ERSTE GROUP

Interim Report
First Quarter 2009

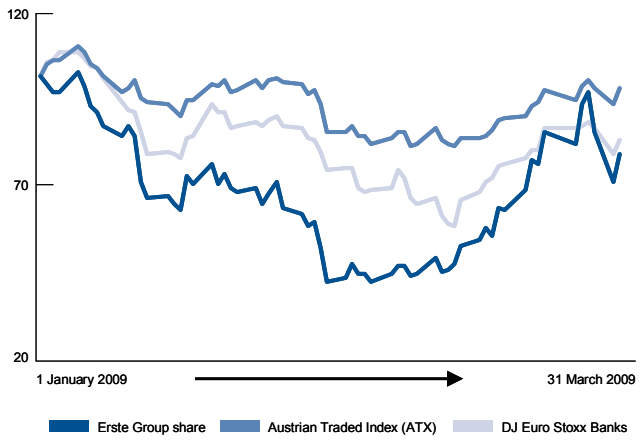
KEY FINANCIAL AND SHARE DATA

in EUR million	1-3 09	1-3 08
Income statement		
Net interest income	1,226.0	1,151.1
Risk provisions for loans and advances	-370.2	-163.1
Net fee and commission income	444.6	491.9
Net trading result	143.8	82.3
General administrative expenses	-975.9	-964.8
Other result	-94.9	-108.6
Pre-tax profit from continuing operations	373.4	488.8
Post-tax profit from discontinuing ops	0.0	4.8
Net profit after minorities	232.1	315.6
Profitability ratios		
Net interest margin	2.9%	2.8%
Cost/income ratio	53.8%	55.9%
Return on equity	11.4%	14.8%
Earnings per share	0.68	1.01
	Mar 09	**Dec 08**
Balance sheet		
Loans and advances to credit institutions	12,088	14,344
Loans and advances to customers	126,337	126,185
Risk provisions for loans and advances	-4,008	-3,783
Trading and other financial assets	42,775	41,770
Other assets	21,879	22,925
Total assets	**199,071**	**201,441**
Deposits by banks	30,747	34,672
Customer deposits	108,707	109,305
Debt securities in issue	30,951	30,483
Other liabilities	10,536	9,839
Subordinated liabilities	6,070	6,047
Total equity	12,060	11,095
Total liabilities and equity	**199,071**	**201,441**
Changes in total qualifying capital		
Risk-weighted assesment basis pursuant to section 22 (2) Austrian Banking Act	105,965	103,663
Tier 1 ratio	7.8%	7.2%
Solvency ratio	10.4%	10.1%
	1-3 09	**1-3 08**
Stock market data (Vienna Stock Exchange)		
High (EUR)	16.39	47.52
Low (EUR)	7.00	34.35
Closing price (EUR)	12.75	41.05
Market capitalisation (EUR billion)	4.04	12.98
Trading volume (EUR billion)	1.20	4.52

Ratings at 31 March 2009

Fitch	
Long term	A
Short term	F1
Outlook	Stable
Moody's Investors Service	
Long term	Aa3
Short term	P-1
Outlook	Under review
Standard & Poor's	
Long term	A
Short term	A-1
Outlook	Negative

Performance of the Erste Group share (indexed)



Highlights

- **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). Strong growth in operating income (EUR 1,814.4 million, up 5.2% and 3.6% on Q1 08 and Q4 08, respectively) and limited cost growth – operating expenses were up by just 1.2% to EUR 975.9 million against Q1 08 and 2.9% compared to Q4 08 – contributed equally.**

- **Net interest income and net trading result were major operating income drivers in Q1 09. Despite the absence of loan growth – customer loans remained flat at EUR 126 billion in Q1 09 vs Q4 08 – and thanks to stable net interest margins across all geographies, net interest income remained strong at EUR 1,226.0 million (up 6.5% on Q1 08 although down 8.5% on Q4 08), supported by a strong performance of the Retail & SME segment. The excellent net trading result was mainly due to a strong performance of the fixed income and money markets businesses.**

- **Risk costs rose to EUR 370.2 million (up 127.0% on Q1 08, but down 21.1% on Q4 08) or 117 bps of average customer loans. The NPL ratio (based on total exposure) increased from 2.9% in Q4 08 to 3.3% in Q1 09.**

- **Erste Group did not take advantage of reclassifying assets as a result of the change in accounting rules. Results from all categories of financial assets were primarily impacted by revaluation requirements on the ABS/CDO portfolio: the negative P&L effect in Q1 09 equalled EUR 54.8 million (pre-tax), while the negative impact on shareholders' equity was EUR 88.0 million.**

- **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.**

- **The reported tier 1 ratio improved to 7.8% at Q1 09 (2008: 7.2%) following the provision underwriting of EUR 1 billion by the Republic of Austria as part of the EUR 2.7 billion participation capital transaction ahead of the completion of the public offer. Risk-weighted assets grew by 2.2% to EUR 106 billion in Q1 09.**

- **Successful placement of participation capital. Erste Group has placed EUR 540 million of participation capital with 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. The volume of the participation capital will in aggregate amount to approximately EUR 1.75 bn. Subsequently, an amount of up to EUR 1 bn of hybrid capital is intended to be issued by Erste Bank der oesterreichischen Sparkasssen AG, a 100% subsidiary of Erste Group, to the Republic of Austria. As previously announced, the aggregate volume of participation and hybrid capital shall therefore amount to EUR 2.7 billion on a consolidated basis.**

Letter from the CEO

Dear shareholders,

Despite deteriorating economic fundamentals in early 2009 Erste Group again reported solid net profit and record operating profit as well as an improved balance sheet structure and a stronger capital position. Quarterly operating profit hit a new high at EUR 839 million, up 10% on Q1 08, while net profit declined by 26% to EUR 232 million. This divergence was mainly a result of higher risk costs, which rose sharply year-on-year but declined sequentially by 21% due to extraordinary provisioning requirements in Q4 08. Solid net interest income on the back of stable margins, an excellent net trading result and a well contained cost base – cost growth amounted to only 1.2% year-on-year and 2.9% sequentially – equally contributed to Erste Group's first quarter performance. As a consequence the cost/income ratio hit another record low at 53.8%.

The balance sheet total declined slightly versus year-end 2008, mainly due to slow loan growth on group level and declining interbank business. Customer deposits, a key stronghold of Erste Group, remained virtually unchanged despite adverse currency movements during the quarter. Overall, the loan-to-deposit ratio stood at 116%. Our capital position was bolstered by the issuance of EUR 1 billion of core tier 1 eligible participation capital to the Republic of Austria in March 2009 – this deal formed part of the EUR 2.7 billion participation capital transaction. Accordingly, the core tier 1 ratio rose to a new high of 7.8%, a level that is bound to increase further following the final completion of the participation capital transaction.

Our core retail business in Central and Eastern Europe, which balances loan with deposit growth, remained solidly profitable despite consistently negative rhetoric during the first quarter of 2009. Stable margins and manageable increases in risk costs proved once again that a healthy retail business can absorb a substantial deterioration in asset quality and still remain profitable. This development was underpinned by strong growth in net interest income, a decline in net fee and commission income on the back of lower fees from lending business and flat cost growth: While the situation varied from country to country, Erste Group strong position in the lowest risk countries of the region acted as a material risk mitigant.

The Czech Republic continued to be the major profit contributor benefiting from its market leadership position in deposits. Even in Romania, which suffered from a 5%-currency depreciation versus year-end 2009 operating profit remained at last year's level, while net profit declined due to higher risk costs. The situation was somewhat worse in Hungary, where currency depreciation was more pronounced at 15% in the first quarter; still our bank reported a meaningful – albeit diminished – net profit.

In addition to Central and Eastern Europe the major topic on investors' minds is the development of risk costs and non-performing loans. While we are under no illusion that both will rise, we are equally confident about our ability to cope with any such increases. In addition, it is important to appreciate that we operate in a well-diversified markets: the majority of our exposure is actually related to consistently stable Austria, while the bulk of our exposure in Central and Eastern Europe is focused on the most developed economies, such as the Czech Republic and Slovakia. There is no denying that we are also well represented in higher risk countries such as Romania and Hungary, but even those countries benefit from EU membership, tax regimes that are highly conducive to foreign direct investments and a well educated workforce. In countries outside the European Union, such as Serbia or Ukraine we have no meaningful presence.

The strong underlying performance of the past quarter again underscores the continued validity and sustainability of our retail business model in Austria and Central and Eastern Europe. We are serving actual customers – more than 17 million of them, almost all of which live in the European Union – who have actual customer needs, which will not go away. Accordingly, we continue to be convinced about the long-term potential of our markets, even though the short-term outlook remains challenging. Macroeconomic growth will probably take a severe hit, business growth will slow down and investment activity will stay muted. This notwithstanding, we firmly believe that the ability to quickly adapt to a changing economic environment will be a key competitive advantage for Central and Eastern Europe during the downturn, while the flexible business structure will help the region outperform once the economy gains traction again.

Andreas Treichl

Erste Group Share

EQUITY MARKET REVIEW

The continuing poor general conditions led to a continuation of the downward trend on the international equity markets, with double-digit price falls in which several indices reached historical lows. At the end of February, the Dow Jones Index was at its lowest level since 1997. In spite of a slight price recovery on the stock markets in March, the leading American share index ended the first quarter with a fall of 13.3%. During the same time period, the European Euro Stoxx 50 Index fell by 15.5%.

Poor economic data from the USA and Europe (significant declines in demand and industrial production, rising unemployment, etc.) confirmed the recessive development of the global economy and the negative outlooks of economic researchers, national banks and companies. The disappointing reports issued over the last few months, in which the published results were even lower than the already reduced expectations, posed an additional strain. The announcements of losses in the billions, particularly in the financial sector and the automotive sector, characterised by dramatic declines in sales, and the necessity of new rescue packages from the governments in the billions also generated uncertainty.

In addition to the expansion of the economic packages and the increase of state guarantee by the governments, the central banks took additional steps to stabilise the economies. As the US key interest rate was already almost at 0% after the previous interest rate reduction in mid-December 2008, the US Federal Reserve concentrated on buying up mortgage-backed securities. The European Central Bank (ECB) responded with three additional key interest rate reductions totalling 125 basis points. At 1.25%, the European key interest rate is at its lowest level since the introduction of the euro in 1999. The announcement by the US Federal Reserve that it will buy long-term government bonds for USD 300 million and securitised mortgages for USD 750 million during the next six months caused prices to rise. The resolutions by the G20 Summit regarding additional state aid in the amount of USD 1.1 billion and stricter, extensive controls on the financial system were received just as positively.

Recent record losses by several banks, which made an expansion of state aid in the billions and partial nationalisation necessary - and which resulted in downgrades by rating agencies, caused additional, significant price falls in financial securities. The measures announced by the US Federal Reserve to reduce the capital market interest rates and end the credit crunch caused a price recovery in March. After the DJ Euro Stoxx Bank Index, which represents the most important European bank shares, showed a decline of more than 28% during both of the first months, it ended the first quarter of 2009 with a fall of 17.6%.

The development of the Viennese stock market was characterised by the negative stock market environment, in which international reports, from Moody's rating agency among others, expressed concerns about the high risks of the Eastern European region - thus generating additional uncertainty among the investors. Negative surprises also increasingly added strain in result presentations. A turnaround with regard to negative reporting by many international media and rating agencies regarding the CEE region led to a significant recovery, particularly with the strongly weighted financial securities in the ATX (Austrian Traded Index). At a level of 1,696.62 points, the ATX has shown a decline of 3.1% since the beginning of the year.

PERFORMANCE OF THE ERSTE GROUP SHARE

Influenced by the extremely negative attitude toward banks and the Central and Eastern Europe region - and reinforced by negative rating agency and media reports, the Erste Group share suffered additional price falls and reached its historical low of EUR 7.00 in mid-February. Due to the short-term relaxation of the equity markets, the confirmation of the Erste Group rating by the Standard & Poor's and Moody's rating agencies as well as the inclusion of the Erste Group share in the DJ EuroStoxx Select Dividend 30 Index, the share was able to post a rise of more than 80% by 31 March, since its low in mid-February. The performance of the Erste Group share since the beginning of the year fell by 21.3%, due to the previously suffered price losses. In spite of a revision of the result estimates and price targets, Erste Group continues to be regarded as profitable by the analysts due the anticipated deterioration of the macroeconomic situation in the CEE countries and the resulting higher risk costs and the goodwill amortisation. Based on the business model of a retail bank and a customer base of more than 17 million customers, the Central and Eastern European countries will remain a Erste Group region for the long term, as even the slowing growth rates in these countries will not hinder the long-term growth potential in a region with such low banking product market penetration.

INVESTOR RELATIONS

In the first quarter of 2009, management also took part in numerous individual and group meetings, together with the Investor Relations Team of Erste Group, as well as in international banking and investor conferences, organised by Unicredit, HSBC and Morgan Stanley. At the meetings and conferences, the strategy and orientation of Erste Group were presented against the background of the financial and credit crisis.

On 27 February, the signing of an in-principle agreement took place with the Republic of Austria to issue up to EUR 2.7 billion of participation capital by Erste Group. The participation capital was offered for subscription to the existing shareholders during a period from 15 – 29 April 2009 - within the context of their subscription rights - as well as to private and institutional investors. The utilisation of the package of measures from the Republic of Austria is for the purpose of raising the tier 1 ratio to international standards to more than 9%.

Interim Management Report

BUSINESS PERFORMANCE

In January 2009, Sparkasse Kufstein joined the Haftungsverbund (cross guarantee system of Austrian savings banks) and therefore was included in the consolidated financial statement from this point in time. In addition, Opportunity Bank a.d., Montenegro, acquired by Erste & Steiermärkische banka d.d., and Ringturm KAG were consolidated for the first time as of 31 March 2009. Furthermore, Investbanka a.d. Skopje, Macedonia, acquired by Steiermärkische Bank und Sparkassen AG, has been part of the consolidated financial statement since 1 October 2008 and was not included during the entire reporting period for the previous year. As a result, rates of change show a minor distortion when compared with the previous year.

SUMMARY OF BUSINESS PERFORMANCE

The **operating result** grew by 10.3% to EUR 838.5 million in Q1 09, compared to EUR 760.5 million in Q1 08. This improvement was primarily a result of rising operating income, which increased by 5.2% to EUR 1,814.4 million due to rising net interest income (+6.5% to EUR 1,226.0 million) and a very good net trading result (+74.7% to EUR 143.8 million). **General administrative expenses** only rose slightly by 1.2% to EUR 975.9 million. The **cost/income ratio** improved to 53.8% (full year 2008: 57.2%).

Net profit after minorities declined by 26.5% to EUR 232.1 million, primarily due to higher risk costs – risk provisions amounted to EUR 370.2 million in Q1 09 after EUR 163.1 million in Q1 08. This was a refection of the economic downturn triggered by the financial crisis, which did not affect Q1 08.

Return on equity (cash, i.e. after elimination of linear depreciation for the customer base) rose from 10.1% (reported value: 9.6%) in 2008 to the current 11.8% (reported value: 11.4%).

Cash earnings per share stood at EUR 0.71 in Q1 09 (reported value: EUR 0.68), compared with EUR 1.04 (reported value: EUR 1.01) in Q1 08.

Total assets declined slightly in Q1 09 and amounted to EUR 199.1 billion as of 31 March 2009, a fall of 1.2% compared with year-end 2008, resulting from a decrease in interbank business.

Erste Group offered participation capital up to a total nominal value of EUR 2.7 billion for subscription from 15 to 29 April 2009. Of this, the Republic of Austria already underwrote EUR 1 billion in March 2009.

The **solvency ratio** related to credit risk improved from 10.1% as at year-end 2008 to 10.4% as of 31 March 2009 due to the issuance of participation capital in the amount of EUR 1 billion, underwritten by the Republic of Austria. Therefore, it was still comfortably above the legal minimum requirement of 8.0%. The **tier 1 ratio** in relation to credit risk amounted to 7.8% as of 31 March 2009, compared to 7.2% at year-end 2008.

PERFORMANCE IN DETAIL

Net interest income

In spite of the tense liquidity situation and still cautious credit demand in Q1 09, net interest income increased by 6.5% from EUR 1,151.1 million in Q1 08 to EUR 1,226.0 million.

Net interest margin (net interest income as a percentage of average interest-bearing assets) improved from 2.84% in 2008 to 2.86% in Q1 09. While the net interest margin declined slightly in Central and Eastern Europe (especially in Ukraine, Hungary and Slovakia) from 4.6% to 4.5%, it rose slightly in the Austrian business from 1.8% to 1.9%, in particular in the divisionalised business units Group Markets and Group Corporate & Investment Banking.

in EUR million	1-3 09	1-3 08	Change
Net interest income	1,226.0	1,151.1	6.5%
Risk provisions for loans and advances	-370.2	-163.1	>100.0%
Net fee and commission income	444.6	491.9	-9.6%
Net trading result	143.8	82.3	74.7%
General administrative expenses	-975.9	-964.8	1.2%
Other result	-94.9	-108.6	12.6%
Pre-tax profit from continuing operations	**373.4**	**488.8**	**-23.6%**
Post-tax profit from discontinuing operations	0.0	4.8	na
Net profit after minorities	**232.1**	**315.6**	**-26.5%**

Net commission income

in EUR million	1-3 09	1-3 08	Change
Lending business	74.7	91.2	-18.1%
Payment transfers	192.7	203.4	-5.3%
Card business	44.7	39.6	12.9%
Securities transactions	97.4	126.6	-23.1%
Investment fund transactions	39.1	56.5	-30.8%
Custodial fees	12.7	16.6	-23.5%
Brokerage	45.6	53.5	-14.8%
Insurance brokerage business	27.1	21.5	26.0%
Building society brokerage	9.8	8.8	11.4%
Foreign exchange transactions	7.2	9.9	-27.3%
Investment banking business	3.0	3.2	-6.3%
Other	32.7	27.3	19.8%
Total	**444.6**	**491.9**	**-9.6%**

Net fee and commission income declined by 9.6% in Q1 09 from EUR 491.9 million to EUR 444.6 million. The reduction was the most notable in securities business (-23.1% to EUR 97.4 million). In addition to asset management and fund business, the decline also impacted the investment banking business. The reasons for this were the continued uncertainty across capital markets and declining fund volumes. Net fee income from lending business also decreased in Q1 09 as a result of the slowing new business (-18.1% to EUR 74.7 million).

Net trading result

The significant increase by 74.7%, from EUR 82.3 million in Q1 08 to EUR 143.8 million in Q1 09 primarily related to the securities business (Q1 09: EUR 76.2 million after EUR 19.3 million in Q1 08). In Q1 08, valuation losses on securities in the trading portfolio resulted in a significant decline in the net trading result.

General administrative expenses

in EUR million	1-3 09	1-3 08	Change
Personnel expenses	558.6	561.4	-0.5%
Other administrative expenses	329.4	309.8	6.3%
Subtotal	888.0	871.2	1.9%
Depreciation and amortisation	87.9	93.6	-6.1%
Total	**975.9**	**964.8**	**1.2%**

General administrative expenses increased only slightly by 1.2%, from EUR 964.8 million to EUR 975.9 million, whereby around 0.5% of the rise was attributable to the wider scope of consolidation (accession of Sparkasse Kufstein to the *Haftungsverbund* – cross-guarantee system of Austrian savings banks) since January 2009.

Personnel expenses fell slightly by 0.5% (currency-adjusted +3.3%), from EUR 561.4 million to EUR 558.6 million. The decline in headcount had a positive effect as did currency movements, both of which offset annual salary increases.

The main influence on the headcount was the consolidation of an additional savings bank within the Austrian Savings Banks segment as of Q1 09 (+197 employees), the first time consolidation of Opportunity Bank in Montenegro (+213 employees in Erste Bank Croatia) and cost cutting measures in Ukraine.

Other administrative expenses increased by 6.3% (currency-adjusted +12.4%), from EUR 309.8 million to EUR 329.4 million in Q1 09, with a particular increase in other administrative expenses in Romania, Slovakia and Austria. An above-average increase took place in IT costs (+24.3% to EUR 95.9 million). Among others, these related to the changeover and maintenance of the core banking system in Slovakia, as well as costs incurred for the implementation of Group projects.

Continuing the trend of earlier periods, **depreciation of fixed assets** also declined slightly in Q1 09 (-6.1% from EUR 93.6 million to EUR 87.9 million).

Headcount at 31 March 2009

	Mar 09	Dec 08	Change
Employed by Erste Group	**52,385**	**52,648**	**-0.5%**
Austria incl. Haftungsverbund savings banks	16,389	16,278	0.7%
Erste Group, EB Oesterreich and subsidiaries	8,455	8,545	-1.1%
Haftungsverbund savings banks	7,934	7,733	2.6%
Central and Eastern Europe / International	35,996	36,370	-1.0%
Česká spořitelna Group	10,872	10,865	0.1%
Banca Comercială Română Group	9,857	9,985	-1.3%
Slovenská sporiteľňa Group	4,814	4,953	-2.8%
Erste Bank Hungary Group	3,128	3,255	-3.9%
Erste Bank Croatia Group	2,282	2,061	10.7%
Erste Bank Serbia	985	1,009	-2.4%
Erste Bank Ukraine	1,861	2,120	-12.2%
Other subsidiaries and foreign branch offices	2,197	2,122	3.5%

Operating result

Based on the rise in **operating income** (+5.2%), from EUR 1,725.3 million to EUR 1,814.4 million, and a slight increase in **general administrative expenses** (+1.2%), from EUR 964.8 million to EUR 975.9 million, the **operating result** improved by 10.3%, from EUR 760.5 million in Q1 2008 to EUR 838.5 million in Q1 2009.

Risk provisions

This line item increased considerably, by 127.0%, from EUR 163.1 million to EUR 370.2 million (net effect of allocation and release of provisions for lending business, costs from writing off loans and income from the repayment of loans already written off). The reason for creating these additional risk provisions was a conservative provisioning strategy against the background of deteriorating macroeconomic conditions and the anticipated rise in credit defaults. Risk costs in relation to average customer loans amounted to 117 basis points in Q1 09 (Q1 08: 56 bps).

Other operating result

Other operating result worsened from EUR -22.9 million to EUR -39.9 million in Q1 09. This item specifically included the linear depreciation on intangible assets (customer base) of EUR 15.8 million, as well as costs for contributions to the deposit guarantee schemes – in a year-on-year quarterly comparison, these rose by 15.9% to EUR 12.4 million. In Q1 08, other operating income included proceeds from the sale of real estate (among others, the sale of the former administration building in Croatia).

Results from financial assets

The total balance from all categories of financial assets developed positively. While an overall negative result of EUR 85.7 million was achieved in Q1 08, the negative balance was significantly lower in Q1 09 at EUR 55.0 million. Although the revaluation requirements of structured products increased in Q1 09, lower valuation losses for securities in the fair value portfolio compared to Q1 08 had a positive effect on the results from financial assets.

The market value of Erste Group's (including the savings banks') ABS/CDO portfolio, amounted to about EUR 1.8 billion as of 31 March 2009, following EUR 2.0 billion at year-end 2008. In Q1 09, there was a P&L revaluation requirement of EUR -54.8 million or EUR -42.5 million after tax and minorities (Q1 08: EUR -32.8 million and EUR -26.2 million, respectively) in the fair value portfolio. In the available for sale portfolio, mark-to-market valuation in Q1 09 resulted in a decline of EUR 88.0 million (Q1 08: EUR 75.3 million), booked against equity. Given the underlying performance of the portfolio, no impairment continued to be required.

Pre-tax profit and net profit after tax and minorities

Pre-tax profit from continuing operations fell by 23.6%, from EUR 488.8 million to EUR 373.4 million, mainly due to higher risk costs.

Net profit after minorities declined by 26.5% from EUR 315.6 million to EUR 232.1 million.

DEVELOPMENT OF THE BALANCE SHEET

in EUR million	Mar 09	Dec 08	Change
Loans and advances to credit institutions	12,088	14,344	-15.7%
Loans and advances to customers	126,337	126,185	0.1%
Risk provisions for loans and advances	-4,008	-3,783	5.9%
Trading and other financial assets	42,775	41,770	2.4%
Other assets	21,879	22,925	-4.6%
Total assets	**199,071**	**201,441**	**-1.2%**

in EUR million	Mar 09	Dec 08	Change
Deposits by banks	30,747	34,672	-11.3%
Customer deposits	108,707	109,305	-0.5%
Debt securities in issue	30,951	30,483	1.5%
Other liabilities	10,536	9,839	7.1%
Subordinated liabilities	6,070	6,047	0.4%
Total equity	12,060	11,095	8.7%
Shareholder's equity	8,895	8,079	10.1%
Minority interests	3,165	3,016	4.9%
Total liabilities and equity	**199,071**	**201,441**	**-1.2%**

The wider scope of consolidation at Erste Group had a positive effect on **total assets** (EUR +1.1 billion), through the addition of Sparkasse Kufstein to the *Haftungsverbund* (cross-guarantee system of the Austrian savings banks). Overall, **total assets** of Erste Group fell by 1.2%, from EUR 201.4 billion at year-end 2008 to EUR 199.1 billion, particularly due to the decline of inter-bank business and currency movements.

Loans and advances to credit institutions fell by 15.7%, from EUR 14.3 billion to EUR 12.1 billion.

Loans and advances to customers as of 31 March 2009 remained virtually unchanged on the value at year-end 2008 (+0.1% to EUR 126.3 billion), mainly due to currency movements and slowing credit growth.

Due to new allocations as a result of the difficult credit environment, the level of **risk provisions** increased from EUR 3.8 billion to EUR 4.0 billion. The ratio of non-performing loans (NPL) to total exposure increased from 2.9% to 3.3% in Q1 09.

The **securities investments** in the various categories of financial assets increased by 2.0%, from EUR 34.2 billion at the end of 2008 to EUR 34.9 billion. The increase mainly related to the available-for-sale portfolio and in particular to bonds that were required for liquidity purposes, while the fair value portfolio decreased slightly.

Customer deposits declined moderately, by 0.5% from EUR 109.3 billion at the end of 2008 to EUR 108.7 billion. The decrease versus year-end 2008 was mainly due to currency devaluation and the euro adoption in Slovakia as of 1 January 2009, which led to a strong rise in deposits towards year-end 2008. The loan-to-deposit ratio amounted to 116.2% as at 31 March 2009 and was therefore slightly above the year end 2008 level of 115.4%.

Debt securities in issue grew by 1.5%, from EUR 30.5 billion to EUR 31.0 billion.

As a result of issuing participation capital of EUR 1 billion, **total capital** of Erste Group increased by 8.7%, from EUR 11.1 billion to EUR 12.1 billion.

The risk-weighted assets (RWA) increased from EUR 103.7 billion to EUR 106.0 billion as at 31 March 2009.

Total **own funds** of Erste Group according to the Austrian Banking Act amounted to EUR 12.3 billion as of 31 March 2009 (31 December 2008: EUR 11.8 billion). The rise is largely due to the issuance of participation capital in the amount of EUR 1 billion. The coverage ratio in relation to the statutory minimum requirement at this date (EUR 9.7 billion) stood at 126% (year-end 2008: 123%).

After deductions in accordance with the Austrian Banking Act as a result of issuing participation capital**, tier 1 capital** stood at EUR 8.2 billion (year-end 2008: EUR 7.4 billion).

The **tier 1 ratio**, in relation to the credit risk (tier 1 capital after deductions in accordance with the Austrian Banking Act, in relation to the assessment basis for the credit risk pursuant to Article 22 sec. 2 Austrian Banking Act) resulted in a value of 7.8%. Including capital requirements for market and operational risk (prior to deduction of items in accordance with the Austrian Banking Act), the tier 1 ratio as of 31 March 2009 equalled 7.0%. Further adjusted for hybrid capital, the tier 1 ratio amounted to 5.9%.

The **solvency ratio** in relation to credit risk (total own funds less non-credit risk capital requirements – especially settlement risks, operational risks and position risks in the trading book and foreign currency positions – as a percentage of the assessment base for credit risk pursuant to Article 22 sec. 2 of the Austrian Banking Act) amounted to 10.4% as of 31 March 2009 (year-end 2008: 10.1%), significantly above the legal minimum requirement of 8.0%.

Financial Statements

I. Statement of comprehensive income – 1 January to 31 March 2009

INCOME STATEMENT

in EUR million	(Notes)	1-3 09	1-3 08	Change
Interest and similar income		2,964.8	3,004.4	-1.3%
Interest and similar expenses		-1,744.0	-1,858.4	-6.2%
Income from associates accounted for at equity		5.2	5.1	2.0%
Net interest income	**(1)**	**1,226.0**	**1,151.1**	**6.5%**
Risk provisions for loans and advances	(2)	-370.2	-163.1	>100.0%
Fee and commission income		542.6	576.4	-5.9%
Fee and commission expenses		-98.0	-84.5	16.0%
Net fee and commission income	**(3)**	**444.6**	**491.9**	**-9.6%**
Net trading result	(4)	143.8	82.3	74.7%
General administrative expenses	(5)	-975.9	-964.8	1.2%
Other operating result	(6)	-39.9	-22.9	-74.2%
Result from financial assets - FV		-44.1	-72.9	39.5%
Result from financial assets - AfS		-10.8	-12.8	15.6%
Result from financial assets - HtM		-0.1	0.0	na
Pre-tax profit from continuing operations		**373.4**	**488.8**	**-23.6%**
Taxes on income		-84.0	-97.8	-14.1%
Net profit before minorities from continuing operations		**289.4**	**391.0**	**-26.0%**
Post-tax profit from discontinuing ops	(7)	0.0	4.8	na
Net profit before minorities		**289.4**	**395.8**	**-26.9%**
Minority interests		-57.3	-80.2	-28.6%
Net profit after minorities		**232.1**	**315.6**	**-26.5%**

INCOME AND EXPENSES RECOGNISED DIRECTLY IN EQUITY

in EUR million	1-3 09	1-3 08
Net profit before minorities	**289.4**	**395.8**
Available for sale - reserve (including currency translation)	-131.3	-138.5
Cash flow hedge - reserve (including currency translation)	28.3	16.4
Actuarial gains and losses	0.0	0.0
Deferred taxes on items recognised directly in equity	19.2	26.6
Currency translation	-369.1	-46.4
Total gains and losses recognised directly in equity	**-452.9**	**-141.9**
Total comprehensive income	**-163.5**	**253.9**
Shareholder‘s equity	-169.6	164.8
Minority interests	6.1	89.1

EARNINGS PER SHARE

Earnings per share constitute net profit after minority interests divided by the average number of ordinary shares outstanding. Diluted earnings per share represent the maximum potential dilution (increase in the average number of shares) which would occur if all issued subscription and conversion rights were exercised.

.

in EUR	1-3 09	1-3 08	Change
Earnings per share	0.68	1.01	32.7%
Diluted earnings per share	0.68	1.01	32.7%
Cash earnings per share	0.71	1.04	31.7%
Diluted cash earnings per share	0.71	1.04	31.7%

II. Balance sheet at 31 March 2009

in EUR million	(Notes)	Mar 09	Dec 08	Change
ASSETS				
Cash and balances with central banks		5,897	7,556	-22.0%
Loans and advances to credit institutions	(8)	12,088	14,344	-15.7%
Loans and advances to customers	(9)	126,337	126,185	0.1%
Risk provisions for loans and advances	(10)	-4,008	-3,783	5.9%
Trading assets	(11)	7,864	7,534	4.4%
Financial assets - at fair value through profit or loss	(12)	3,667	4,058	-9.6%
Financial assets - available for sale	(13)	17,127	16,033	6.8%
Financial assets - held to maturity		14,117	14,145	-0.2%
Equity holdings in associates accounted for at equity		263	260	1.2%
Intangible assets		4,730	4,805	-1.6%
Property and equipment		2,341	2,386	-1.9%
Tax assets		831	859	-3.3%
Assets held for sale	(14)	477	526	-9.3%
Other assets		7,340	6,533	12.4%
Total assets		**199,071**	**201,441**	**-1.2%**
LIABILITIES AND EQUITY				
Deposits by banks	(15)	30,747	34,672	-11.3%
Customer deposits	(16)	108,707	109,305	-0.5%
Debt securities in issue		30,951	30,483	1.5%
Trading liabilities		2,695	2,519	7.0%
Other provisions	(17)	1,654	1,620	2.1%
Tax liabilities		325	389	-16.5%
Liabilities associated with assets held for sale	(18)	291	343	-15.2%
Other liabilities		5,571	4,968	12.1%
Subordinated liabilities		6,070	6,047	0.4%
Total equity		12,060	11,095	8.7%
Shareholder‘s equity		8,895	8,079	10.1%
Minority interests		3,165	3,016	4.9%
Total liabilities and equity		**199,071**	**201,441**	**-1.2%**

III. Statement of changes in equity

in EUR million	Subscribed capital	Additional paid-in capital	Retained earnings	Total share-holders' equity	Minority interests	Total capital
Equity at 1 January 2008	**632**	**4,557**	**3,263**	**8,452**	**2,951**	**11,403**
Changes in own shares			-33	-33		-33
Dividends					-3	-3
Capital increases		2		2		2
Net profit before minorities			316	316	80	396
Income and expenses recognised directly in equity			-151	-151	9	-142
Currency translation			-35	-35	-11	-46
Change in interest in subsidiaries					265	265
Equity at 31 March 2008	**632**	**4,559**	**3,395**	**8,586**	**3,302**	**11,888**
Cash flow hedge reserve at 31 March 2008				-22	-7	-29
Available for sale reserve at 31 March 2008				-478	-257	-735
Actuarial gains/losses from long-term employee provisions at 31 March 2008				-256	-116	-372
Deferred tax reserve at 31 March 2008				194	96	290
Equity at 1 January 2009	**634**	**4,583**	**2,862**	**8,079**	**3,016**	**11,095**
Changes in own shares			-14	-14		-14
Dividends					-1	-1
Capital increases						
Participation capital	1,000			1,000		1,000
Net profit before minorities			232	232	57	289
Income and expenses recognised directly in equity			-402	-402	-51	-453
Currency translation			-324	-324	-45	-369
Change in interest in subsidiaries					144	144
Equity at 31 March 2009	**1,634**	**4,583**	**2,678**	**8,895**	**3,165**	**12,060**
Cash flow hedge reserve at 31 March 2009				90	29	119
Available for sale reserve at 31 March 2009				-1,188	-422	-1,610
Actuarial gains/losses from long-term employee provisions at 31 March 2009				-254	-112	-366
Deferred tax reserve at 31 March 2009				397	127	524

IV. Cash-flow statement

in EUR million	1-3 09	1-3 08	Change
Cash and cash equivalents at end of the previous year	**7,556**	**7,615**	**-0.8%**
Cash flow from operating activities	-2,546	-477	>100.0%
Cash flow from investing activities	96	594	-83.8%
Cash flow from financing activities	1,020	161	>100.0%
Effect of currency translation	-229	-110	>100.0%
Cash and cash equivalents at the end of period	**5,897**	**7,783**	**-24.2%**

V. Notes to the financial statements of Erste Group for the period from 1 January to 31 March 2009

The consolidated financial statements of Erste Group were prepared in compliance with the applicable International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) published by the International Accounting Standards Board (IASB) and with their interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), formerly Standing Interpretations Committee (SIC). The interim report for the period from 1 January to 31 March 2009 is consistent with IAS 34 (Interim Reports).

The reporting period brought no changes in accounting policies.

SIGNIFICANT BUSINESS EVENTS IN THE REPORTING PERIOD

With effect from 20 January 2009, Sparkasse Kufstein joined the cross-guarantee system of the Austrian Savings Banks. Sparkasse Kufstein was included in the consolidated accounts of the Erste Group as of this date.

During the course of the sale of insurance activities, the asset management business of VIG (Ringturm KAG) was acquired by Erste Group, with the intention to further intensify the cooperation with the Vienna Insurance Group (VIG). Ringturm KAG was included in the group financial statements of Erste Group for the first time as of 31 March 2009.

After the acquisition of Opportunity Bank a.d., Podgorica (Monte Negro) by Erste & Steiermärkische banka d.d., Rijeka (group) was concluded in March, the acquired association was included in the group financial statements of Erste Group for the first time as of 31 March 2009. The anticipated purchase price, including ancillary costs, amounted to EUR 13.5 million.

EVENTS AFTER THE BALANCE SHEET DATE

Erste Group has placed EUR 540 million of participation capital with 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. The volume of the participation capital will in aggregate amount to approximately EUR 1.75 bn. Subsequently, an amount of up to EUR 1 bn of hybrid capital is intended to be issued by Erste Bank der oesterreichischen Sparkasssen AG, a 100% subsidiary of Erste Group, to the Republic of Austria. As previously announced, the aggregate volume of participation and hybrid capital shall therefore amount to EUR 2.7 billion on a consolidated basis.

A. INFORMATION ON THE INCOME STATEMENT OF ERSTE GROUP

1) Net interest income

in EUR million	1-3 09	1-3 08	Change
Interest income			
Lending and money market transactions with credit institutions	673.3	652.7	3.2%
Lending and money market transactions with customers	1,879.8	1,871.2	0.5%
Bonds and other interest-bearing securities	306.9	364.7	-15.8%
Other interest and similar income	3.4	5.9	-42.4%
Current income			
Equity-related securities	24.9	31.6	-21.2%
Investments	3.3	3.1	6.5%
Investment properties	21.5	19.2	12.0%
Interest and similar income	**2,913.1**	**2,948.4**	**-1.2%**
Interest income from financial assets - at fair value through profit or loss	51.7	56.0	-7.7%
Total interest and similar income	**2,964.8**	**3,004.4**	**-1.3%**
Interest expenses			
Deposits by banks	-611.7	-742.7	-17.6%
Customer deposits	-739.9	-710.7	4.1%
Debt securities in issue	-286.0	-308.7	-7.4%
Subordinated liabilities	-101.0	-93.4	8.1%
Other	-4.4	-2.9	51.7%
Interest and similar expenses	**-1,743.0**	**-1,858.4**	**-6.2%**
Interest expenses from financial assets - at fair value through profit or loss	-1.0	0.0	na
Total interest and similar expenses	**-1,744.0**	**-1,858.4**	**-6.2%**
Income from associates accounted for at equity	5.2	5.1	2.0%
Total	**1,226.0**	**1,151.1**	**6.5%**

2) Risk provisions for loans and advances

in EUR million	1-3 09	1-3 08	Change
Net allocation to risk provisions for loans and advances	-368.1	-158.4	>100.0%
Direct write-offs of loans and advances and amounts received against written-off loans and advances	-2.1	-4.7	-55.3%
Total	**-370.2**	**-163.1**	**>100.0%**

3) Net fee and commission income

in EUR million	1-3 09	1-3 08	Change
Lending business	74.7	91.2	-18.1%
Payment transfers	192.7	203.4	-5.3%
Card business	44.7	39.6	12.9%
Securities transactions	97.4	126.6	-23.1%
Investment fund transactions	39.1	56.5	-30.8%
Custodial fees	12.7	16.6	-23.5%
Brokerage	45.6	53.5	-14.8%
Insurance brokerage business	27.1	21.5	26.0%
Building society brokerage	9.8	8.8	11.4%
Foreign exchange transactions	7.2	9.9	-27.3%
Investment banking business	3.0	3.2	-6.3%
Other	32.7	27.3	19.8%
Total	**444.6**	**491.9**	**-9.6%**

4) Net trading result

in EUR million	1-3 09	1-3 08	Change
Securities and derivatives trading	76.2	19.3	>100.0%
Foreign exchange transactions	67.6	63.0	7.3%
Total	**143.8**	**82.3**	**74.7%**

5) General administrative expenses

in EUR million	1-3 09	1-3 08	Change
Personnel expenses	-558.6	-561.4	-0.5%
Other administrative expenses	-329.4	-309.8	6.3%
Depreciation and amortisation	-87.9	-93.6	-6.1%
Total	**-975.9**	**-964.8**	**1.2%**

6) Other operating result

in EUR million	1-3 09	1-3 08	Change
Other operating income	34.1	38.6	-11.7%
Other operating expenses	-74.0	-61.5	20.3%
Total	**-39.9**	**-22.9**	**-74.2%**
Result from real estate/property and movable property	2.8	12.9	-78.3%
Allocation/release of other provisions/risks	-0.9	-1.3	30.8%
Expenses for deposit insurance contributions	-12.4	-10.7	15.9%
Amortisation of intangible assets (customer relationships)	-15.8	-19.1	-17.3%
Other taxes	-6.0	-5.4	11.1%
Result from other operating expenses/income	-7.6	0.7	na
Total	**-39.9**	**-22.9**	**-74.2%**

7) Post-tax result from discontinued operations

in EUR million	1-3 09	1-3 08	Change
Profit on disposal	0.0	0.0	na
Post-tax profit from discontinuing ops	0.0	5.7	na
Income tax on discontinued operations	0.0	-0.9	na
Total	**0.0**	**4.8**	**na**

B. INFORMATION ON THE BALANCE SHEET OF ERSTE GROUP

8) Loans and advances to credit institutions

in EUR million	Mar 09	Dec 08	Change
Loans and advances to domestic credit institutions	1,236	1,471	-16.0%
Loans and advances to foreign credit institutions	10,852	12,873	-15.7%
Total	**12,088**	**14,344**	**-15.7%**

9) Loans and advances to customers

in EUR million	Mar 09	Dec 08	Change
Loans and advances to domestic customers			
Public sector	2,927	2,947	-0.7%
Commercial customers	37,788	35,821	5.5%
Private customers	22,952	22,805	0.6%
Unlisted securities	0	0	na
Other	115	136	-15.4%
Total loans and advances to domestic customers	**63,782**	**61,709**	**3.4%**
Loans and advances to foreign customers			
Public sector	2,036	2,026	0.5%
Commercial customers	32,458	34,179	-5.0%
Private customers	26,877	26,948	-0.3%
Unlisted securities	994	1,172	-15.2%
Other	190	151	25.8%
Total loans and advances to foreign customers	**62,555**	**64,476**	**-3.0%**
Total	**126,337**	**126,185**	**0.1%**

10) Risk provisions for loans and advances

in EUR million	1-3 09	1-3 08	Change
Risk provisions for loans and advances			
At start of reporting period	**3,783**	**3,296**	**14.8%**
Acquisition of subsidiaries	42	45	-6.7%
Use	-126	-49	na
Net allocation to risk provisions for loans and advances	368	158	na
Currency translation	-59	-3	na
At end of reporting period	**4,008**	**3,447**	**16.3%**
Provision for off-balance-sheet and other risks	270	186	45.2%
Total	**4,278**	**3,633**	**17.8%**

11) Trading assets

in EUR million	Mar 09	Dec 08	Change
Bonds and other interest-bearing securities	4,767	4,475	6.5%
Equity-related securities	483	527	-8.3%
Positive fair value of derivative financial instruments	2,614	2,532	3.2%
Total	**7,864**	**7,534**	**4.4%**

12) Financial assets – at fair value through profit or loss

in EUR million	Mar 09	Dec 08	Change
Bonds and other interest-bearing securities	3,055	3,322	-8.0%
Equity-related securities	612	736	-16.8%
Total	**3,667**	**4,058**	**-9.6%**

13) Financial assets – available for sale

in EUR million	Mar 09	Dec 08	Change
Bonds and other interest-bearing securities	13,891	12,845	8.1%
Equity-related securities	2,777	2,719	2.1%
Equity holdings	459	469	-2.1%
Total	**17,127**	**16,033**	**6.8%**

14) Assets held for sale

in EUR million	Mar 09	Dec 08	Change
Assets held for sale	477	526	-9.3%
Total	**477**	**526**	**-9.3%**

15) Deposits by banks

in EUR million	Mar 09	Dec 08	Change
Amounts owed to domestic credit institutions	11,460	16,103	-28.8%
Amounts owed to foreign credit institutions	19,287	18,569	3.9%
Total	**30,747**	**34,672**	**-11.3%**

16) Customer deposits

in EUR million	Mar 09	Dec 08	Change
Savings deposits	50,802	49,532	2.6%
Sundry	57,905	59,773	-3.1%
Total	**108,707**	**109,305**	**-0.5%**

17) Provisions

in EUR million	Mar 09	Dec 08	Change
Long-term employee provisions	1,258	1,249	0.7%
Sundry provisions	396	371	6.7%
Total	**1,654**	**1,620**	**2.1%**

18) Liabilities associated with assets held for sale

in EUR million	Mar 09	Dec 08	Change
Assets held for sale	291	343	-15.2%
Total	**291**	**343**	**-15.2%**

C. ADDITIONAL INFORMATION

19) Contingent liabilities and other obligations

in EUR million	Mar 09	Dec 08	Change
Contingent liabilities	17,614	15,691	12.3%
Guarantees and warranties	17,161	15,212	12.8%
Other	453	479	-5.4%
Other obligations	22,496	22,436	0.3%
Undrawn credit and loan commitments, promissory notes	22,177	22,149	0.1%
Other	319	287	11.1%

20) Related party transactions

As of 31 March 2009, Erste Group had outstanding accounts payable of EUR 18.0 million and accounts receivable of EUR 283.8 million vis-à-vis DIE ERSTE österreichische Spar-Casse Privatstiftung. Furthermore, standard market derivative transactions for hedging purposes existed between Erste Group and DIE ERSTE österreichische Spar-Casse Privatstiftung as of 31 March 2009, which were interest rate swaps with cap/floor agreements amounting to EUR 247.4 million each.

Legal proceedings

Haftungsverbund/Savings Banks

In 2002, Erste Group Bank formed the Haftungsverbund on the basis of a set of agreements with the majority of the Austrian savings banks. The purpose of the Haftungsverbund was to establish a joint early-warning system as well as a cross-guarantee for certain liabilities of member savings banks and to strengthen the Group's cooperation in the market.

In competition proceedings before the Austrian Cartel Court, both a competitor of Erste Group Bank and the Austrian Federal Competition Authority requested the court to set aside the Haftungsverbund agreements because of an alleged infringement of Article 81 of the EC Treaty.

In March 2007, the Supreme Court issued a decision confirming that the agreements that constitute the Haftungsverbund are for the most part in compliance with Article 81 of the EC Treaty.

However, the Supreme Court held certain provisions to be anti-competitive on their merits. In its findings, the Supreme Court did not cite any explicit consequences that needed to be implemented by Erste Group Bank and the other parties. In April 2008, Erste Group Bank and the Cartel Court reached an understanding on the necessary adjustments to be made. This understanding (commitments within the meaning of section 27 Austrian Cartel Act) was challenged by Erste Group Bank’s competitor before the Supreme Court. In October 2008, the Supreme Court set aside the decision of the Cartel Court due to a procedural error and remanded the case to the Cartel Court for reconsideration. Neither the commitments (if they are upheld) nor the preceding decision of the Supreme Court affect the permissibility of the consolidation of the Qualifying Capital of the savings banks as part of Erste Group Bank's balance sheet.

Since 2007, Erste Group Bank has entered into agreements with all Austrian savings banks (with the exception of Allgemeine Sparkasse Oberösterreich) that grant Erste Group Bank, on a contractual basis, a decisive influence on the savings banks and that lead to the establishment of an economic unit (merger) within the meaning of the EC Merger Regulation and the Austrian Cartel Act (Kartellgesetz). These agreements were formally approved by the competition authorities in October 2007, January 2008, May 2008, and January 2009.

With regard to Allgemeine Sparkasse Oberösterreich, there are ongoing negotiations about a continuation and strengthening of the existing relationship between Allgemeine Sparkasse Oberösterreich and Erste Group Bank.

.

21) Headcount at 31 March 2009

(weighted by degree of employment)

	Mar 09	Dec 08	Change
Employed by Erste Group	**52,385**	**52,648**	**-0.5%**
Austria incl. Haftungsverbund savings banks	16,389	16,278	0.7%
Erste Group, EB Oesterreich and subsidiaries	8,455	8,545	-1.1%
Haftungsverbund savings banks	7,934	7,733	2.6%
Central and Eastern Europe / International	35,996	36,370	-1.0%
Česká spořitelna Group	10,872	10,865	0.1%
Banca Comercială Română Group	9,857	9,985	-1.3%
Slovenská sporiteľňa Group	4,814	4,953	-2.8%
Erste Bank Hungary Group	3,128	3,255	-3.9%
Erste Bank Croatia Group	2,282	2,061	10.7%
Erste Bank Serbia	985	1,009	-2.4%
Erste Bank Ukraine	1,861	2,120	-12.2%
Other subsidiaries and foreign branch offices	2,197	2,122	3.5%

D. SEGMENT REPORTING

Retail & SME

Erste Bank Oesterreich

This segment includes Erste Bank Oesterreich (particularly retail and SME business) and allocated subsidiaries – which primarily include the savings banks in which Erste Bank Oesterreich holds majority stakes (Salzburg, Tyrol, Hainburg) as well as s Bausparkasse (building society).

The operating result increased by EUR 6.8 million, from EUR 64.8 million in Q1 08 to EUR 71.6 million. An improvement in net interest income and a distinct decline in general administrative expenses both contributed towards this result. Net interest income primarily increased by EUR 8.8 million (+6.0%) to EUR 156.4 million in Q1 09 due to the strong inflow of savings deposits amounting to EUR 147.6 million in Q1 08. Savings deposits rose in comparison with Q1 08, from EUR 22.1 billion to EUR 24.2 billion or by 9.5%, the loan volume increased from EUR 21.8 billion to EUR 23.9 billion (+9.6%). Net commission income was EUR 70.6 million, EUR 5.3 million or 7.0% below the previous year's value of EUR 75.9 million. The decline in securities business due to the continuing weakness of the financial markets was only partially compensated by higher insurance commissions. The net trading result fell by EUR 5.2 million (-73.2%) to EUR 1.9 million. Operating expenses declined by EUR 8.5 million, from EUR 165.8 million in Q1 08 to EUR 157.3 million in Q1 09. The cost/income ratio therefore improved to 68.7% (following 71.9% in the previous year). The increase in risk provisions by EUR 9.3 million or 37.5% to EUR 34.1 million (Q1 08: EUR 24.8 million) was almost exclusively due to the corporate business. Net profit after minority interest declined to EUR 23.4 million in Q1 09 (Q1 08: EUR 28.5 million). Return on equity declined from 12.3% in Q1 08 to 8.6%.

Haftungsverbund/Savings Banks

As of Q1 09, Sparkasse Kufstein widened the scope of consolidation of the Savings Banks segment, however, this only has a marginal effect on the comparability of the results.

At EUR 239.2 million, net interest income was EUR 18.8 million or -7.3% below the value of Q1 08 (EUR 258.0 million). The deterioration in the economic environment led to a rise in risk provisions of EUR 22.3 million, from EUR 37.2 million in Q1 08 to EUR 59.5 million. In line with the development at Erste Group Bank AG, the trading result rose from EUR 4.7 million in Q1 08 to EUR 15.0 million (increase of EUR 10.3 million). At EUR 232.7 million, operating expenses remained at the level of Q1 08 (EUR 229.1 million). The decline in other result, from EUR -13.3 million in Q1 08 to EUR -18.5 million, was due to losses on the sale of securities outside of the trading portfolio. Net profit after minority interests fell by EUR -5.5 million, from EUR 4.0 million in Q1 08 to EUR -1.5 million in Q1 09.

in EUR million	Retail & SME 1-3 09	Retail & SME 1-3 08	GCIB 1-3 09	GCIB 1-3 08	Group Markets 1-3 09	Group Markets 1-3 08	Corporate Center 1-3 09	Corporate Center 1-3 08
Net interest income	1,070.0	1,014.4	136.6	106.5	58.4	54.1	-39.0	-24.0
Risk provisions	-267.7	-131.1	-80.3	-18.5	0.0	0.0	-22.3	-13.6
Net fee and commission income	362.9	415.0	37.7	39.9	27.9	34.6	16.2	2.4
Net trading result	17.6	45.7	-0.3	0.4	127.2	44.2	-0.7	-8.0
General administrative expenses	-833.9	-834.0	-42.7	-43.1	-45.8	-47.9	-53.4	-39.7
Other result	-47.8	-61.9	-4.0	0.3	-1.1	-3.4	-42.1	-43.7
Pre-tax profit	**301.1**	**448.2**	**47.0**	**85.6**	**166.6**	**81.6**	**-141.3**	**-126.6**
Taxes on income	-68.4	-108.4	-10.0	-19.3	-35.9	-18.1	30.4	48.1
Post-tax profit from discontinuing ops	0.0	4.8	0.0	0.0	0.0	0.0	0.0	0.0
Minority interests	-57.9	-81.5	-2.4	-2.2	-6.1	-3.6	9.1	7.2
Net profit after minorities	**174.8**	**263.0**	**34.6**	**64.1**	**124.6**	**59.8**	**-101.8**	**-71.3**
Average risk-weighted assets	73,202.2	69,234.3	24,545.9	22,099.6	2,992.7	1,711.2	3,988.4	3,005.8
Average attributed equity	3,904.9	3,103.0	1,925.3	1,364.0	330.3	167.5	1,988.8	3,885.8
Cost/income ratio	57.5%	56.5%	24.5%	29.3%	21.4%	36.1%	-226.9%	-134.3%
ROE based on net profit	**17.9%**	**33.9%**	**7.2%**	**18.8%**	**150.9%**	**142.9%**	**-20.5%**	**-7.3%**

in EUR million	Savings Banks 1-3 09	Savings Banks 1-3 08	EB Oesterreich 1-3 09	EB Oesterreich 1-3 08	Austria 1-3 09	Austria 1-3 08
Net interest income	239.2	258.0	156.4	147.6	395.6	405.6
Risk provisions	-59.5	-37.2	-34.1	-24.8	-93.6	-62.1
Net fee and commission income	96.2	98.6	70.6	75.9	166.8	174.5
Net trading result	15.0	4.7	1.9	7.1	16.9	11.8
General administrative expenses	-232.7	-229.1	-157.3	-165.8	-390.0	-394.8
Other result	-18.5	-13.3	-5.4	-11.1	-23.9	-24.4
Pre-tax profit	**39.7**	**81.8**	**32.1**	**28.9**	**71.8**	**110.6**
Taxes on income	-14.3	-36.3	-7.8	-6.7	-22.2	-43.0
Post-tax profit from discontinuing ops	0.0	0.0	0.0	4.2	0.0	4.2
Minority interests	-26.9	-41.5	-0.8	2.1	-27.7	-39.4
Net profit after minorities	**-1.5**	**4.0**	**23.4**	**28.5**	**21.9**	**32.4**
Average risk-weighted assets	24,535.9	24,054.6	13,763.6	13,520.6	38,299.5	37,575.2
Average attributed equity	286.1	224.9	1,082.7	928.1	1,368.8	1,153.0
Cost/income ratio	**66.4%**	**63.4%**	**68.7%**	**71.9%**	**67.3%**	**66.7%**
ROE based on net profit	**-2.2%**	**7.0%**	**8.6%**	**12.3%**	**6.4%**	**11.2%**

in EUR million	Czech Republic 1-3 09	Czech Republic 1-3 08	Romania 1-3 09	Romania 1-3 08	Slovakia 1-3 09	Slovakia 1-3 08	Hungary 1-3 09	Hungary 1-3 08
Net interest income	264.6	249.0	193.2	166.6	82.0	74.9	70.8	65.4
Risk provisions	-37.0	-21.9	-69.0	-14.0	-22.7	-10.4	-21.3	-14.0
Net fee and commission income	94.0	100.6	38.3	64.7	26.1	24.9	18.0	31.2
Net trading result	-1.4	13.7	0.2	8.3	1.8	3.9	-4.6	2.4
General administrative expenses	-175.4	-175.3	-99.7	-102.6	-67.0	-56.2	-51.1	-55.9
Other result	-28.5	-37.5	11.2	-4.0	-4.3	-3.6	-1.5	3.3
Pre-tax profit	**116.3**	**128.7**	**74.3**	**118.9**	**15.8**	**33.5**	**10.4**	**32.4**
Taxes on income	-23.6	-27.4	-12.7	-19.5	-2.9	-5.3	-2.6	-9.2
Post-tax profit from discontinuing ops	0.0	1.8	0.0	-1.2	0.0	0.0	0.0	0.0
Minority interests	-2.1	-1.2	-19.9	-31.5	-0.2	0.0	0.0	0.0
Net profit after minorities	**90.6**	**101.9**	**41.7**	**66.7**	**12.8**	**28.2**	**7.8**	**23.3**
Average risk-weighted assets	10,488.8	10,740.9	9,882.4	8,134.3	5,046.4	3,691.5	4,474.0	4,527.6
Average attributed equity	883.0	757.1	560.8	387.2	424.1	263.1	369.9	311.7
Cost/income ratio	**49.1%**	**48.2%**	**43.0%**	**42.8%**	**61.0%**	**54.2%**	**60.6%**	**56.5%**
ROE based on net profit	**41.0%**	**53.8%**	**29.7%**	**68.9%**	**12.0%**	**42.8%**	**8.4%**	**29.8%**

in EUR million	Croatia 1-3 09	Croatia 1-3 08	Serbia 1-3 09	Serbia 1-3 08	Ukraine 1-3 09	Ukraine 1-3 08	Total group 1-3 09	Total group 1-3 08
Net interest income	47.6	43.4	7.7	6.0	8.3	3.5	1,226.0	1,151.1
Risk provisions	-8.1	-4.1	-1.4	-2.1	-14.6	-2.6	-370.2	-163.1
Net fee and commission income	17.1	17.0	2.4	1.6	0.1	0.6	444.6	491.9
Net trading result	1.3	2.7	0.8	1	2.7	2.4	143.8	82.3
General administrative expenses	-32.6	-30.8	-7.8	-7.8	-10.3	-10.8	-975.8	-964.8
Other result	-0.1	-0.2	-0.3	4.5	-0.3	0.1	-94.9	-108.6
Pre-tax profit	**25.2**	**28.0**	**1.4**	**2.8**	**-14.1**	**-6.8**	**373.5**	**488.8**
Taxes on income	-5.0	-5.7	-0.1	0.2	0.6	1.4	-84.0	-97.8
Post-tax profit from discontinuing ops	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.8
Minority interests	-7.6	-8.7	-0.3	-0.7	0.0	0.0	-57.3	-80.2
Net profit after minorities	**12.7**	**13.6**	**0.9**	**2.3**	**-13.6**	**-5.4**	**232.2**	**315.6**
Average risk-weighted assets	3,618.1	3,418.9	815.4	696.3	577.6	449.6	104,729.2	96,050.8
Average attributed equity	195.1	156.8	53.7	39.0	49.5	35.1	8,149.3	8,520.3
Cost/income ratio	**49.4%**	**48.7%**	**71.9%**	**95.6%**	**93.0%**	**165.6%**	**53.8%**	**55.9%**
ROE based on net profit	**26.0%**	**34.8%**	**7.1%**	**23.4%**	**-109.8%**	**-61.7%**	**11.4%**	**14.8%**

Central and Eastern Europe

The Central and Eastern Europe segment mainly includes the results from the retail and SME business of Česká spořitelna, Slovenská sporiteľňa, Erste Bank Hungary, Banca Comercială Română, Erste Bank Croatia, Erste Bank Serbia and Erste Bank Ukraine. The contributions to the Group Markets and Group Corporate and Investment Banking business divisions are shown in the corresponding segments. Due to the negative development of exchange rates against the EUR, the stated results only reflect the reported results of the underlying operating results to a limited extent.

Czech Republic

Net interest income in the Czech retail and SME business increased significantly compared with Q1 08, from EUR 249.0 million to EUR 264.6 million, which is an increase of EUR 15.6 million or 6.3% (currency-adjusted 13.4%). This was partly due to the strong inflow of savings deposits, as well as selective growth in the lending sector. At EUR 94.0 million, net commission income was 6.5% below the value of Q1 08 (EUR 100.6 million). The currency-adjusted result was maintained at the previous year's level, particularly through improvements in the lending and payment transfer business. At EUR 175.4 million, operating expenses remained at the previous year's level (EUR 175.3 million). The currency-adjusted amount shows an

increase of 6.8%, which resulted from higher personnel, IT and premises costs.

A significantly lower trading result (EUR -1.4 million after EUR 13.7 million in Q1 08) resulted in an operating result, which was EUR 6.3 million below the previous year's level (EUR 188.1 million), at EUR 181.8 million (currency-adjusted, there was a 3.2% increase in the operating result). The increase in risk provisions by EUR 15.1 million or 69% from EUR 21.9 million in Q1 08 to EUR 37.0 million, reflected the expansion of the loan portfolio during the past years and the increased risk provision requirements due to the economic crisis. The improvement in other result from EUR -37.5 million in Q1 08 to EUR -28.5 million (currency-adjusted 18.8%) was due to valuation requirements in the fair value portfolio in Q1 08. There was a decline in net profit after minority interests of EUR 11.3 million (currency-adjusted -5.1%) compared with Q1 08, to EUR 90.6 million (following EUR 101.9 million in 2008). The cost/income ratio was at 49.1% in Q1 09, return on equity was at 41.0%.

Romania

Net interest income improved from EUR 166.6 million by EUR 26.6 million or 16.0% (currency-adjusted 32.4%) to EUR 193.2 million in Q1 09. This was mainly due to higher lending volumes and solid margins in the Romanian retail and SME business. The declining trading result which went from EUR 8.3 million to EUR 0.2 million (EUR 8.1 million reduction) reflected the partially negative valuation effects as a result of the RON write-down. Net commission income fell by EUR 26.4 million, from EUR 64.7 million to EUR 38.3 million in Q1 09 (-40.7% or currency-adjusted: -32.3%). This significant decline primarily resulted from lower payment transfer commissions. Furthermore, new business in the lending division fell significantly as of Q4 08, which had a correspondingly negative effect on the commissions in the lending business. Operating expenses were slightly below the comparative value for the previous year (EUR 102.6 million or -2.8%) at EUR 99.7 million, currency-adjusted this corresponds to a 10.9% increase.

The increase was a result of the expansion of the branch network (+63 new branches compared to Q1 08) and higher IT costs. In contrast, personnel expenses declined by 16.8% compared to Q1 08 (currency-adjusted: -3.8%). The significant improvement in other result by EUR 15.2 million, from EUR -4.0 million in the previous year to EUR 11.2 million, resulted from positive one-off effects in Q1 09 and negative valuation requirements in the fair value portfolio in Q1 08. The EUR 55.0 million increase in risk provisions, from EUR 14.0 million in Q1 08 to EUR 69.0 million, was due to releases of risk provisions in (particularly in the higher margin retail business). The contribution to Group net profit after minorities was at EUR 41.7 million, which is EUR 25 million (-37.5%, currency adjusted: -28.7%) below the value of the previous year (EUR 66.7 million). The cost/income ratio increased marginally from 42.8% in Q1 08 to 43.0%, the return on equity fell to 29.7%.

Slovakia

At EUR 82.0 million, EUR 7.1 million or 9.6% below the previous year's value (currency-adjusted -0.3%), net interest income for the Slovakian retail and SME business was driven by higher customer loan volumes. However, the majority of the positive effects were compensated by successive interest rate reductions – as a consequence of the EURO introduction and developments in the financial markets. Net commission income was EUR 26.1 million (+4.7%, currency-adjusted -4.7%), following EUR 24.9 million in Q1 08. This development was mainly a result of lower commissions in payment transfers, foreign exchange business and asset management. The reasons for the EUR 2.1 million reduction in the trading result compared with Q1 08 (from EUR 3.9 million to EUR 1.8 million) lay in the discontinuation of foreign exchange business in connection with the Euro introduction as well as in lower results from derivatives transactions. The increase in risk provisions reflects the market deterioration in comparison with 2008. With a value of EUR 22.7 million, these more than doubled in comparison with the previous year (EUR 10.4 million). Due to higher IT costs, operating expenses rose by EUR 10.8 million (or 19.3%), from EUR 56.2 million to EUR 67.0 million (currency-adjusted 8.5%) and therefore contributed significantly to a net profit after minorities of EUR 12.8 million (currency-adjusted), 58.8% behind the previous year's result. Return on equity reached 12.0%.

Hungary

In the Hungarian retail and SME business, net interest income increased from EUR 65.4 million in the previous year to EUR 70.8 million (+8.3%, currency-adjusted +22.7%), primarily due to the prevailing demand for credit in the second half of 2008. The decline in net commission income by EUR 13.2 million, from EUR 31.2 million in the previous year to EUR 18.0 million (-42.3%, currency-adjusted -34.7%), was primarily due to declining fees from the lending and securities business. Together with the declining trading result (from EUR 2.4 million in Q1 08 to EUR -4.6 million), the development in net commission income resulted in an operating result, which at EUR 33.2 million was EUR 9.9 million (-23.0%, currency-adjusted -12.8%) below the value of Q1 08 (EUR 43.1 million).

Operating expenses declined by EUR 4.8 million (-8.7%), from EUR 55.9 million in Q1 08 to EUR 51.1 million (currency-adjusted +3.5%). The cost/income ratio stood at 60.6%. The overall market situation also influenced the 51.9% rise in risk provisions in Hungary (currency-adjusted 72.1%), from EUR 14.0 million in Q1 08 to EUR 21.3 million. The decline in other result was primarily due to the sale of a participating interest in Q1 08 and at EUR -1.5 million, it was EUR 4.8 million below the comparative value for the previous year (EUR 3.3 million). The Hungarian retail and SME business contributed EUR 7.8 million to the Group net profit after minorities. This value was EUR 15.5 million below the value for Q1 08 of EUR 23.3 million (-66.5%, currency-adjusted -62.0%). Return on equity reached 8.4%.

Croatia

The Croatian retail and SME business increased its operating result from EUR 32.4 million in Q1 08 to EUR 33.4 million (+3.2%, currency-adjusted +5.1%). This was primarily due to the growth in net interest income of 9.6% (currency-adjusted +11.6%) to EUR 47.6 million, following EUR 43.4 million in Q1 08, as a result of the continuing positive development in both the retail and commercial sector. Net commission income was just above the Q1 08 value (EUR 17.0 million, +0.5%, currency-adjusted +2.4%), at EUR 17.1 million. The decline in the trading result, from EUR 2.7 million in Q1 08 to EUR 1.3 million, mainly resulted from the result of Erste Card Club – as a consequence of the Kuna depreciation. Due to higher office space costs, operating expenses increased from EUR 30.8 million in Q1 08 to EUR 32.6 million. This equated to growth of 5.9% (currency-adjusted 7.8%). The cost/income ratio was therefore at 49.4%. Net profit after minorities of EUR 12.7 million showed a moderate decline of EUR 0.9 million after EUR 13.6 million in Q1 08 (-6.9%, currency-adjusted -5.2%). Return on equity declined from 34.8% in Q1 08 to 26.0% in Q1 09.

Serbia

Erste Bank Serbia increased net interest income from EUR 6.0 million in 2008 to EUR 7.7 million (+29.0%, currency-adjusted +46.6%). This result was mainly due to the expansion of the business volume. Net commission income was primarily increased through growth in payment transactions, from EUR 1.6 million to EUR 2.4 million (increase of 49.0%, currency-adjusted 69.3%). The improved trading result (EUR 0.8 million following EUR 0.6 million in the previous year) was based on higher income from foreign exchange. Overall, operating income improved by 34.1%, from EUR 8.1 million in Q1 08 to EUR 10.9 million (currency-adjusted 52.3%).

At EUR 7.8 million, operating expenses remained at the previous year's level, however, on a currency-adjusted basis, an increase of 14.6% was recorded, which resulted mainly from higher personnel expenses (higher salaries for better-trained employees). The cost/income ratio improved from 95.6% to 71.9%. The operating result increased by EUR 2.7 million, from EUR 0.4 million in Q1 08 to EUR 3.1 million. At EUR 1.4 million, risk costs were below the previous year's value (EUR 2.1 million). The positive effect from the sale of a participating interest in Q1 08 caused the decline in other result by EUR 4.8 million, from EUR 4.5 million to EUR -0.3 million. As a further consequence, net profit after minorities also fell in comparison with the previous year (by EUR 1.4 million), to EUR 0.9 million (currency-adjusted -52.7%). The return on equity was at 7.1%.

Ukraine

Erste Bank Ukraine increased operating income compared to Q1 08 by EUR 4.6 million (+71.3% - currency-adjusted > 100%), from EUR 6.5 million to EUR 11.1 million. The main reason for this was an improvement in net interest income (mainly influenced by the increase in business activity until Q4 08 and the general interest rate development), which, at EUR 8.3 million, more than doubled compared with the previous year (EUR 3.5 million in Q1 08). The decline in net commission income of EUR 0.6 million in Q1 08 to EUR 0.1 million was due to a technical reporting shift. The growth in the trading result from EUR 2.4 million in the previous year to EUR 2.7 million is primarily based on a rise in income from foreign currency transactions. Operating expenses were maintained at the level of the previous year - at EUR 10.3 million (EUR 10.8 million). However, on a currency-adjusted basis, there was a distinct increase of 34.1%, which resulted from the expansion of the branch network in 2008. During the current financial year, measures were initiated to restructure the bank. These included the discontinuation of branch expansion and headcount reduction of approx. 300 employees. The operating result improved by EUR 5.1 million, from EUR -4.3 million to EUR 0.8 million. The increase in risk provisions by EUR 12.0 million, from EUR 2.6 million in Q1 08 to EUR 14.6 million, is mainly based on the deterioration of the loan book as a consequence of the market development in the Ukraine. Overall, in Q1 09, net profit after minority interests was EUR 8.2 million below the value of the previous year of EUR -5.4 million, at EUR -13.6 million.

Group Corporate & Investment Banking (GCIB)

The Group Corporate & Investment Banking segment includes the Large Corporate business, which covers companies that are primarily active in the markets of Erste Group and generate sales of more than EUR 175 million. This segment also includes the International business (without treasury activities), the Real Estate business of the Erste Group with Large Corporates, the leasing subsidiary, Immorent, as well as Investment Banking (incl. Equity Capital Markets).

The increase in net interest income by EUR 30.1 million or 28.2%, from EUR 106.5 million in Q1 08 to EUR 136.6 million was mainly achieved through improvements in the results of the Group Large Corporates unit and the leasing subsidiary, Immorent, and business expansion in 2008 - as well as necessary price adjustments in the lending business. The slight (5.6%) decline in net commission income, from EUR 39.9 million to EUR 37.7 million, is mainly due to lower commissions in the leasing business, as a result of the general financial market crisis. Together with a slight decline in general administrative expenses by -0.9%, from EUR 43.1 million in Q1 08 to EUR 42.7 million, the operating result increased from EUR 103.8 million to EUR 131.3 million (+26.5% compared with Q1 08). The significant increase in risk provisions from EUR 18.5 million to EUR 80.3 million reflected the negative market development in all business segments and with it the conservative provisioning policy. As a result, net profit after minority interests deteriorated by 46.0%, from EUR 64.1 million to EUR 34.6 million. The cost/income ratio improved from 29.3% in Q1 08 to 24.5%, while the return on equity was 7.2%.

Group Markets

The Group Markets segment combines the Group Treasury and Debt Capital Markets business divisions and, in addition to the Treasury of EB Group AG, also includes the business divisions of the CEE units, the Treasury sections of the foreign branches in Hong Kong and New York, as well as the activities of the investment banks, ES Polska, EB Investment Hungary, ES Zagreb and Erste Sparinvest KAG.

The operating result in the Group Markets segment nearly doubled in comparison with the EUR 85.0 million in Q1 08 (increasing by EUR 82.8 million or 97.4%) and reached EUR 167.7 million. The main factor for this was the very positive development of the trading result in virtually all business segments, particularly in customer business, which increased from EUR 44.2 million in Q1 08 to EUR 127.2 million (increase of EUR 83.0 million). The increase in net interest income by EUR 4.3 million or 8.0%, from EUR 54.1 million in Q1 08 to EUR 58.4 million was due to significant improvements in the money market unit. The decline in net commission income by EUR -6.7 million (equivalent to -19.4%), from EUR 34.6 million in Q1 08 to EUR 27.9 million in Q1 09, was influenced by market-related falls in the securities business. Operating expenses were just under the previous year's level (EUR 47.9 million), at EUR 45.8 million, the cost/income ratio improved from 36.1% to 21.4%. Net profit after minority interests increased significantly by EUR 64.8 million, from EUR 59.8 million in Q1 08 to EUR 124.6 million. Return on equity reached 150.9% (compared with 142.9% in Q1 08).

Corporate Center

The Corporate Center segment includes results from companies that cannot be assigned directly to a specific business segment, profit consolidation between the segments, linear depreciation of the customer base for BCR and DCA as well as one-off effects which cannot be assigned to a specific business segment without distorting comparability.

Furthermore, the balance sheet structure management of Erste Group Bank AG (holding) is also attributed to this segment. The results of the local balance sheet structure management units continue to be allocated to the respective individual segments.

In net interest income, the positive result from the unwinding effect in the amount of EUR 22.3 million is overcompensated by the pressure on the result in asset-liability management due to the general market and interest rate development. Overall, the unwinding effect mentioned above did not affect the result, as the positive effect in surplus interest simultaneously results in higher risk provisions for the same amount. The development in commission income and administrative expenses was mainly due to profit consolidation of banking support operations. The administrative expenses are particularly encumbered by group projects and costs in relation to the restructuring of Erste Group. Other result includes the necessary linear depreciation of BCR's customer base, as well as the customer base depreciation of Erste Card Club, totalling EUR 15.8 million, and valuation requirements from the fair value portfolio.

E. CHANGES IN TOTAL QUALIFYING CAPITAL

in EUR million	Mar 09	Dec 08	Change
Subscribed capital (less own shares)	634	634	0.0%
Participation capital in acc.with section 23/4 ABA	1,000	0	na
Reserves and minority interests	7,320	7,520	-2.7%
Intangible assets	-486	-513	-5.3%
Core capital (Tier 1) before deductions	**8,468**	**7,641**	**10.8%**
Deductions from core capital (Tier 1) pursuant to section 23 (13/3) Austrian Banking Act	-233	-193	20.7%
Core capital (Tier 1) after deductions	**8,235**	**7,448**	**10.6%**
Eligible subordinated liabilities	4,022	4,195	-4.1%
Revaluation reserve	140	140	0.0%
Excess risk provisions	0	0	na
Qualifying supplementary capital (Tier 2)	**4,162**	**4,335**	**-4.0%**
Short-term subordinated capital (Tier 3)	**355**	**402**	**-11.7%**
Deductions from qualifying supplementary capital (Tier 2) - 50% pursuant to section 23 (13/3 - 4d), excluding deduction according to section 23 (13/4a) Austrian Banking Act	-233	-193	20.7%
Deductions from qualifying supplementary capital (Tier 2) pursuant to section 23 (13/4a) Austrian Banking Act	-232	-234	-0.9%
Total eligible qualifying capital	**12,287**	**11,758**	**4.5%**
Capital requirement	9,735	9,598	1.4%
Surplus capital	2,552	2,160	18.1%
Cover ratio	126.2%	122.5%	
Tier 1 ratio	**7.8%**	**7.2%**	
Solvency ratio	**10.4%**	**10.1%**	
Risk-weighted assesment basis pursuant to section 22 (2) Austrian Banking Act	**105,965**	**103,663**	**2.2%**
8% minimum capital requirement	8,477	8,293	2.2%
Standard approach	2,899	3,027	-4.2%
Internal ratings based approach	5,578	5,266	5.9%
Capital requirement for bond, FX and commodity exposure	355	402	-11.7%
Capital requirement for operational risk	903	903	0.0%
Total required own funds	**9,735**	**9,598**	**1.4%**

Quarterly Financial Data

INCOME STATEMENT OF ERSTE GROUP

in EUR million	Q1 08	Q2 08	Q3 08	Q4 08	Q1 09
Net interest income	1,151.1	1,154.9	1,267.3	1,339.8	1,226.0
Risk provisions for loans and advances	-163.1	-221.0	-218.2	-469.1	-370.2
Net fee and commission income	491.9	510.3	486.8	482.1	444.6
Net trading result	82.3	102.1	0.5	-70.2	143.8
General administrative expenses	-964.8	-1,036.8	-1,052.1	-948.2	-975.9
Other operating result	-22.9	-61.9	-56.2	-637.8	-39.9
Result from financial assets - FV	-72.9	-7.0	-35.0	-180.7	-44.1
Result from financial assets - AfS	-12.8	6.3	-5.1	-202.2	-10.8
Result from financial assets - HtM	0.0	0.1	-2.0	-59.3	-0.1
Pre-tax profit from continuing operations	488.8	447.0	386.0	-745.6	373.4
Post-tax profit from discontinuing operations	4.8	5.3	600.1	29.5	0.0
Net profit after minorities	**315.6**	**321.0**	**826.4**	**-603.4**	**232.1**

BALANCE SHEET OF ERSTE GROUP

in EUR million	Q1 08	Q2 08	Q3 08	Q4 08	Q1 09
Loans and advances to credit institutions	15,938	19,253	19,088	14,344	12,088
Loans and advances to customers	115,828	121,684	125,673	126,185	126,337
Risk provisions for loans and advances	-3,447	-3,574	-3,699	-3,783	-4,008
Trading and other financial assets	43,598	43,968	43,769	41,770	42,775
Other assets	32,550	32,827	24,589	22,925	21,879
Total assets	**204,467**	**214,158**	**209,420**	**201,441**	**199,071**
Deposits by banks	35,073	35,915	37,420	34,672	30,747
Customer deposits	103,863	108,842	110,964	109,305	108,707
Debt securities in issue	28,681	30,770	29,802	30,483	30,951
Other liabilities	19,186	20,540	12,406	9,839	10,536
Subordinated liabilities	5,776	6,045	5,969	6,047	6,070
Total equity	11,888	12,046	12,859	11,095	12,060
Shareholder‘s equity	8,586	8,911	9,728	8,079	8,895
Minority interests	3,302	3,135	3,131	3,016	3,165
Total liabilities and equity	**204,467**	**214,158**	**209,420**	**201,441**	**199,071**

SHAREHOLDER EVENTS

12 May 2009	Annual General Meeting
15 May 2009	Ex-Dividend Day
19 May 2009	Dividend Payment Day
30 July 2009	Results for the first half of 2009
30 October 2009	Results for the first three quarters of 2009

INVESTOR RELATIONS

Erste Group Bank AG, Milchgasse 1, A-1010 Vienna
Telefon: +43 (0) 50 100 – 17693
Fax: +43 (0) 50 100 – 913112
E-Mail: investor.relations@erstegroup.com
Internet: www.erstegroup.com/ir

Gabriele Werzer
Telefon: +43 (0) 50 100 – 11 286
E-Mail: gabriele.werzer@erstegroup.com

Thomas Sommerauer
Telefon: +43 (0) 50 100 – 17 326
E-Mail: thomas.sommerauer@erstegroup.com

Peter Makray
Telefon: +43 (0) 50 100 – 16 878
E-Mail: peter.makray@erstegroup.com