

Media Fact Sheet

Profile

Erste Group was founded in 1819 as the first Austrian savings bank ("Erste oesterreichische Spar-Casse"). In 1997, Erste Group went public with a strategy to expand its retail business into Central and Eastern Europe. Erste Group's customer base has grown through numerous acquisitions and organic growth from 600,000 to more than 17 million, of which 16 million clients are citizens of the European Union and benefit from the stable EU regulatory framework. Having always focused on retail and SME business, today Erste Group is one of the largest financial services providers in Central and Eastern Europe in terms of clients and total assets.

Erste Group remains profitable. Erste Group reports for the first quarter of 2009 a net profit of total EUR 232 million and a record operating profit of EUR 838.5m (up by 10.3% compared to Q1 2008). Group's Tier 1 ratio reached 7.8% at Q1 2009 – the highest level in its history. Cost/income ratio recorded another historic low of 53.8% (compared to 55.9% in Q1 2008).

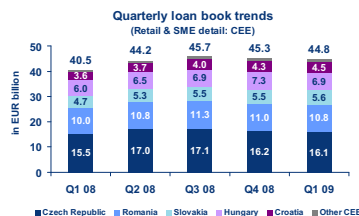
Strategic Objectives

- Business focus: Retail banking**
As an almost 200 year old savings bank we have taken deposits and grant loans. This means, that our deposits finance the loans we've granted to a major extent and we are less dependent on external financing sources.
- Geographical focus: Central and Eastern Europe**
10 years ago we defined our extended home market. Today, 95% of our 17 m clients live in EU member states. This gives us the stability of the EU framework as well as the long term growth potential of these countries as they aim to catch-up with EU 15-levels living standards.
- Efficiency**
Our new group structure reflects the recent split of responsibilities and increases the overall efficiency within the Group: Local responsibility for the Retail and SME business, Holding responsibility for Group Corporate & Investment Banking and Group Capital Markets.

Status-quo

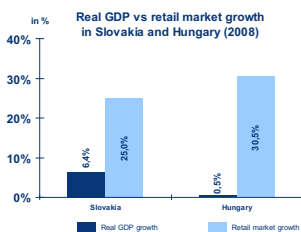
Erste Group's lending exposure in CEE

Erste Group has a deposit base of EUR 43 bn in CEE, which fund the CEE loans of EUR 45 bn. Almost 90% of these loans were granted to EU-member states and are mainly mortgage loans or mortgage backed consumer loans in local currency. They were predominantly granted to "high income customers", who can obtain on average 65% of the property value and spend on average 40% of their disposable monthly income to repay their loan. In contrast to other markets such as US or UK, these customers did not buy property for speculative reasons – they live in them and have a primary interest in repaying the mortgages connected to these properties.



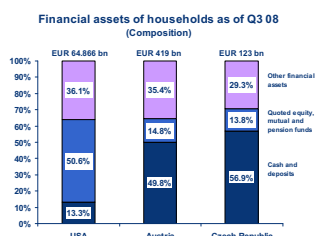
Retail banking in underpenetrated markets does not fully correlate with GDP growth

Hungary recorded a GDP underperformance of +0.5% in 2008, while the demand for retail loans stayed very high (+30.5%) and the asset quality remained solid (NPL ratio: 2.3%). Slovakia, one of the fastest growing countries within the CEE region, recorded a strong GDP growth of 6.4% in 2008, while its retail loans grew less (+25.0%) maintaining a similar asset quality like in Hungary (NPL ratio: 2.2%).



Financial asset-based wealth creation insignificant in CEE

As the financial asset-based wealth creation was insignificant in the CEE region, the collapse in global stock markets has only a limited effect on the personal wealth of the average Central European.



Expansion

- 2007:** Erste Group signs the share purchase agreement to acquire 100% of the shares of Diners Club Adriatic d.d., Croatia.
Erste Group acquires 100% of Bank Prestige in Ukraine, which was renamed Erste Bank Ukraine. It plans to develop a country-wide distribution network.
- 2006:** Erste Group finalises the acquisition of BCR and increases its stake to 69.17%.
- 2005:** Erste Group wins tender for 61.8825% stake in Banca Comercială Română S.A. (BCR), the largest bank in Romania with 3.8 million clients and a market share of 32%.
Erste Group acquires 83.3% of Novosadska banka in Serbia. In a strategic cooperation agreement with Steiermärkische Sparkasse, Erste Group holds 80.49% of Erste Bank Serbia's shares.
- 2003:** Erste Group wins tender to buy 99.94% of Hungary's Postabank, and merges it with Erste Bank Hungary. The new bank is the second largest retail bank in Hungary.
- 2002:** Erste Group acquires an 85% stake in Riječka banka and merges it with its existing operations in Erste Bank Croatia, creating the number three bank in the Croatian market. In strategic cooperation with Steiermärkische Sparkasse, Erste Group holds 65.03% of Erste Bank Croatia.
- 2001:** Erste Group acquires an 87% stake in Slovenská sporiteľňa, the largest bank in the Slovak Republic. Erste Group increases its stake to 100% in 2005.
- 2000:** Acquisition of a majority (52%) stake to 98% during 2002 and 2003. Česká spořitelna is the leading retail bank in Czech Republic.
- 1999:** Acquisition of Čakovečka banka, Bjelovarska banka and Trgovačka banka in Croatia, merged later into Erste & Steiermärkische banka.
- 1998:** Acquisition of Mezőbank in Hungary.
- 1997:** IPO on the Vienna Stock Exchange.

Andreas Treichl, CEO

"Erste Group's markets continue to be attractive because of low banking product penetration, favourable labour environments and attractive tax regimes. We see little reason to see our operating profit going down – actually we see lots of reason for it to improve."



Franz Hochstrasser, Deputy CEO

"The main funding source of our bank will continue to be our deposit base. Alongside that we plan to focus on government guaranteed bonds. If investors will seek alternative investment possibilities instead of government guaranteed bonds, we will issue safe and still AAA rated covered bonds".



Manfred Wimmer, CFO and CPO

"Our strong retail franchise is the backbone of our business. This allows for customer deposits to be our main funding source. Thus we strive to keep the growth of customer deposits in line with the growth of our asset base going forward. And the importance of this balanced approach is enhanced in these difficult times".



Bernhard Spalt, Risk Management

"I think one of our competitive advantages is that we do command a very large customer base. That means that we have previous information of the account behaviour of the customers, which gives you much more comfort in terms of determining their future behaviour. Generally, we are rather looking at the repayment capability of the client than at the value of the collateral."



Herbert Juranek, Organisation & IT

"We will continue to work on efficiency gains and make the whole organisation more effective."



Johannes Leobacher, Group Corporates & Investment Banking

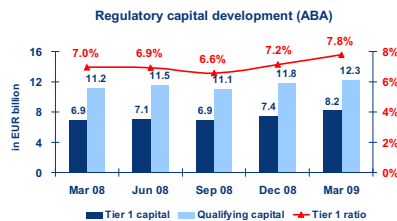
"Many of those banks which did not have a local deposit base and which did nothing but corporate business have retreated from the region. Therefore it is up to the likes of our subsidiaries to make up for that."



Outlook

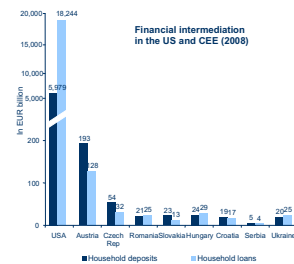
Increase in tier 1 capital

In February 2009, Erste Group signed an agreement with the Republic of Austria regarding capitalisation measures allowing Erste Group to issue up to EUR 2.7 billion of participation capital and hybrid capital. There is no dilution for existing shareholders and the participation capital is not convertible into ordinary shares. The interest rate for the participation capital will be 8% p.a. During the Subscription and Offer Period from 15 to 29 April 2009, Participation Capital in a nominal amount of EUR 540 million has been subscribed for by private and institutional investors. The Republic of Austria has already subscribed for participation capital in a nominal amount of EUR 1.0 billion in March 2009 and will subscribe for additional participation capital in accordance with the agreement in principle. Subsequently, an amount of up to EUR 1 bn of hybrid capital is intended to be issued by Erste Bank der oesterreichischen Sparkassen AG, a 100% subsidiary of Erste Group, to the Republic of Austria. While financially very solid, Erste Group's aim is to use this money to bolster its capital base in order to be more flexible in the light of the challenging market conditions.

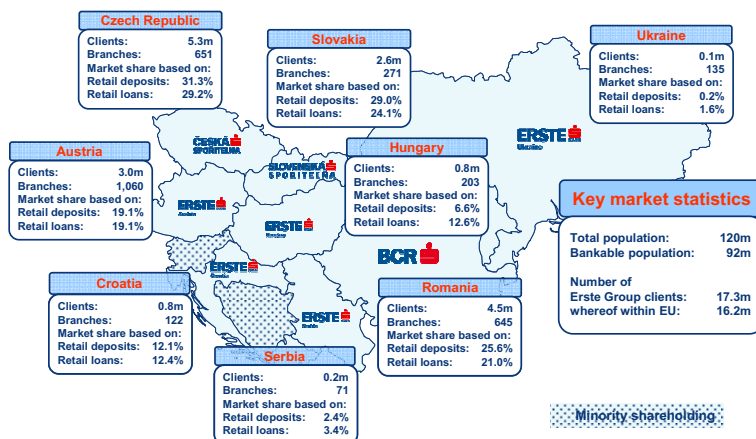


Long-term catch-up potential for banking services in CEE

The high growth rates in the CEE retail banking were not a sign of excess, but rather the result of the complete absence of any retail banking services as little as 5 or 10 years ago. CEE retail banking business will do comparatively well in a more difficult economic environment, as product penetration remains low and the average customer is much less indebted than his West European or US counterpart. These key competitive advantages form a solid basis for continued strong profitability in the region over the medium to long term.



17 million clients in Central and Eastern Europe



Group Income Statement

In EUR million	Erste Group			CEE		
	1-3 2009	1-3 2008	+/- %	1-3 2009	1-3 2008	+/- %
Net interest income	1,226.0	1,151.1	-6.5	674.4	608.8	10.8
Risk provisions	-370.2	-163.1	> 100.0	-174.0	-69.0	152.1
Net fee and commission income	444.6	491.9	-9.6	196.0	240.5	-18.5
Net trading result	143.8	82.3	-74.7	0.7	33.9	-97.9
General administrative expenses	-975.9	-964.8	1.2	-443.9	-439.2	-1.0
Operating result	838.5	760.5	10.3	427.2	444.0	-3.8
Other result	-39.9	-22.9	-74.2	-23.8	-37.5	36.5
Pre-tax profit	373.4	488.8	-23.6	229.4	337.5	17.6
Taxes on income	-84.0	-97.8	-14.1	-46.2	-65.4	22.6
Post-tax profit from discontinued ops	0.0	4.8	na	0.0	0.6	na
Minority interests	-57.3	-80.2	-28.6	-30.2	-42.1	57.3
Net profit after minorities	232.1	315.6	-26.5	152.9	230.6	10.0
Cost/income ratio (in %)	53.8	55.9	-3.75	51.0	49.7	-13.4
ROE based on net profit (in %)	11.4	14.8	-23.0	24.1	47.3	-2.75
	Mar 2009	Dec 2008	+/- %	Mar 2009	Dec 2008	+/- %
Total assets (in m EUR)	199,071	201,441	-1.2	76,547	79,354	-3.5
Number of clients (in m)	17.3	17.2	0.6	14.3	14.2	0.7
Number of branches	3,158	3,159	-0.03	2,098	2,099	-0.04
Number of employees	52,385	52,648	-0.5	35,996	36,370	-1.0

Current developments:

30.04.2009: Erste Group posts net profit of EUR 232 million in Q1 09 – Continued strong operating result; higher risk costs

Erste Group posted record operating profit of EUR 838.5 million in Q1 09 (up 10.3% and 4.4% on Q1 08 and Q4 08, respectively), based on the strong growth in operating income and limited cost growth. The net profit amounted to EUR 232.1 million in Q1 09 (Q1 08: EUR 315.6 million, Q4 08: EUR -603.4 million). All countries, except for Ukraine, in which Erste Group has only a small presence, remained profitable in Q1 09. "We are convinced that Erste Group's dominant position as a retail bank in all its core markets, supported by a strong deposit base, pricing power and conservative lending policy, offers a sound basis to offset the higher risk costs that inevitably accompany an economic downturn. This assessment is also underpinned by a balanced business mix and the fact that more than 95% of our 17 million customers are residents of EU member countries", commented Andreas Treichl on the outlook of Erste Group.

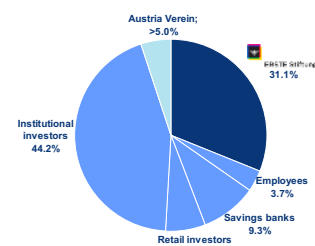
09.04.2009: CEE Equity Strategy: markets remain volatile, but bottom sounds realistic

Although the economic outlook remains gloomy, Erste Group analysts rate as overly bearish the reaction to the supposedly dramatic situation in CEE. While fund flow data for February was still negative (particularly for emerging Europe markets), in March money market funds experienced substantial outflows and money got directed into equity again. "We continue to see markets as volatile, although we would see the notion of them having found a bottom as realistic, at least. For the region, we expect returning liquidity to focus first on the biggest markets," says Henning Esskuchen, Co-Head of CEE Equity Research at Erste Group.

09.03.2009: Gross misrepresentation of BIS data on CEE - Separating fact from fiction on region's indebtedness

Recent weeks have brought alarming news that Eastern Europe has borrowed 1.7 trillion US\$ abroad and has to repay or roll over \$400bn in 2009. This is based on a gross misrepresentation of data: the 1.7 trillion US\$ mentioned in the report comprise 20 countries (among them Russia, Turkey and Ukraine) and they are based on consolidated financial statement data. This means that claims are allocated to the country of the parent company. In case of Erste Group: a loan of e.g. Ceska Sporitelna, Erste's Czech subsidiary, is entered in the books as a claim of an Austrian bank towards a Czech borrower. The misinterpretation of the market was that those loans were considered as part of the external debt of the owner, but the origin of the funding that decides whether a loan accounts for the external debt of a country. The Czech banking system actually shows a surplus of deposits and can fund all loans with own deposits.

Shareholder Structure by Investor Type:



Total number of shares: 317,012,763
 Free float: 63.4%

Listed on three stock markets in the region:

Since 1997, Erste Group has been listed on the Vienna Stock Exchange; since 2002 on the Prague Stock Exchange and since February 2008 on the Bucharest Stock Exchange, ranking everywhere in TOP 3 heavy weights. In addition, Erste Group is represented in the MSCI Standard Index, DJ Euro Stoxx Banks Index and in the FTSE EuroTop 300. Erste Group's shares are publicly traded in the US via a Level I ADR programme.

Ratings:

Moody's: Long-term: Aa3, Short-term: P-1, Outlook: under review
 S&P: Long-term: A, Short-term: A-1, Outlook: Negative
 Fitch: Long-term: A, Short-term: F1, Outlook: Stable