	(3,053.7)	(5.7%)	(920.1)	(984.3)	(1,052.1)
Operating result	2,776.9	2,193.5	26.6%	1,000.5	937.9	702.5
Cost/income ratio	50.9%	58.2%		47.9%	53.8%	60.0%
Return on equity	10.3%	21.7%		8.8%	11.4%	34.2%

Group balance sheet (IFRS) – Moderate loan growth continues

in EUR million	Sep 09	Dec 08	Change
Cash and balances with central banks	5,458	7,556	(27.8%)
Loans and advances to credit institutions	13,938	14,344	(2.8%)
Loans and advances to customers	129,954	126,185	3.0%
Risk provisions for loans and advances	(4,713)	(3,783)	24.6%
Trading assets	8,389	7,534	11.3%
Financial assets - FV	3,752	4,058	(7.5%)
Financial assets - AfS	16,187	16,033	1.0%
Financial assets - HtM	14,163	14,145	0.1%
At-equity holdings	260	260	0.0%
Intangible assets	4,975	4,805	3.5%
Property and equipment	2,411	2,386	1.0%
Tax assets	630	859	(26.7%)
Assets held for sale	31	526	(94.1%)
Other assets	8,118	6,533	24.3%
Total assets	203,553	201,441	1.0%
Risk-weighted assets¹	106,564	103,663	2.8%

1) RWA assets for credit risk stood at 123.2bn in Sep 09 (Dec 08: 120.0bn)

Group balance sheet (IFRS) –

Customer deposits continue to outgrow loans

in EUR million	Sep 09	Dec 08	Change
Deposits by banks	26,920	34,672	(22.4%)
Customer deposits	113,317	109,305	3.7%
Debt securities in issue	30,431	30,483	(0.2%)
Trading liabilities	3,175	2,519	26.0%
Other provisions	1,670	1,620	3.1%
Tax liabilities	459	389	18.0%
Liabilities associated with assets held for sale	0	343	na
Other liabilities	7,314	4,968	47.2%
Subordinated liabilities	6,184	6,047	2.3%
Total equity	14,083	11,095	26.9%
Shareholders' equity	10,667	8,079	32.0%
Minority interests	3,416	3,016	13.3%
Total liabilities and equity	203,553	201,441	1.0%
Tier 1 ratio (credit risk)	8.6%	7.2%	
Solvency ratio	10.9%	9.8%	

Core segments –

Group Markets division continues to outperform

in EUR million	Retail & SME		GCIB		Group Markets		Corporate Center		Total group	
	1-9 09	1-9 08	1-9 09	1-9 08	1-9 09	1-9 08	1-9 09	1-9 08	1-9 09	1-9 08
Net interest income	3,284.1	3,143.2	407.2	329.8	158.8	163.3	(9.1)	(62.9)	3,840.9	3,573.3
Risk provisions	(1,146.7)	(494.6)	(216.0)	(57.7)	(0.0)	0.0	(86.4)	(50.0)	(1,449.2)	(602.3)
Net fee and commission income	1,128.7	1,268.7	113.1	113.8	90.2	114.1	(18.6)	(7.5)	1,313.3	1,489.0
Net trading result	145.7	95.6	0.4	4.3	342.7	97.5	14.2	(12.5)	503.0	184.9
General administrative expenses	(2,490.0)	(2,646.4)	(126.1)	(126.4)	(144.9)	(142.9)	(119.3)	(138.0)	(2,880.3)	(3,053.7)
Other result	(172.4)	(117.9)	(32.7)	(23.0)	0.4	(4.5)	(45.1)	(124.0)	(249.8)	(269.4)
Pre-tax profit	749.3	1,248.4	145.8	240.9	447.1	227.5	(264.4)	(394.9)	1,077.9	1,321.8
Taxes on income	(164.7)	(259.4)	(34.0)	(54.0)	(83.5)	(49.0)	12.6	98.0	(269.6)	(264.4)
Post-tax profit from discontinuing ops	0.0	8.4	0.0	0.0	0.0	0.0	(0.0)	601.8	0.0	610.2
Minority interests	(73.1)	(203.7)	3.6	(8.3)	(23.5)	(12.1)	4.8	19.5	(88.2)	(204.6)
Net profit after minorities	511.5	793.6	115.4	178.6	340.1	166.4	(247.0)	324.4	720.1	1,463.0
Average risk-weighted assets	74,437.1	72,574.6	26,208.2	22,982.2	3,250.8	1,901.9	3,011.8	3,028.0	106,907.9	100,486.6
Average attributed equity	4,109.7	3,288.3	2,058.9	1,400.1	331.7	184.0	2,823.2	4,108.4	9,323.5	8,980.8
Cost/income ratio	54.6%	58.7%	24.2%	28.2%	24.5%	38.1%	(881.7%)	(166.5%)	50.9%	58.2%
ROE based on net profit	16.6%	32.2%	7.5%	17.0%	136.7%	120.6%	(11.7%)	10.5%	10.3%	21.7%
EOP customer loans	108,851.2	104,149.3	20,328.8	20,839.5	0.0	0.0	590.9	328.4	129,953.9	125,673.2
EOP customer deposits	104,015.7	99,131.0	6,347.7	5,811.2	2,787.7	1,271.3	6,513.2	10,561.8	113,316.6	110,964.1

Core segment – Austria

Improving performance of Erste Bank Oesterreich

in EUR million	Savings Banks		EB Oesterreich		Austria	
	1-9 09	1-9 08	1-9 09	1-9 08	1-9 09	1-9 08
Net interest income	692.4	702.7	476.9	445.5	1,169.3	1,148.3
Risk provisions	(215.8)	(158.3)	(105.4)	(73.7)	(321.2)	(232.0)
Net fee and commission income	282.9	286.0	218.9	234.9	501.8	520.9
Net trading result	45.3	12.8	6.9	13.5	52.2	26.3
General administrative expenses	(704.1)	(697.0)	(467.2)	(498.1)	(1,171.3)	(1,195.1)
Other result	(114.4)	(44.2)	19.2	(37.1)	(95.2)	(81.4)
Pre-tax profit	(13.7)	102.0	149.3	85.0	135.6	187.0
Taxes on income	(0.1)	(37.0)	(34.1)	(18.5)	(34.2)	(55.5)
Post-tax profit from discontinuing ops	0.0	0.0	0.0	4.9	0.0	4.9
Minority interests	3.1	(59.5)	(8.5)	(1.3)	(5.4)	(60.8)
Net profit after minorities	(10.7)	5.4	106.7	70.1	96.0	75.6
Average risk-weighted assets	24,425.6	24,409.6	13,977.4	14,142.3	38,403.1	38,551.9
Average attributed equity	297.6	224.6	1,130.8	966.6	1,428.4	1,191.2
Cost/income ratio	69.0%	69.6%	66.5%	71.8%	68.0%	70.5%
ROE based on net profit	(4.8%)	3.2%	12.6%	9.7%	9.0%	8.5%
EOP customer loans	35,346.4	32,757.6	26,005.2	25,692.1	61,351.7	58,449.7
EOP customer deposits	32,040.8	30,666.1	26,173.6	22,864.3	58,214.4	53,530.4

Core segment Central and Eastern Europe (1) –

NII continues to improve in Q3 09 ...

in EUR million	Czech Republic		Romania		Slovakia		Hungary	
	1-9 09	1-9 08	1-9 09	1-9 08	1-9 09	1-9 08	1-9 09	1-9 08
Net interest income	806.6	794.2	577.6	542.5	281.8	256.2	253.8	211.4
Risk provisions	(187.8)	(78.3)	(319.7)	(69.6)	(105.8)	(41.3)	(117.6)	(46.0)
Net fee and commission income	310.3	311.4	113.4	192.5	76.9	78.5	61.4	100.1
Net trading result	33.1	8.4	18.2	24.1	7.0	8.5	22.8	10.3
General administrative expenses	(530.5)	(566.9)	(286.7)	(352.3)	(194.6)	(189.0)	(158.6)	(176.8)
Other result	(74.6)	(74.0)	25.3	40.9	(29.8)	(10.3)	8.6	0.7
Pre-tax profit	357.1	394.7	128.3	378.2	35.5	102.5	70.4	99.7
Taxes on income	(71.9)	(80.8)	(21.8)	(62.8)	(7.1)	(18.0)	(17.3)	(25.5)
Post-tax profit from discontinuing ops	0.0	8.0	0.0	(4.5)	0.0	0.0	0.0	0.0
Minority interests	(7.5)	(9.7)	(37.2)	(100.4)	(0.4)	(0.0)	(0.0)	(0.1)
Net profit after minorities	277.8	312.1	69.2	210.5	28.0	84.4	53.0	74.2
Average risk-weighted assets	11,207.7	11,303.8	9,756.5	9,150.6	5,423.3	4,074.2	4,734.0	4,588.0
Average attributed equity	997.3	799.9	552.8	441.1	452.0	290.7	390.8	316.9
Cost/income ratio	46.1%	50.9%	40.4%	46.4%	53.2%	55.1%	46.9%	54.9%
ROE based on net profit	37.1%	52.0%	16.7%	63.6%	8.3%	38.7%	18.1%	31.2%
EOP customer loans	17,671.6	17,115.5	11,191.1	11,228.1	5,685.5	5,561.7	7,234.7	6,789.7
EOP customer deposits	24,033.7	24,916.4	7,251.7	7,557.2	7,224.7	6,633.5	3,414.2	2,877.2

Core segment Central and Eastern Europe (2) –

... but bottom line impacted by rising risk costs

in EUR million	Croatia		Serbia		Ukraine		CEE	
	1-9 09	1-9 08	1-9 09	1-9 08	1-9 09	1-9 08	1-9 09	1-9 08
Net interest income	152.5	144.3	22.0	24.1	20.5	22.2	2,114.7	1,994.9
Risk provisions	(41.5)	(15.9)	(6.1)	(4.3)	(47.0)	(7.3)	(825.5)	(262.6)
Net fee and commission income	56.1	57.6	8.1	5.4	0.6	2.3	626.9	747.7
Net trading result	5.5	11.4	2.2	2.3	4.6	4.3	93.5	69.3
General administrative expenses	(97.8)	(96.4)	(23.1)	(25.1)	(27.3)	(44.8)	(1,318.7)	(1,451.3)
Other result	(4.8)	1.7	(0.9)	4.3	(1.0)	0.2	(77.1)	(36.6)
Pre-tax profit	69.9	102.6	2.1	6.7	(49.6)	(23.0)	613.7	1,061.4
Taxes on income	(13.8)	(20.7)	(0.3)	0.4	1.8	3.6	(130.5)	(203.9)
Post-tax profit from discontinuing ops	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.5
Minority interests	(22.0)	(31.1)	(0.6)	(1.7)	0.0	0.0	(67.7)	(142.9)
Net profit after minorities	34.1	50.8	1.2	5.4	(47.8)	(19.4)	415.5	718.1
Average risk-weighted assets	3,600.1	3,559.6	741.8	808.4	570.7	538.0	36,034.1	34,022.7
Average attributed equity	190.8	161.9	49.1	43.4	48.5	43.0	2,681.3	2,097.1
Cost/income ratio	45.7%	45.2%	71.7%	78.9%	106.4%	155.0%	46.5%	51.6%
ROE based on net profit	23.9%	41.8%	3.4%	16.6%	(131.5%)	(60.0%)	20.7%	45.7%
EOP customer loans	4,753.1	4,056.4	459.0	337.1	504.4	611.1	47,499.5	45,699.6
EOP customer deposits	3,442.3	3,239.1	355.2	342.3	79.5	34.9	45,801.4	45,600.7

1-9 09 financial highlights – Executive summary

- **Erste Group's strong performance continued with a record operating result of EUR 2,776.9m in the first nine month 2009**
 - Operating result increased by 26.6% compared to 1-9 08 – supported by a 7.8% increase in revenues and a substantial decline in administrative expenses (- 5.7%)
 - Best ever operating result of EUR 1,000.5m in Q3 09 was supported by a record operating performance in the core Retail & SME segment both in Austria and CEE in Q3 09
 - Stable net interest margin at 2.98% per 1-9 09 (H1 09: 2.84%)
 - CIR improved to record low of 50.9%

- **Operating environment remained challenging despite first signs of recovery in 1-9 09**
 - Moderately growing loan demand both from retail and corporate customers in Austria and CEE
 - Total customer loans at Erste Group increased by 3.0% compared to YE 08
 - Improved NPL coverage¹, as risk costs increased and formation of new NPLs decelerated
 - NPL ratio based on total customer loans increased to 6.3% in 1-9 09 (H1 09: 5.9%)
 - Quarterly increase of NPL ratio of 40bps in Q3 well below 70bps in Q2
 - Risk costs on average loans of 151 bps in 1-9 09 (H1 09: 141bps)
 - NPL coverage based on total customer loans improved to 56.7% (H1 09: 55.2%)

- **Tier 1 ratio (credit risk) improved to 8.6% (YE 08: 7.2%)**
 - Tier 1 ratio (total risk) improved to 7.4% (YE 08: 6.2%)
 - Core tier 1 ratio (total risk) improved to 6.5% (YE 08: 5.2%)
 - Including EUR 1.76bn of participation capital issued in H1 09
 - Increase of RWA by 2.8% compared to YE 08

1) To improve transparency all ratios with regards to asset quality are referring to total customer loans. To allow comparability with old disclosure all information relating to total asset quality are still available in the appendix. NPLs on total exposure increased to 3.8% in Q3 09 (after 3.6% at H1 09)

Conclusion –

Improved capital ratio allows to leverage the franchise

– **Our key strengths...**

- Leading market positions in retail and SME banking
- Proven and resilient business model
- Well-known brand
- Continued growth potential

– **... and our strategic focus...**

- Business focus on retail and SME banking
- Geographic focus on Austria and CEE
- Efficiency focus

– **... result in attractive profile ...**

- Stability of business model demonstrated by performance throughout crisis
- Largely deposit-funded
- Earnings generation – despite currently elevated provisioning levels during the crisis

– **... which will be supported by further strengthened capital ratio**