Half-year financial report 2026

Key financial data

Income statement					
in EUR million	**Q2 25**	**Q1 26**	**Q2 26**	**1-6 25**	**1-6 26**
Net interest income	1,914	2,674	2,713	3,786	5,386
Net fee and commission income	762	965	964	1,542	1,929
Net trading result and gains/losses from financial instruments at FVPL	104	229	234	200	463
Operating income	2,866	3,939	4,020	5,668	7,959
Operating expenses	-1,361	-1,771	-1,766	-2,706	-3,537
Operating result	**1,505**	**2,167**	**2,254**	**2,963**	**4,422**
Impairment result from financial instruments	-97	-439	-144	-182	-583
Post-provision operating result	**1,408**	**1,728**	**2,111**	**2,781**	**3,839**
Other operating result	1	-194	-136	-183	-330
Levies on banking activities	-76	-251	-141	-197	-392
Pre-tax result from continuing operations	1,400	1,533	1,973	2,583	3,505
Taxes on income	-287	-376	-466	-529	-841
Net result for the period	1,113	1,157	1,507	2,053	2,664
Net result attributable to non-controlling interests	192	279	411	389	689
Net result attributable to owners of the parent	**921**	**879**	**1,096**	**1,665**	**1,975**
Earnings per share	2.11	2.15	2.48	3.93	4.63
Return on tangible equity	17.1%	18.1%	22.1%	16.3%	19.6%
Net interest margin (on average interest-bearing assets)	2.36%	2.64%	2.64%	2.34%	2.62%
Cost/income ratio	47.5%	45.0%	43.9%	47.7%	44.4%
Provisioning ratio (on average gross customer loans)	0.17%	0.68%	0.20%	0.16%	0.44%
Tax rate	20.5%	24.5%	23.6%	20.5%	24.0%

Balance sheet					
in EUR million	**Jun 25**	**Mar 26**	**Jun 26**	**Dec 25**	**Jun 26**
Cash and cash balances	27,652	26,850	23,757	27,573	23,757
Trading, financial assets	78,448	106,177	111,826	79,522	111,826
Loans and advances to banks	22,818	26,382	27,811	20,827	27,811
Loans and advances to customers	223,983	275,630	282,704	231,985	282,704
Intangible assets	1,387	5,915	5,857	1,413	5,857
Miscellaneous assets	6,785	9,073	9,182	7,254	9,182
Total assets	**361,072**	**450,027**	**461,137**	**368,574**	**461,137**
Financial liabilities held for trading	2,729	4,975	4,732	2,412	4,732
Deposits from banks	15,368	19,658	21,191	16,919	21,191
Deposits from customers	248,499	314,772	323,653	252,991	323,653
Debt securities issued	54,809	59,891	58,913	54,872	58,913
Miscellaneous liabilities	7,064	10,423	10,957	6,715	10,957
Total equity	**32,603**	**40,308**	**41,691**	**34,665**	**41,691**
Total liabilities and equity	**361,072**	**450,027**	**461,137**	**368,574**	**461,137**
Loan/deposit ratio	90.1%	87.6%	87.3%	91.7%	87.3%
NPL ratio	2.5%	2.4%	2.3%	2.4%	2.3%
NPL coverage ratio (based on AC loans, ex collateral)	73.6%	67.9%	68.4%	69.7%	68.4%
CET1 ratio (phased-in)	17.4%	14.4%	15.2%	19.3%	15.2%

Ratings	**Jun 25**	**Mar 26**	**Jun 26**
Fitch			
Long-term	A	A	A
Short-term	F1	F1	F1
Outlook	Stable	Stable	Stable
Moody´s			
Long-term	A1	Aa3	Aa3
Short-term	P-1	P-1	P-1
Outlook	Stable	Positive	Positive
Standard & Poor´s			
Long-term	A+	A+	A+
Short-term	A-1	A-1	A-1
Outlook	Stable	Positive	Positive

Letter from the CEO

Dear shareholders,

With a net profit of almost EUR 2.0 billion in the first half of 2026, Erste Group once again demonstrated its position as the leading bank in Central Europe, unquestionably Europe's strongest growth region. Following the successful integration of Erste Bank Polska (EBP), our local subsidiaries now serve retail and corporate customers across eight core markets: Austria, Poland, the Czech Republic, Slovakia, Romania, Hungary, Croatia, and Serbia. A number of factors contributed to this excellent result. In particular, I would like to highlight that operating income once again grew faster than operating expenses. As a result, we further improved our operational efficiency, with the cost/income ratio currently standing at 44.4%.

Even excluding the contribution from EBP (which has been consolidated since 9 January 2026), our business momentum remained very strong: net interest income and net fee and commission income, the two key components of operating income, increased by 6.1% and 8.8%, respectively, in the first half of the year. The strong performance of net interest income was primarily due to loan growth, the repricing of customer deposits and higher income from our liquidity portfolio. Growth in net fee and commission income continued to be driven by securities business and payment services. Including EBP, Erste Group generated operating income of almost EUR 8 billion against operating expenses of EUR 3.5 billion. Besides personnel expenses, investments in IT remained key drivers of the increase in costs, while integration expenses amounted to EUR 73 million. As in previous years, contributions to deposit guarantee schemes, totalling EUR 51 million, were recognized for the full year. In connection with the acquisition in Poland, regular amortisation charges of EUR 131 million were recognised for the acquired customer base and the brand. Other operating result largely reflects banking taxes in Austria, Hungary (excluding transaction taxes, already recognised for the full year 2026), Poland, and Romania, amounting to a total of EUR 392 million, compared with EUR 197 million in the half of the previous year. A gain of EUR 116 million from the sale of a Croatian subsidiary only partially offset this increase.

The addition of Erste Bank Polska significantly increased our balance sheet total, from EUR 369 billion at year-end 2025 to EUR 461 billion currently. Customer deposits – traditionally one of Erste Group's key strengths – rose to EUR 324 billion, including EUR 59 billion in Poland. Including the Polish loan portfolio of more than EUR 41 billion, customer loans amounted to EUR 283 billion at the end of June. Even excluding Poland, customer lending still expanded by 4.0% in the first half of the year, driven by both retail and corporate business, with the strongest growth recorded in the Czech Republic, Hungary and the Other Austria segment. Asset quality remained more than satisfactory across all core markets, with the NPL ratio improving moderately to 2.3% despite the inclusion of EBP. In the first six months, risk costs amounted to EUR 583 million, corresponding to a loan loss provision ratio (based on average gross customer loans) of 44 basis points. Of this amount, EUR 302 million represented a one-off effect that did not reflect any deterioration in portfolio quality but resulted from the IFRS 9 provisioning required upon the initial consolidation of the acquired Polish portfolio. Revisions to economic forecasts in our region due to the war in Iran remained more moderate than initially anticipated despite higher energy prices. Given the renewed rise in inflation expectations, which remain in the low to mid-single-digit range, no further interest rate cuts are currently expected in the euro area, Poland or Serbia during 2026, which should continue to provide a supportive environment for the banking sector.

The strong business performance enables us to upgrade our outlook for the financial year. We now expect reported net profit to exceed EUR 4 billion already in 2026 (compared with our previous expectation of somewhat below EUR 4 billion), resulting in a return on tangible equity (ROTE) of more than 20% (previously: around 19%), despite a number of extraordinary effects related to the initial consolidation of EBP. This outlook is supported by solid loan growth to approximately EUR 290 billion (previously we guided for higher than EUR 285 billion) and growth in net fee and commission income of 7–9% excluding Poland (previously: more than 5%), or approximately EUR 4 billion in total. It should be noted that the Polish foreign exchange fees are reported within trading result. Consequently, we now expect Erste Group's cost/income ratio to improve to below 45%.

This time, however, we are going one step further by defining a medium-term financial ambition to 2030. In summary, the key points are as follows: based on the successful acquisition of the controlling 49% stake in EBP (fully financed internally) and the strong organic growth potential in our Central European markets, we have set ourselves the goal of doubling earnings per share (EPS) by 2030. Starting from an adjusted EPS of EUR 7.72 in 2025, excluding one-off effects, we aim to achieve EPS of more than EUR 15 by 2030. This corresponds to a targeted compound annual growth rate (CAGR) of approximately 15%. In addition, we project return on tangible equity above 20% throughout the forecast period. These projections are broadly based on the assumption that the current operating environment will not change dramatically over the coming years.

Finally, a few words on Erste Group's capital position. At the end of June 2026, the Common Equity Tier 1 (CET1) ratio stood at 15.2%, meaning that we have already reached our new CET1 target of above 14.25%. This gives us considerable flexibility. It means we have the capacity to return to our previous dividend payout ratios. However, we will only do so to the full extent if we believe that alternative investment opportunities cannot generate higher returns for you, our shareholders.
Peter Bosek m.p.

Erste Group on the capital markets

EQUITY MARKET REVIEW

In the first six months of 2026, global equity markets performed robustly despite geopolitical uncertainties and the resulting volatility. Major adverse impacts came from the war in the Middle East while the ongoing AI boom provided tailwinds to equity markets. Against this backdrop, central banks and expectations regarding inflation and the economic outlook remained in the focus of market participants. In June, the European Central Bank (ECB) raised its policy rate for the first time since 2023, by 25 basis points to 2.25%, and reaffirmed its stance on potential further rate moves. The US Federal Reserve (Fed) under its new chairman Kevin Warsh left its policy rate unchanged within the range of 3.50% to 3.75%. Following the declines recorded in the first quarter, most of the equity markets covered posted double-digit gains in the reporting period. In the US, the broad-based Standard & Poor's 500 Index closed the second quarter at 7,499.36 points, up 14.9% quarter-on-quarter and 9.6% year-to-date. The NASDAQ Composite technology index rose to 26,213.72 points, gaining 21.4% in the second quarter and 12.8% over the first six months. The Dow Jones Industrial Average Index stood at a record high at 52,319.20 points on 30 June, having advanced by 12.9% in the quarter and 8.9% year-to-date. In Europe, the broad-based Stoxx Europe 600 Index, which reflects the performance of the 600 largest exchange-listed companies from 17 European countries, likewise hit a record high. At 641.73 points at the end of the second quarter, it had gone up 10.0% quarter-on-quarter and 8.4% year-to-date. Austria's ATX (Austrian Traded Index) marked its all-time high at 6,594.82 points on 22 June. With a gain of 21.4% since the beginning of the year, it placed second behind the Japanese Nikkei 225 among the equity market indices covered. European bank shares exhibited a solid performance in the second quarter of 2026. The Dow Jones Euro Stoxx Banks Index, which is composed of the leading European bank shares, climbed by 11.6% year-to-date. Having added 22.9% in the second quarter, the banking sector was the second-strongest performer in the equity markets, behind the technology sector.

SHARE PERFORMANCE

After the Erste Group share had lost some ground in the first three months of the year, it recovered its previous upward momentum in the second quarter and marked new record highs. The solid first-quarter result including the first-time consolidation of Erste Bank Polska provided tailwinds to the share price. After some temporary setbacks (with a low of EUR 93.50 on 4 May), the share price rebounded strongly. On 25 June, it registered its highest closing price ever at EUR 117.50. The quarter-end closing price was EUR 117.10 – up 26.6% in the second quarter and 13.8% year-to-date. Market capitalisation amounted to EUR 48.1 billion. The Erste Group share is listed on the stock exchanges Vienna, Prague and Bucharest. Its main stock exchange is Vienna. In the quarter ended, trading volume there averaged 407,440 shares per day.

ISSUING ACTIVITIES

Erste Group was able to cover a major share of its current year's funding needs already in the first half of the year by placing transactions across all four seniority ranks on the market. In the first quarter, it started by issuing a EUR 750 million T2 note (MS+127bps) followed by a EUR 750 million Senior Preferred Bond (MS+62 basis points). At the end of March, a EUR 1 billion mortgage covered bond (MS+25 basis points) was placed. Another Senior Preferred Bond (again MS+62) was issued at the end of May. In late June, the last remaining seniority level was covered through issuance of a EUR 750 million AT1 note. Along with the new issuance, a buyback offer was announced for two outstanding AT1 transactions. Under this buyback offer, the maximum volume of EUR 750 million was repurchased.

INVESTOR RELATIONS

In the second quarter, Erste Group's management and the investor relations team held a large number of one-on-one and group meetings. Questions raised by investors and analysts were answered both at in-person events as well as during telephone and video conferences. The economic development and the strategy of Erste Group against the backdrop of the current economic environment were presented at spring road shows held in Europe and the US after the presentation of first-quarter 2026 results as well as at international banking and investor conferences hosted by UBS, HSBC, Concorde, RBI, Citigroup, Deutsche Bank, Danske Bank, Goldman Sachs and Bank of America Merrill Lynch.

Interim management report

In the interim management report, financial results from January to June 2026 are compared with those from January to June 2025 and balance sheet positions as of 30 June 2026 with those as of 31 December 2025. The first-time consolidation of Erste Bank Polska resulted in significant changes of multiple positions.

EARNINGS PERFORMANCE IN BRIEF

Net interest income rose to EUR 5,386 million (+42.3%; EUR 3,786 million). Increases were recorded primarily in Slovakia, the Czech Republic and Hungary on the back of loan growth and lower interest expenses on customer deposits, the latter most notably in Austria. An additional major contribution came from Poland in the amount of EUR 1,370 million. **Net fee and commission income** rose in nearly all core markets and income categories to EUR 1,929 million (+25.1%; EUR 1,542 million), including EUR 251 million from Poland. **Net trading result** increased to EUR 424 million (EUR 141 million); the line item **gains/losses from financial instruments measured at fair value through profit or loss** declined to EUR 40 million (EUR 59 million). The development of both line items was mostly attributable to valuation effects. **Operating income** was up at EUR 7,959 million (+40.4%; EUR 5,668 million), with EUR 1,821 million contributed by Poland. **General administrative expenses** rose to EUR 3,537 million (+30.7%; EUR 2,706 million), including EUR 738 million from Poland. In the first half of the year, integration costs were posted in the total amount of EUR 73 million. Personnel expenses increased to EUR 1,977 million (+21.7%; EUR 1,624 million). This was primarily due to the consolidation of the Poland segment (EUR 276 million) and collectively agreed salary increases. Other administrative expenses were higher at EUR 1,075 million (+33.1%; EUR 808 million), thereof EUR 269 million in Poland. While contributions to deposit insurance schemes included in other administrative expenses – mostly already posted upfront for the full year of 2026 – declined to EUR 51 million (EUR 55 million), IT expenses increased to EUR 485 million (EUR 344 million), most importantly due to the inclusion of Poland (EUR 129 million). Amortisation and depreciation amounted to EUR 485 million (+77.3%; EUR 274 million), with Poland accounting for EUR 193 million. Overall, the **operating result** increased to EUR 4,422 million (+49.3%; EUR 2,963 million), the **cost/income ratio** improved to 44.4% (47.7%).

The **impairment result from financial instruments** amounted to EUR -583 million or 44 basis points of average gross customer loans (EUR -182 million or 16 basis points). The rise was materially attributable to allocations to provisions for loans and advances related to the first-time inclusion of the Polish portfolio as required under IFRS 9 rules (EUR 302 million or 23 basis points). The **NPL ratio** based on gross customer loans improved slightly to 2.3% (2.4%). The **NPL coverage ratio** (excluding collateral) stood at 68.4% (69.7%).

Other operating result deteriorated to EUR -330 million (EUR -183 million). Banking levies – currently payable in five core markets – went up. EUR 392 million (EUR 197 million) are reflected in other operating result: thereof, EUR 189 million (EUR 109 million) were charged in Hungary (including EUR 121 million banking tax for the full year), EUR 98 million in Poland. In Austria, banking tax amounted to EUR 65 million (EUR 68 million), in Romania to EUR 39 million (EUR 20 million). The banking tax in Slovakia of EUR 33 million (EUR 32 million) is posted in the line item taxes on income. Expenses for annual contributions to resolution funds included in other operating result already for the full year of 2026 declined moderately to EUR 14 million (EUR 15 million).

Taxes on income amounted to EUR 841 million (EUR 529 million). The minority charge increased to EUR 689 million (EUR 389 million) on the back of higher contributions from the savings banks and the inclusion of the Poland segment (EUR 176 million). The **net result attributable to owners of the parent** rose to EUR 1,975 million (+ 18.6%; EUR 1,665 million).

Total equity not including AT1 instruments rose to EUR 37.5 billion (EUR 31.2 billion). After regulatory deductions and filtering in accordance with the Capital Requirements Regulation (CRR), **common equity tier 1 capital** (CET1) stood at EUR 28.5 billion (EUR 28.5 billion), total **own funds** at EUR 37.3 billion (EUR 36.5 billion).Total risk (**risk-weighted assets** including credit, market and operational risk) rose to EUR 186.9 billion (EUR 147.5 billion), which was mostly attributable to the acquisition of Erste Bank Polska. The **common equity tier 1 ratio** (CET1 ratio) declined to 15.2% (19.3%), the **total capital ratio** to 20.0% (24.8%). The initial consolidation of Erste Bank Polska reduced the CET1 ratio by 455 basis points.

Total assets increased to EUR 461.1 billion (+25.1%; EUR 368.6 billion). On the asset side, cash and cash balances declined to EUR 23.8 billion (EUR 27.6 billion); loans and advances to banks increased to EUR 27.8 billion (EUR 20.8 billion). Year to date, **loans and advances to customers** rose to EUR 282.7 billion (+21.9%; EUR 232.0 billion), most importantly on the back of the Polish portfolio of EUR 41.4 billion. In the other core markets, increased volume was recorded most notably in the Czech Republic, Hungary, Croatia and Austria.

On the liability side, deposits from banks rose to EUR 21.2 billion (EUR 16.9 billion). **Customer deposits** were up at EUR 323.7 billion (+27.9%; EUR 253.0 billion). This rise was driven mainly by the first-time consolidation of Poland (EUR 59.3 billion) as well as higher deposits from corporates in Austria and the Czech Republic. The **loan-to-deposit ratio** stood at 87.3% (91.7%).

OUTLOOK 2026

Following the good business development in the first half of the year, Erste Group has raised the financial outlook for 2026. Erste Group now expects to achieve a return on tangible equity (ROTE) of above 20% (instead of about 19%) and an increase in earnings per share of more than 20% based on 2025 net profit adjusted for one-off items compared to the reported 2026 net profit. This ambition is built on the following key assumptions: Firstly, Erste Group's business, as at year-end 2025 in seven core markets (Austria, Czech Republic, Slovakia, Romania, Hungary, Croatia and Serbia), is expected to perform well, despite somewhat dampened macroeconomic projections due to the ongoing geopolitical challenges resulting from the war in Iran, broadly stable interest rates, especially in the euro zone, and stable margins. Based on this, healthy loan volume growth of 6-8% (versus more than 5% previously) is projected. Operating performance as defined by operating result (operating income minus operating expenses) is expected to improve year-on-year as net interest income is projected to grow by about 5%, fee and commission income should increase by 7-9% (versus prior expectation of more than 5%), net trading and fair value result produces a similar revenue contribution as in 2025, and operating expenses grow in the order of 3%. Consequently, the cost/income ratio is expected to improve from the level of about 48% in 2025 to less than (instead of previously expected about) 47% in 2026. Other operating result is expected to normalise following several positive one-offs in the amount of about EUR 270 million in 2025 and be more in line with the amount of banking levies also booked in this line item. Risk costs, at 20-25 basis points, are expected at a similarly benign level as in 2025.

Secondly, extraordinary effects due to the full consolidation of Erste Bank Polska are primarily expected in net interest income, operating expenses and risk costs. Net interest income will be negatively impacted by about EUR 170 million (equivalent to a net profit impact of approx. EUR -60 million) connected to the amortisation of positive fair value adjustments recognised on debt securities and derivatives in the course of purchase price allocation. In addition, interest income earned on the purchase price in 2025 will not recur in 2026. Operating expenses will be affected by the amortisation of intangibles (customer stock and brand) and the booking of integration costs. Customer relationships will be amortised over ten years in the amount of about EUR 210 million per annum (net profit impact of approx. EUR -70 million), while the brand will be fully written off following rebranding in 2026 (EUR 30 million gross or EUR ~10 million net). Integration costs are forecast at up to EUR 180 million gross in 2026. The corresponding net impact will depend on the allocation of costs between the parent company and the local bank, which is still to be determined. Risk costs will be impacted by a EUR 302 million charge (net profit impact of about EUR -120 million) for expected credit losses of the Polish portfolio required under IFRS 9 in the course of the first-time consolidation. This charge is not indicative of portfolio deterioration. The bookings made in the first half of the year were in line with these expectations.

Consequently, Erste Group in its eight core markets, now expects an increase of net customer loans to approximately EUR 290 billion (instead of higher than EUR 285 million previously). In 2026, taking into account organic underlying growth as well as the contribution from Erste Bank Polska, including extraordinary effects from its first-time consolidation, Erste Group projects net interest income in excess of EUR 11 billion, fee income of approx. EUR 4 billion, a positive impact from the FX fees in Poland in the trading and fair value result and operating expenses of about EUR 7 billion (FX-adjusted). Consequently, the cost/income ratio is projected to improve to less than 45% (previously approximately), despite the integration costs. Risk costs are expected in the range of 25-30 basis points of average gross customer loans, as risk costs tend to be somewhat higher in Poland than in other CEE markets. This expectation is adjusted for the EUR 302 million one-off ECL provision mentioned above. Reported net profit for the combined entity is forecast above EUR 4 billion, despite extraordinary items related to first time consolidation of Erste Bank Polska (versus somewhat below EUR 4 billion previously).

Potential risks to the guidance include (geo)political and economic (including monetary and fiscal policy impacts) developments, regulatory measures, as well as changes to the competitive environment. Current international (military) conflicts do not impact Erste Group directly, as it has no operating presence in regions involved. Indirect effects, such as financial markets volatility, sanctions-related knock-on effects, supply chain disruptions or the emergence of deposit insurance or resolution cases cannot be ruled out, though. Erste Group is moreover exposed to non-financial and legal risks that may materialise regardless of the economic environment. Worse than expected economic development may put goodwill at risk.

FINANCIAL AMBITION TO 2030

Erste Group aims to double earnings per share (EPS) by 2030 to above EUR 15, resulting in a compound annual growth rate (CAGR) of approximately 15% in the 2025-2030 time frame. Furthermore, Erste Group projects return on tangible equity of above 20% throughout the forecast period.

2025 reported net profit of EUR 3,510 million adjusted for AT1 dividend (EUR 139 million) and net positive one-offs in other operating result after tax of EUR 213 million as well as weighted average undiluted number of outstanding shares in 2025 of 408.9 million serve as the base line for the forecast to 2030, resulting in 2025 earnings per share of EUR 7.72 (reported 2025 EPS: 8.24).

This financial ambition is built on the following key assumptions: sustainable organic growth in lending, deposit taking and asset management on the back of superior economic growth in Central Europe; inorganic optionality in Poland and across Central Europe; better operating efficiency driven by larger scale; a continued solid credit risk environment; and, meaningful capital return including regular dividend payments and share buybacks.

All assumptions are predicated on a similar positive interest-rate environment as prevailing currently, a reasonably stable geopolitical situation over the forecast horizon, as well as no material increase in the banking levy, regulatory and general tax burden.

PERFORMANCE IN DETAIL

in EUR million	1-6 25	1-6 26	Change
Net interest income	3,786	5,386	42.3%
Net fee and commission income	1,542	1,929	25.1%
Net trading result and gains/losses from financial instruments at FVPL	200	463	131.6%
Operating income	5,668	7,959	40.4%
Operating expenses	-2,706	-3,537	30.7%
Operating result	**2,963**	**4,422**	**49.2%**
Impairment result from financial instruments	-182	-583	220.3%
Other operating result	-183	-330	80.2%
Levies on banking activities	-197	-392	98.7%
Pre-tax result from continuing operations	**2,583**	**3,505**	**35.7%**
Taxes on income	-529	-841	59.0%
Net result for the period	**2,053**	**2,664**	**29.8%**
Net result attributable to non-controlling interests	389	689	77.2%
Net result attributable to owners of the parent	**1,665**	**1,975**	**18.6%**

Net interest income

Net interest income rose especially in the CEE markets. Increases were mainly driven by higher loan volumes in Hungary, the Czech Republic and Slovakia as well as lower interest expenses on customer deposits in Austria. An additional major contribution came from Poland in the amount of EUR 1,370 million. The net interest margin (calculated as the annualised net interest income over average interest-bearing assets) stood at 2.62% (2.34%), with the rise being primarily attributable to the first-time consolidation of the Poland segment.

Net fee and commission income

Growth was achieved across nearly all core markets and income categories, with asset management and payment services showing a particularly positive development. The securities business also performed well. A major contribution to the significant rise in fee and commission income came from Poland in the amount of EUR 251 million.

Net trading result & gains/losses from financial instruments measured at fair value through profit or loss

Net trading result as well as the line item gains/losses from financial instruments measured at fair value through profit or loss are materially affected by the fair value measurement of debt securities issued. The related valuation is shown in the fair value result, the valuation of corresponding hedges in the net trading result.

Net trading result improved significantly on the back of strong foreign exchange business in Poland in an amount of EUR 112 million to EUR 424 million (EUR 141 million). Gains/losses from financial instruments measured at fair value through profit or loss, on the other hand, deteriorated to EUR 40 million (EUR 59 million), most notably due to losses from the valuation of debt securities in issue at fair value.

General administrative expenses

in EUR million	1-6 25	1-6 26	change
Personnel expenses	-1,624	-1,977	21.7%
Other administrative expenses	-808	-1,075	33.1%
Depreciation and amortisation	-274	-485	77.3%
General administrative expenses	**-2,706**	**-3,537**	**30.7%**

Personnel expenses increased, most importantly due to the first-time inclusion of Poland (EUR 276 million). In addition, rises were recorded in all other core markets, driven mostly by collectively agreed salary increases. The rise in other administrative expenses was primarily attributable to higher IT expenses. Overall, integration costs were posted in the total amount of EUR 73 million. Contributions to deposit insurance schemes (already for the full year 2026) declined to EUR 51 million (EUR 55 million). This decline was almost exclusively attributable to Austria and Romania, where contributions fell to EUR 16 million (EUR 20 million) and EUR 0 million (EUR 4 million) respectively. Amortisation and depreciation increased to EUR 485 million (EUR 274 million), primarily as a result of the first-time inclusion of Poland. In Poland, amortisation and depreciation for the first six months amounted to EUR 193 million, with the key items being the amortisation of the acquired customer relationships and brand (EUR 131 million). The cost/income ratio stood at 44.4% (47.7%).

Headcount as of end of the period

	Dec 25	Jun 26	Change
Austria	**16,844**	**16,728**	**-0.7%**
Erste Group Bank AG, Erste Bank Oesterreich and subsidiaries	9,321	9,190	-1.4%
Cross-guarantee system companies	7,522	7,539	0.2%
Outside Austria	**28,857**	**38,503**	**33.4%**
Erste Bank Polska Group	n/a	10,222	n/a
Česká spořitelna Group	9,483	9,175	-3.3%
Banca Comercială Română Group	5,051	4,909	-2.8%
Slovenská sporiteľňa Group	3,514	3,471	-1.2%
Erste Bank Hungary Group	3,430	3,434	0.1%
Erste Bank Croatia Group	3,176	3,066	-3.5%
Erste Bank Serbia Group	1,270	1,283	1.0%
Savings banks subsidiaries	1,578	1,588	0.7%
Other subsidiaries and foreign branch offices	1,355	1,354	0.0%
Total	**45,700**	**55,231**	**20.9%**

Gains/losses from derecognition of financial instruments not measured at fair value through profit or loss and of financial assets measured at amortised cost

Gains/Losses from this position amounted to EUR -4 million (EUR -15 million). This includes mainly losses from the sale of securities in the Czech Republic.

Impairment result from financial instruments

The impairment result from financial instruments amounted to EUR -583 million (EUR -182 million). Net allocations to provisions for loans and advances amounted to EUR 626 million (EUR 188 million), most of which were seen in Poland where, in accordance with IFRS 9 rules, provisions in the amount of EUR 302 million had to be allocated for the entire acquired portfolio as part of first-time consolidation. Positive contributions came from high recoveries, primarily in Austria.

Other operating result

Other operating result is significantly affected by taxes and levies on banking activities and one-off effects. Taxes and levies on banking activities included in this line item rose to EUR 392 million (EUR197 million). In Hungary, banking levies (with the exception of the transaction tax already for the full year 2026) increased to a total of EUR 189 million (EUR 109 million) due to a higher tax rate as well as a larger tax base resulting from higher profits. In Romania, banking levies rose to EUR 39million (EUR 20 million), mainly due to the doubling of the bank tax rate from 2% to 4% in July 2025. In Austria, banking tax amounted to EUR 65 million (EUR 68 million), in Poland to EUR 98 million. A positive impact came from the rise in the result from other operating expenses/income to EUR 114 million (EUR 71 million), which includes a EUR 116 million gain from the sale of a company in Croatia. In the previous year, a positive one-off effect in the amount of EUR 88 million had resulted from a technical change in the inclusion of an associated company. Contributions to resolution funds declined moderately to EUR 14 million (EUR 15 million). In 2026, credit institutions in the euro zone are again not being charged regular contributions.

Net result attributable to owners of the parent

Taxes on income amounted to EUR 841 million (EUR 529 million). The minority charge increased to EUR 689 million (EUR 389 million) on the back of higher contributions from the savings banks and the inclusion of the Poland segment (EUR 176 million). The net result attributable to owners of the parent rose to EUR 1,975 million (+18.6%; EUR 1,665 million). The return on tangible equity (ROTE) was 19.6% (16.3%).

FINANCIAL RESULTS – QUARTER-ON-QUARTER COMPARISON

Second quarter of 2026 compared with the first quarter of 2026

in EUR million	Q2 25	Q3 25	Q4 25	Q1 26	Q2 26
Income statement					
Net interest income	1,914	1,975	2,027	2,674	2,713
Net fee and commission income	762	798	850	965	964
Dividend income	26	3	4	4	41
Net trading result	94	90	82	161	262
Gains/losses from financial instruments measured at fair value through profit or loss	10	-2	49	68	-29
Net result from equity method investments	16	10	13	19	21
Rental income from investment properties & other operating leases	45	45	46	48	48
Personnel expenses	-830	-824	-886	-974	-1,002
Other administrative expenses	-393	-399	-481	-556	-519
Depreciation and amortisation	-138	-139	-147	-241	-244
Gains/losses from derecognition of financial assets at AC	-7	-10	-26	-3	-2
Other gains/losses from derecognition of financial instruments not at FVPL	-1	14	-4	2	0
Impairment result from financial instruments	-97	-136	-159	-439	-144
Other operating result	1	-29	54	-194	-136
Levies on banking activities	-76	-87	-88	-251	-141
Pre-tax result from continuing operations	**1,400**	**1,395**	**1,422**	**1,533**	**1,973**
Taxes on income	-287	-286	-287	-376	-466
Net result for the period	**1,113**	**1,109**	**1,135**	**1,157**	**1,507**
Net result attributable to non-controlling interests	192	208	191	279	411
Net result attributable to owners of the parent	**921**	**901**	**944**	**879**	**1,096**

Net interest income increased by 1.5%, most notably in Austria. **Net fee and commission income** declined slightly by 0.1%, mainly due to lower income from payment services.

Net trading result rose to EUR 262 million (EUR 161 million), on the back of strong FX as well as securities and derivatives business. **Gains/losses from financial instruments measured at fair value through profit or loss** deteriorated to EUR -29 million (EUR 68 million), mainly due to losses from the valuation of debt securities in issue in Austria.

General administrative expenses declined by 0.3%. While personnel expenses were up by 2.8% as a result of collectively agreed salary increases, other administrative expenses fell by 6.6%, primarily due to contributions to deposit insurance systems, which in nearly all markets had already been posted upfront for the full financial year in the first quarter. The operating result rose to EUR 2,254 million (EUR 2,167 million). The **cost/income ratio** improved to 43.9% (45.0%).

Gains/losses from derecognition of financial instruments not measured at fair value through profit or loss and from financial assets measured at amortised cost amounted to EUR -2 million (EUR -2 million).

The improvement in the **impairment result from financial instruments** was mainly attributable to the extraordinarily high net allocations for loans and advances in the first quarter, most notably in Poland. As part of the first-time consolidation, provisions in the amount of EUR 302 million were allocated for the entire acquired portfolio in accordance with IFRS 9.

Other operating result improved primarily due to a seasonal decline in taxes and levies on the banking business to EUR 141 million (EUR 251 million): thereof, EUR 37 million (EUR 152 million) were payable in Hungary (transaction tax, as banking tax had been posted in the first quarter upfront for the full year), EUR 23 million (EUR 16 million) in Romania and EUR 32 million (EUR 32 million) in Austria. In Poland, banking tax was payable in the amount of EUR 48 million (EUR 50 million). This was offset in part by a higher positive one-off effect of EUR 116 million in the comparative quarter from the sale of a company in Croatia.

The **net result attributable to owners of the parent** increased to EUR 1,096 million (+24.8%; EUR 879 million). The **return on tangible equity (ROTE)** improved to 22.1% (18.1%).

BALANCE SHEET

in EUR million	Dec 25	Jun 26	Change
Assets			
Cash and cash balances	27,573	23,757	-13.8%
Trading, financial assets	79,522	111,826	40.6%
Loans and advances to banks	20,827	27,811	33.5%
Loans and advances to customers	231,985	282,704	21.9%
Intangible assets	1,413	5,857	314.5%
Miscellaneous assets	7,254	9,182	26.6%
Total assets	**368,574**	**461,137**	**25.1%**
Liabilities and equity			
Financial liabilities held for trading	2,412	4,732	96.2%
Deposits from banks	16,919	21,191	25.3%
Deposits from customers	252,991	323,653	27.9%
Debt securities issued	54,872	58,913	7.4%
Miscellaneous liabilities	6,715	10,957	63.2%
Total equity	34,665	41,691	20.3%
Total liabilities and equity	**368,574**	**461,137**	**25.1%**

Cash and cash balances amounted to EUR 23.8 billion (EUR 27.6 billion). **Trading and investment securities** held in various categories of financial assets increased to EUR 111.8 billion (EUR 79.5 billion), most notably due to the rise in debt securities in Poland.

Loans and advances to credit institutions (net), including demand deposits other than overnight deposits, rose to EUR 27.8 billion (EUR 20.8 billion). **Loans and advances to customers (net)** increased to EUR 282.7 billion (EUR 232.0 billion), most notably in Hungary, Czech Republic, Croatia as well as Austria (segment Other Austria). Poland's share of loans and advances to customers (net) came to EUR 41.4 billion. In all core markets, loan growth was recorded (in Romania in local currency), in both retail and corporate business.

Loan loss allowances for loans to customers stood at EUR 4.6 billion (EUR 4.0 billion). The **NPL ratio** – non-performing loans as a percentage of gross customer loans – improved slightly to 2.3% (2.4%), the **NPL coverage ratio** (based on gross customer loans) slipped to 68.4% (69.7%).

Financial liabilities – held for trading amounted to EUR 4.7 billion (EUR 2.4 billion). **Deposits from banks** rose to EUR 21.2 billion (EUR 16.9 billion). **Deposits from customers** increased to EUR 323.7 billion (EUR 253.0 billion) mostly on the back of deposits from corporate customers in the Czech Republic and in Austria. Poland's contribution to customer deposits amounted to EUR 59.3 billion. The **loan-to-deposit ratio** stood at 87.3% (91.7%). **Debt securities in issue** rose to EUR 58.9 billion (EUR 54.9 billion).

Total assets were up at EUR 461.1 billion (EUR 368.6 billion). **Total equity** increased to EUR 41.7 billion (EUR 34.7 billion). This includes AT1 instruments in the amount of EUR 4.2 billion. After regulatory deductions and filtering according to the Capital Requirements Regulation (CRR) **common equity tier 1 capital** (CET1) stood at EUR 28.5 billion (EUR 28.5 billion), **total own funds** at EUR 37.3 billion (EUR 36.5 billion). Total risk – **risk-weighted assets** including credit, market and operational risk – increased to EUR 186.9 billion (EUR 147.5 billion), with EUR 32.9 billion attributable to Erste Bank Polska.

The **total capital ratio,** total eligible qualifying capital in relation to total risk, stood at 20.0% (24.8%), well above the legal minimum requirement. The **tier 1 ratio** was 17.2% (21.7%), the **common equity tier 1** ratio 15.2% (19.3%). The decline in capital ratios is attributable to the initial consolidation of Erste Bank Polska which had a negative impact of 455 basis points on the common equity tier 1 ratio.

BUSINESS DEVELOPMENT IN THE CORE MARKETS

January-June 2026 compared with January-June 2025

The tables and information below provide a brief overview of the development in the core markets by geographical segments (operating segments) focusing on selected and summarized items. For more details please see Note 28 Segment reporting. At www.erstegroup.com/investorrelations additional information is available in Excel format.

Operating income consists of net interest income, net fee and commission income, net trading result, gains/losses from financial instruments measured at fair value through profit or loss, dividend income, net result from equity method investments and rental income from investment properties & other operating leases. The latter three listed items are not shown in the tables below. Net trading result and gains/losses from financial instruments measured at fair value through profit or loss are summarized under one position. Operating expenses correspond to the position general administrative expenses. Operating result is the net amount of operating income and operating expenses. Risk provisions for loans and receivables are included in the position impairment result from financial instruments. Other result summarizes the positions other operating result and gains/losses from financial instruments not measured at fair value through profit or loss, net. The cost/income ratio is calculated as operating expenses in relation to operating income. The return on allocated capital is defined as the net result after tax/before minorities in relation to the average allocated capital.

Austria

ERSTE BANK OESTERREICH & SUBSIDIARIES

in EUR million	1-6 25	1-6 26	Change
Net interest income	510	545	6.9%
Net fee and commission income	287	308	7.3%
Net trading result and gains/losses from financial instruments at FVPL	10	-3	n/a
Operating income	850	898	5.6%
Operating expenses	-405	-405	0.0%
Operating result	445	492	10.6%
Cost/income ratio	47.6%	45.2%	
Impairment result from financial instruments	-52	-30	-43.0%
Other result	-39	-13	-66.4%
Net result attributable to owners of the parent	262	333	27.2%
Return on allocated capital	20.7%	28.1%	

The Erste Bank Oesterreich & Subsidiaries (EBOe & Subsidiaries) segment comprises Erste Bank der oesterreichischen Sparkassen AG (Erste Bank Oesterreich) and its main subsidiaries (e.g. s Bausparkasse, Tiroler Sparkasse, Sparkasse Hainburg). Salzburger Sparkasse was merged with Erste Bank Oesterreich as of 1 August 2025.

Net interest income increased due to lower expenses for customer deposits and higher income from debt securities which was partially offset by the repricing of variable rate customer loans and lower income from placements at central bank due to the decreased interest rate environment as well as higher expense for issued bonds. Net fee and commission income rose mainly on the back of higher payment, and securities fees. Net trading result and gains/losses from financial instruments at FVPL decreased on valuation effects. Operating expenses remained stable, as higher IT expenses, legal & consultancy costs as well as business operation costs were fully compensated by lower marketing costs and the lower contribution to the deposit insurance fund of EUR 5 million (EUR 6 million). Personnel costs remained stable. Consequently, operating result increased, and the cost/income ratio improved. Impairment result from financial instruments improved due to lower allocations for new defaults and releases from an update of parameters. Other result improved mainly due to lower provisions for legal expenses. Overall, the net result attributable to owners of the parent increased.

SAVINGS BANKS

in EUR million	1-6 25	1-6 26	Change
Net interest income	855	941	10.1%
Net fee and commission income	379	404	6.5%
Net trading result and gains/losses from financial instruments at FVPL	20	17	-12.3%
Operating income	1,275	1,383	8.5%
Operating expenses	-681	-710	4.2%
Operating result	593	673	13.5%
Cost/income ratio	53.5%	51.3%	
Impairment result from financial instruments	-97	-74	-24.0%
Other result	-34	-7	-78.7%
Net result attributable to owners of the parent	49	60	22.9%
Return on allocated capital	12.6%	17.2%	

The Savings Banks segment includes those savings banks which are members of the Haftungsverbund (cross-guarantee system) of the Austrian savings banks sector and in which Erste Group does not hold a majority stake but which are fully controlled according to IFRS 10. The fully or majority owned savings banks Erste Bank Oesterreich, Tiroler Sparkasse and Sparkasse Hainburg are not part of the Savings Banks segment.

Net interest income increased due to lower expenses for customer deposits partially offset by lower income from the variable loan portfolio and placements of surplus liquidity driven by the decreased interest rate environment. Net fee and commission income increased mainly on the back of higher securities fees and payment fees. The net trading result and gains/losses from financial instruments at FVPL decreased on valuation effects. Operating expenses increased due to higher personnel and IT expenses, partially compensated by lower expenses for advertising and marketing as well as lower contribution to the deposit insurance fund of EUR 11 million (EUR 14 million). Overall, operating result increased and the cost/income ratio improved. Impairment result from financial instruments decreased mainly due to rating changes and an update of parameters The improvement of other result was driven mainly by the non-recurrence of last year's provisions for legal risks. Banking tax remained stable at EUR 10 million. Overall, the net result attributable to the owners of the parent increased.

OTHER AUSTRIA

in EUR million	1-6 25	1-6 26	Change
Net interest income	302	287	-4.8%
Net fee and commission income	209	232	11.2%
Net trading result and gains/losses from financial instruments at FVPL	10	29	>100.0%
Operating income	555	589	6.0%
Operating expenses	-222	-218	-1.9%
Operating result	334	371	11.2%
Cost/income ratio	39.9%	37.0%	
Impairment result from financial instruments	-1	-4	>100.0%
Other result	12	4	-66.7%
Net result attributable to owners of the parent	262	279	6.7%
Return on allocated capital	18.7%	22.2%	

The Other Austria segment comprises the Corporates and Group Markets business of Erste Group Bank AG (Holding), Erste Group Immorent, Erste Asset Management and Intermarket Bank.

Net interest income decreased primarily due to a lower contribution of fixed income products, interest rate derivatives and repo business in Group Markets, as well as a lower result of Erste Group Immorent, only partially compensated by higher loan volumes in Corporate business in Holding. Net fee and commission income improved mainly due to higher asset management fees, as well as higher securities fees on the custody business and treasury services contribution. Net trading result and gains/losses from financial instruments at FVPL improved on valuation effects. The higher operating income combined with lower operating expenses resulted in an improved operating result and cost/income ratio. The impairment result from financial instruments worsened mostly due lower recoveries and impairment releases. Other result deteriorated mainly due to lower sale gains in Erste Group Immorent. Overall, the net result attributable to owners of the parent improved.

Central and Eastern Europe

POLAND

in EUR million	1-6 25	1-6 26	Change
Net interest income		1,370	n/a
Net fee and commission income		251	n/a
Net trading result and gains/losses from financial instruments at FVPL		168	n/a
Operating income		1,821	n/a
Operating expenses		-738	n/a
Operating result		1,083	n/a
Cost/income ratio		40.5%	
Impairment result from financial instruments		-362	n/a
Other result		-120	n/a
Net result attributable to owners of the parent		183	n/a
Return on allocated capital		24.2%	

As of the first quarter of 2026, Poland is the eighth core market of Erste Group. Consequently, Poland (comprising Erste Bank Polska Group) was added as additional operating segment in the geographical area Central and Eastern Europe.

Several P&L line items were adversely affected by the bookings related to the purchase price allocation (PPA): net interest income decreased by EUR 87 million (mainly unwinding of FV PPA adjustments related to securities and derivatives), operating expenses included amortisation of customer relationships and brand amounting to EUR 131 million. Impairment result from financial instruments included a one-time allocation of the credit loss allowance of EUR 302 million. PPA bookings in net interest income and operating expenses are of a recurring nature, although declining over time.

CZECH REPUBLIC

in EUR million	1-6 25	1-6 26	Change
Net interest income	746	788	5.6%
Net fee and commission income	251	282	12.5%
Net trading result and gains/losses from financial instruments at FVPL	60	89	48.4%
Operating income	1,068	1,170	9.6%
Operating expenses	-502	-528	5.1%
Operating result	566	643	13.5%
Cost/income ratio	47.0%	45.1%	
Impairment result from financial instruments	8	-2	n/a
Other result	-33	-26	-21.6%
Net result attributable to owners of the parent	452	510	12.9%
Return on allocated capital	21.3%	23.0%	

The segment analysis is done on a constant currency basis. The CZK appreciated by 2.8% against the EUR in the reporting period. Net interest income in the Czech Republic segment (comprising Česká spořitelna Group) increased on a positive contribution of lending business and higher yields on bond investments, partially offset by lower income from placements at the central bank due to the decreased volumes and interest rate environment, higher expenses for customer deposits as well as higher expenses for issued bonds, both volume driven. The increase in net fee and commission income was mainly driven by higher fees from securities business. Net trading result and gains/losses from financial instruments at FVPL improved on positive valuation effects. Operating expenses increased mainly due to higher personnel costs and depreciation. Contributions into the deposit insurance fund were unchanged at EUR 16 million. Overall, the operating result increased and the cost/income ratio improved. Impairment result from financial instruments deteriorated due to the non-recurrence of last years release of flood overlays as well as higher allocations from an update of parameters. Other result improved mostly on the non-recurrence of last year's negative impact from the deconsolidation of a subsidiary. The contribution to the resolution fund increased to EUR 9 million (EUR 6 million). Altogether, these developments resulted in a higher net result attributable to the owners of the parent.

SLOVAKIA

in EUR million	1-6 25	1-6 26	Change
Net interest income	295	328	11.2%
Net fee and commission income	121	133	10.0%
Net trading result and gains/losses from financial instruments at FVPL	8	16	90.1%
Operating income	428	481	12.4%
Operating expenses	-187	-194	3.4%
Operating result	241	288	19.3%
Cost/income ratio	43.7%	40.2%	
Impairment result from financial instruments	-32	-45	40.4%
Other result	1	-1	n/a
Net result attributable to owners of the parent	141	165	17.0%
Return on allocated capital	20.1%	22.1%	

Net interest income in the Slovakia segment (comprising Slovenská sporitel'ňa Group) increased due to higher customer loan volumes and repricing of fixed rate loans as well as lower expense for customer deposits. These effects were partially offset by lower income from central bank placements and higher expense for issued bonds. Net fee and commission income increased on the back of higher payment and securities fees. Net trading result and gains/losses from financial instruments at FVPL improved on positive valuation effects. Operating expenses went up mainly due to higher personnel and IT expenses. The contributions into the deposit insurance fund increased to EUR 4 million (EUR 2 million). Operating result increased and the cost/income ratio improved. Impairment result from financial instruments worsened due to higher allocations in the corporate business and due to an update of parameters. Other result worsened slightly due to the non-recurrence of building sales. The banking tax, booked in the taxes on income line, amounted to EUR 33 million (EUR 32 million). Overall, the net result attributable to the owners of the parent increased.

ROMANIA

in EUR million	1-6 25	1-6 26	Change
Net interest income	397	367	-7.7%
Net fee and commission income	109	123	12.3%
Net trading result and gains/losses from financial instruments at FVPL	55	58	5.9%
Operating income	566	551	-2.6%
Operating expenses	-226	-233	3.1%
Operating result	340	318	-6.3%
Cost/income ratio	40.0%	42.3%	
Impairment result from financial instruments	-21	-68	>100.0%
Other result	-47	-54	15.0%
Net result attributable to owners of the parent	230	156	-32.1%
Return on allocated capital	20.1%	14.2%	

The segment analysis is done on a constant currency basis. The RON depreciated by 2.8% against the EUR in the reporting period. Net interest income in the Romania segment (comprising Banca Comercială Română Group) decreased on a lower contribution from loans driven by lower market interest rates as well as higher expense for customer deposits impacted by higher volumes. Net fee and commission income went up mainly on higher payment, securities and insurance brokerage fees. The net trading result and gains/losses from financial instruments at FVPL improved on valuation effects. Operating expenses rose mainly due to higher personnel, legal & consultancy costs as well as business operation costs, while no contribution into the deposit insurance fund was paid (2025: EUR 4 million). Consequently, both operating result and the cost/income ratio deteriorated. The impairment result from financial instruments worsened mostly due to an update of parameters. Other result deteriorated due to the increase of the banking tax to EUR 39 million (EUR 20 million). Payments into the resolution fund were discontinued as the target level was reached (2025: EUR8 million). Overall, the net result attributable to the owners of the parent decreased.

HUNGARY

in EUR million	1-6 25	1-6 26	Change
Net interest income	205	243	18.7%
Net fee and commission income	170	195	14.9%
Net trading result and gains/losses from financial instruments at FVPL	45	58	30.3%
Operating income	423	501	18.3%
Operating expenses	-158	-186	17.5%
Operating result	265	315	18.8%
Cost/income ratio	37.4%	37.2%	
Impairment result from financial instruments	0	7	n/a
Other result	-107	-196	83.4%
Net result attributable to owners of the parent	136	104	-23.6%
Return on allocated capital	22.3%	16.5%	

The segment analysis is done on a constant currency basis. The HUF appreciated by 8.0% against the EUR in the reporting period. Net interest income in the Hungary segment (comprising Erste Bank Hungary Group) was positively impacted by higher loan volumes and higher income from securities investments partially offset by higher expenses for customer deposits. Net fee and commission income rose mainly on higher securities and payment fees. Net trading result and gains/losses from financial instruments at FVPL improved due to valuation effects. Operating expenses increased due to higher personnel and IT expenses. The contribution into the deposit insurance fund amounted to EUR 10 million (EUR 8 million). Overall, operating result increased and the cost/income ratio improved. Impairment result from financial instruments still benefitted from net releases. The deterioration of the other result was primarily driven by the higher banking tax amounting to EUR 121 million (EUR 48 million), it comprised the regular banking tax and a windfall profit tax of EUR 98 million (EUR 28 million) – both already for the full year 2026. Financial transaction tax went up to EUR 68 million (EUR 61 million). The contribution to the resolution fund remained at EUR 1 million. Consequently, the net result attributable to the owners of the parent decreased.

CROATIA

in EUR million	1-6 25	1-6 26	Change
Net interest income	203	218	7.1%
Net fee and commission income	68	59	-13.8%
Net trading result and gains/losses from financial instruments at FVPL	9	11	22.8%
Operating income	285	292	2.4%
Operating expenses	-145	-144	-0.9%
Operating result	140	149	5.9%
Cost/income ratio	50.8%	49.1%	
Impairment result from financial instruments	15	-1	n/a
Other result	0	109	n/a
Net result attributable to owners of the parent	87	153	74.8%
Return on allocated capital	22.5%	33.9%	

Net interest income in the Croatia segment (comprising Erste Bank Croatia Group) increased driven by higher loan volumes, lower interest expenses for customer deposits and higher income from debt securities, partly offset by lower interest income from placements at the central bank. Net fee and commission income decreased mainly on lower payment fees due to the sale of Erste Card Club. Net trading result and gains/losses from financial instruments at FVPL improved due to valuation effects. Operating expenses were by and large stable. The contribution into the deposit insurance fund remained unchanged at EUR 2 million. Overall, operating result increased and the cost/income ratio improved. Impairment result from financial instruments worsened mostly due to lower collections and an update of parameters. Other result improved notable on the selling gains from Erste Card Club. Consequently, the net result attributable to the owners of the parent increased significantly.

SERBIA

in EUR million	1-6 25	1-6 26	Change
Net interest income	56	52	-8.4%
Net fee and commission income	14	16	10.3%
Net trading result and gains/losses from financial instruments at FVPL	6	6	4.2%
Operating income	79	78	-2.4%
Operating expenses	-48	-52	9.1%
Operating result	32	25	-19.9%
Cost/income ratio	60.3%	67.5%	
Impairment result from financial instruments	-2	-5	>100.0%
Other result	0	-5	n/a
Net result attributable to owners of the parent	21	11	-47.8%
Return on allocated capital	15.5%	7.8%	

The segment analysis is done on a constant currency basis. The Serbian Dinar (RSD) remained largely stable against the EUR in the reporting period. Net interest income in the Serbia segment (comprising Erste Bank Serbia Group) declined due to higher interest rates on deposits. Net fee and commission income benefitted from higher payment fees. Net trading result and gains/losses from financial instruments at FVPL remained stable. Operating expenses rose mainly due to higher IT depreciation and higher personnel costs. The deposit insurance contribution decreased to EUR 2 million (EUR 3 million). Consequently, operating result decreased and the cost/income ratio worsened. Impairment result from financial instruments worsened, reflecting higher loan volumes. Other result worsened mainly due to the contribution to the resolution fund introduced in 2026 in the amount of EUR 4 million. Overall, the net result attributable to owners of the parent decreased.

Condensed interim consolidated financial statements

Interim report 1 January to 30 June 2026

Consolidated statement of income

in EUR million	Notes	1-6 25	1-6 26
Net interest income	1	3,786	5,386
Interest income	1	7,037	8,355
Other similar income	1	1,497	1,393
Interest expenses	1	-3,264	-3,064
Other similar expenses	1	-1,484	-1,297
Net fee and commission income	2	1,542	1,929
Fee and commission income	2	1,839	2,384
Fee and commission expenses	2	-297	-455
Dividend income	3	29	45
Net trading result	4	141	424
Gains/losses from financial instruments measured at fair value through profit or loss	5	59	40
Net result from equity method investments		23	40
Rental income from investment properties & other operating leases	6	88	96
Personnel expenses	7	-1,624	-1,977
Other administrative expenses	7	-808	-1,075
Depreciation and amortisation	7	-274	-485
Gains/losses from derecognition of financial assets measured at amortised cost	8	-13	-5
Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss	9	-2	2
Impairment result from financial instruments	10	-182	-583
Other operating result	11	-183	-330
Levies on banking activities	11	-197	-392
Pre-tax result from continuing operations		**2,583**	**3,505**
Taxes on income	12	-529	-841
Net result for the period		**2,053**	**2,664**
Net result attributable to non-controlling interests		389	689
Net result attributable to owners of the parent		**1,665**	**1,975**

Earnings per share

		1-6 25	1-6 26
Net result attributable to owners of the parent	in EUR thousand	1,664,667	1,974,667
Dividend on AT1 capital (after tax effect)	in EUR thousand	-59,357	-79,888
Net result for the period attributable to owners of the parent after deduction of AT1 capital dividend	in EUR thousand	1,605,310	1,894,779
Weighted average undiluted number of outstanding shares		408,943,215	408,965,863
Undiluted earnings per share	**in EUR**	**3.93**	**4.63**
Weighted average diluted number of outstanding shares		409,322,763	409,247,676
Diluted earnings per share	**in EUR**	**3.92**	**4.63**

Development of the number of shares

	1-6 25	1-6 26
Shares outstanding at the beginning of the period	**388,126,224**	**388,406,224**
Acquisition of treasury shares	-2,181,851	-978,806
Disposal of treasury shares	2,181,851	1,023,806
Shares outstanding at the end of the period	**388,126,224**	**388,451,224**
Treasury shares	22,388,160	22,063,160
Number of shares issued at the end of the period	**410,514,384**	**410,514,384**
Weighted average undiluted number of outstanding shares	408,943,215	408,965,863
Weighted average diluted number of outstanding shares	409,322,763	409,247,676

Consolidated statement of comprehensive income

in EUR million	1-6 25	1-6 26
Net result for the period	**2,053**	**2,664**
Other comprehensive income		
Items that may not be reclassified to profit or loss	**38**	**2**
Remeasurement of defined benefit plans	37	-3
Fair value reserve of equity instruments	-6	-4
Own credit risk reserve	17	10
Deferred taxes relating to items that may not be reclassified	-11	-1
Items that may be reclassified to profit or loss	**91**	**-244**
Fair value reserve of debt instruments	16	-16
Gains/losses during the period	24	-28
Reclassification adjustments	-7	-2
Credit loss allowances	-1	14
Cash flow hedge reserve	16	-74
Gains/losses during the period	-17	19
Reclassification adjustments	33	-94
Currency reserve	67	-177
Gains/losses during the period	93	-147
Net investment hedge gains/losses during the period	-27	-30
Reclassification adjustments	0	0
Deferred taxes relating to items that may be reclassified	-8	24
Gains/losses during the period	-2	2
Reclassification adjustments	-6	22
Total other comprehensive income	**128**	**-242**
Total comprehensive income	**2,182**	**2,422**
Total comprehensive income attributable to non-controlling interests	410	585
Total comprehensive income attributable to owners of the parent	**1,772**	**1,837**

Quarterly results

in EUR million	Q2 25	Q3 25	Q4 25	Q1 26	Q2 26
Income statement					
Net interest income	1,914	1,975	2,027	2,674	2,713
Interest income	3,489	3,407	3,249	4,080	4,275
Other similar income	728	694	723	695	697
Interest expenses	-1,589	-1,454	-1,272	-1,473	-1,591
Other similar expenses	-713	-672	-673	-629	-668
Net fee and commission income	762	798	850	965	964
Fee and commission income	921	961	1,010	1,177	1,207
Fee and commission expense	-159	-163	-160	-212	-243
Dividend income	26	3	4	4	41
Net trading result	94	90	82	161	262
Gains/losses from financial instruments measured at fair value through profit or loss	10	-2	49	68	-29
Net result from equity method investments	16	10	13	19	21
Rental income from investment properties & other operating leases	45	45	46	48	48
Personnel expenses	-830	-824	-886	-974	-1,002
Other administrative expenses	-393	-399	-481	-556	-519
Depreciation and amortisation	-138	-139	-147	-241	-244
Gains/losses from derecognition of financial assets at AC	-7	-10	-26	-3	-2
Other gains/losses from derecognition of financial instruments not at FVPL	-1	14	-4	2	0
Impairment result from financial instruments	-97	-136	-159	-439	-144
Other operating result	1	-29	54	-194	-136
Levies on banking activities	-76	-87	-88	-251	-141
Pre-tax result from continuing operations	**1,400**	**1,395**	**1,422**	**1,533**	**1,973**
Taxes on income	-287	-286	-287	-376	-466
Net result for the period	**1,113**	**1,109**	**1,135**	**1,157**	**1,507**
Net result attributable to non-controlling interests	192	208	191	279	411
Net result attributable to owners of the parent	**921**	**901**	**944**	**879**	**1,096**
Statement of comprehensive income					
Net result for the period	**1,113**	**1,109**	**1,135**	**1,157**	**1,507**
Other comprehensive income					
Items that may not be reclassified to profit or loss	**12**	**-28**	**15**	**24**	**-22**
Remeasurement of defined benefit plans	18	-1	4	-2	-2
Fair value reserve of equity instruments	-7	1	9	1	-4
Own credit risk reserve	5	-37	8	32	-22
Deferred taxes relating to items that may not be reclassified	-4	8	-5	-7	7
Items that may be reclassified to profit or loss	**-4**	**70**	**51**	**-512**	**268**
Fair value reserve of debt instruments	13	-5	22	-103	87
Gains/losses during the period	20	9	20	-113	85
Reclassification adjustments	-7	-14	3	-1	-1
Credit loss allowances	-1	1	0	11	2
Cashflow hedge reserve	-8	-35	12	-212	138
Gains/losses during the period	-25	-66	19	-200	219
Reclassification adjustments	17	31	-7	-12	-82
Currency reserve	-8	101	26	-244	66
Gains/losses during the period	3	131	37	-260	113
Net investment hedge gains/losses during the period	-11	-29	-11	17	-47
Deferred taxes relating to items that may be reclassified	0	8	-9	46	-23
Gains/losses during the period	2	12	-10	44	-42
Reclassification adjustments	-2	-3	1	3	19
Total	**8**	**42**	**67**	**-488**	**246**
Total comprehensive income	**1,121**	**1,151**	**1,202**	**669**	**1,753**
Total comprehensive income attributable to non-controlling interests	204	208	195	113	472
Total comprehensive income attributable to owners of the parent	**918**	**943**	**1,007**	**556**	**1,281**

Consolidated balance sheet

in EUR million	Notes	Dec 25	Jun 26
Assets			
Cash and cash balances	13	27,573	23,757
Financial assets held for trading		9,377	13,189
Derivatives	19	829	2,890
Other financial assets held for trading	20	8,548	10,299
Pledged as collateral		248	2,015
Non-trading financial assets at fair value through profit or loss	21	3,833	4,503
Pledged as collateral		0	0
Equity instruments		523	582
Debt securities		1,786	1,749
Loans and advances to banks		0	0
Loans and advances to customers		1,524	2,172
Financial assets at fair value through other comprehensive income	17	9,181	17,634
Pledged as collateral		275	608
Equity instruments		113	223
Debt securities		9,068	16,493
Loans and advances to banks		0	0
Loans and advances to customers		0	918
Financial assets at amortised cost	14	301,707	373,196
Pledged as collateral		2,708	9,678
Debt securities		58,655	79,590
Loans and advances to banks		20,827	27,811
Loans and advances to customers		222,225	265,795
Finance lease receivables	18	5,290	7,907
Hedge accounting derivatives	22	231	554
Fair value changes of hedged items in portfolio hedge of interest rate risk		-64	-65
Property and equipment		2,941	3,265
Investment properties		1,913	1,950
Intangible assets		1,413	5,857
Investments in associates and joint ventures		465	778
Current tax assets		84	113
Deferred tax assets		171	219
Assets held for sale		211	158
Trade and other receivables	15	2,946	5,912
Other assets	23	1,301	2,210
Total assets		**368,574**	**461,137**

in EUR million	Notes	Dec 25	Jun 26
Liabilities and equity			
Financial liabilities held for trading		2,412	4,732
Derivatives	19	1,092	3,264
Other financial liabilities held for trading	24	1,321	1,468
Financial liabilities at fair value through profit or loss		9,857	9,706
Deposits from banks		0	0
Deposits from customers		174	172
Debt securities issued	25	9,268	9,083
Other financial liabilities		415	451
Financial liabilities at amortised cost		316,168	396,225
Deposits from banks	16	16,919	21,191
Deposits from customers	16	252,817	323,481
Debt securities issued	16	45,604	49,830
Other financial liabilities		829	1,723
Lease liabilities		721	847
Hedge accounting derivatives	22	170	166
Provisions	26	1,416	2,227
Current tax liabilities		323	546
Deferred tax liabilities		52	523
Liabilities associated with assets held for sale		84	2
Other liabilities	27	2,706	4,473
Total equity		**34,665**	**41,691**
Equity attributable to non-controlling interests		8,367	13,216
Additional equity instruments		3,479	4,225
Equity attributable to owners of the parent		22,819	24,250
Subscribed capital		821	821
Additional paid-in capital		1,516	1,516
Retained earnings and other reserves		20,481	21,913
Total liabilities and equity		**368,574**	**461,137**

Consolidated statement of changes in equity

in EUR million	Subscribed capital	Additional paid-in capital	Retained earnings	Cash flow hedge reserve	Fair value reserve	Own credit risk reserve	Currency reserve	Remeasurement of defined benefit plans	Equity attributable to owners of the parent	Additional equity instruments	Equity attributable to non-controlling interests	Total equity
As of 01 January 2026	**821**	**1,516**	**21,675**	**-12**	**87**	**-108**	**-695**	**-466**	**22,819**	**3,479**	**8,367**	**34,665**
Changes in treasury shares	0	0	4	0	0	0	0	0	4	0	0	4
Dividends paid	0	0	-395	0	0	0	0	0	-395	0	-728	-1,123
Capital increase/decrease	0	0	0	0	0	0	0	0	0	746	0	746
Changes in scope of consolidation and ownership interest	0	0	0	0	0	0	0	0	0	0	4,994	4,994
Reclassification from other comprehensive income to retained earnings	0	0	0	0	0	0	0	0	0	0	0	0
Share-based payments	0	0	-5	0	0	0	0	0	-5	0	0	-5
Other changes	0	0	-9	0	0	0	0	0	-9	0	-2	-11
Total comprehensive income	0	0	1,975	-42	-16	9	-88	-1	1,837	0	585	2,422
Net result for the period	0	0	1,975	0	0	0	0	0	1,975	0	689	2,664
Other comprehensive income	0	0	0	-42	-16	9	-88	-1	-138	0	-105	-242
Change from remeasurement of defined benefit plans	0	0	0	0	0	0	0	-1	-1	0	-2	-3
Change in fair value reserve	0	0	0	0	-16	0	0	0	-16	0	4	-13
Change in cash flow hedge reserve	0	0	0	-42	0	0	0	0	-42	0	-15	-57
Change in currency reserve	0	0	0	0	0	0	-88	0	-88	0	-90	-177
Change in own credit risk reserve	0	0	0	0	0	9	0	0	9	0	-2	7
Other changes in other comprehensive income	0	0	0	0	0	0	0	0	0	0	0	0
As of 30 June 2026	**821**	**1,516**	**23,244**	**-54**	**70**	**-98**	**-783**	**-467**	**24,250**	**4,225**	**13,216**	**41,691**

in EUR million	Subscribed capital	Additional paid-in capital	Retained earnings	Cash flow hedge reserve	Fair value reserve	Own credit risk reserve	Currency reserve	Remeasurement of defined benefit plans	Equity attributable to owners of the parent	Additional equity instruments	Equity attributable to non-controlling interests	Total equity
As of 01 January 2025	**821**	**1,516**	**19,517**	**-6**	**69**	**-102**	**-889**	**-480**	**20,447**	**2,688**	**7,633**	**30,767**
Changes in treasury shares	0	0	-3	0	0	0	0	0	-3	0	0	-3
Dividends paid	0	0	-1,241	0	0	0	0	0	-1,241	0	-87	-1,328
Capital increase/decrease	0	0	0	0	0	0	0	0	0	994	0	994
Changes in scope of consolidation and ownership interest	0	0	1	0	0	0	0	0	1	0	0	1
Reclassification from other comprehensive income to retained earnings	0	0	0	0	0	0	0	0	0	0	0	0
Share based payments	0	0	-10	0	0	0	0	0	-10	0	0	-10
Other changes	0	0	0	0	0	0	0	0	0	0	0	0
Total comprehensive income	0	0	1,665	12	-1	14	66	15	1,772	0	410	2,182
Net result for the period	0	0	1,665	0	0	0	0	0	1,665	0	389	2,053
Other comprehensive income	0	0	0	12	-1	14	66	15	107	0	22	128
Change from remeasurement of defined benefit plans	0	0	0	0	0	0	0	15	15	0	14	29
Change in fair value reserve	0	0	0	0	-1	0	0	0	-1	0	9	7
Change in cash flow hedge reserve	0	0	0	12	0	0	0	0	12	0	0	12
Change in currency reserve	0	0	0	0	0	0	66	0	66	0	0	67
Change in own credit risk reserve	0	0	0	0	0	14	0	0	14	0	-1	13
Other changes in other comprehensive income	0	0	0	0	0	0	0	0	0	0	0	0
As of 30 June 2025	**821**	**1,516**	**19,927**	**6**	**68**	**-87**	**-823**	**-464**	**20,965**	**3,682**	**7,956**	**32,603**

Consolidated statement of cash flow

in EUR million	1-6 25	1-6 26
Net result for the period	2,053	**2,664**
Non-cash adjustments for items in net profit/loss for the year		
Depreciation, amortisation and net impairment of non-financial assets	266	484
Net allocation of credit loss allowances and other provisions	253	655
Gains/losses from measurement and derecognition of financial assets and financial liabilities	765	113
Other adjustments	-41	-167
Changes in assets and liabilities from operating activities after adjustment for non-cash components		
Financial assets held for trading	2,806	404
Non-trading financial assets at fair value through profit or loss		
Equity instruments	-9	-59
Debt securities	-1	50
Loans and advances to customers	-102	-627
Financial assets at fair value through other comprehensive income		
Debt securities	-372	776
Loans and advances to banks	0	132
Loans and advances to customers	0	-168
Financial assets at amortised cost		
Debt securities	-5,063	-8,767
Loans and advances to banks	4,148	-3,488
Loans and advances to customers	-5,680	-6,042
Finance lease receivables	-79	-4
Hedge accounting derivatives - assets	-12	115
Other assets from operating activities	-331	-1,048
Financial liabilities held for trading	92	-835
Financial liabilities at fair value through profit or loss	-59	-168
Financial liabilities measured at amortised cost		
Deposits from banks	-5,894	-798
Deposits from customers	6,806	15,656
Debt securities issued	3,039	408
Other financial liabilities	331	573
Hedge accounting derivatives - liabilities	-6	-50
Other liabilities from operating activities	280	389
Cash flow from operating activities	**3,189**	**200**
Proceeds of disposal		
Financial assets at fair value through other comprehensive income: equity instruments	0	0
Investments in associates and joint ventures	2	157
Property and equipment and intangible assets	35	14
Investment properties	8	1
Acquisition of		
Property and equipment and intangible assets	-206	-306
Investment properties	-152	-120
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	-21	-3,452
Disposal of subsidiaries	0	46
Cash flow from investing activities	**-335**	**-3,660**
Capital increase	994	746
Capital decrease	0	0
Changes in ownership interests that do not result in a loss of control	1	0
Dividends paid to equity holders of the parent	-1,241	-395
Dividends paid to non-controlling interests	-87	-728
Cash flow from financing activities	**-333**	**-377**
Cash and cash equivalents at the beginning of the period	**25,129**	**27,573**
Cash flow from operating activities	3,189	200
Cash flow from investing activities	-335	-3,660
Cash flow from financing activities	-333	-377
Effect of currency translation	1	21
Cash and cash equivalents at the end of period	**27,652**	**23,757**
Cash flows related to taxes, interest and dividends (included in cash flow from operating activities)	**3,631**	**4,053**
Payments for taxes on income	-337	-933
Interest received	10,263	11,696
Dividends received	29	45
Interest paid	-6,324	-6,755

Cash and cash equivalents are equal to the amount in the balance sheet line item ‘Cash and cash balances’. Within the cash flow from investing activities, the cash inflows and outflows related to equity transactions have been presented separately to enhance transparency.

Condensed notes to the interim consolidated financial statements

1 January to 30 June 2026

BASIS OF PREPARATION

The condensed consolidated interim financial statements ("interim financial statements") of the group of Erste Group Bank AG ("Erste Group") for the period from 1 January to 30 June 2026 were prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and are presented in accordance with the requirements of IAS 34 "Interim Financial Reporting".

These interim financial statements were neither audited nor reviewed by an auditor.

CONSOLIDATION SCOPE

IFRS consolidation scope - evolvement of number of entities and funds included

As of 31 December 2025	**281**
Additions	
Entities newly added to the scope of consolidation	12
Disposals	
Companies sold or liquidated	5
Mergers	0
As of 30 June 2026	**288**

In May 2025, Erste Group Bank AG and Banco Santander S.A. entered into an agreement under which Erste Group acquired a 49% stake in Santander Bank Polska Group S.A., a publicly listed universal bank operating in Poland, and a 50% stake in Santander Towarzystwo Funduszy Inwestycyjnych S.A., an asset management company. The transaction was closed on 9 January 2026, the acquisition date, when Erste Group obtained control of the companies. The transaction increased the balance sheet total of Erste Group by EUR 70.391 million as of the acquisition date. For further details, please refer to disclosures in *Note 36 Agreement on the acquisition of Erste Bank Polska*.

ACCOUNTING AND MEASUREMENT METHODS

The interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" and are presented in euro, which is the functional currency of the parent company. The interim financial statements do not include all the information and disclosures required in the annual consolidated financial statements. Therefore, the interim financial statements should be read in conjunction with Erste Group's consolidated financial statements as of 31 December 2025.

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management and will seldom equal the estimated results. Judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty, were the same as those applied in the group's last annual financial statements for the year ended 31 December 2025, with the exception of the calculation of the current and deferred income taxes for the interim reporting period for which the estimated effective tax rate for the group is applied.

1. Net interest income

in EUR million	1-6 25	1-6 26
Interest income	7,037	8,355
Financial assets at AC	6,833	7,977
Financial assets at FVOCI	204	378
Other similar income	1,497	1,393
Non-trading financial assets at FVPL	54	90
Financial assets HfT	1,289	1,093
Hedge accounting derivatives, interest rate risk	11	3
Other assets	138	203
Negative interest from financial liabilities	5	5
Interest and other similar income	**8,535**	**9,748**
Interest expenses	-3,264	-3,064
Financial liabilities at AC	-3,264	-3,064
Other similar expenses	-1,484	-1,297
Financial liabilities at FVPL	-156	-135
Financial liabilities HfT	-1,166	-1,059
Hedge accounting derivatives, interest rate risk	-137	-56
Other liabilities	-24	-38
Negative interest from financial assets	-1	-9
Interest and other similar expenses	**-4,748**	**-4,361**
Net interest income	**3,786**	**5,386**

An amount of EUR 120 million (EUR 80 million) relating to impaired financial assets is included in interest income.

2. Net fee and commission income

	1-6 25		1-6 26	
in EUR million	**Income**	**Expenses**	**Income**	**Expenses**
Securities	190	-32	246	-44
Issues	40	-1	47	-3
Transfer orders	143	-25	181	-34
Other	7	-7	17	-7
Clearing and settlement	1	0	2	-2
Asset management	353	-25	487	-31
Custody	76	-11	96	-13
Fiduciary transactions	0	0	1	0
Payment services	810	-166	995	-232
Card business	253	-109	379	-152
Current accounts from customers	411	0	482	0
Other	146	-57	134	-80
Customer resources distributed but not managed	169	-8	226	-16
Collective investment	17	0	27	-3
Insurance products	138	-1	179	-2
Foreign exchange transactions	14	-1	14	-1
Other	2	-6	6	-10
Structured finance	5	0	3	0
Servicing fees from securitization activities	0	-8	0	-1
Lending business	164	-24	241	-84
Guarantees given, guarantees received	48	-2	66	-44
Loan commitments given, loan commitments received	38	-1	67	-1
Other lending business	79	-22	109	-40
Other	70	-22	88	-32
Total fee and commission income and expenses	**1,839**	**-297**	**2,384**	**-455**
Net fee and commission income	**1,542**		**1,929**	

Asset management, custody and fiduciary transactions fees relate to fees earned by Erste Group on trust and other fiduciary activities in which Erste Group holds or invests assets on behalf of its customers.

3. Dividend income

in EUR million	1-6 25	1-6 26
Financial assets HfT	5	8
Non-trading financial assets at FVPL	11	17
Financial assets at FVOCI	12	21
Dividend income	**29**	**45**

4. Net trading result

in EUR million	1-6 25	1-6 26
Securities and derivatives trading	-41	103
Foreign exchange transactions	183	323
Result from hedge accounting	-1	-3
Net trading result	**141**	**424**

5. Gains/losses from financial instruments measured at fair value through profit or loss

in EUR million	1-6 25	1-6 26
Result from measurement/sale of financial assets designated at FVPL	0	0
Result from measurement/repurchase of financial liabilities designated at FVPL	8	-27
Result from financial assets and liabilities designated at FVPL	**9**	**-27**
Result from measurement/sale of financial assets mandatorily at FVPL	51	67
Gains/losses from financial instruments measured at fair value through profit or loss	**59**	**40**

6. Rental income from investment properties & other operating leases

in EUR million	1-6 25	1-6 26
Investment properties	68	74
Other operating leases	20	22
Rental income from investment properties & other operating leases	**88**	**96**

7. General administrative expenses

in EUR million	1-6 25	1-6 26
Personnel expenses	**-1,624**	**-1,977**
Wages and salaries	-1,248	-1,535
Compulsory social security	-301	-358
Long-term employee provisions	-4	-9
Other personnel expenses	-71	-74
Other administrative expenses	**-808**	**-1,075**
Deposit insurance contribution	-55	-51
IT expenses	-344	-485
Expenses for office space	-98	-133
Office operating expenses	-85	-107
Advertising/marketing/events	-110	-139
Legal and consulting costs	-72	-103
Sundry administrative expenses	-43	-57
Depreciation and amortisation	**-274**	**-485**
Software and other intangible assets	-86	-147
Owner occupied real estate	-81	-107
Investment properties	-18	-19
Customer relationships	-3	-104
Office furniture and equipment and sundry property and equipment	-86	-108
General administrative expenses	**-2,706**	**-3,537**

8. Gains/losses from derecognition of financial assets measured at amortised cost

in EUR million	1-6 25	1-6 26
Gains from derecognition of financial assets at AC	0	1
Losses from derecognition of financial assets at AC	-13	-6
Gains/losses from derecognition of financial assets measured at amortised cost	**-13**	**-5**

9. Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss

in EUR million	1-6 25	1-6 26
Sale of financial assets at FVOCI	0	1
Sale of financial lease receivables	0	0
Derecognition of financial liabilities at AC	-2	1
Derecognition of the separate line item in portfolio fair value hedges of interest rate risk	0	0
Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss	**-2**	**2**

10. Impairment result from financial instruments

in EUR million	1-6 25	1-6 26
Financial assets at FVOCI	8	-12
Financial assets at AC	-160	-546
allocation/reversal to credit loss allowances (net)	-190	-591
Direct write-offs	-2	-3
Recoveries recorded directly to the income statement	37	49
Modification gains or losses	-5	-1
Finance lease receivables	2	-34
allocation/reversal to credit loss allowances (net)	2	-35
Direct write-offs	0	0
Recoveries recorded directly to the income statement	0	1
Credit loss allowances for loan commitments and financial guarantees given	-31	9
Impairment result from financial instruments	**-182**	**-583**

11. Other operating result

in EUR million	1-6 25	1-6 26
Other operating expenses	**-283**	**-461**
Allocation to other provisions	-56	-48
Levies on banking activities	-197	-392
Banking tax	-136	-322
Financial transaction tax	-61	-69
Other taxes	-16	-8
Resolution fund contributions	-15	-14
Impairment of goodwill	0	0
Other operating income	**12**	**15**
Release of other provisions	12	15
Result from properties and equipment, investment properties and other intangible assets	17	2
Result from other operating expenses/income	71	114
Other operating result	**-183**	**-330**

12. Taxes on income

The consolidated net tax expenses for the reporting period amounted to EUR 841 million (EUR 529 million), including EUR 29 million of deferred tax income (deferred tax expenses of EUR 46 million).

13. Cash and cash balances

in EUR million	Dec 25	Jun 26
Cash on hand	3,376	3,365
Cash balances at central banks	22,636	17,493
Other demand deposits at credit institutions	1,561	2,899
Cash and cash balances	**27,573**	**23,757**

14. Financial assets at amortised cost

Debt securities

	Gross carrying amount				Credit loss allowances				
in EUR million	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Carrying amount
Jun 26									
Central banks	1,821	0	0	1,821	0	0	0	0	1,820
General governments	65,974	9	0	65,983	-5	0	0	-6	65,977
Credit institutions	9,788	5	0	9,793	-3	0	0	-3	9,790
Other financial corporations	836	24	0	860	0	-1	0	-1	859
Non-financial corporations	1,085	60	4	1,149	-1	-1	-4	-5	1,143
Total	**79,502**	**99**	**4**	**79,605**	**-9**	**-2**	**-4**	**-15**	**79,590**
Dec 25									
Central banks	26	0	0	26	0	0	0	0	26
General governments	49,024	8	0	49,032	-5	0	0	-5	49,027
Credit institutions	7,875	5	0	7,881	-3	0	0	-3	7,878
Other financial corporations	634	21	0	655	0	0	0	-1	654
Non-financial corporations	1,005	61	9	1,075	-1	-1	-4	-6	1,069
Total	**58,565**	**95**	**9**	**58,669**	**-8**	**-2**	**-4**	**-14**	**58,655**

Loans and advances to banks

	Gross carrying amount				Credit loss allowances				
in EUR million	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Carrying amount
Jun 26									
Central banks	17,634	0	0	17,634	0	0	0	0	17,634
Credit institutions	10,076	104	0	10,180	-3	0	0	-3	10,177
Total	**27,711**	**104**	**0**	**27,815**	**-3**	**0**	**0**	**-3**	**27,811**
Dec 25									
Central banks	13,667	0	0	13,667	0	0	0	0	13,667
Credit institutions	7,163	0	0	7,163	-3	0	0	-3	7,159
Total	**20,830**	**0**	**0**	**20,830**	**-3**	**0**	**0**	**-3**	**20,827**

Loans and advances to customers

in EUR million	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
Jun 26											
General governments	9,986	586	79	1	10,652	-5	-5	-7	0	-17	10,635
Other financial corporations	9,905	510	42	1	10,458	-15	-19	-28	-1	-62	10,395
Non-financial corporations	93,889	18,523	3,342	582	116,337	-274	-752	-1,366	-64	-2,456	113,881
Households	117,476	12,747	2,191	337	132,750	-180	-571	-1,073	-43	-1,867	130,884
Total	**231,256**	**32,365**	**5,654**	**922**	**270,196**	**-473**	**-1,347**	**-2,475**	**-107**	**-4,402**	**265,795**
Dec 25											
General governments	9,636	359	32	2	10,030	-4	-12	-1	-1	-19	10,011
Other financial corporations	6,167	417	56	0	6,640	-11	-15	-30	0	-56	6,583
Non-financial corporations	80,030	16,503	3,308	228	100,069	-231	-645	-1,296	-39	-2,211	97,858
Households	97,530	9,700	2,022	106	109,359	-155	-441	-977	-14	-1,586	107,773
Total	**193,363**	**26,979**	**5,418**	**337**	**226,097**	**-401**	**-1,113**	**-2,304**	**-54**	**-3,872**	**222,225**

15. Trade and other receivables

in EUR million	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
Jun 26											
Central banks	39	0	0	0	39	0	0	0	0	0	39
General governments	71	41	0	0	111	0	0	0	0	0	111
Credit institutions	96	3	0	0	100	0	0	0	0	0	100
Other financial corporations	142	16	0	0	159	-1	0	0	0	-1	158
Non-financial corporations	4,314	951	63	55	5,383	-14	-2	-17	-2	-35	5,348
Households	106	54	13	0	173	-1	-5	-11	0	-17	156
Total	**4,768**	**1,066**	**76**	**56**	**5,965**	**-16**	**-7**	**-28**	**-2**	**-53**	**5,912**
Dec 25											
Central banks	0	0	0	0	0	0	0	0	0	0	0
General governments	80	22	0	0	102	0	0	0	0	0	101
Credit institutions	34	3	0	0	37	0	0	0	0	0	37
Other financial corporations	143	18	0	0	161	0	0	0	0	-1	160
Non-financial corporations	1,681	857	36	1	2,576	-10	-2	-15	-1	-28	2,547
Households	60	43	15	0	118	0	-5	-13	0	-18	100
Total	**1,999**	**942**	**51**	**2**	**2,993**	**-11**	**-7**	**-28**	**-1**	**-47**	**2,946**

16. Financial liabilities at amortised costs

Deposits from banks

in EUR million	Dec 25	Jun 26
Deposits repayable on demand	2,565	4,390
Term deposits	10,923	11,128
Repurchase agreements	3,431	5,673
Deposits from banks	**16,919**	**21,191**

Deposits from customers

in EUR million	Dec 25	Jun 26
Deposits repayable on demand	**184,773**	**231,038**
Savings deposits	62,108	80,899
Other financial corporations	172	214
Non-financial corporations	3,885	3,263
Households	58,051	77,423
Non-savings deposits	122,665	150,138
General governments	9,405	12,089
Other financial corporations	5,689	8,909
Non-financial corporations	35,970	50,063
Households	71,602	79,077
Term deposits	**62,365**	**78,230**
Deposits with agreed maturity	60,534	77,028
Savings deposits	25,719	24,765
Other financial corporations	33	29
Non-financial corporations	757	674
Households	24,929	24,062
Non-savings deposits	34,815	52,264
General governments	2,726	4,229
Other financial corporations	6,089	7,241
Non-financial corporations	11,975	18,470
Households	14,025	22,324
Deposits redeemable at notice	1,831	1,201
General governments	10	10
Other financial corporations	6	17
Non-financial corporations	324	66
Households	1,489	1,108
Repurchase agreements	**5,679**	**14,213**
General governments	2,124	4,650
Other financial corporations	3,503	7,214
Non-financial corporations	52	2,350
Deposits from customers	**252,817**	**323,481**
General governments	14,265	20,978
Other financial corporations	15,492	23,623
Non-financial corporations	52,963	74,886
Households	170,096	203,994

Debt securities issued

in EUR million	Dec 25	Jun 26
Subordinated debt securities issued	3,746	4,207
Senior non-preferred bonds	6,263	5,933
Other debt securities issued	35,594	39,690
Bonds	13,702	16,980
Certificates of deposit	4,191	4,455
Other certificates of deposits/name certificates	94	83
Mortgage covered bonds	17,608	18,172
Debt securities issued	**45,604**	**49,830**

17. Financial assets at fair value through other comprehensive income

Equity instruments

The carrying amount of Erste Group's equity instruments at FVOCI as at 30 June 2026 amounts to EUR 223 million (EUR 113 million), the cumulative fair value change for equity instruments FVOCI before taxes recognised in other comprehensive income amounted to EUR 69 million (EUR 73 million).

Debt instruments

Debt securities and loans and advances

in EUR million	Gross carrying amount Stage 1	Stage 2	Stage 3	POCI	Total	Credit loss allowances Stage 1	Stage 2	Stage 3	POCI	Total	Amortised cost	Accumu-lated OCI changes	Fair value
Jun 26													
Debt securities	16,419	59	3	0	16,482	-3	0	-3	0	-6	16,476	17	16,493
Central banks	1,396	0	0	0	1,396	0	0	0	0	0	1,396	0	1,396
General governments	13,209	0	0	0	13,209	-2	0	0	0	-2	13,207	16	13,223
Credit institutions	1,053	0	0	0	1,053	0	0	0	0	0	1,052	11	1,063
Other financial corporations	238	1	0	0	238	0	0	0	0	0	238	-2	236
Non-financial corporations	524	59	3	0	586	-1	0	-2	0	-3	583	-7	576
Loans and advances to banks	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans and advances to customers	857	58	0	13	929	-4	-7	0	-2	-13	916	3	918
Total	**17,276**	**118**	**3**	**14**	**17,411**	**-6**	**-8**	**-3**	**-2**	**-19**	**17,391**	**20**	**17,411**
Dec 25													
Debt securities	8,971	60	5	0	9,036	-3	0	-2	0	-5	9,031	37	9,068
Central banks	0	0	0	0	0	0	0	0	0	0	0	0	0
General governments	7,461	0	0	0	7,461	-2	0	0	0	-2	7,460	31	7,490
Credit institutions	792	0	0	0	792	0	0	0	0	0	792	12	803
Other financial corporations	130	1	0	0	131	0	0	0	0	0	131	-1	130
Non-financial corporations	588	60	5	0	652	-1	0	-2	0	-3	649	-5	644
Loans and advances to banks	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans and advances to customers	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	**8,971**	**60**	**5**	**0**	**9,036**	**-3**	**0**	**-2**	**0**	**-5**	**9,031**	**37**	**9,068**

As defined in IFRS 9, the gross carrying amount of debt instruments at FVOCI equals the amortised cost before deducting any credit loss allowances.

18. Finance lease receivables

in EUR million	Gross carrying amount Stage 1	Stage 2	Stage 3	POCI	Total	Credit loss allowances Stage 1	Stage 2	Stage 3	POCI	Total	Carrying amount
Jun 26											
General governments	228	8	0	0	237	-1	-1	0	0	-2	235
Credit institutions	34	0	0	0	34	0	0	0	0	0	34
Other financial corporations	259	6	12	1	277	-1	0	0	-1	-3	274
Non-financial corporations	5,420	964	98	46	6,527	-21	-30	-30	-7	-88	6,439
Households	851	72	14	1	937	-5	-2	-6	0	-14	924
Total	**6,792**	**1,049**	**124**	**48**	**8,013**	**-28**	**-34**	**-37**	**-8**	**-106**	**7,907**
Dec 25											
General governments	234	10	0	0	244	-1	-1	0	0	-2	242
Credit institutions	1	0	0	0	1	0	0	0	0	0	1
Other financial corporations	236	4	13	0	253	-1	0	-1	0	-2	252
Non-financial corporations	3,282	596	83	1	3,963	-16	-21	-25	0	-63	3,900
Households	825	68	15	0	908	-5	-2	-6	0	-13	895
Total	**4,579**	**678**	**112**	**1**	**5,369**	**-22**	**-25**	**-32**	**0**	**-79**	**5,290**

19. Derivatives held for trading

in EUR million	Dec 25			Jun 26		
	Notional value	Positive fair value	Negative fair value	Notional value	Positive fair value	Negative fair value
Derivatives held in the trading book	**260,413**	**3,390**	**3,481**	**760,842**	**7,129**	**7,100**
Interest rate	204,278	3,010	2,955	661,903	6,180	6,206
Equity	346	7	15	1,090	28	36
Foreign exchange	55,310	368	507	97,021	909	836
Credit	93	0	2	363	0	16
Commodity	11	0	0	59	5	3
Other	376	5	2	406	7	2
Derivatives held in the banking book	**42,150**	**367**	**406**	**46,229**	**350**	**602**
Interest rate	33,456	255	281	32,533	223	262
Equity	750	73	23	699	61	18
Foreign exchange	6,392	39	98	10,738	63	315
Credit	1,366	0	0	2,059	3	0
Commodity	0	0	0	18	0	5
Other	186	0	4	181	0	3
Total gross amounts	**302,564**	**3,758**	**3,887**	**807,071**	**7,479**	**7,701**
Offset		-2,928	-2,795		-4,589	-4,437
Total		**829**	**1,092**		**2,890**	**3,264**

Erste Group undertakes a part of interest rate derivative and credit derivative transactions via Clearing Houses. These derivatives and related cash margin balances fulfil the requirements for balance sheet offsetting.

20. Other financial assets held for trading

in EUR million	Dec 25	Jun 26
Equity instruments	222	403
Debt securities	8,326	9,896
Central banks	1,595	39
General governments	4,036	6,945
Credit institutions	2,300	2,556
Other financial corporations	259	222
Non-financial corporations	135	135
Other financial assets held for trading	**8,548**	**10,299**

21. Non-trading financial assets at fair value through profit or loss

in EUR million	Dec 25		Jun 26	
	Designated	Mandatorily	Designated	Mandatorily
Equity instruments	0	523	0	582
Debt securities	0	1,786	0	1,749
General governments	0	484	0	516
Credit institutions	0	356	0	337
Other financial corporations	0	813	0	754
Non-financial corporations	0	133	0	142
Loans and advances to customers	0	1,524	0	2,172
General governments	0	0	0	0
Other financial corporations	0	0	0	29
Non-financial corporations	0	8	0	57
Households	0	1,515	0	2,086
Financial assets designated and mandatorily at FVPL	0	3,833	0	4,503
Non-trading financial assets at fair value through profit or loss	**3,833**		**4,503**	

22. Hedge Accounting

in EUR million	Dec 25			Jun 26		
	Notional value	Positive fair value	Negative fair value	Notional value	Positive fair value	Negative fair value
Fair value hedges	**36,761**	**684**	**891**	**43,129**	**567**	**847**
Interest rate	36,761	684	891	43,129	567	847
Foreign exchange	0	0	0	0	0	0
Cash flow hedges	**6,723**	**115**	**17**	**19,547**	**406**	**69**
Interest rate	5,062	33	11	18,101	348	40
Foreign exchange	1,661	82	6	1,447	58	28
Hedge of net investments in a foreign operation	**1,881**	**0**	**54**	**1,911**	**0**	**34**
Total gross amounts	**45,365**	**799**	**962**	**64,587**	**973**	**950**
Offset		-568	-792		-420	-783
Total		**231**	**170**		**554**	**166**

Erste Group undertakes a part of interest rate derivative and credit derivative transactions via clearing houses. These derivatives and related cash margin balances fulfil the requirements for balance sheet offsetting.

23. Other assets

in EUR million	Dec 25	Jun 26
Prepayments	187	362
Inventories	129	156
Sundry assets	985	1,691
Other assets	**1,301**	**2,210**

24. Other financial liabilities held for trading

in EUR million	Dec 25	Jun 26
Short positions	1,226	1,305
Equity instruments	40	35
Debt securities	1,187	1,270
Debt securities issued	94	162
Other financial liabilities held for trading	**1,321**	**1,468**

25. Financial liabilities at fair value through profit and loss

Debt securities issued

in EUR million	Dec 25	Jun 26
Subordinated debt securities issued	1,768	1,683
Other debt securities issued	7,500	7,401
Bonds	5,083	4,953
Other certificates of deposits/name certificates	1,091	1,100
Mortgage covered bonds	1,249	1,286
Public sector covered bonds	77	62
Debt securities issued	**9,268**	**9,083**

26. Provisions

in EUR million	Dec 25	Jun 26
Defined employee benefit plans	657	657
Loan commitments and financial guarantees given in scope of IFRS 9	435	444
Pending legal issues and tax litigation	196	958
Commitments and guarantees given out of scope of IFRS 9	6	4
Other provisions	121	163
Provisions	**1,416**	**2,227**

Effects from the change in material valuation parameters. For the calculation of the defined benefit obligation for pension and severance payment provisions as well as for jubilee provisions, the interest rate used remained unchanged compared to 31 December 2025 (3.99% p.a.). All other calculation parameters remained unchanged as well.

The overall increase in provisions is mainly due to the first time consolidation of Erste Bank Polska.

27. Other liabilities

in EUR million	Dec 25	Jun 26
Deferred income	128	179
Sundry liabilities	2,577	4,293
Other liabilities	**2,706**	**4,473**

28. Segment reporting

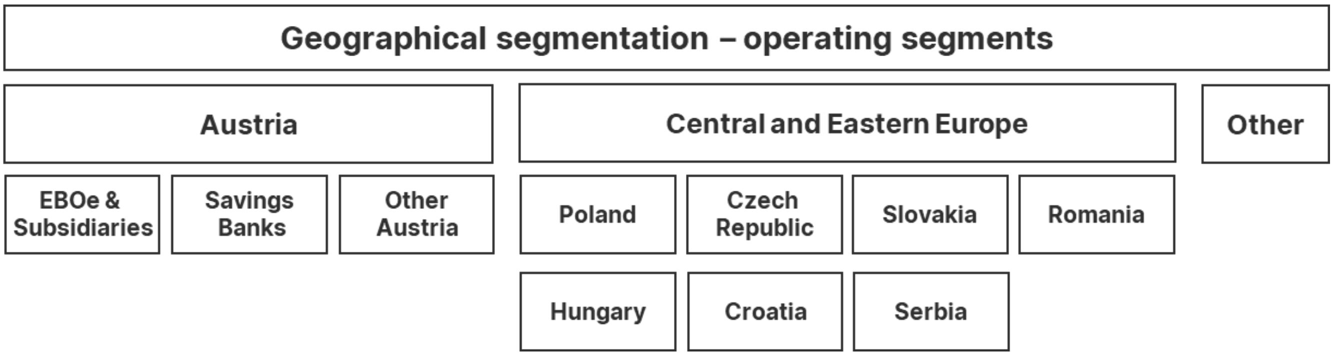
Erste Group's segment reporting is based on IFRS 8 Operating Segments, which adopts the management approach. Accordingly, segment information is prepared on the basis of internal management reporting that is regularly reviewed by the chief operating decision maker to assess the performance of the segments and make decisions regarding the allocation of resources. Within Erste Group the function of the chief operating decision maker is exercised by the Management Board. Erste Group uses a matrix organisational structure with geographical segmentation and business segments. Since the chief operating decision maker performs the steering primarily based on geographical segments, those are defined as operating segments according to IFRS 8. In order to provide more comprehensive information, the performance of the business segments is reported additionally.

Geographical segmentation (operating segments)

For the purpose of segment reporting geographical segments are defined as operating segments, for which the information is presented on the basis of the booking entity's location (not the country of risk). In case of information regarding a partial group, the allocation is based on the location of the respective parent entity according to the local management responsibility.

Geographical areas are defined according to the core markets in which Erste Group operates. Based on the locations of the banking and other financial institution participations, the geographical areas consist of two core markets, Austria and Central and Eastern Europe and a residual segment Other that comprises the remaining business activities of Erste Group outside its core markets as well as the reconciliation to the consolidated accounting result.

Since the beginning of 2026, there is an addition in the geographical area Central and Eastern Europe due to the acquisition of Erste Bank Polska. For further details, please refer to *Note 36.*



The geographical area Austria consists of the following three operating segments:
_ The **Erste Bank Oesterreich & Subsidiaries** (EBOe & Subsidiaries) segment comprises Erste Bank der oesterreichischen Sparkassen AG (Erste Bank Oesterreich) and its main subsidiaries (e.g. sBausparkasse, Tiroler Sparkasse, Sparkasse Hainburg). Salzburger Sparkasse was merged with Erste Bank Oesterreich as of 1 August 2025.
_ The **Savings banks** segment includes those savings banks which are members of the Haftungsverbund (cross-guarantee system) of the Austrian savings banks sector and in which Erste Group does not hold a majority stake but which are fully controlled according to IFRS 10. The fully or majority owned Erste Bank Oesterreich, Tiroler Sparkasse, and Sparkasse Hainburg are not part of the Savings Banks segment.
_ The **Other Austria** segment comprises Erste Group Bank AG (Holding) with its Corporates and Group Markets business, Erste Group Immorent GmbH, Erste Asset Management GmbH and Intermarket Bank AG.

The geographical area Central and Eastern Europe (CEE) consists of seven operating segments covering Erste Group's banking subsidiaries located in the respective CEE countries:
_ **Poland** (comprising Erste Bank Polska Group)
_ **Czech Republic** (comprising Česká spořitelna Group)
_ **Slovakia** (comprising Slovenská sporiteľňa Group)
_ **Romania** (comprising Banca Comercială Română Group)
_ **Hungary** (comprising Erste Bank Hungary Group)
_ **Croatia** (comprising Erste Bank Croatia Group)
_ **Serbia** (comprising Erste Bank Serbia Group).

The residual segment **Other** covers mainly centrally managed activities and items that are not directly allocated to other segments. It comprises the corporate center of Erste Group Bank AG (and thus dividends and the refinancing costs from participations, general administrative expenses), internal service providers (facility management, IT, procurement), the banking tax of Erste

Group Bank AG as well as free capital of Erste Group (defined as the difference of the total average IFRS equity and the average economical equity allocated to the segments). Asset/Liability Management of Erste Group Bank AG as well as the reconciliation to the consolidated accounting result (e.g. intragroup eliminations, dividend eliminations) are also part of the segment Other. Intragroup eliminations are equal to the Intragroup eliminations shown in the business segmentation view (see the table '*Business segments (2)*').

Business segmentation

Apart from geographical segments, which are Erste Group's operating segments, business segments are reported as well.

Retail. The Retail segment comprises the business with private individuals, micros and free professionals within the responsibility of account managers in the retail network. This business is operated by the local banks in cooperation with their subsidiaries such as leasing and asset management companies with a focus on simple products ranging from mortgage and consumer loans, investment products, current accounts, savings products to credit cards and cross selling products such as leasing, insurance and building society products.

Corporates. The Corporates segment comprises business done with corporate customers of different turnover size (small and medium-sized enterprises and Large Corporate customers) as well as commercial real estate and public sector business.

Group Markets. The Group Markets (GM) segment comprises trading and markets services as well as customer business with financial institutions. It includes all activities related to the trading books of Erste Group, including the execution of trade, market making and short-term liquidity management. In addition, it comprises business connected with servicing financial institutions as clients.

Asset/Liability Management & Local Corporate Center. The Asset/Liability Management & Local Corporate Center (ALM & LCC) segment includes all asset/liability management functions – local and of Erste Group Bank AG (Holding) – as well as the local corporate centers which comprise all non-core banking business activities such as internal service providers and reconciliation items to local entity results. The corporate center of Erste Group Bank AG is included in the Group Corporate Center segment.

Savings Banks. The Savings Banks segment is identical to the operating segment Savings banks.

Poland. Poland (Erste Bank Polska) segment is identical to the operating segment Poland in 2026 since the necessary information related to business segments of Erste Bank Polska according to Erste Group segmentation rules is not available yet.

Group Corporate Center. The Group Corporate Center (GCC) segment covers mainly centrally managed activities and items that are not directly allocated to other segments. It comprises the corporate center of Erste Group Bank AG (and thus dividends and the refinancing costs from participations, general administrative expenses), internal service providers (facility management, IT, procurement), the banking tax of Erste Group Bank AG as well as free capital of Erste Group (defined as the difference of the total average IFRS equity and the average economical equity allocated to the segments).

Intragroup Elimination. Intragroup Elimination (IC) is not defined as a segment but is the reconciliation to the consolidated accounting result. It includes intragroup eliminations between participations of Erste Group (e.g. intragroup funding, internal cost charges). Intragroup eliminations within partial groups are disclosed in the respective segments.

Dividend elimination between Erste Group Bank AG and its fully consolidated subsidiaries is performed in Group Corporate Center. Consolidation differences arising between the segments, which are eliminated over the lifespan of the underlying transaction, are part of Group Corporate Center.

Measurement

The profit and loss statement of the segment report is based on the measures reported to the Erste Group Management Board for the purpose of allocating resources to the segments and assessing their performance. Management reporting as well as the segment report of Erste Group are based on IFRS. Accounting standards and methods as well as measurements used in segment reporting are the same as for the consolidated financial statements of accounting.

Interest revenues are not reported separately from interest expenses for each reportable segment. Those measures are reported on the net basis within the position 'Net interest income' as interest revenues and interest expenses are neither included into the measure of segment profit or loss reviewed by the chief operating decision maker nor otherwise regularly provided to the chief operating decision maker. Chief operating decision maker relies solely on net interest income to assess the performance of the segments and make decisions about resources to be allocated to the segments. Net fee and commission income and Other operating result are reported on a net basis according to the regular reporting to the chief operating decision maker.

Capital consumption per segment is regularly reviewed by the management of Erste Group to assess the performance of the segments. The average allocated capital is determined by the credit risk, market risk, operational risk and business strategic risk. According to the regular internal reporting to Erste Group Management Board, total assets and total liabilities as well as risk weighted assets and allocated capital are disclosed per segment. Total average allocated capital for the Group equals average total equity of the Group.

For measuring and assessing the profitability of segments within Erste Group, such key measures as return on allocated capital and cost/income ratio are used. Return on allocated capital is defined as net result for the period before minorities in relation to the aver-age allocated capital of the respective segment. Cost/income ratio is defined as operating expenses (general administrative expenses) in relation to operating income (total of net interest income, net fee and commission income, dividend income, net trading result, gains/losses from financial instruments measured at fair value through profit or loss, net result from equity method investments, rental income from investment properties and other operating lease).

Operating segments: Geographical segmentation – overview

	Austria		Central and Eastern Europe		Other		Group total	
in EUR million	**1-6 25**	**1-6 26**	**1-6 25**	**1-6 26**	**1-6 25**	**1-6 26**	**1-6 25**	**1-6 26**
Net interest income	1,667	1,773	1,903	3,365	217	248	3,786	5,386
Net fee and commission income	875	944	734	1,059	-67	-74	1,542	1,929
Dividend income	18	21	3	18	7	6	29	45
Net trading result	23	31	171	366	-53	26	141	424
Gains/losses from financial instruments at FVPL	16	12	12	41	31	-13	59	40
Net result from equity method investments	4	6	9	23	10	11	23	40
Rental income from investment properties & other operating leases	77	83	18	22	-8	-8	88	96
General administrative expenses	-1,308	-1,333	-1,266	-2,074	-131	-130	-2,706	-3,537
thereof depreciation and amortization	-175	-174	-278	-277	-95	-94	-547	-546
Gains/losses from derecognition of financial assets at AC	0	0	-13	-13	0	8	-13	-5
Other gains/losses from derecognition of financial instruments not at FVPL	0	0	-1	0	-1	3	-2	2
Impairment result from financial instruments	-150	-108	-33	-477	1	1	-182	-583
Other operating result	-61	-16	-172	-279	50	-35	-183	-330
Levies on banking activities	-22	-22	-129	-327	-46	-43	-197	-392
Pre-tax result from continuing operations	**1,161**	**1,413**	**1,365**	**2,050**	**57**	**42**	**2,583**	**3,505**
Taxes on income	-267	-318	-252	-520	-10	-3	-529	-841
Net result for the period	**894**	**1,094**	**1,113**	**1,530**	**47**	**40**	**2,053**	**2,664**
Net result attributable to non-controlling interests	322	422	46	249	21	18	389	689
Net result attributable to owners of the parent	**572**	**672**	**1,067**	**1,281**	**26**	**21**	**1,665**	**1,975**
Operating income	2,680	2,869	2,850	4,894	138	195	5,668	7,959
Operating expenses	-1,308	-1,333	-1,266	-2,074	-131	-130	-2,706	-3,537
Operating result	**1,372**	**1,537**	**1,584**	**2,820**	**7**	**65**	**2,963**	**4,422**
Risk-weighted assets (credit risk, eop)	65,380	66,908	59,681	88,853	1,003	-2,488	126,064	153,273
Average allocated capital	11,183	10,511	10,712	14,144	9,906	15,159	31,802	39,813
Cost/income ratio	48.8%	46.5%	44.4%	42.4%	95.1%	66.6%	47.7%	44.4%
Return on allocated capital	16.1%	21.0%	21.0%	21.8%	1.0%	0.5%	13.0%	13.5%
Total assets (eop)	208,065	213,064	168,354	261,234	-15,346	-13,161	361,072	461,137
Total liabilities excluding equity (eop)	156,502	166,323	153,545	234,440	18,422	18,683	328,469	419,446
Impairments	**-150**	**-107**	**-25**	**-478**	**1**	**3**	**-174**	**-582**
Net impairment loss on financial assets AC/FVTOCI and finance lease receivables	-132	-139	-19	-453	0	-1	-151	-592
Net impairment loss on commitments and guarantees given	-18	31	-14	-24	0	2	-31	9
Impairment of goodwill	0	0	0	0	0	0	0	0
Net impairment on investments in subsidiaries, joint ventures and associates	0	0	0	0	0	0	0	0
Net impairment on other non-financial assets	0	1	8	-1	0	1	8	0

Operating segments: Geographical area Austria

	EBOe & Subsidiaries		Savings Banks		Other Austria	
in EUR million	**1-6 25**	**1-6 26**	**1-6 25**	**1-6 26**	**1-6 25**	**1-6 26**
Net interest income	510	545	855	941	302	287
Net fee and commission income	287	308	379	404	209	232
Dividend income	8	9	3	4	7	9
Net trading result	15	-12	2	16	6	27
Gains/losses from financial instruments at FVPL	-5	9	18	1	4	2
Net result from equity method investments	5	4	0	0	0	1
Rental income from investment properties & other operating leases	30	35	18	17	29	30
General administrative expenses	-405	-405	-681	-710	-222	-218
thereof depreciation and amortization	-49	-48	-85	-84	-41	-40
Gains/losses from derecognition of financial assets at AC	0	0	0	0	0	0
Other gains/losses from derecognition of financial instruments not at FVPL	0	0	0	0	0	0
Impairment result from financial instruments	-52	-30	-97	-74	-1	-4
Other operating result	-39	-13	-34	-7	12	4
Levies on banking activities	-11	-11	-10	-10	0	0
Pre-tax result from continuing operations	**354**	**449**	**463**	**592**	**345**	**371**
Taxes on income	-78	-103	-112	-130	-77	-85
Net result for the period	**276**	**346**	**351**	**462**	**267**	**286**
Net result attributable to non-controlling interests	14	14	302	402	6	6
Net result attributable to owners of the parent	**262**	**333**	**49**	**60**	**262**	**279**
Operating income	850	898	1,275	1,383	555	589
Operating expenses	-405	-405	-681	-710	-222	-218
Operating result	**445**	**492**	**593**	**673**	**334**	**371**
Risk-weighted assets (credit risk, eop)	16,200	16,572	29,286	30,044	19,895	20,292
Average allocated capital	2,692	2,489	5,605	5,422	2,887	2,599
Cost/income ratio	47.6%	45.2%	53.5%	51.3%	39.9%	37.0%
Return on allocated capital	20.7%	28.1%	12.6%	17.2%	18.7%	22.2%
Total assets (eop)	58,339	60,455	87,403	90,038	62,323	62,571
Total liabilities excluding equity (eop)	55,193	57,186	79,106	80,903	22,203	28,234
Impairments	**-52**	**-29**	**-97**	**-74**	**-1**	**-4**
Net impairment loss on financial assets AC/FVTOCI and finance lease receivables	-43	-47	-72	-79	-17	-12
Net impairment loss on commitments and guarantees given	-9	17	-25	6	16	8
Impairment of goodwill	0	0	0	0	0	0
Net impairment on investments in subsidiaries, joint ventures and associates	0	0	0	0	0	0
Net impairment on other non-financial assets	0	1	0	0	0	0

Operating segments: Geographical area Central and Eastern Europe

	Poland		Czech Republic		Slovakia		Romania		Hungary		Croatia		Serbia	
in EUR million	**1-6 25**	**1-6 26**	**1-6 25**	**1-6 26**	**1-6 25**	**1-6 26**	**1-6 25**	**1-6 26**	**1-6 25**	**1-6 26**	**1-6 25**	**1-6 26**	**1-6 25**	**1-6 26**
Net interest income	0	1,370	746	788	295	328	397	367	205	243	203	218	56	52
Net fee and commission income	0	251	251	282	121	133	109	123	170	195	68	59	14	16
Dividend income	0	13	1	2	1	1	1	2	0	0	0	0	0	0
Net trading result	0	168	61	83	11	12	53	53	31	34	9	9	6	6
Gains/losses from financial instruments at FVPL	0	0	-1	6	-2	4	2	5	13	24	0	2	0	0
Net result from equity method investments	0	15	4	3	4	4	1	1	0	0	1	1	0	0
Rental income from investment properties & other operating leases	0	3	5	6	0	0	2	1	4	4	3	3	3	4
General administrative expenses	0	-738	-502	-528	-187	-194	-226	-233	-158	-186	-145	-144	-48	-52
thereof depreciation and amortization	0	0	-110	-109	-34	-33	-52	-51	-36	-35	-30	-29	-15	-14
Gains/losses from derecognition of financial assets at AC	0	-3	-13	-10	0	0	0	0	0	-1	0	0	0	0
Other gains/losses from derecognition of financial instruments not at FVPL	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Impairment result from financial instruments	0	-362	8	-2	-32	-45	-21	-68	0	7	15	-1	-2	-5
Other operating result	0	-118	-19	-15	1	-1	-46	-53	-107	-196	0	109	0	-5
Levies on banking activities	0	-98	0	0	0	-1	-20	-39	-109	-189	0	0	0	0
Pre-tax result from continuing operations	**0**	**600**	**541**	**615**	**210**	**242**	**272**	**196**	**157**	**125**	**155**	**257**	**30**	**15**
Taxes on income	0	-241	-90	-105	-69	-77	-43	-40	-21	-21	-27	-35	-3	-1
Net result for the period	**0**	**360**	**452**	**510**	**141**	**165**	**230**	**156**	**136**	**104**	**128**	**222**	**27**	**14**
Net result attributable to non-controlling interests	0	176	0	0	0	0	0	0	0	0	40	69	6	3
Net result attributable to owners of the parent	**0**	**183**	**452**	**510**	**141**	**165**	**230**	**156**	**136**	**104**	**87**	**153**	**21**	**11**
Operating income	0	1,821	1,068	1,170	428	481	566	551	423	501	285	292	79	78
Operating expenses	0	-738	-502	-528	-187	-194	-226	-233	-158	-186	-145	-144	-48	-52
Operating result	**0**	**1,083**	**566**	**643**	**241**	**288**	**340**	**318**	**265**	**315**	**140**	**149**	**32**	**25**
Risk-weighted assets (credit risk, eop)	0	27,405	24,290	24,626	9,873	9,643	11,687	11,328	4,705	5,729	6,788	7,716	2,337	2,405
Average allocated capital	0	2,995	4,275	4,479	1,412	1,502	2,305	2,212	1,230	1,272	1,144	1,319	346	365
Cost/income ratio	0.0%	40.5%	47.0%	45.1%	43.7%	40.2%	40.0%	42.3%	37.4%	37.2%	50.8%	49.1%	60.3%	67.5%
Return on allocated capital	0.0%	24.2%	21.3%	23.0%	20.1%	22.1%	20.1%	14.2%	22.3%	16.5%	22.5%	33.9%	15.5%	7.8%
Total assets (eop)	0	79,183	84,101	89,895	26,979	27,590	23,818	25,064	12,760	17,552	16,914	17,712	3,782	4,238
Total liabilities excluding equity (eop)	0	68,253	78,635	84,083	24,561	25,266	20,697	21,784	11,232	15,632	15,164	15,766	3,256	3,657
Impairments	**0**	**-363**	**8**	**-2**	**-32**	**-45**	**-21**	**-69**	**8**	**6**	**15**	**-1**	**-2**	**-5**
Net impairment loss on financial assets AC/FVTOCI and finance lease receivables	0	-358	23	1	-31	-46	-29	-62	2	7	19	10	-2	-5
Net impairment loss on commitments and guarantees given	0	-4	-15	-4	-1	0	9	-7	-2	0	-4	-10	0	1
Impairment of goodwill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net impairment on investments in subsidiaries, joint ventures and associates	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net impairment on other non-financial assets	0	-1	0	0	0	0	-1	0	8	-1	0	0	0	0

Business segments (1)

in EUR million	Retail 1-6 25	Retail 1-6 26	Corporates 1-6 25	Corporates 1-6 26	Group Markets 1-6 25	Group Markets 1-6 26	ALM&LCC 1-6 25	ALM&LCC 1-6 26
Net interest income	1,568	1,706	890	905	195	184	40	4
Net fee and commission income	810	901	236	242	190	221	-54	-64
Dividend income	0	5	2	2	5	7	12	7
Net trading result	93	99	60	63	35	64	-51	6
Gains/losses from financial instruments at FVPL	11	27	1	1	3	1	-2	-5
Net result from equity method investments	5	5	1	1	0	0	7	9
Rental income from investment properties & other operating leases	6	6	52	59	0	0	19	18
General administrative expenses	-1,311	-1,361	-355	-367	-150	-154	-85	-87
thereof depreciation and amortization	-274	-296	-69	-68	-15	-14	-11	-10
Gains/losses from derecognition of financial assets at AC	0	0	0	0	0	0	-13	-11
Other gains/losses from derecognition of financial instruments not at FVPL	0	0	0	0	0	0	-2	9
Impairment result from financial instruments	-65	-123	-19	-45	-4	16	3	4
Other operating result	-75	-101	-47	-67	-7	-11	-71	8
Levies on banking activities	-59	-91	-37	-59	-5	-9	-40	-81
Pre-tax result from continuing operations	**1,044**	**1,164**	**821**	**796**	**266**	**328**	**-198**	**-103**
Taxes on income	-208	-234	-162	-160	-55	-66	47	12
Net result for the period	**835**	**930**	**660**	**636**	**212**	**261**	**-150**	**-91**
Net result attributable to non-controlling interests	17	18	34	28	3	3	11	43
Net result attributable to owners of the parent	**818**	**912**	**626**	**608**	**208**	**258**	**-162**	**-134**
Operating income	2,494	2,748	1,243	1,274	428	477	-29	-25
Operating expenses	-1,311	-1,361	-355	-367	-150	-154	-85	-87
Operating result	**1,183**	**1,388**	**888**	**907**	**278**	**323**	**-115**	**-112**
Risk-weighted assets (credit risk, eop)	28,516	30,966	57,465	60,074	4,329	4,248	6,419	3,651
Average allocated capital	4,044	4,207	6,624	6,699	1,065	837	6,825	6,978
Cost/income ratio	52.6%	49.5%	28.6%	28.8%	35.1%	32.4%	>100%	>100%
Return on allocated capital	41.7%	44.6%	20.1%	19.1%	40.1%	63.0%	-4.4%	-2.6%
Total assets (eop)	83,726	91,173	86,937	93,013	41,578	41,418	99,225	106,394
Total liabilities excluding equity (eop)	122,347	128,105	49,161	54,739	36,610	43,825	79,946	84,323
Impairments	**-65**	**-124**	**-20**	**-45**	**-4**	**16**	**11**	**4**
Net impairment loss on financial assets AC/FVTOCI and finance lease receivables	-61	-117	-22	-51	3	11	1	2
Net impairment loss on commitments and guarantees given	-4	-6	3	6	-7	5	1	2
Impairment of goodwill	0	0	0	0	0	0	0	0
Net impairment on investments in subsidiaries, joint ventures and associates	0	0	0	0	0	0	0	0
Net impairment on other non-financial assets	0	0	0	0	0	0	8	0

Business segments (2)

in EUR million	Savings Banks 1-6 25	Savings Banks 1-6 26	Poland 1-6 25	Poland 1-6 26	Group Corporate Center 1-6 25	Group Corporate Center 1-6 26	Intragroup Elimination 1-6 25	Intragroup Elimination 1-6 26	Group total 1-6 25	Group total 1-6 26
Net interest income	855	941	0	1,370	227	271	11	6	3,786	5,386
Net fee and commission income	379	404	0	251	-4	-9	-16	-16	1,542	1,929
Dividend income	3	4	0	13	7	6	0	0	29	45
Net trading result	2	16	0	168	3	4	-2	2	141	424
Gains/losses from financial instruments at FVPL	18	1	0	0	29	15	0	0	59	40
Net result from equity method investments	0	0	0	15	10	11	0	0	23	40
Rental income from investment properties & other operating leases	18	17	0	3	4	4	-12	-13	88	96
General administrative expenses	-681	-710	0	-738	-642	-678	519	558	-2,706	-3,537
thereof depreciation and amortization	-85	-84	0	0	-97	-96	3	4	-547	-546
Gains/losses from derecognition of financial assets at AC	0	0	0	-3	0	0	0	8	-13	-5
Other gains/losses from derecognition of financial instruments not at FVPL	0	0	0	0	0	1	0	-8	-2	2
Impairment result from financial instruments	-97	-74	0	-362	1	2	0	0	-182	-583
Other operating result	-34	-7	0	-118	550	502	-501	-537	-183	-330
Levies on banking activities	-10	-10	0	-98	-46	-43	0	0	-197	-392
Pre-tax result from continuing operations	**463**	**592**	**0**	**600**	**186**	**129**	**0**	**0**	**2,583**	**3,505**
Taxes on income	-112	-130	0	-241	-40	-22	0	0	-529	-841
Net result for the period	**351**	**462**	**0**	**360**	**146**	**106**	**0**	**0**	**2,053**	**2,664**
Net result attributable to non-controlling interests	302	402	0	176	21	18	0	0	389	689
Net result attributable to owners of the parent	**49**	**60**	**0**	**183**	**126**	**88**	**0**	**0**	**1,665**	**1,975**
Operating income	1,275	1,383	0	1,821	277	302	-19	-20	5,668	7,959
Operating expenses	-681	-710	0	-738	-642	-678	519	558	-2,706	-3,537
Operating result	**593**	**673**	**0**	**1,083**	**-365**	**-376**	**501**	**537**	**2,963**	**4,422**
Risk-weighted assets (credit risk, eop)	29,286	30,044	0	27,405	48	-3,116	0	0	126,064	153,273
Average allocated capital	5,605	5,422	0	2,995	7,638	12,676	0	0	31,802	39,813
Cost/income ratio	53.5%	51.3%	0.0%	40.5%	>100%	>100%	>100%	>100%	47.7%	44.4%
Return on allocated capital	12.6%	17.2%	0.0%	24.2%	3.9%	1.7%			13.0%	13.5%
Total assets (eop)	87,403	90,038	0	79,183	3,895	3,636	-41,692	-43,717	361,072	461,137
Total liabilities excluding equity (eop)	79,106	80,903	0	68,253	3,012	3,031	-41,712	-43,734	328,469	419,446
Impairments	**-97**	**-74**	**0**	**-363**	**1**	**3**	**0**	**0**	**-174**	**-582**
Net impairment loss on financial assets AC/FVTOCI and finance lease receivables	-72	-79	0	-358	0	-1	0	0	-151	-592
Net impairment loss on commitments and guarantees given	-25	6	0	-4	0	2	0	0	-31	9
Impairment of goodwill	0	0	0	0	0	0	0	0	0	0
Net impairment on investments in subsidiaries, joint ventures and associates	0	0	0	0	0	0	0	0	0	0
Net impairment on other non-financial assets	0	0	0	-1	0	1	0	0	8	0

29. Risk management

A core function of a bank is taking risks in a conscious and selective manner and professionally steering those risks. Adequate risk policy and risk strategy are essential to a bank's fundamental financial health and operational business success. For details on risk policy, risk strategy and risk management organisation, reference is made to the note of the same name in the annual report 2025.

Credit risk

For the disclosure of asset quality Erste Group assigns each customer to one of the following four risk categories:

Low risk. Typically, regional customers with well-established and rather long-standing relationships with Erste Group or large internationally recognised customers. Very good to satisfactory financial position and low likelihood of financial difficulties relative to the respective market in which the customers operate. Retail clients having long relationships with the bank, or clients with a wide product pool use. No relevant late payments currently or in the most recent 12 months. New business is generally done with clients in this risk category.

Management attention. Vulnerable non-retail clients, who may have overdue payments or defaults in their credit history or may encounter debt repayment difficulties in the medium term. Retail clients with possible payment problems in the past triggering early collection reminders. These clients typically have a good recent payment history.

Substandard. The borrower is vulnerable to short-term negative financial and economic developments and shows an elevated probability of failure. In some cases, restructuring measures are possible or already in place. Generally, such loans are managed in specialised risk management departments.

Non-performing. One or more of the default criteria under Article 178 of the CRR are met, which include full repayment unlikely, interest or principal payments on a material exposure more than 90 days past due, restructuring resulting in a loss to the lender, realisation of a loan loss, or initiation of bankruptcy proceedings. Erste Group applies the customer view for all customer segments, including retail clients; if an obligor defaults on one deal, then the customer's performing transactions are classified as non-performing as well. All non-performing exposures are also defaulted.

Credit risk exposure

Credit risk exposure relates to the sum of the following balance sheet items:
- cash and cash balances - demand deposits to credit institutions;
- instruments (derivatives and debt securities) held for trading (HfT);
- non-trading debt instruments at fair value through profit or loss (FVPL);
- debt instruments at fair value through other comprehensive income (FVOCI);
- debt instruments at amortised cost (AC), other than trade and other receivables;
- trade and other receivables (for disclosure purposes in the tabular summaries below, any contract assets are also included in this category);
- finance lease receivables;
- debt instruments held for sale in disposal groups;
- positive fair value of hedge accounting derivatives;
- off-balance sheet exposures (primarily financial guarantees and undrawn loan commitments).

The credit risk exposure equates the gross carrying amount (or nominal value in the case of off-balance sheet positions) excluding:
- credit loss allowances for financial assets;
- credit loss allowances for loan commitments and financial guarantees;
- provisions for other commitments;
- any collateral held (including risk transfer to guarantors);
- netting effects;
- other credit enhancements;
- credit risk mitigating transactions.

In the reporting period, the credit risk exposure increased by 28% or EUR 117 billion, mainly due to the integration of Poland segment portfolio.

Reconciliation between the gross carrying amount and the carrying amount of the credit risk exposure components

in EUR million	Credit risk exposure	Credit loss allowances	Adjustments	Net carrying amount
Jun 26				
Cash and cash balances - demand deposits to credit institutions	2,902	-2	0	2,899
Instruments HfT	12,786	0	0	12,786
Non-trading debt instruments at FVPL	3,921	0	0	3,921
Debt securities	1,749	0	0	1,749
Loans and advances to banks	0	0	0	0
Loans and advances to customers	2,172	0	0	2,172
Debt instruments at FVOCI	17,413	-19	17	17,411
Debt securities	16,482	-6	17	16,493
Loans and advances to banks	0	0	0	0
Loans and advances to customers	931	-13	0	918
Debt instruments at AC	377,616	-4,420	0	373,196
Debt securities	79,605	-15	0	79,590
Loans and advances to banks	27,815	-3	0	27,811
Loans and advances to customers	270,196	-4,402	0	265,795
Trade and other receivables	5,965	-53	0	5,912
Finance lease receivables	8,013	-106	0	7,907
Debt instruments held for sale in disposal groups	0	0	0	0
Positive fair value of hedge accounting derivatives	554	0	0	554
Off-balance sheet exposures	104,722	-448	0	-
Total	**533,892**	**-5,048**	**17**	**424,587**
Dec 25				
Cash and cash balances - demand deposits to credit institutions	1,563	-2	0	1,561
Instruments HfT	9,155	0	0	9,155
Non-trading debt instruments at FVPL	3,310	0	0	3,310
Debt securities	1,786	0	0	1,786
Loans and advances to banks	0	0	0	0
Loans and advances to customers	1,524	0	0	1,524
Debt instruments at FVOCI	9,036	-5	37	9,068
Debt securities	9,036	-5	37	9,068
Loans and advances to banks	0	0	0	0
Loans and advances to customers	0	0	0	0
Debt instruments at AC	305,596	-3,889	0	301,707
Debt securities	58,669	-14	0	58,655
Loans and advances to banks	20,830	-3	0	20,827
Loans and advances to customers	226,097	-3,872	0	222,225
Trade and other receivables	2,993	-47	0	2,946
Finance lease receivables	5,369	-79	0	5,290
Debt instruments held for sale in disposal groups	0	0	0	0
Positive fair value of hedge accounting derivatives	231	0	0	231
Off-balance sheet exposures	79,557	-441	0	-
Total	**416,812**	**-4,463**	**37**	**333,269**

Credit loss allowances comprise impairments for financial assets measured at amortised cost (including finance lease and trade and other receivables) and at fair value through other comprehensive income (FVOCI), as well as credit loss allowances and provisions for off-balance sheet exposures. Adjustments refer to the fair value changes of the carrying amount for financial assets at FVOCI.

Credit risk exposure by industry and risk category

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total
Jun 26					
Agriculture	5,228	2,562	708	412	8,911
Conventional Fuels & Petrochemicals	9,071	728	239	90	10,128
Utilities	14,798	1,738	399	99	17,034
Construction and Building materials	16,953	5,999	1,737	534	25,223
Automotive	8,735	1,695	717	187	11,334
Cyclical Consumer Products	8,825	2,478	818	387	12,507
Non-Cyclical Consumer Products	13,526	2,481	507	153	16,667
Machinery	12,948	2,404	801	405	16,558
Transportation	9,719	2,020	609	134	12,482
Telecommunications, Media, Technology	8,279	1,669	379	192	10,519
Healthcare & Services	13,683	3,688	1,055	222	18,648
Hotels & Leisure Industry	7,878	2,508	650	285	11,322
Real Estate	31,494	8,777	1,891	1,754	43,915
Non Profit Housing Associations	8,150	0	0	0	8,150
Public Sector	116,925	639	576	98	118,238
Financial Institutions	47,163	1,441	432	38	49,075
Private Households	118,137	10,164	6,022	2,022	136,345
Other	6,759	8	66	2	6,836
Total	**458,270**	**51,000**	**17,606**	**7,015**	**533,892**
Dec 25					
Natural Resources & Commodities	9,755	2,870	808	499	13,932
Energy	18,435	1,339	292	102	20,169
Construction and building materials	14,527	4,259	929	462	20,177
Automotive	6,643	1,407	529	195	8,774
Cyclical Consumer Products	6,088	1,886	471	362	8,807
Non-Cyclical Consumer Products	9,475	2,039	275	120	11,909
Machinery	6,763	1,310	238	164	8,475
Transportation	8,519	1,572	303	103	10,497
Telecommunications, Media, Technology	6,838	1,114	122	157	8,231
Healthcare & Services	11,422	2,626	367	139	14,554
Hotels & Leisure	8,214	1,872	484	274	10,843
Real Estate	39,179	6,925	1,567	1,762	49,433
Public Sector	83,700	544	116	34	84,393
Financial Institutions	28,444	1,139	331	50	29,965
Private Households	92,796	13,085	3,921	1,659	111,461
Other	5,153	0	35	3	5,191
Total	**355,951**	**43,986**	**10,789**	**6,086**	**416,812**

From January 2026, Erste Group updated its internal industry segmentation in line with the implementation of NACE Rev. 2.1. The changes are designed to align more closely with market practice and to better reflect economic interdependencies.

The main changes are:

_ Industry "Natural Resources & Commodities" has been split and subsegments allocated to different industries, with “Agriculture” remaining as a separate industry;
_ Industry "Energy" has been split into “Conventional Fuels & Petrochemicals” and “Utilities”;
_ "Non-Profit Housing Associations" has been separated from “Real Estate” as distinct industry.

Credit risk exposure by region and risk category

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total
Jun 26					
Core markets	**385,516**	**47,728**	**16,246**	**6,512**	**456,003**
Austria	130,511	17,456	5,864	3,237	157,068
Czechia	87,016	9,958	2,280	834	100,088
Poland	80,608	3,740	3,262	975	88,586
Slovakia	28,003	3,160	1,740	544	33,446
Romania	24,885	4,627	1,440	440	31,391
Hungary	18,060	2,840	883	140	21,923
Croatia	12,795	4,234	663	283	17,975
Serbia	3,637	1,713	114	60	5,525
Other EU	**44,965**	**2,144**	**710**	**304**	**48,123**
Other industrialised countries	**19,684**	**337**	**79**	**10**	**20,110**
Emerging markets	**8,105**	**791**	**571**	**189**	**9,657**
Southeastern Europe/CIS	4,314	724	259	95	5,392
Asia	2,531	47	6	10	2,594
Latin America	236	4	1	0	241
Middle East/Africa	1,024	16	305	84	1,430
Total	**458,270**	**51,000**	**17,606**	**7,015**	**533,892**
Dec 25					
Core markets	**293,591**	**41,129**	**9,887**	**5,566**	**350,173**
Austria	127,993	14,677	4,648	3,313	150,631
Czechia	80,145	10,755	1,516	818	93,233
Slovakia	26,347	4,856	1,968	533	33,705
Romania	26,082	3,921	731	413	31,147
Hungary	14,608	3,380	620	140	18,749
Croatia	13,959	2,707	278	291	17,235
Serbia	4,457	832	125	58	5,473
Other EU	**39,655**	**1,564**	**519**	**378**	**42,116**
Other industrialised countries	**16,431**	**217**	**70**	**9**	**16,727**
Emerging markets	**6,274**	**1,076**	**313**	**132**	**7,796**
Southeastern Europe/CIS	4,222	694	236	94	5,246
Asia	1,134	52	7	10	1,204
Latin America	202	3	0	0	205
Middle East/Africa	717	326	70	28	1,140
Total	**355,951**	**43,986**	**10,789**	**6,086**	**416,812**

The geographic analysis of credit risk exposure is based on the country of risk of borrowers and counterparties. It also includes obligors domiciled in other countries if the economic risk exists in the respective country of risk. Accordingly, the distribution by regions differs from the composition of the credit risk exposure by geographical segments of Erste Group.

Portfolio quality remained resilient in the first half of 2026, with no indication of underlying credit deterioration. The distribution of credit risk exposure across risk categories has been affected by the integration of the Poland segment leading to an increase in all risk categories. Additionally, the distribution was influenced by the updated method of assigning the external customer ratings to the internal PDs, reflecting the updated one-year default rates for the agency ratings and latest PD methodology.

Credit risk exposure by geographical segment and risk category

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total
Jun 26					
Austria	**184,499**	**20,470**	**6,875**	**3,667**	**215,511**
EBOe & Subs.	50,055	5,352	1,925	993	58,327
Savings Banks	68,497	13,736	4,092	2,430	88,755
Other Austria	65,947	1,382	858	243	68,429
CEE	**252,919**	**30,514**	**10,729**	**3,348**	**297,510**
Czechia	87,648	10,157	2,499	894	101,197
Poland	84,850	3,610	3,257	975	92,692
Slovakia	27,099	3,143	1,771	548	32,561
Romania	22,830	4,698	1,511	437	29,476
Hungary	13,772	2,792	862	135	17,561
Croatia	13,544	4,425	726	304	18,999
Serbia	3,175	1,691	103	55	5,024
Other	**20,852**	**16**	**3**	**0**	**20,871**
Total	**458,270**	**51,000**	**17,606**	**7,015**	**533,892**
Dec 25					
Austria	**178,600**	**17,352**	**5,237**	**3,811**	**205,001**
EBOe & Subs.	49,944	4,721	1,484	1,058	57,206
Savings Banks	69,019	11,305	3,303	2,415	86,041
Other Austria	59,638	1,327	450	338	61,753
CEE	**159,741**	**26,622**	**5,542**	**2,275**	**194,181**
Czechia	80,616	10,961	1,666	827	94,071
Slovakia	24,877	4,886	2,030	535	32,328
Romania	25,060	3,965	734	411	30,169
Hungary	10,696	3,288	604	135	14,723
Croatia	14,591	2,720	391	312	18,014
Serbia	3,902	801	118	54	4,875
Other	**17,610**	**12**	**9**	**0**	**17,631**
Total	**355,951**	**43,986**	**10,789**	**6,086**	**416,812**

Credit risk exposure by business segment and risk category

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total
Jun 26					
Retail	81,734	11,303	4,708	1,736	99,480
Corporates	114,916	21,773	5,103	1,864	143,657
Group Markets	27,150	500	264	0	27,915
ALM & LCC	81,042	62	179	9	81,293
Savings Banks	68,497	13,736	4,092	2,430	88,755
Poland	84,850	3,610	3,257	975	92,692
GCC	81	16	3	0	100
Total	**458,270**	**51,000**	**17,606**	**7,015**	**533,892**
Dec 25					
Retail	75,020	14,538	4,070	1,678	95,307
Corporates	115,291	17,658	3,040	1,968	137,957
Group Markets	23,638	393	174	0	24,206
ALM & LCC	72,811	81	192	24	73,108
Savings Banks	69,019	11,305	3,303	2,415	86,041
GCC	172	12	9	0	193
Total	**355,951**	**43,986**	**10,789**	**6,086**	**416,812**

Credit risk exposure by geographical segment and IFRS 9 treatment

in EUR million	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Total
Jun 26						
Austria	**173,545**	**24,099**	**3,609**	**65**	**14,192**	**215,511**
EBOe & Subs.	50,082	6,354	973	16	901	58,327
Savings Banks	68,478	14,799	2,397	45	3,037	88,755
Other Austria	54,985	2,946	238	4	10,255	68,429
CEE	**254,999**	**15,498**	**2,428**	**1,012**	**23,574**	**297,510**
Czechia	92,135	3,822	820	63	4,358	101,197
Poland	77,621	5,457	273	734	8,607	92,692
Slovakia	26,629	1,594	478	117	3,742	32,561
Romania	25,459	2,000	409	48	1,560	29,476
Hungary	12,832	787	106	28	3,808	17,561
Croatia	16,363	1,555	296	10	775	18,999
Serbia	3,960	282	47	10	725	5,024
Other	**20,826**	**2**	**0**	**0**	**43**	**20,871**
Total	**449,370**	**39,598**	**6,036**	**1,077**	**37,810**	**533,892**
Dec 25						
Austria	**163,297**	**22,904**	**3,737**	**67**	**14,997**	**205,001**
EBOe & Subs.	49,186	6,132	1,036	17	835	57,206
Savings Banks	66,307	14,250	2,381	45	3,059	86,041
Other Austria	47,803	2,522	320	4	11,104	61,753
CEE	**167,141**	**10,325**	**2,034**	**281**	**14,400**	**194,181**
Czechia	84,587	4,222	750	66	4,445	94,071
Slovakia	26,290	1,670	451	113	3,804	32,328
Romania	26,197	1,897	382	51	1,642	30,169
Hungary	10,775	845	106	28	2,969	14,723
Croatia	15,505	1,427	298	14	771	18,014
Serbia	3,786	265	45	10	768	4,875
Other	17,559	5	0	0	66	17,631
Total	**347,996**	**33,234**	**5,771**	**348**	**29,462**	**416,812**

Credit risk exposure by business segment and IFRS 9 treatment

in EUR million	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Total
Jun 26						
Retail	87,466	7,883	1,689	87	2,356	99,480
Corporates	116,921	11,028	1,670	211	13,828	143,657
Group Markets	17,751	403	0	0	9,760	27,915
ALM & LCC	81,076	26	8	0	182	81,293
Savings Banks	68,478	14,799	2,397	45	3,037	88,755
Poland	77,621	5,457	273	734	8,607	92,692
GCC	57	2	0	0	41	100
Total	**449,370**	**39,598**	**6,036**	**1,077**	**37,810**	**533,892**
Dec 25						
Retail	83,843	8,018	1,631	91	1,724	95,307
Corporates	111,135	10,609	1,735	211	14,266	137,957
Group Markets	13,732	315	0	0	10,159	24,206
ALM & LCC	72,856	37	24	0	191	73,108
Savings Banks	66,307	14,250	2,381	45	3,059	86,041
GCC	124	5	0	0	64	193
Total	**347,996**	**33,234**	**5,771**	**348**	**29,462**	**416,812**

Stage 1 and Stage 2 comprise not impaired credit risks, while Stage 3 includes impaired credit risks. POCI (purchased or originated credit impaired) exposure consists of credit risks already impaired when purchased or originated.

The defaulted part of POCI amounted to EUR 855 million (2025: EUR 161 million), with the increase primarily attributable to the integration of the Poland portfolio. The non-defaulted part amounted to EUR 222 million (2025: EUR 187 million).

Measurement of expected credit loss (ECL)

The general principles and standards for credit loss allowances are governed by internal policies in Erste Group. According to IFRS 9, credit loss allowances are calculated for all components of credit risk exposures which are measured at amortised cost (AC) or at fair value through other comprehensive income. They include debt securities, loans and advances, demand deposits on nostro accounts with commercial banks as well as finance lease and trade receivables. In addition, credit loss allowances are calculated for loan commitments and financial guarantees if they meet the applicable IFRS 9 definitions.

For more details, please refer to Erste Group's annual report 2025, group consolidated financial statements, risk and capital management notes.

Considering the acquisition of Erste Bank Polska S.A. in January 2026, any minor differences in classification into stages or in ECL measurement will be harmonized over the course of the year with the Erste Group approach.

Development in credit loss allowances

FINANCIAL INSTRUMENTS HELD AT AMORTISED COST

Development in credit loss allowances for debt securities

in EUR million	As of	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Other	As of
	Jan 26						Jun 26
Stage 1	-8	-2	1	0	0	0	-9
Stage 2	-2	0	0	-1	0	0	-2
Stage 3	-4	0	0	0	0	0	-4
Total	**-14**	**-2**	**1**	**-1**	**1**	**0**	**-15**
	Jan 25						Jun 25
Stage 1	-9	-1	1	0	0	0	-9
Stage 2	-2	0	0	0	1	0	-2
Stage 3	-4	0	0	0	0	0	-4
Total	**-15**	**-1**	**1**	**0**	**0**	**0**	**-15**

Development in credit loss allowances for loans and advances to banks

in EUR million	As of	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Other	As of
	Jan 26						Jun 26
Stage 1	-3	-3	2	0	0	0	-3
Stage 2	0	0	0	0	0	0	0
Stage 3	0	0	0	0	0	0	0
Total	**-3**	**-3**	**3**	**0**	**0**	**0**	**-3**
	Jan 25						Jun 25
Stage 1	-6	-5	4	0	3	0	-3
Stage 2	0	0	0	0	0	0	0
Stage 3	0	0	0	0	0	0	0
Total	**-6**	**-5**	**4**	**0**	**3**	**0**	**-3**

Development in credit loss allowances for loans and advances to customers

in EUR million	As of	Additions	Derecog-nitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	Other	As of
	Jan 26							Jun 26
Stage 1	**-401**	**-371**	**50**	**280**	**-52**	**0**	**20**	**-473**
General governments	-4	-1	1	1	-1	0	0	-5
Other financial corporations	-11	-11	7	4	-3	0	0	-15
Non-financial corporations	-231	-183	26	115	-21	0	20	-274
Households	-155	-175	17	160	-27	0	0	-180
Stage 2	**-1,113**	**-40**	**103**	**-481**	**184**	**0**	**0**	**-1,347**
General governments	-12	0	0	-1	9	0	0	-5
Other financial corporations	-15	-3	3	-18	12	0	2	-19
Non-financial corporations	-645	-26	67	-217	70	0	0	-752
Households	-441	-10	33	-246	94	0	-2	-571
Stage 3	**-2,304**	**-14**	**156**	**-81**	**-383**	**169**	**-18**	**-2,475**
General governments	-1	0	0	0	-7	1	0	-7
Other financial corporations	-30	0	4	0	-7	2	3	-28
Non-financial corporations	-1,296	-4	64	-31	-186	105	-20	-1,366
Households	-977	-10	88	-50	-184	61	-1	-1,073
POCI	**-54**	**0**	**11**	**0**	**-63**	**1**	**-2**	**-107**
General governments	-1	0	1	0	0	0	0	0
Other financial corporations	0	0	0	0	-1	0	0	-1
Non-financial corporations	-39	0	5	0	-29	0	0	-64
Households	-14	0	5	0	-33	1	-2	-43
Total	**-3,872**	**-425**	**321**	**-282**	**-314**	**170**	**1**	**-4,402**

	Jan 25							Jun 25
Stage 1	**-366**	**-143**	**42**	**294**	**-212**	**0**	**-1**	**-386**
General governments	-5	-3	2	3	-3	0	2	-4
Other financial corporations	-12	-9	8	5	-4	0	1	-11
Non-financial corporations	-204	-77	20	126	-81	0	-3	-218
Households	-145	-54	12	160	-125	0	-1	-153
Stage 2	**-1,263**	**-70**	**115**	**-318**	**326**	**0**	**-7**	**-1,217**
General governments	-16	0	0	-2	4	0	5	-8
Other financial corporations	-17	-3	19	-25	15	0	0	-11
Non-financial corporations	-770	-58	69	-137	136	0	-10	-770
Households	-460	-9	26	-154	171	0	-3	-428
Stage 3	**-2,289**	**-38**	**143**	**-30**	**-347**	**146**	**4**	**-2,411**
General governments	-4	0	0	0	1	0	0	-3
Other financial corporations	-28	-1	2	0	-3	0	0	-30
Non-financial corporations	-1,247	-24	80	-10	-213	75	5	-1,334
Households	-1,009	-13	61	-20	-132	71	-1	-1,043
POCI	**-73**	**0**	**2**	**0**	**-4**	**5**	**-1**	**-71**
General governments	0	0	0	0	-1	0	0	-1
Other financial corporations	0	0	0	0	0	0	0	0
Non-financial corporations	-54	0	1	0	-4	3	0	-55
Households	-19	0	1	0	1	2	-1	-16
Total	**-3,991**	**-251**	**302**	**-54**	**-237**	**151**	**-6**	**-4,085**

Development in credit loss allowances for trade and other receivables

in EUR million	As of	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	Other	As of
	Jan 26							**Jun 26**
Stage 1	-11	-33	28	0	-2	1	0	-16
Stage 2	-7	0	2	-1	-1	0	0	-7
Stage 3	-28	0	2	-4	-2	5	0	-28
POCI	-1	0	0	0	-1	0	0	-2
Total	**-47**	**-33**	**32**	**-5**	**-5**	**6**	**0**	**-53**
	Jan 25							**Jun 25**
Stage 1	-10	-4	1	1	1	1	0	-11
Stage 2	-8	0	1	-1	-1	1	0	-7
Stage 3	-26	0	1	-7	-1	2	0	-31
POCI	-1	0	0	0	0	0	0	-1
Total	**-44**	**-4**	**4**	**-7**	**-1**	**3**	**-1**	**-50**

FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME – DEBT INSTRUMENTS

Development in credit loss allowances for debt securities

in EUR million	As of	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Other	As of
	Jan 26						**Jun 26**
Stage 1	-3	-1	1	0	0	0	-3
Stage 2	0	0	0	0	0	0	0
Stage 3	-2	0	0	0	-1	0	-3
Total	**-5**	**-1**	**1**	**0**	**-1**	**0**	**-6**
	Jan 25						**Jun 25**
Stage 1	-3	-1	0	1	-2	0	-3
Stage 2	-9	0	0	0	8	0	-1
Stage 3	0	0	0	0	0	0	-1
Total	**-13**	**-1**	**0**	**1**	**6**	**0**	**-5**

Development in credit loss allowances for loans and advances to customers

in EUR million	As of	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Other	As of
	Jan 26						**Jun 26**
Stage 1	0	-7	0	0	3	0	-4
Stage 2	0	0	0	-4	-4	0	-7
Stage 3	0	0	0	0	0	0	0
POCI	0	0	0	0	-2	0	-2
Total	**0**	**-7**	**0**	**-4**	**-3**	**0**	**-13**
	Jan 25						**Jun 25**
Stage 1	0	0	0	0	0	0	0
Stage 2	0	0	0	0	0	0	0
Stage 3	0	0	0	0	0	0	0
POCI	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**

FINANCE LEASE RECEIVABLES

Development in credit loss allowances for finance lease receivables

in EUR million	As of	Additions	Derecognitions	Transfers between stages	Other changes in credit risk (net)	Write-offs	Other	As of
	Jan 26							Jun 26
Stage 1	-22	-20	0	6	7	0	0	-28
Stage 2	-25	0	1	-10	0	0	0	-34
Stage 3	-32	0	4	-6	-6	3	0	-37
POCI	0	0	0	0	-8	0	0	-8
Total	**-79**	**-20**	**6**	**-10**	**-6**	**3**	**1**	**-106**
	Jan 25							Jun 25
Stage 1	-20	-4	1	6	-6	0	0	-23
Stage 2	-31	0	1	-7	14	0	0	-24
Stage 3	-32	0	3	-2	-2	1	0	-31
POCI	0	0	0	0	0	0	0	0
Total	**-83**	**-4**	**5**	**-4**	**6**	**1**	**0**	**-78**

Scenarios used in forward-looking information and Crises Effects

Overview on scenarios used in forward-looking information

Parameters are determined to reflect the risk as a 'point-in-time' measure and with consideration of forward-looking information (FLI). This results in using a baseline forecast and several alternative scenarios for selected macroeconomic variables. The alternative scenarios are derived, together with their weights of scenario outcome, as a deviation from baseline forecasts. The baseline forecasts are, with few exceptions, internally determined by Erste Group's research department. Given multiple scenarios, the 'neutral' PDs (and partially included in LGDs) are adjusted using macro models that link relevant macroeconomic variables with risk drivers. The same macro-shift models as for external and internal stress test are used. Forward-looking information is incorporated for the first three years of ECL measurement. Measurement of the parameters for the remaining lifetime returns to through-the-cycle observations immediately in year four.

For more details, please refer to Erste Group's annual report 2025, group consolidated financial statements, risk and capital management notes.

Erste Group reviewed the FLI in the second quarter of 2026 according to the disclosed forecasts for baseline, downside, and upside scenarios. For Erste Bank Croatia's (EBC) local models, FLI applied at year-end 2025 were kept due to the immaterial impact of new macroeconomic forecasts on ECL.

Erste Group discloses the sensitivity of the staging and ECL to macroeconomic scenarios in the 'Collective assessment' section below.

Baseline Scenario

Erste Group expects economic activity in the Eurozone to slow in 2026, with GDP growth projected at 0.5%, following an estimated expansion of 1.4% in 2025. While economic activity is expected to be temporarily affected by higher energy prices related to the Middle East conflict, improving domestic demand, supported by a resilient labour market, rising real incomes and public investment, should underpin a recovery in the second half of the year.

The external environment remains challenging due to competitiveness pressures, especially from China and ongoing uncertainty surrounding US-EU trade relations. Over the medium term, growth should benefit from a more expansionary fiscal policy, including Germany's infrastructure investment program and increased defence spending across the EU.

Following the ECB's rate increase to 2.25% in June 2026, Erste Group expects the deposit facility rate to remain stable at 2.25% through year-end, as easing energy prices reduce the need for further monetary tightening.

Downside Risk to the Baseline Scenario

Downside risks remain elevated, primarily due to the ongoing war in Ukraine, geopolitical tensions in the Middle East, and uncertainty surrounding US–EU trade relations. Potential disruptions to global energy markets could increase inflationary pressures, weaken household purchasing power, and weigh on industrial activity. In addition, higher-than-expected interest rates and inflation may dampen corporate and household investment, while elevated public debt and increased fiscal spending could renew concerns about fiscal sustainability in parts of the Eurozone.

Upside Risk to the Baseline Scenario

Upside risks to the outlook stem primarily from a stronger-than-expected recovery in global industrial activity, supported by increased investment, including in AI-related technologies. Such a scenario would be particularly beneficial for Germany and could generate positive spillover effects across the Eurozone through regional supply chains. Stronger investment activity, improving confidence, and resilient private consumption could result in GDP growth exceeding the baseline forecast. A faster moderation of inflation and a stabilisation of energy prices would further support growth and reduce the likelihood of additional monetary tightening by the ECB.

Overview of Baseline, Upside and Downside scenarios

The following table summarises the expected development of the GDP for all regions, all scenarios and scenario weights, as the main indicator of the macroeconomic situation. In case of the central model for Group (Large) Corporate clients, the considered GDP scenarios are the same as shown below for the standalone countries, with the addition of GDP projections for Germany.

Additionally, Erste Group discloses the most relevant variables for the macro-shift model in the most significant regions. Austria, Czechia, Poland, Slovakia and Romania are presented as they have the highest share of credit risk exposure, expected credit loss and the highest share of FLI component in the expected credit loss measurement. Macro-shift models are calibrated for the three main sub-portfolios: private individuals, micro enterprises and another corporate business. Models' calibration and variables disclosed below are incorporated into expected credit loss measurement as of 30 June 2026. The baseline and weighted scenario outcome for the major variables is disclosed in the tabular format for the years 2026-2028.

Baseline, upside and downside scenarios of GDP growth by geographic region

	Scenario	Scenario weights	GDP growth in %		
	Scenario	2026-2028	2026	2027	2028
Jun 26					
Austria	Upside	21%	2.3	2.7	2.7
	Baseline	50%	0.7	1.1	1.1
	Downside	29%	-1.4	-1.0	-1.0
Czechia	Upside	26%	4.2	4.9	4.9
	Baseline	50%	2.1	2.8	2.8
	Downside	24%	-0.3	0.4	0.4
Poland	Upside	25%	5.5	4.6	4.5
	Baseline	50%	3.8	2.9	2.8
	Downside	25%	1.4	0.5	0.4
Slovakia	Upside	28%	3.2	3.9	4.2
	Baseline	50%	1.0	1.7	2.0
	Downside	22%	-1.8	-1.1	-0.8
Romania	Upside	29%	2.4	5.2	5.2
	Baseline	50%	-0.3	2.5	2.5
	Downside	21%	-3.9	-1.1	-1.1
Hungary	Upside	20%	3.2	4.0	4.2
	Baseline	50%	1.4	2.2	2.4
	Downside	30%	-0.8	0.0	0.2
Croatia	Upside	26%	4.9	5.3	4.9
	Baseline	50%	2.8	2.6	2.6
	Downside	24%	0.7	-0.1	0.3
Serbia	Upside	25%	4.0	5.4	4.9
	Baseline	50%	2.6	4.0	3.5
	Downside	25%	0.3	1.7	1.2
Germany	Upside	21%	2.6	3.0	3.0
	Baseline	50%	0.8	1.2	1.2
	Downside	29%	-1.3	-0.9	-0.9
Dec 25		2026-2028	2026	2027	2028
Austria	Upside	21%	3.3	3.7	3.7
	Baseline	50%	0.7	1.1	1.1
	Downside	29%	-2.0	-1.6	-1.6
Czechia	Upside	24%	4.7	4.7	4.8
	Baseline	50%	2.7	2.7	2.8
	Downside	26%	0.2	0.2	0.3
Slovakia	Upside	26%	3.7	4.2	4.4
	Baseline	50%	1.3	1.8	2.0
	Downside	24%	-1.8	-1.3	-1.1
Romania	Upside	24%	5.0	5.9	5.6
	Baseline	50%	2.1	3.0	2.7
	Downside	26%	-1.4	-0.5	-0.8
Hungary	Upside	18%	4.4	4.7	4.9
	Baseline	50%	2.0	2.3	2.5
	Downside	32%	-0.6	-0.3	-0.1
Croatia	Upside	26%	4.9	5.3	4.9
	Baseline	50%	2.8	2.6	2.6
	Downside	24%	0.7	-0.1	0.3
Serbia	Upside	21%	4.8	6.6	5.6
	Baseline	50%	2.7	4.5	3.5
	Downside	29%	0.5	2.3	1.3
Germany	Upside	22%	3.0	3.6	3.3
	Baseline	50%	0.9	1.5	1.2
	Downside	28%	-1.7	-1.1	-1.4

Baseline and scenario weighted values of the main variables in the most significant regions

	Baseline scenario			Scenario weighted outcome		
	2026	2027	2028	2026	2027	2028
Jun 26						
Austria						
GDP growth	0.7	1.1	1.1	0.4	0.8	0.8
Inflation	3.2	2.6	2.3	3.5	2.9	2.6
Yields_10Y	3.3	3.3	3.3	3.3	3.3	3.3
Czechia						
GDP Deflator	1.4	1.4	1.4	1.4	1.4	1.5
CPI core	159.0	163.4	167.8	159.0	163.4	167.8
Poland						
GDP growth	3.8	2.9	2.8	3.6	2.8	2.7
House Prices	4.4	6.6	5.9	4.4	6.6	5.8
Slovakia						
Unemployment Rate	6.0	5.8	5.6	5.9	5.7	5.5
Inflation	4.1	1.9	2.0	4.5	2.3	2.4
Romania						
GDP growth	-0.3	2.5	2.5	-0.3	2.5	2.5
Interest Rate (ROBOR 3M)	6.0	5.7	4.0	5.7	5.4	3.7
Inflation (CPI)	8.3	4.5	4.0	8.4	4.6	4.1
	2026	2027	2028	2026	2027	2028
Dec 25						
Austria						
GDP growth	0.7	1.1	1.1	0.5	0.9	0.9
Inflation	2.0	2.2	2.0	2.1	2.3	2.1
Yields_10Y	2.8	2.7	2.7	2.8	2.7	2.2
Czechia						
GDP Deflator	1.4	1.4	1.4	1.4	1.4	1.4
CPI core	157.7	161.5	165.8	157.7	161.5	165.7
Slovakia						
Unemployment Rate	5.8	5.6	5.5	5.8	5.6	5.5
Inflation	3.2	2.3	2.1	3.5	2.6	2.4
Romania						
GDP growth	2.1	3.0	2.7	1.9	2.8	2.5
Interest Rate (ROBOR 3M)	5.5	4.3	4.0	5.6	4.4	4.1
Inflation (CPI)	6.5	3.0	3.0	6.5	3.0	3.0

Collective assessment

In addition to standard SICR assessment, Erste Group applied collective SICR assessment, i.e., transfer into Stage 2 based on pre-defined portfolio characteristics, due to emerging risks not covered by standard models. This approach is aligned with all affected entities and business lines and approved by the respective governance bodies of Erste Group. It requires, after the assessment of the outliers from the common portfolio characteristics, to have exemptions from the collective SICR assessment, if properly documented why they would behave differently than the rest of the portfolio.

In June 2026, Erste Group applied collective staging assessment (industry stage overlays) that had been implemented in 2024. This approach means that rules for transferring into stage 2 are defined as a combination of industries selected in line with industry strategy, to ensure that it reflects risks and changes in the risk assessment which Erste Group's portfolio is exposed to, and one-year IFRS PDs.

In the first quarter of 2026, Erste Group started to identify the industries in the scope of overlays based on the NACE 2.1 classification codes, resulting in an ECL allocation of EUR 2 million.

In the second quarter of 2026, Erste Group reduced the scope of its industry-stage overlays following a review of its industry strategy and an assessment of exit triggers. Industries introduced in November 2024 (including Hotel & Leisure and Automotive) were removed from the overlay framework, except for:
_ the Austrian Real Estate sector, due to persistent market uncertainty; and
_ Cyclical Industries and Healthcare & Services, pending completion of the strategic review in the third quarter of 2026.

The reduction resulted in an ECL release, partially offset by an additional ECL allocation to the Austrian Real Estate portfolio.

Out of the overall credit risk exposure of EUR 534 billion (2025: EUR 417 billion), the portfolio under collective staging assessment (industry stage overlays) represents EUR 40 billion, thereof EUR 12 billion is in Stage 2 (out of which EUR 5 billion due to applying rules for industry stage overlays).

Poland is progressively included in industry overlays as the Industry Strategy extends to Poland. Following the first reviews in the second quarter of 2026, an initial set of industries is now in scope, with full coverage to be reached by the first quarter of 2027.

In addition, local risk management may apply a local SICR collective assessment when it is determined that the recalibration of the PD model, the macro-shift FLI model, or the scoring model does not sufficiently reflect current economic conditions, such as developments in inflation, interest rates, or unemployment.

In 2022, local risk management in Czechia and Croatia assessed that the recalibration of the macro-shift FLI model for private individuals did not sufficiently reflect the current environment. Consequently, a local SICR collective assessment for private individuals was introduced. As of 30 June 2026, the exposure in Stage 2 resulting from this collective assessment amounts to EUR 1 billion, with an allocated ECL of EUR 14 million (2025: exposure of EUR 1 billion, ECL of EUR 17 million).

In addition, at the same time, in Croatia, following the internal validation of the scoring model for private individuals, another type of local SICR collective assessment is applied. As of 30 June 2026, the exposure in Stage 2 due to this collective assessment amounts to EUR 281 million and an allocated ECL of EUR 8 million (2025: exposure of EUR 366 million, ECL of EUR 12 million).

EFFECT ON EXPECTED CREDIT LOSS

The analysis tables below present the effects of the collective SICR assessment and FLI on both exposure migration to Stage 2 and the resulting increase of ECL. Additional sensitivities to the baseline, upside and downside scenarios are simulated. Effects on geographical segments are disclosed.

As of 30 June 2026, the exposure classified in Stage 2 as a result of the application of collective SICR assessment rules (industry stage overlays) amounted to EUR 4,617 million (2025: EUR 3,784 million), with additional ECL allocated in the amount of EUR 75 million (2025: EUR 71 million).

As described above, the FLI were reassessed in the second quarter of 2026. Stage 2 exposures identified as a result of the application of FLI increased to EUR 3,204 million as of June 2026 (2025: EUR 2,942 million). This increase in Stage 2 exposure correspondingly impacted the level of ECL allocated in Stage 2 due to FLI, which amounted to EUR 309 million (2025: EUR 265 million). On the ECL side, an increase of EUR 44 million was driven mainly by the Poland acquisition in the first quarter of 2026 and macro worsening in Romania.

Scenario simulation presents sensitivity analyses taking into consideration only changes due to the different values of PDs, if baseline, upside or downside FLI scenarios had 100% weight. Sensitivities of these scenarios are calculated in comparison to current production - weighted scenarios FLI shifted - PDs (weights and scenarios are disclosed in the 'Incorporation of forward-looking information' section above). Both staging and resulting ECL were simulated with the scenario PDs.

The incorporation of 100% baseline scenario instead of the currently applied weighted scenario outcome would lead to a decrease of Stage 2 exposure by EUR 396 million (2025: EUR 289 million), resulting in an ECL drop by EUR 23 million (2025: EUR 19 million).

The downside scenario would lead to additional EUR 2,605 million (2025: EUR 3,905 million) of exposure migration to Stage 2 in comparison with scenario weighted FLI, resulting in ECL increase of EUR 226 million (2025: EUR 294 million).

For the ECL change a positive sign (+) equals a release, while a negative sign (-) equals an allocation. Values presented as sensitivities are results of internal simulations.

FORWARD-LOOKING INFORMATION (FLI) AND COLLECTIVE SICR ASSESSMENT

Impact on credit risk exposure by geographical segment

in EUR million	Current status - parameters (FLI shifted)						Simulations - difference to FLI shifts effect		
				Stage 2 impacted by					
				Collective assessment					
	Stage 1	Stage 2	Total	Industry	PI	FLI shifts	Upside scenario	Baseline scenario	Downside scenario
Jun 26									
Austria	**173,685**	**24,097**	**197,781**	**4,248**	**0**	**2,165**	**-1,722**	**-370**	**1,971**
EBOe & Subs.	50,054	6,351	56,406	1,097	0	719	-532	-105	583
Savings Banks	68,496	14,799	83,295	3,129	0	1,184	-1,014	-219	1,144
Other Austria	55,134	2,946	58,081	23	0	263	-176	-46	244
CEE	**254,998**	**15,499**	**270,497**	**369**	**958**	**1,038**	**-540**	**-26**	**634**
Czechia	92,135	3,822	95,957	112	779	389	-198	-19	193
Poland	77,621	5,457	83,079	31	0	57	-67	-11	114
Slovakia	26,627	1,594	28,222	36	0	39	-30	-2	51
Romania	25,460	2,001	27,461	92	0	268	-170	5	228
Hungary	12,832	787	13,619	26	0	118	-34	1	14
Croatia	16,363	1,555	17,918	59	178	87	-39	2	32
Serbia	3,960	282	4,242	14	0	80	-3	-1	3
Other	**20,787**	**1**	**20,788**	**0**	**0**	**0**	**0**	**0**	**0**
Total	**449,470**	**39,597**	**489,066**	**4,617**	**958**	**3,204**	**-2,262**	**-396**	**2,605**
Dec 25									
Austria	**163,297**	**22,904**	**186,200**	**3,244**	**0**	**2,064**	**-2,239**	**-250**	**3,351**
EBOe & Subs.	49,186	6,132	55,319	905	0	720	-795	-101	1,125
Savings Banks	66,307	14,250	80,557	2,317	0	1,151	-1,381	-149	1,992
Other Austria	47,803	2,522	50,325	22	0	193	-63	0	233
CEE	**167,141**	**10,325**	**177,466**	**540**	**1,055**	**878**	**-485**	**-39**	**555**
Czechia	84,587	4,222	88,809	173	850	429	-253	-13	200
Slovakia	26,290	1,670	27,960	66	0	30	-28	0	59
Romania	26,197	1,897	28,095	121	0	183	-151	-21	240
Hungary	10,775	845	11,620	45	0	126	-32	-4	37
Croatia	15,505	1,427	16,931	92	205	105	-18	0	15
Serbia	3,786	265	4,051	44	0	5	-3	-1	5
Other	**17,559**	**5**	**17,565**	**0**	**0**	**0**	**0**	**0**	**0**
Total	**347,996**	**33,234**	**381,231**	**3,784**	**1,055**	**2,942**	**-2,723**	**-289**	**3,905**

Impact on credit loss allowances by geographical segment

in EUR million	Current status - parameters (FLI shifted)			Out of which: Collective assessment due to			Simulations - difference to FLI shifts effect		
	Stage 1	Stage 2	Total	Industry	PI	FLI shifts	Upside scenario	Baseline scenario	Downside scenario
Jun 26									
Austria	**-197**	**-698**	**-895**	**-65**	**0**	**-140**	**113**	**21**	**-120**
EBOe & Subs.	-47	-189	-236	-12	0	-38	31	6	-34
Savings Banks	-113	-461	-574	-52	0	-78	65	11	-68
Other Austria	-37	-49	-85	-2	0	-24	17	4	-18
CEE	**-461**	**-922**	**-1,384**	**-10**	**-14**	**-168**	**87**	**2**	**-107**
Czechia	-117	-258	-374	-3	-10	-33	17	1	-18
Poland	-82	-232	-313	-1	0	-13	16	2	-18
Slovakia	-49	-104	-152	-1	0	-7	8	1	-11
Romania	-118	-187	-305	-3	0	-66	39	-2	-52
Hungary	-27	-44	-71	0	0	-21	2	0	-1
Croatia	-55	-82	-137	-2	-5	-22	5	0	-5
Serbia	-14	-17	-30	0	0	-7	1	0	-1
Other	**-2**	**-2**	**-3**	**0**	**0**	**0**	**0**	**0**	**0**
Total	**-660**	**-1,623**	**-2,282**	**-75**	**-14**	**-309**	**200**	**23**	**-226**
Dec 25									
Austria	**-196**	**-701**	**-897**	**-55**	**0**	**-144**	**141**	**12**	**-207**
EBOe & Subs.	-47	-188	-236	-15	0	-38	41	3	-63
Savings Banks	-112	-458	-570	-40	0	-77	88	6	-128
Other Austria	-37	-55	-91	0	0	-29	12	3	-17
CEE	**-357**	**-677**	**-1,034**	**-15**	**-17**	**-121**	**75**	**7**	**-87**
Czechia	-107	-275	-383	-5	-11	-30	24	3	-23
Slovakia	-47	-95	-142	-2	0	-4	8	0	-10
Romania	-115	-168	-283	-5	0	-43	35	3	-46
Hungary	-25	-47	-72	-1	0	-21	3	0	-3
Croatia	-50	-76	-126	-2	-6	-21	4	0	-4
Serbia	-14	-14	-28	-1	0	-2	1	0	-1
Other	**-2**	**-1**	**-3**	**0**	**0**	**0**	**0**	**0**	**0**
Total	**-555**	**-1,379**	**-1,934**	**-71**	**-17**	**-265**	**216**	**19**	**-294**

Loans and advances to customers

The tables on the following pages present the structure of the customer loan book, excluding loans to central banks and credit institutions broken down by different categories. Loans and advances to customers comprise:
_ loans and advances to customers at FVPL;
_ loans and advances to customers at AC;
_ finance lease receivables;
_ trade and other receivables.

The presentation is by gross carrying amount not taking into consideration loan loss allowances and collateral.

Loans and advances to customers by geographical segment and risk category

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total
Jun 26					
Austria	**109,457**	**16,177**	**5,852**	**3,562**	**135,049**
EBOe & Subs.	36,811	4,491	1,723	955	43,979
Savings Banks	47,227	10,912	3,640	2,368	64,147
Other Austria	25,420	774	488	240	26,923
CEE	**117,318**	**22,827**	**8,851**	**3,129**	**152,125**
Czechia	41,050	7,859	2,159	822	51,890
Poland	35,061	2,987	2,910	929	41,888
Slovakia	17,331	2,485	1,293	490	21,600
Romania	9,401	3,479	1,170	426	14,476
Hungary	5,267	2,107	715	114	8,204
Croatia	7,482	3,005	528	294	11,309
Serbia	1,726	904	75	54	2,760
Other	**96**	**6**	**2**	**0**	**104**
Total	**226,871**	**39,010**	**14,705**	**6,692**	**287,278**
Dec 25					
Austria	**108,256**	**13,690**	**4,576**	**3,652**	**130,175**
EBOe & Subs.	37,145	3,810	1,374	1,016	43,345
Savings Banks	48,260	9,082	2,983	2,319	62,643
Other Austria	22,851	798	220	318	24,187
CEE	**78,062**	**21,063**	**4,481**	**2,089**	**105,695**
Czechia	38,392	8,894	1,378	774	49,437
Slovakia	15,296	3,860	1,501	456	21,113
Romania	11,048	2,744	631	397	14,820
Hungary	3,322	2,905	566	111	6,904
Croatia	8,026	2,122	312	299	10,759
Serbia	1,978	538	93	53	2,661
Other	**105**	**4**	**4**	**0**	**114**
Total	**186,424**	**34,758**	**9,060**	**5,742**	**235,983**

Loans and advances to customers by business segment and risk category

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total
Jun 26					
Retail	73,517	9,963	4,467	1,715	89,661
Corporates	68,291	14,987	3,565	1,672	88,515
Group Markets	2,485	126	48	0	2,658
ALM & LCC	284	29	73	8	393
Savings Banks	47,227	10,912	3,640	2,368	64,147
Poland	35,061	2,987	2,910	929	41,888
GCC	8	6	2	0	16
Total	**226,871**	**39,010**	**14,705**	**6,692**	**287,278**
Dec 25					
Retail	67,426	13,324	3,872	1,659	86,280
Corporates	68,409	12,192	2,117	1,741	84,459
Group Markets	2,126	111	17	0	2,255
ALM & LCC	183	44	67	23	317
Savings Banks	48,260	9,082	2,983	2,319	62,643
GCC	20	4	4	0	29
Total	**186,424**	**34,758**	**9,060**	**5,742**	**235,983**

In the following tables, the non-performing loans and advances to customers divided by segments are presented alongside with allowances for customer loans (all allowances for loans and advances to customers within the scope of IFRS 9) and the collateral for non-performing loans (NPL). The NPL ratio, the NPL coverage ratio (excluding collateral) and the NPL collateralisation ratio are also included.

Non-performing loans and advances to customers by geographical segment and coverage by loan loss allowances and collateral

	Non-performing		Customer loans		Loan loss allowances	Collateral for NPL		NPL ratio		NPL coverage ratio	NPL collateralisation ratio	
in EUR million	Total	AC	Total	AC	AC	Total	AC	Total	AC	AC	Total	AC
Jun 26												
Austria	**3,562**	**3,562**	**135,049**	**134,992**	**-1,875**	**2,063**	**2,063**	**2.6%**	**2.6%**	**52.6%**	**57.9%**	**57.9%**
EBOe & Subs.	955	955	43,979	43,972	-507	559	559	2.2%	2.2%	53.1%	58.5%	58.5%
Savings Banks	2,368	2,368	64,147	64,137	-1,266	1,447	1,447	3.7%	3.7%	53.5%	61.1%	61.1%
Other Austria	240	240	26,923	26,883	-103	58	58	0.9%	0.9%	42.8%	24.1%	24.1%
CEE	**3,129**	**3,122**	**152,125**	**150,009**	**-2,696**	**1,386**	**1,378**	**2.1%**	**2.1%**	**86.4%**	**44.3%**	**44.1%**
Czechia	822	822	51,890	51,888	-807	246	246	1.6%	1.6%	98.2%	30.0%	30.0%
Poland	929	929	41,888	41,888	-453	601	601	2.2%	2.2%	48.7%	64.7%	64.7%
Slovakia	490	490	21,600	21,600	-397	239	239	2.3%	2.3%	81.0%	48.8%	48.8%
Romania	426	426	14,476	14,476	-564	137	137	2.9%	2.9%	132.6%	32.2%	32.2%
Hungary	114	107	8,204	6,118	-132	45	38	1.4%	1.7%	123.6%	39.8%	35.7%
Croatia	294	294	11,309	11,279	-283	99	99	2.6%	2.6%	96.5%	33.6%	33.6%
Serbia	54	54	2,760	2,760	-60	18	18	2.0%	2.0%	110.3%	32.7%	32.7%
Other	**0**	**0**	**104**	**104**	**-2**	**0**	**0**	**—%**	**—%**	**>500%**	**—%**	**—%**
Total	**6,692**	**6,684**	**287,278**	**285,106**	**-4,574**	**3,449**	**3,442**	**2.3%**	**2.3%**	**68.4%**	**51.5%**	**51.5%**
Dec 25												
Austria	**3,652**	**3,652**	**130,175**	**130,166**	**-1,813**	**2,181**	**2,181**	**2.8%**	**2.8%**	**49.7%**	**59.7%**	**59.7%**
EBOe & Subs.	1,016	1,016	43,345	43,337	-484	624	624	2.3%	2.3%	47.7%	61.4%	61.4%
Savings Banks	2,319	2,319	62,643	62,642	-1,227	1,441	1,441	3.7%	3.7%	52.9%	62.2%	62.2%
Other Austria	318	318	24,187	24,187	-102	116	116	1.3%	1.3%	32.1%	36.5%	36.5%
CEE	**2,089**	**2,084**	**105,695**	**104,179**	**-2,183**	**736**	**731**	**2.0%**	**2.0%**	**104.8%**	**35.2%**	**35.1%**
Czechia	774	774	49,437	49,436	-811	209	209	1.6%	1.6%	104.9%	27.0%	27.0%
Slovakia	456	456	21,113	21,113	-371	216	216	2.2%	2.2%	81.5%	47.4%	47.4%
Romania	397	397	14,820	14,820	-524	141	141	2.7%	2.7%	132.0%	35.5%	35.5%
Hungary	111	106	6,904	5,390	-133	44	38	1.6%	2.0%	125.5%	39.1%	36.2%
Croatia	299	299	10,759	10,759	-287	110	110	2.8%	2.8%	96.0%	36.7%	36.7%
Serbia	53	53	2,661	2,661	-57	17	17	2.0%	2.0%	107.3%	31.8%	31.8%
Other	**0**	**0**	**114**	**114**	**-1**	**0**	**0**	**0.2%**	**0.2%**	**>500.0%**	**—%**	**—%**
Total	**5,742**	**5,736**	**235,983**	**234,459**	**-3,998**	**2,917**	**2,912**	**2.4%**	**2.4%**	**69.7%**	**50.8%**	**50.8%**

Total gross customer loans, total non-performing loans and total collateral include both AC and FVPL portfolios.

The NPL ratio of loans and advances to customers is calculated by dividing the gross carrying amount of non-performing loans and advances to customers by the total gross carrying amount of loans and advances to customers. Consequently, it differs from the NPE ratio in section ‘Credit risk exposure’. Collaterals for non-performing loans mainly consist of real estates.

The NPL coverage ratio is calculated by dividing total loss allowances by the gross carrying amount of the non-performing loans and advances to customers. Collateral is not considered.

Non-performing loans and advances to customers by business segment and coverage by loan loss allowances and collateral

	Non-performing		Customer loans		Loan loss allowances	Collateral for NPL		NPL ratio		NPL coverage ratio	NPL collateralisation ratio	
in EUR million	Total	AC	Total	AC	AC	Total	AC	Total	AC	AC	Total	AC
Jun 26												
Retail	1,715	1,707	89,661	87,574	-1,548	625	618	1.9%	1.9%	90.7%	36.4%	36.2%
Corporates	1,672	1,672	88,515	88,469	-1,288	774	774	1.9%	1.9%	77.0%	46.3%	46.3%
Group Markets	0	0	2,658	2,658	-6	0	0	—%	—%	>500.0%	—%	—%
ALM & LCC	8	8	393	364	-11	2	2	2.0%	2.1%	146.0%	22.1%	22.1%
Savings Banks	2,368	2,368	64,147	64,137	-1,266	1,447	1,447	3.7%	3.7%	53.5%	61.1%	61.1%
Poland	929	929	41,888	41,888	-453	601	601	2.2%	2.2%	48.7%	64.7%	64.7%
GCC	0	0	16	16	-2	0	0	—%	—%	>500.0%	—%	—%
Total	**6,692**	**6,684**	**287,278**	**285,106**	**-4,574**	**3,449**	**3,442**	**2.3%**	**2.3%**	**68.4%**	**51.5%**	**51.5%**
Dec 25												
Retail	1,659	1,653	86,280	84,764	-1,498	623	618	1.9%	2.0%	90.6%	37.6%	37.4%
Corporates	1,741	1,741	84,459	84,453	-1,253	844	844	2.1%	2.1%	72.0%	48.5%	48.5%
Group Markets	0	0	2,255	2,255	-5	0	0	—%	—%	>500.0%	—%	—%
ALM & LCC	23	23	317	317	-14	9	9	7.4%	7.4%	61.8%	40.3%	40.3%
Savings Banks	2,319	2,319	62,643	62,642	-1,227	1,441	1,441	3.7%	3.7%	52.9%	62.2%	62.2%
GCC	0	0	29	29	-1	0	0	0.9%	0.9%	479.7%	—%	—%
Total	**5,742**	**5,736**	**235,983**	**234,459**	**-3,998**	**2,917**	**2,912**	**2.4%**	**2.4%**	**69.7%**	**50.8%**	**50.8%**

Loans and advances to customers at AC and coverage by loan loss allowances by geographical segment and IFRS 9 treatment

	Loans to customers					Credit loss allowances				Coverage ratio		
in EUR million	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Stage 1	Stage 2	Stage 3	POCI	Stage 2	Stage 3	POCI
Jun 26												
Austria	**110,591**	**20,805**	**3,530**	**65**	**56**	**-136**	**-557**	**-1,181**	**0**	**2.7%**	**33.5%**	**—%**
EBOe & Subs.	37,443	5,564	949	16	7	-34	-151	-321	0	2.7%	33.8%	—%
Savings Banks	48,777	12,970	2,346	45	10	-85	-380	-801	0	2.9%	34.1%	—%
Other Austria	24,372	2,271	236	4	39	-17	-26	-60	0	1.1%	25.2%	—%
CEE	**132,981**	**13,732**	**2,324**	**973**	**2,116**	**-383**	**-836**	**-1,357**	**-119**	**6.1%**	**58.4%**	**12.3%**
Czechia	47,706	3,341	779	62	2	-102	-221	-465	-18	6.6%	59.7%	29.4%
Poland	35,848	5,086	249	704	0	-74	-229	-85	-65	4.5%	34.1%	9.2%
Slovakia	19,532	1,481	470	116	0	-43	-98	-237	-19	6.6%	50.3%	16.5%
Romania	12,372	1,659	397	47	0	-90	-168	-303	-3	10.1%	76.3%	7.3%
Hungary	5,268	732	96	23	2,085	-20	-40	-65	-6	5.5%	68.1%	26.4%
Croatia	9,798	1,186	286	10	29	-42	-64	-171	-7	5.4%	59.9%	65.1%
Serbia	2,457	247	46	10	0	-12	-16	-31	-1	6.4%	67.2%	7.1%
Other	**103**	**2**	**0**	**0**	**0**	**0**	**-2**	**0**	**0**	**118.5%**	**—%**	**—%**
Total	**243,675**	**34,538**	**5,854**	**1,038**	**2,172**	**-520**	**-1,395**	**-2,539**	**-119**	**4.0%**	**43.4%**	**11.5%**
Dec 25												
Austria	**106,785**	**19,696**	**3,619**	**67**	**8**	**-139**	**-545**	**-1,129**	**0**	**2.8%**	**31.2%**	**—%**
EBOe & Subs.	37,027	5,283	1,009	17	7	-34	-145	-305	0	2.8%	30.2%	—%
Savings Banks	47,872	12,429	2,296	45	1	-85	-377	-765	0	3.0%	33.3%	—%
Other Austria	21,886	1,983	314	4	0	-20	-23	-59	0	1.2%	18.8%	—%
CEE	**93,047**	**8,898**	**1,961**	**273**	**1,515**	**-295**	**-598**	**-1,235**	**-56**	**6.7%**	**62.9%**	**20.4%**
Czechia	45,026	3,619	726	65	1	-95	-236	-461	-19	6.5%	63.6%	29.8%
Slovakia	19,012	1,550	440	111	0	-40	-89	-225	-17	5.8%	51.2%	14.9%
Romania	12,793	1,608	369	49	0	-90	-153	-278	-3	9.5%	75.4%	6.4%
Hungary	4,486	786	95	23	1,514	-19	-44	-64	-6	5.6%	67.0%	26.5%
Croatia	9,354	1,104	288	14	0	-40	-62	-176	-9	5.6%	61.3%	66.4%
Serbia	2,376	232	44	10	0	-12	-14	-29	-1	6.0%	67.0%	10.8%
Other	**109**	**5**	**0**	**0**	**0**	**0**	**-1**	**0**	**0**	**19.2%**	**—%**	**—%**
Total	**199,941**	**28,599**	**5,581**	**340**	**1,524**	**-434**	**-1,144**	**-2,364**	**-56**	**4.0%**	**42.4%**	**16.4%**

Stage 1 and Stage 2 comprise not credit impaired loans and advances, while Stage 3 includes credit impaired loans and advances. POCI (purchased or originated credit impaired) consists of loans already credit impaired when purchased or originated.

The defaulted part of POCI loans amounted to EUR 830 million (2025: EUR 156 million), the non-defaulted part to EUR 208 million (2025: EUR 184 million).

Loans and advances to customers at AC and coverage by loan loss allowances by business segment and IFRS 9 treatment

	Loans to customers					Loan loss allowances				Coverage ratio		
in EUR million	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Stage 1	Stage 2	Stage 3	POCI	Stage 2	Stage 3	POCI
Jun 26												
Retail	78,754	7,065	1,670	84	2,088	-163	-432	-938	-14	6.1%	56.2%	16.9%
Corporates	77,450	9,233	1,581	205	46	-194	-345	-709	-40	3.7%	44.8%	19.6%
Group Markets	2,486	172	0	0	0	-2	-3	0	0	1.9%	15.6%	—%
ALM & LCC	345	11	8	0	29	-1	-4	-6	0	34.5%	79.4%	85.5%
Savings Banks	48,777	12,970	2,346	45	10	-85	-380	-801	0	2.9%	34.1%	—%
Poland	35,848	5,086	249	704	0	-74	-229	-85	-65	4.5%	34.1%	9.2%
GCC	14	2	0	0	0	0	-2	0	0	118.5%	—%	—%
Total	**243,675**	**34,538**	**5,854**	**1,038**	**2,172**	**-520**	**-1,395**	**-2,539**	**-119**	**4.0%**	**43.4%**	**11.5%**
Dec 25												
Retail	75,849	7,212	1,614	89	1,516	-163	-424	-896	-15	5.9%	55.5%	16.4%
Corporates	73,779	8,821	1,647	206	7	-184	-335	-693	-41	3.8%	42.1%	19.9%
Group Markets	2,147	107	0	0	0	-2	-3	0	0	2.6%	16.2%	—%
ALM & LCC	270	24	23	0	0	0	-4	-10	0	16.8%	42.9%	77.8%
Savings Banks	47,872	12,429	2,296	45	1	-85	-377	-765	0	3.0%	33.3%	—%
GCC	24	5	0	0	0	0	-1	0	0	19.2%	—%	—%
Total	**199,941**	**28,599**	**5,581**	**340**	**1,524**	**-434**	**-1,144**	**-2,364**	**-56**	**4.0%**	**42.4%**	**16.4%**

Loans and advances to customers by geographical segment and currency

in EUR million	EUR	CEE-LCY	CHF	USD	Other	Total
Jun 26						
Austria	**127,087**	**0**	**1,497**	**3,829**	**2,635**	**135,049**
EBOe & Subs.	43,463	0	487	19	10	43,979
Savings Banks	61,319	0	824	54	1,950	64,147
Other Austria	22,305	0	186	3,757	675	26,923
CEE	**56,725**	**94,381**	**53**	**845**	**120**	**152,125**
Czechia	9,724	41,918	45	128	75	51,890
Poland	6,143	35,165	4	565	11	41,888
Slovakia	21,557	0	0	10	33	21,600
Romania	4,136	10,288	0	51	0	14,476
Hungary	1,995	6,194	0	14	1	8,204
Croatia	11,227	0	5	77	0	11,309
Serbia	1,944	815	0	1	0	2,760
Other	**16**	**47**	**0**	**0**	**42**	**104**
Total	**183,828**	**94,428**	**1,551**	**4,674**	**2,797**	**287,278**
Dec 25						
Austria	**122,952**	**0**	**1,551**	**3,152**	**2,519**	**130,175**
EBOe & Subs.	42,764	0	532	37	11	43,345
Savings Banks	59,924	0	862	18	1,839	62,643
Other Austria	20,264	0	157	3,096	669	24,187
CEE	**48,750**	**56,574**	**32**	**238**	**101**	**105,695**
Czechia	9,246	39,966	26	132	68	49,437
Slovakia	21,071	0	0	9	33	21,113
Romania	4,026	10,739	0	54	0	14,820
Hungary	1,786	5,112	0	5	0	6,904
Croatia	10,718	0	5	36	0	10,759
Serbia	1,903	757	0	1	0	2,661
Other	**28**	**42**	**0**	**0**	**43**	**114**
Total	**171,730**	**56,616**	**1,583**	**3,389**	**2,664**	**235,983**

'CEE-LCY' refers to the CEE geographical segment view where the local currency is the currency of the respective country (e.g., CZK in Czechia, RON in Romania).

Market risk

The following table shows the value at risk of the trading book at the 99% confidence level using equally weighted market data and a holding period of one day.

in EUR million	Dec 25	Jun 26
Interest	2.3	2.1
Currency	0.8	1.5
Shares	1.2	1.5
Commodity	0.3	1.1
Volatility	0.6	1.1
Total	**2.7**	**2.8**

The method used is subject to limitations that may result in the information not fully reflecting the fair value of the assets and liabilities involved. This restriction applies to the inclusion of credit spreads in the calculation of the VaR. Issuer specific spreads are applied to sovereign issuers, while sector specific spreads are applied to non-sovereign issuers.

Liquidity risk

For 2026, Erste Group Bank AG budgeted long-term issuance in the amount of EUR 5.8 billion. In the first six months, about EUR 3.8 billion were issued, thereof five benchmark bonds. The liquidity coverage ratio amounted to 148.8% as of 30 June 2026.

Leverage ratio

The leverage ratio represents the relationship between core capital (tier 1) and the leverage exposure according to Article 429 Capital Requirements Regulation (CRR). Essentially, the leverage exposure represents the sum of unweighted on- and off-balance-sheet positions considering valuation and risk adjustments as defined within the CRR.

As of 30 June 2026, the leverage ratio for Erste Group Bank AG at consolidated level amounted to 6.6%, comfortably above the 3.0% minimum requirement defined in Article 92 Capital Requirements Regulation (CRR). Tier 1 capital amounted to EUR 32.2 billion at the reference date, while total leverage exposure stood at EUR 488.6 billion.

The calculation and disclosure of the leverage ratio are based on the European Commission's Delegated Regulation (EU) 2015/62 of 10 October 2014 and on the Regulation (EU) 2024/1623 (CRR3) of the European Parliament and of the Council of 31 May 2024.

30. Related-party transactions

The foundation DIE ERSTE oesterreichische Spar-Casse Privatstiftung (Privatstiftung) controls a total of 26.65% interest in Erste Group Bank AG. Privatstiftung is the largest single investor in Erste Group Bank AG. At the end of the reporting period, Erste Group had, in relation to Privatstiftung, accounts payable of EUR 20 million (EUR 65 million) and no accounts receivable. Privatstiftung held bonds issued by Erste Group of EUR 46 million (EUR 47 million). From the mentioned transactions, interest expenses for Erste Group amounted to EUR 1 million (EUR 1 million). Erste Group did not receive fee and commission income or rental income.

31. Contingent liabilities - legal proceedings

On 6 April 2026, BCR received an investigation report from the Romanian Competition Council alleging anticompetitive conduct in connection with possible agreements and/or concerted practice regarding the coordinated fixing of the ROBOR reference rate among the ten panel banks (including BCR), covering the period since November 2018. Beginning of June 2026, the Competition Council publicly announced to impose a fine on BCR. According to the meeting minutes of the Competition Council Plenum's deliberations, the fine of BCR amounts to 6.1875% of its 2025 turnover, which corresponds to 577,361,887 RON (~ EUR 110 million). The final decision that includes the specific findings and a detailed reasoning has not yet been submitted to BCR. BCR maintains convinced in the correctness of its market conduct and compliance with applicable legal and regulatory frameworks and will contest the findings and challenge them through all available legal means.

Other than the aforementioned matter in Romania, there have not been any material changes since year-end 2025 in the assessment of the influence of the outcome of the litigation cases in which Erste Group Bank AG and some of its subsidiaries are involved with respect of the financial and/or earnings situation of Erste Group.

32. Fair value of financial instruments

The measurement of fair value at Erste Group is based primarily on external sources of data (stock market prices or broker quotes in highly liquid market segments). Financial instruments for which the fair value is determined on the basis of quoted market prices are mainly listed securities and listed derivatives as well as liquid OTC bonds.

Where the fair values of financial assets and financial liabilities recorded on the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are derived from observable market data where possible, but where observable market data is not available judgement is required to establish fair values. Using of unobservable inputs is particularly relevant for models used for valuations of loans and unquoted equity investments. Disclosures on valuation models, the fair value hierarchy and fair values of financial instruments can be found subsequently.

For all financial instruments the fair value is measured on recurring basis.

Financial instruments carried at fair value

DESCRIPTION OF VALUATION MODELS AND PARAMETERS

Erste Group uses valuation models that have been tested internally and for which the valuation parameters (such as interest rates, exchange rates, volatilities and credit spreads) have been determined independently.

Loans. Not SPPI compliant loans are to be valued at fair value. The methodology to compute fair value of these loans corresponds to the basic present value technique. For fair value through profit and loss designated loans the credit risk is recognized by adjusting contractual cash flows to come to expected cash flows accounting for customer's probability of default ('PD') and loss given default ('LGD'). These adjusted cash flows are then discounted by a yield curve which consists of a risk-free rate and a funding spread for senior unsecured issues. For fair value through other comprehensive income designated loans cash flows are discounted by a yield curve which consists of a risk-free rate plus the effective margin of the loan.

Debt securities. For plain vanilla (fixed and floating rate) debt securities the fair value is calculated by discounting the future cash flows using a discounting curve depending on the interest rate for the respective issuance currency and a spread adjustment. The spread adjustment is usually derived from the credit spread curve of the issuer. If no issuer curve is available the spread is derived from a proxy instrument and adjusted for differences in the risk profile of the instruments. If no close proxy is available, the spread adjustment is estimated using other information, including estimation of the credit spread based on internal ratings and PDs or management judgment. For more complex debt securities (e.g. including option-like features such as callable, cap/floor, index-linked) the fair value is determined using combinations of discounted cash flow models and more sophisticated modeling techniques including methods described for OTC-derivatives.

Equity instruments. For non-trading equity instruments which do not have quoted market prices in an active market the fair value is determined by standard valuation models using also unobservable input parameters. These models include the adjusted net asset value method, the simplified income approach, the dividend discount model and the comparable company multiple method.

The adjusted net asset method requires an investor to measure the fair value of the individual assets and liabilities recognized in an investee's statement of financial position as well as the fair value of any unrecognized assets and liabilities at the measurement date. The resulting fair values of the recognized and unrecognized assets and liabilities should therefore represent the fair value of the investee's equity.

The dividend discount model assumes that the price of equity instruments issued by an entity equals the present value of all its expected future dividends in perpetuity. Similar to the dividend discount model, the simplified income approach estimates the fair value based on the future income. However, it can be used also when only one year planned income is available. The simplified income approach and the dividend discount model discount future income and dividends using the cost of equity. The cost of equity is dependent on the risk-free rate, the market risk premium, the levered beta and the country risk premium. The levered beta is derived from the industry classification which is published and maintained by Damodaran.

In rare cases, techniques for non-trading equity instruments may also include comparable company multiple methods. These are valuation techniques that use prices and other relevant information generated by market transactions involving comparable company peers of an investee to derive a valuation multiple from which the indicated fair value of the investee's equity or enterprise value can be inferred.

Liabilities. For issued debt securities where the fair value cannot be retrieved from quoted market prices, the fair value is calculated by discounting the future cash flows. Significant input factors for the spread adjustment of Erste Group's own credit risk for the respective seniority class are credit spreads derived from liquid benchmark bonds and additional indications from external investments banks, which are provided on a regular basis. The applied spreads are validated on a regular basis from an independent Risk Management unit. In case of issued securities with structured features, optionality is taken into account as well when calculating the fair value.

OTC-derivative financial instruments. Derivative instruments traded in liquid markets (e.g. interest rate swaps and options, foreign exchange forward and options, options on listed securities and indices, credit default swaps and commodity swaps) are valued by using standard valuation models. These models include discounting cash flow models, option models of the Black-Scholes and Hull-White type as well as hazard rate models. Models are calibrated on quoted market data (including implied volatilities). Valuation models for more complex instruments also use Monte-Carlo simulation. For instruments in less liquid markets, data obtained from less frequent transactions or extrapolation techniques are used. For determining the fair value of collateralised derivatives a discounting interest rate reflecting the interest rate of the corresponding cash collateral is used.

Erste Group values derivatives at mid-market levels. To reflect the potential bid-ask-spread of the relevant positions an adjustment based on market liquidity is performed. The adjustment parameters depend on product type, currency, maturity, liquidity and notional size. Parameters are reviewed on a regular basis or in case of significant market moves.

Credit value adjustments (CVA) for counterparty risk and debit value adjustments (DVA) for own default credit risk are applied to OTC derivatives. For the CVA the adjustment is driven by the expected positive exposure of the derivative and the probability of default of the counterparty. The DVA is driven by the expected negative exposure of the derivative and Erste Group's probability of default. The modeling of the expected exposure is based on option replication strategies or Monte-Carlo simulation techniques.

The accumulated CVA-adjustments amounted to EUR 15 million (EUR 9 million) and the total DVA-adjustment amounted to EUR 12 million (EUR 10 million).

Based on an analysis carried out by Erste Group it was decided that for the valuation of OTC derivatives no Funding Value Adjustment ('FVA') would be considered.

VALIDATION AND CONTROL

The responsibility for valuation of financial instruments measured at fair value is independent of the trading units. In addition, Erste Group has implemented an independent validation function in order to ensure separation between units responsible for model development, fair value measurement and validation. The aim of independent model validation is to evaluate model risks arising from the models' theoretical foundation, the appropriateness of input data (market data) and model calibration.

Fair value hierarchy

Financial assets and financial liabilities measured at fair value are categorized under the three levels of the IFRS fair value hierarchy.

LEVEL 1 OF THE FAIR VALUE HIERARCHY

Level 1 measurements include exchange traded derivatives (options), shares, government bonds as well as other bonds and funds, which are traded in highly liquid and active markets.

LEVEL 2 OF THE FAIR VALUE HIERARCHY

In case a market quote is used for valuation but due to restricted liquidity the market does not qualify as active (derived from available market liquidity indicators) the instrument is classified as Level 2. If no market prices are available the fair value is measured by using valuation models which are based on observable market data. For Level 2 valuations typically yield curves, credit spreads and implied volatilities are used as observable market parameters.

Level 2 measurements include OTC derivatives, theoretically priced exchange traded derivatives, less liquid shares, bonds and funds as well as asset backed securities (ABS), collateralized debt obligations (CDO), own issues and deposits.

LEVEL 3 OF THE FAIR VALUE HIERARCHY

If any unobservable input in the valuation model is significant or the price quote used is updated infrequently the instrument is classified as Level 3 of the fair value hierarchy. Typically credit spreads derived from internally calculated historical probability of default (PD) and loss given default (LGD) as well as effective margin are measures used as unobservable parameters. Furthermore, internally calculated cost of equity and adjustments made on the equity (in the adjusted net asset value method) are unobservable parameters for the valuation of non-trading equity instruments.

The volume of Level 3 financial assets can be allocated to the following categories:
_ Derivatives where the credit value adjustment (CVA) has a material impact and is calculated based on unobservable parameters (i.e. internal estimates of PDs and LGDs).
_ Illiquid bonds, shares, participations and funds not quoted in an active market where either valuation models with non-observable parameters have been used (e.g. credit spreads) or broker quotes have been used that cannot be allocated to Level 1 or Level 2.
_ Loans which do not comply with the contractual cash flow criteria.

The allocation of the appropriate level of positions is determined at the end of the reporting period.

A reclassification from Level 1 into Level 2 or Level 3 as well as vice versa will be performed if the financial instrument does no longer meet the criteria described above for the respective level.

Classification of financial instruments carried at fair value by levels of the fair value hierarchy

	Dec 25				Jun 26			
in EUR million	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Financial assets HfT	4,717	4,603	57	9,377	8,017	5,075	98	13,189
Derivatives	1	795	34	829	3	2,842	44	2,890
Other financial assets HfT	4,717	3,808	23	8,548	8,013	2,233	53	10,299
Non-trading financial assets at FVPL	1,706	91	2,036	3,833	1,684	82	2,737	4,503
Equity instruments	67	14	441	523	78	8	496	582
Debt securities	1,639	77	71	1,786	1,606	74	68	1,749
Loans and advances	0	0	1,524	1,524	0	0	2,172	2,172
Financial assets at FVOCI	6,977	1,906	298	9,181	12,209	4,056	1,369	17,634
Equity instruments	1	0	113	113	0	0	222	223
Debt securities	6,976	1,906	185	9,068	12,209	4,056	228	16,493
Loans and advances	0	0	0	0	0	0	918	918
Hedge accounting derivatives	0	231	0	231	0	554	0	554
Total assets	**13,400**	**6,832**	**2,390**	**22,622**	**21,910**	**9,767**	**4,203**	**35,880**
Liabilities								
Financial liabilities HfT	1,220	1,191	1	2,412	1,297	3,433	2	4,732
Derivatives	4	1,087	1	1,092	19	3,244	2	3,264
Other financial liabilities HfT	1,216	104	0	1,321	1,278	189	0	1,468
Financial liabilities at FVPL	415	9,442	0	9,857	412	9,255	39	9,706
Deposits from customers	0	174	0	174	0	172	0	172
Debt securities issued	0	9,268	0	9,268	0	9,083	0	9,083
Other financial liabilities	415	0	0	415	412	0	39	451
Hedge accounting derivatives	0	170	0	170	0	166	0	166
Total liabilities	**1,635**	**10,804**	**1**	**12,439**	**1,709**	**12,854**	**41**	**14,604**

Derivatives transacted via Clearing Houses are presented after netting in compliance with their balance sheet treatment. The netted derivatives are allocated to Level 2.

VALUATION PROCESS FOR FINANCIAL INSTRUMENTS CATEGORISED AS LEVEL 3

The valuation of financial instruments categorized as Level 3 involves one or more significant inputs that are not directly observable on the market. Additional price verification steps need to be done. These may include reviewing relevant historical data and benchmarking for similar transactions, among others. This involves estimation and expert judgment. Further details regarding input parameters used and the results of the sensitivity analysis are disclosed in the sub-chapter Unobservable inputs and sensitivity analysis for Level 3 measurements below.

CHANGES IN VOLUMES OF LEVEL 1 AND LEVEL 2 AND MOVEMENTS IN LEVEL 3

Reclassification between Level 1 and Level 2 based on balance sheet positions and instruments

	Dec 25		Jun 26	
in EUR million	L1 to L2	L2 to L1	L1 to L2	L2 to L1
Financial assets HfT	**217**	**4**	**30**	**28**
Bonds	217	3	30	26
Shares	0	1	0	2
Non-trading financial assets at FVPL	**3**	**5**	**13**	**13**
Bonds	2	5	13	5
Funds	1	0	0	0
Shares	0	0	0	8
Financial assets at FVOCI	**159**	**4**	**15**	**359**
Bonds	159	4	15	359
Total	**379**	**13**	**59**	**400**

Transfers into and out of Level 1 and Level 2 are caused by changes in market activities and consequently due to the quality and observability of valuation parameters.

Development of fair value of financial instruments in Level 3

in EUR million		Gains/losses profit or loss	Gains/ losses OCI	Purchases	Sales	Settle-ments	Addition to group	Disposal out of group	Transfer into Level 3	Transfer out of Level 3	Currency translation	
	Jan 26											**Jun 26**
Assets												
Financial assets HfT	57	-6	0	4	-4	0	3	0	62	-18	0	98
Derivatives	34	-7	0	1	0	0	2	0	18	-4	0	45
Other financial assets HfT	23	0	0	3	-4	0	1	0	44	-14	0	53
Non-trading financial assets at FVPL	2,036	48	0	550	-6	-32	0	0	1	-3	142	2,736
Equity instruments	441	27	0	33	-6	0	0	0	0	0	0	496
Debt securities	71	-1	0	2	0	0	0	0	0	-3	0	68
Loans and advances	1,524	22	0	515	0	-31	0	0	1	0	142	2,172
Financial assets at FVOCI	298	22	0	120	0	-87	2,045	0	38	-1,046	-20	1,369
Equity instruments	113	0	-3	0	0	0	116	0	0	0	-2	222
Debt securities	185	-1	1	14	0	-2	1,046	0	38	-1,046	-6	228
Loans and advances	0	22	3	106	0	-85	884	0	0	0	-12	918
Hedge accounting derivatives	0	0	0	0	0	0	0	0	0	0	0	0
Total assets	**2,390**	**64**	**0**	**674**	**-10**	**-119**	**2,048**	**0**	**101**	**-1,067**	**122**	**4,203**
Liabilities												
Financial liabilities HfT	1	1	0	0	0	0	0	0	0	0	0	2
Derivatives	1	1	0	0	0	0	0	0	0	0	0	2
Other trading financial liabilities	0	0	0	0	0	0	0	0	0	0	0	0
Financial liabilities at FVPL	0	0	0	0	0	0	39	0	0	0	0	39
Debt securities issued	0	0	0	0	0	0	0	0	0	0	0	0
Other financial liabilities	0	0	0	0	0	0	39	0	0	0	0	39
Hedge accounting derivatives	0	0	0	0	0	0	0	0	0	0	0	0
Total liabilities	**1**	**1**	**0**	**0**	**0**	**0**	**39**	**0**	**0**	**0**	**0**	**41**
	Jan 25											**Jun 25**
Assets												
Financial assets HfT	63	27	0	8	-15	0	0	0	36	-17	0	101
Derivatives	41	25	0	0	0	0	0	0	0	-17	0	50
Other financial assets HfT	22	1	0	8	-15	0	0	0	36	0	0	52
Non-trading financial assets at FVPL	1,563	27	0	161	-9	-53	5	0	2	-52	33	1,678
Equity instruments	396	23	0	34	-8	0	5	0	0	-52	1	398
Debt securities	60	-5	0	6	-1	-1	0	0	2	0	0	61
Loans and advances	1,108	9	0	121	0	-52	0	0	0	0	32	1,218
Financial assets at FVOCI	329	8	-9	21	0	-3	0	0	66	-23	2	390
Equity instruments	109	0	-6	0	0	0	0	0	0	0	0	103
Debt securities	220	8	-3	21	0	-3	0	0	66	-23	2	287
Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0
Hedge accounting derivatives	0	0	0	0	0	0	0	0	0	0	0	0
Total assets	**1,956**	**61**	**-9**	**190**	**-25**	**-56**	**5**	**0**	**104**	**-92**	**35**	**2,169**
Liabilities												
Financial liabilities HfT	14	-12	0	0	0	0	0	0	1	0	0	3
Derivatives	14	-12	0	0	0	0	0	0	1	0	0	3
Other trading financial liabilities	0	0	0	0	0	0	0	0	0	0	0	0
Financial liabilities at FVPL	0	0	0	0	0	0	0	0	0	0	0	0
Debt securities issued	0	0	0	0	0	0	0	0	0	0	0	0
Other financial liabilities	0	0	0	0	0	0	0	0	0	0	0	0
Hedge accounting derivatives	0	0	0	0	0	0	0	0	0	0	0	0
Total liabilities	**14**	**-12**	**0**	**0**	**0**	**0**	**0**	**0**	**1**	**0**	**0**	**3**

Transfers into and out of Level 3 mainly result from changes in valuation models with observable or non-observable parameters and when the non-observable parameters become significant or insignificant.

Gains/losses in profit or loss on Level 3 instruments held at the end of the reporting period

in EUR million	1-6 25	1-6 26
Assets		
Financial assets HfT	41	-7
Derivatives	39	-7
Other financial assets HfT	1	1
Non-trading financial assets at FVPL	27	50
Equity instruments	23	28
Debt securities	-5	0
Loans and advances	9	22
Financial assets at FVOCI	6	22
Equity instruments	0	0
Debt securities	6	-1
Loans and advances	0	22
Total	**74**	**65**
Liabilities		
Financial liabilities HfT	-4	-1
Derivatives	-4	-1
Total	**-4**	**-1**

UNOBSERVABLE INPUTS AND SENSITIVITY ANALYSIS FOR LEVEL 3 MEASUREMENTS

In case the fair value measurement of a financial asset is retrieved from input parameters which are not observable in the market, those parameters can be retrieved from a range of alternative parameters. For the preparation of the balance sheet the parameters were chosen to reflect the market situation at the reporting date.

Range of unobservable valuation parameters used in Level 3 measurement

			Fair value in EUR million			Range of unobservable inputs (weighted average)	
Financial assets / liabilities	**Type of instrument**	**Valuation technique**	**Dec 25**	**Jun 26**	**Significant unobservable inputs**	**Dec 25**	**Jun 26**
Positive / negative fair value of derivatives	Forwards, swaps, options	DCF and option models with CVA adjustment based on potential future exposure	32	42	PD	0.97%-4.95% (2.22%)	0.46%-10.18% (2.61%)
					LGD	60%	60%
Financial assets at FVPL	Fixed and variable coupon bonds	DCF	22	53	Credit Spread	-1.11%-2.58% (1.97%)	-3.95%-2.03% (0.94%)
	Loans	DCF	1,524	2,172	PD	0.02%-29.18% (0.48%)	0.02%-27.23% (0.65%)
					LGD	0.01%-61.63% (28.31%)	0.00%-61.63% (34.91%)
Financial assets at FVOCI	Fixed and variable coupon bonds	DCF	185	209	Credit Spread	-1.18%-3.11% (1.16%)	-0.32%-4.70% (1.09%)
	Loans	DCF	0	918	Effective margin		0.52%-2.59% (1.56%)
Financial assets at FVOCI / at FVPL	Non-trading equity instruments (participations)	Dividend Discount Model; Simplified Income Approach	281	332	Beta levered	Industries: 0.58-1.22 (0.90)	Industries: 0.58-1.15 (0.83)
					Country risk premium	0.27%-2.18% (0.48%)	0.26%-2.16% (0.50%)
		Adjusted Net Asset Value	145	162	Adjusted Equity	Depending on accounting equity of investment	Depending on accounting equity of investment

The range of unobservable credit spreads for fixed and variable coupon bonds contains premiums and discounts related to riskless as well as risky, market observable (e.g. industry- and rating-specific spread curves) parameters.

For financial assets at FVOCI/at FVPL, where Beta levered and Country risk premium inputs are being used, the resulting cost of equity based on these inputs is in the range 6.02%-13.24% (2025: 6.02%-13.24%). The majority of financial assets at FVOCI/at FVPL, where Beta levered inputs are being used, is related to Financial Services (Non-bank & Insurance) with 1.04 (2025: Financial

Services (Non-bank & Insurance) with 1.03). The majority of financial assets at FVOCI/at FVPL, where Country risk premium inputs are being used, is related to Austria with 0.33% (2025: Austria with 0.32%).

In addition to the information above, equity instruments with a fair value in amount of EUR 60 million (2025: EUR 68 million) are assessed on the basis of expert opinions.
Furthermore, for equity instruments other than participations classified as Level 3, the amount of EUR 11 million (2025: EUR 10 million) is presented in the statement of financial position using the criteria of availability and quality of broker quotes.

Sensitivity analysis - Fair value changes per product type using reasonably possible alternatives

	Dec 25		Jun 26	
in EUR million	**Positive**	**Negative**	**Positive**	**Negative**
Derivatives	1	-2	2	-1
Income statement	1	-2	2	-1
Debt securities	6	-9	11	-15
Income statement	1	-1	5	-7
Other comprehensive income	5	-7	6	-8
Equity instruments	106	-69	117	-76
Income statement	82	-54	93	-61
Other comprehensive income	24	-15	24	-15
Loans and advances	30	-98	44	-137
Income statement	30	-98	44	-137
Other comprehensive income	0	0	0	0
Total	**142**	**-177**	**173**	**-229**
Income statement	**113**	**-155**	**144**	**-206**
Other comprehensive income	**29**	**-22**	**30**	**-23**

In estimating these impacts, mainly changes in credit spreads (for bonds), PDs, LGDs (for CVA of derivatives) and market values of comparable equities were considered. An increase (decrease) of spreads, PDs and LGDs result in a decrease (increase) of the corresponding fair values. Positive correlation effects between PDs and LGDs were not taken into account in the sensitivity analysis. For non-trading equity instruments increases (decreases) in any of the inputs used for the cost of equity calculation in isolation would result in a lower (higher) fair value.

The following ranges of reasonably possible alternatives of the unobservable inputs were considered in the sensitivity analysis table:
_ for debt securities range of credit spreads between +100 basis points and -75 basis points
_ for equity related instruments the price range between -10% and +5%
_ for unquoted equity instruments measured by the adjusted net asset value the price range between -10% and +10%
_ for unquoted equity instruments measured by dividend discount model/simplified income approach the cost of equity range between -2% and +2%
_ for CVA on derivatives PDs rating upgrade/downgrade by one notch, as well as the change of LGD by -5% and +10%
_ for loans, the PDs rating upgrade/downgrade by 1%, the change of LGD by -5% and +10% and a range of credit spreads between +100 basis points and 75 basis points.

Financial instruments not carried at fair value with fair value disclosed in the notes

in EUR million	Carrying amount	Fair value	Level 1	Level 2	Level 3
Jun 26					
Assets					
Financial assets at AC	373,196	367,979	73,796	4,170	290,013
Loans and advances to banks	27,811	27,760	0	0	27,760
Loans and advances to customers	265,795	261,986	0	0	261,986
Debt securities	79,590	78,233	73,796	4,170	267
Finance lease receivables	7,907	7,886	0	0	7,886
Trade and other receivables	5,912	5,911	0	0	5,911
Liabilities					
Financial liabilities at AC	396,225	395,796	27,452	17,818	350,526
Deposits from banks	21,191	20,953	0	0	20,953
Deposits from customers	323,481	323,073	0	0	323,073
Debt securities issued	49,830	50,047	27,452	17,818	4,776
Other financial liabilities	1,723	1,723	0	0	1,723
Financial guarantees and commitments					
Financial guarantees	n/a	26	0	0	26
Loan commitments	n/a	34	0	0	34
Dec 25					
Assets					
Financial assets at AC	301,707	296,511	52,936	3,965	239,609
Loans and advances to banks	20,827	20,752	0	0	20,752
Loans and advances to customers	222,225	218,669	0	0	218,669
Debt securities	58,655	57,090	52,936	3,965	188
Finance lease receivables	5,290	5,263	0	0	5,263
Trade and other receivables	2,946	2,944	0	0	2,944
Liabilities					
Financial liabilities at AC	316,168	315,755	25,944	18,632	271,179
Deposits from banks	16,919	16,657	0	0	16,657
Deposits from customers	252,817	252,547	0	0	252,547
Debt securities issued	45,604	45,723	25,944	18,632	1,147
Other financial liabilities	829	829	0	0	829
Financial guarantees and commitments					
Financial guarantees	n/a	36	0	0	36
Loan commitments	n/a	50	0	0	50

In the table above, positive fair values of financial guarantees and commitments are shown with a positive sign whereas negative fair values are shown with a negative sign.

The fair value of loans and advances to customers and credit institutions has been calculated by discounting future cash flows while taking into consideration interest and credit spread effects. The interest rate impact is based on the movements of market rates, while credit spread changes are derived from PDs and LGDs used for internal risk calculations. Loans and advances were grouped into homogeneous portfolios based on rating method, rating grade, maturity and the country where they were granted. The measurement of fair values of loans to customers is not affected by whether they are subject to synthetic securitisations. As a result, they are categorised as Level 3 measurements. The fair values of debt securities at amortised cost are either taken directly from the market or they are determined by directly observable input parameters (i.e. yield curves).

The fair value of deposits and other liabilities, measured at amortised cost, is estimated by taking into account the current interest rate environment, as well as the own credit spreads. For liabilities without contractual maturities (e.g. demand deposits), the carrying amount represents the minimum of their fair value.

The fair value of issued securities and subordinated liabilities measured at amortised cost is determined based on the same valuation models as described for Liabilities above in the section Financial instruments carried at fair value.

Regarding off-balance sheet liabilities (i.e. financial guarantees and unused loan commitments) the fair value of unused loan commitments is estimated using regulatory credit conversion factors. The resulting loan equivalents are treated like other on-balance sheet assets. The difference between the calculated total fair value and the notional amount of the hypothetical loan equivalents represents the fair value of the unused loan commitments. In case of the total fair value being higher than the notional amount of the hypothetical loan equivalents the unused loan commitments have a positive fair value. The fair value of financial guarantees is estimated in analogy to credit default swaps. The fair value of the guarantee is the sum of the present value of the protection leg and the present value of the premium leg. The value of the protection leg is estimated using the PDs and LGDs of the respective customers, whereas the value of the premium leg is estimated by the present value of the future fee payments to be received. If the protection leg is higher than the premium leg, financial guarantees have a negative fair value.

33. Average number of employees during the financial period (weighted according to the level of employment)

	1-6 25	1-6 26
Austria	**16,761**	**16,792**
Erste Group Bank AG, Erste Bank Oesterreich and subsidiaries	9,348	9,244
Cross-guarantee system companies	7,413	7,548
Outside Austria	**29,051**	**38,605**
Erste Bank Polska Group	n/a	10,158
Česká spořitelna Group	9,636	9,261
Banca Comercială Română Group	5,138	4,966
Slovenská sporiteľňa Group	3,549	3,482
Erste Bank Hungary Group	3,411	3,451
Erste Bank Croatia Group	3,202	3,068
Erste Bank Serbia Group	1,274	1,274
Savings banks subsidiaries	1,560	1,594
Other subsidiaries and foreign branch offices	1,281	1,351
Total	**45,812**	**55,396**

For better comparability, prior-year figures have been adjusted to align with the current presentation format. The line item ‘Savings banks’ has been replaced by ‘Cross-guarantee system companies’, resulting in a reallocation from the line ‘Erste Group, EB Oesterreich and subsidiaries’ to ‘Cross-guarantee system companies’.

34. Own funds and capital requirements

Regulatory requirements

Since 1 January 2014, Erste Group has been calculating the regulatory own funds and the regulatory capital requirements according to the Capital Requirements Regulation (CRR, Regulation (EU) No. 575/2013)[1] and the Capital Requirement Directive (CRD IV, Directive (EU) 2013/36/EU). Both the CRD IV and CRD V[2] were transposed into national law in the Austrian Banking Act (ABA).

All requirements as defined in the CRR, the ABA and in technical standards issued by the European Banking Authority (EBA) are applied by Erste Group for regulatory purposes.

Furthermore Erste Group also fulfils capital requirements determined in the Supervisory Review and Evaluation Process (SREP).

Accounting principles

The financial and regulatory figures published by Erste Group are based on IFRS. Eligible capital components are derived from the balance sheet and income statement which were prepared in accordance with IFRS.

Regulatory scope of consolidation and institutional protection scheme

The consolidated regulatory own funds and the consolidated regulatory capital requirements are calculated based on the scope of consolidation stipulated in the CRR. The definition pursuant to CRR differs from the scope of consolidation according to IFRS, which also includes insurance companies and other entities, that are subject to full consolidation.

Erste Group Bank AG is a member of the Haftungsverbund (cross-guarantee system) of the Austrian savings bank sector. As of the balance sheet date Erste Group Bank AG and Erste Bank der oesterreichischen Sparkassen AG as well as Bausparkasse der öster-

[1] Both CRD IV and CRR have been amended since the entry into force in 2014 inter alia with directive (EU) 2019/878 (CRD V), directive (EU) 2024/1619 (CRD VI; implementation is still in political coordination), as well as regulations (EU) 2019/876 (CRR 2), (EU) 2020/873 (CRR Quick Fix) and regulation (EU) 2024/1623 (CRR3) which came into force on January 1 2025 and includes phased implementation deadlines, e.g., concerning the output floor.”

[2] CRDV has been transposed by an amendment of the ABA (BGBl I 2021/98; BWG-Novelle) which entered into force on 31 May 2021.

reichischen Sparkassen AG and all Austrian savings banks form this cross-guarantee system. Based on the cross-guarantee contract these entities are included as subsidiaries in Erste Group´s regulatory scope of consolidation.

Furthermore, Erste Group Bank AG together with the Haftungsverbund entities form an institutional protection scheme (IPS) according to Art. 113 para 7 CRR. Disclosure requirements for the institutional protection scheme according to Art. 113 para 7 e CRR are met by the publication of the consolidated financial statements, which cover all entities included in the institutional protection scheme.

Consolidated own funds

Own funds according to CRR consist of Common Equity Tier 1 (CET1), Additional Tier 1 (AT1) and Tier 2 (T2). In order to determine the capital ratios, each respective capital component – after application of all regulatory deductions and filters – is considered in relation to the total risk amount.

Beside the regulatory minimum capital ratios also capital buffers according to ABA and regulations of the Financial Market Authority (FMA) need to be considered.

In addition to minimum capital ratios and capital buffer requirements, institutions also have to fulfil capital requirements determined in the Supervisory Review and Evaluation Process (SREP). As a result of the 2025 SREP process performed by the European Central Bank (ECB) Erste Group applies a Pillar 2 requirement (P2R) of 2.00% as of 30 June 2026.

Following the SREP 2025, Erste Group is expected to meet a Pillar 2 Guidance (P2G) of 1.0% with CET1, valid as of 1 January 2026 onwards.

Erste Group targets a CET 1 ratio of 14.25% (14,0% until the second quarter of 2026).

Overview of capital requirements and capital buffers

	Dec 25	Jun 26
Pillar 1		
Minimum CET1 requirement	4.50%	4.50%
Minimum Tier 1 requirement	6.00%	6.00%
Minimum own funds requirement	8.00%	8.00%
Combined buffer requirement (CBR)	**6.03%**	**6.07%**
Capital conservation buffer	2.50%	2.50%
Countercyclical capital buffer	0.70%	0.75%
Systemic risk buffer	1.08%	1.07%
O-SII capital buffer	1.75%	1.75%
Minimum CET1 requirement (incl. CBR)	10.53%	10.57%
Minimum Tier 1 requirement (incl. CBR)	12.03%	12.07%
Minimum own funds requirement (incl. CBR)	14.03%	14.07%
Pillar 2	**2.00%**	**2.00%**
Minimum CET1 requirement	1.13%	1.13%
Minimum T1 requirement	1.50%	1.50%
Minimum own funds requirement	2.00%	2.00%
Total CET1 requirement for Pillar 1 and Pillar 2	**11.65%**	**11.70%**
Total Tier 1 requirement for Pillar 1 and Pillar 2	**13.53%**	**13.57%**
Total capital requirement for Pillar 1 and Pillar 2	**16.03%**	**16.07%**

A total CET1 requirement for Pillar 1 and Pillar 2 (excluding the P2G of 1,0%) of 11.95% is expected for year end 2026.

Erste Group´s buffer to the Maximum Distributable Amount (MDA) lies at 354 bps as of 30 June 2026.

Furthermore Erste Group has available distributable items (ADI) pursuant to Austrian Commerical Code (UGB) in the amount of EUR 8.8 billion as of 30 June 2026 (post expected dividends for the fiscal year 2026); based on CRR, which allows additional own funds components to be included, ADI are at EUR 11.2 billion.

Capital structure (phased in)

in EUR million	Dec 25	Jun 26
Common equity tier 1 capital (CET1)		
Capital instruments eligible as CET1	2,337	2,337
Retained earnings	20,118	20,132
Interim profit	0	926
Accumulated other comprehensive income (and other reserves)	-404	-541
Minority interest recognised in CET1	8,092	10,352
Common equity tier 1 capital (CET1) before regulatory adjustments	**30,143**	**33,206**
Own CET1 instruments	-125	-159
Prudential filter: cash flow hedge reserve	12	68
Prudential filter: Cumulative gains and losses due to changes in own credit risk on fair valued liabilities	114	107
Prudential filter: Fair value gains and losses arising from the institution's own credit risk related to derivative liabilities	-10	-12
Value adjustments due to the requirements for prudent valuation	-97	-160
Securitisation which qualify for a RW of 1250%, where the institution opts for the deduction alternative (deduction from CET1)	-175	-193
Goodwill	-621	-2,806
Other intangible assets	-434	-1,262
DTA that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	-1	-2
CET1 capital elements or deductions – other	-282	-313
Common equity tier 1 capital (CET1)	**28,524**	**28,474**
Additional tier 1 capital (AT1)		
Capital instruments eligible as AT1	3,479	3,475
Instruments issued by subsidiaries that are given recognition in AT1	11	10
Other AT1 eligible elements	0	252
Additional tier 1 capital (AT1) before regulatory adjustments	**3,490**	**3,738**
Own AT1 instruments	-1	-5
Additional tier 1 capital (AT1)	**3,489**	**3,733**
Tier 1 capital = CET1 + AT1	**32,013**	**32,207**
Tier 2 capital (T2)		
Capital instruments eligible as T2	4,100	4,266
Instruments issued by subsidiaries recognised in T2	360	365
IRB excess of provisions over expected losses eligible	127	188
Other T2 eligible elements	0	365
Tier 2 capital (T2) before regulatory adjustments	**4,587**	**5,183**
Own T2 instruments	-61	-44
Tier 2 capital (T2)	**4,526**	**5,139**
Total own funds	**36,539**	**37,346**
Capital requirement	**11,799**	**14,951**
CET1 capital ratio*	**19.3%**	**15.2%**
Tier 1 capital ratio	**21.7%**	**17.2%**
Total capital ratio	**24.8%**	**20.0%**

* The CET1 capital ratio of Erste Group (unconsolidated) amounts to 25.68% as of Q1 2026

The position ‘CET1 capital elements or deduction – other’ includes the development of unaudited risk provisions during the year (EU No 183/2014) and insufficient coverage for non-performing exposures (NPE Backstop) covering the requirements from both Art. 36 para 1 (m) CRR in connection with Art. 47(c) CRR and the Addendum to the ECB Guidance to banks on non-performing loans: supervisory expectations for prudential provisioning of non-performing exposures. Furthermore this position contains exposures to CIU (Collective Investment Undertakings) with a risk weight of 1,250%.

The positions ‘Other AT1 eligible elements’ and ‘Other T2 eligible elements’ include minority interest which exceed the CET1 eligibility.

Risk structure (phased in)

in EUR million	Dec 25 Total risk	Dec 25 Capital requirement	Jun 26 Total risk	Jun 26 Capital requirement
Total risk exposure amount	**147,487**	**11,799**	**186,892**	**14,951**
Risk weighted assets (credit risk)	119,889	9,591	152,474	12,198
Standardised approach	25,418	2,033	53,143	4,251
IRB approach	91,091	7,287	95,777	7,662
Contribution to the default fund of a CCP	10	1	11	1
Securitizations	3,370	270	3,543	283
Settlement risk	1	0	0	0
Trading book, foreign FX risk and commodity risk	4,585	367	5,766	461
Operational risk	22,277	1,782	27,451	2,196
Exposure for CVA	333	27	799	64
Other exposure amounts (incl. Basel 1 floor)	402	32	402	32

The position “Other exposure amounts (including Basel 1 floor)" includes an additional RWA add-on in the amount of approximate EUR 402 million due to a temporary non-compliance with the CRR3 provisions related to the CCF estimates.

35. Events after the balance sheet date

There are no significant events after the balance sheet date.

36. Acquisition of Erste Bank Polska

In May 2025, Erste Group Bank AG and Banco Santander S.A. entered into an agreement under which Erste Group acquired a 49% stake in Santander Bank Polska Group S.A., a publicly listed universal bank operating in Poland, and a 50% stake in Santander Towarzystwo Funduszy Inwestycyjnych S.A. (‘TFI’), an asset management company. The transaction was closed on 9 January 2026, the acquisition date, when Erste Group obtained control of the companies.

At the extraordinary general assembly of Santander Bank Polska S.A. held on 22 January 2026, a resolution to rename Santander Bank Polska S.A. to ‘Erste Bank Polska S.A.’ was unanimously approved. The rebranding will also apply to other Santander Bank Polska group companies that have ‘Santander’ in their name. As a result, Santander Bank Polska S.A is further referred to as ‘Erste Bank Polska’ which also applies when the disclosures relate to the period before the acquisition date.

The acquisition of Erste Bank Polska is consistent with Erste Group’s strategic objective of strengthening its presence in Central and Eastern Europe and expanding its retail and corporate banking operations in Poland, one of the largest and fastest-growing banking markets in the EU. The business combination provides Erste Group with access to a well-diversified customer base, a strong distribution network and a scalable operational platform. Erste Bank Polska is the third-largest bank in Poland by assets, with a market share of 8% (based on the transaction perimeter as of December 2024), and is also one of the most profitable banks in the country. It offers a full range of commercial banking products to retail, SME and corporate clients. TFI is an asset management company with EUR 6 billion in assets under management as of December 2024.

Erste Group considers that the 49.00% stake in Erste Bank Polska constitutes a controlling interest, despite not representing a majority of the voting rights. Currently Banco Santander S.A. holds 9.70%, Allianz Polska Otwarty Fundusz Emerytalny 5.23% and Nationale-Nederlanden OFE 5.01% of the share capital in Erste Bank Polska. The remaining 31.06% of the share capital is in free float, of which 12.36% is held by 21 institutional investors each holding more than a 0.1% stake. There is no information regarding voting agreements among the shareholders. Over the last five years the participation rate at general meetings of Erste Bank Polska was stable between 82% to 86%. The critical participation rate at which shareholders, acting in a mutual agreement, could theoretically outvote Erste Group exceeds 98%. As a result, Erste Group concludes that due to the wide dispersion of shareholdings of the other vote holders it exercises control over Erste Bank Polska.

Regarding TFI, the other 50% stake is held directly by Santander Bank Polska which grants Erste Group control over 100% of the voting rights.

The transaction is accounted for as a business combination using the acquisition method under IFRS 3.

Consideration transferred. The consideration amounts to EUR 7,035 million paid in cash. No equity-settled consideration arrangements exist. The amount consists of EUR 6,844 million paid for Erste Bank Polska and EUR 171 million paid for TFI. The remaining EUR 20 million relates to post-tax effect of the acquisition price increase in connection with the sale of shares in Santander Consumer Bank S.A. (subsidiary of Erste Bank Polska S.A) held by Erste Bank Polska prior to the finalisation of the transaction. The consideration of EUR 20 million was paid in cash in March 2026 in accordance with the contract, while the remaining consideration of EUR 7,015 million was paid on the acquisition date.

Acquisition related costs. The Group incurred acquisition-related costs of EUR 38 million relating to external legal fees, advisory and due diligence costs. These costs were recognised in 2025 and included in 'administrative expenses' in the consolidated statement of income.

Identifiable assets acquired and liabilities assumed. The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition measured based on the IFRS 3 requirements.

in EUR million	Carrying Amount	IFRS 3 adjustment	IFRS 3 measurement
Cash and cash balances	3,240	0	3,240
Financial assets held for trading	4,105	0	4,105
Financial assets at fair value through other comprehensive income	9,198	0	9,198
Debt securities at amortised cost	11,880	277	12,158
Loans and advances to banks at amortised cost	3,387	0	3,387
Loans and advances to customer at amortised cost	33,903	266	34,169
Finance lease receivables	2,546	15	2,560
Hedge accounting derivatives	479	0	479
Property and equipment	309	0	309
Intangible assets	633	-369	264
Customer relationship	0	2,170	2,170
Investments in associates and join ventures	234	97	332
Deferred tax assets	158	-158	0
Other assets	2,834	3	2,837
Total assets	**72,906**	**2,301**	**75,206**
Financial liabilities held for trading	2,925	0	2,925
Deposits from banks at amortised cost	675	0	675
Deposits from customers at amortised cost	55,059	0	55,059
Debt securities issued at amortised cost	3,813	0	3,813
Lease liabilities	92	0	92
Hedge accounting derivatives	46	0	46
Provisions	579	331	909
Deferred tax liability	0	481	481
Other liabilities	1,317	103	1,420
Total liabilities	**64,505**	**915**	**65,420**

Although the legal closing of the transaction took place on 9 January 2026, the opening balances as of 1 January 2026 (identical to the closing balances as of 31 December 2025) were used as the carrying amounts of the identifiable assets acquired and liabilities assumed. They were adjusted for significant transactions and other relevant events arising in the intervening period.

In accordance with IFRS 3, the assets acquired and the liabilities assumed as part of the purchase price allocation at the acquisition date are generally measured at fair value. In accordance with IFRS 13, for assets and liabilities for which quoted prices in active markets are not available, fair values are determined using valuation techniques that require the use of assumptions and judgments. Absence of quoted market prices is common in the purchase price allocation process. Accordingly, the fair values recognised in the PPA are subject to estimation uncertainty and reflect reasonable estimates based on information available at the acquisition date, rather than precise or directly observable amounts.

The acquired receivables

Loans and advances to banks at AC

in EUR million	Amount
Fair value of the receivables	3,387
Gross contractual amounts receivable	3,387
Contractual cash flows not expected to be collected	0

Loans and advances to customers at AC

in EUR million	Amount
Fair value of the receivables	34,169
Gross contractual amounts receivable	35,143
Contractual cash flows not expected to be collected	1,463

Loans and advances to customers at FVOCI

in EUR million	Amount
Fair value of the receivables	881
Gross contractual amounts receivable	914
Contractual cash flows not expected to be collected	36

Finance lease receivables

in EUR million	Amount
Fair value of the receivables	2,560
Gross contractual amounts receivable	2,562
Contractual cash flows not expected to be collected	53

Factoring receivables (Other assets)

in EUR million	Amount
Fair value of the receivables	1,977
Gross contractual amounts receivable	2,007
Contractual cash flows not expected to be collected	34

Goodwill

Goodwill arising from the acquisition was measured as follows.

in EUR million	Amount
(i) Consideration transferred*	7,035
(ii) Non-controlling interests measured based on a proportionate share in the recognised amounts of the assets and liabilities of Erste Bank Polska	4,971
(iii) Fair value of identifiable net assets**	9,786
Goodwill = (i) + (ii) – (iii)	2,220

* See part Consideration transferred

** See part Identifiable assets acquired and liabilities assumed

The goodwill recognised in connection with the acquisition primarily reflects:

- anticipated synergies expected to arise from integrating the operations of Erste Bank Polska with those of Erste Group, including operational efficiencies, enhanced distribution capabilities, optimisation of funding and liquidity management, and cost rationalisation;
- the value of assembled workforce and other intangible resources that do not meet the recognition criteria for identifiable intangible assets under IAS 38;
- expected future profitability of the combined entity that cannot be separately recognised as an intangible asset; and
- the strategic benefits derived from expanding Erste Group's footprint in a key EU banking market not otherwise available for separate recognition.

The goodwill is not deductible for income tax purposes.

The reconciliation of the carrying amount of goodwill is shown in the following table.

in EUR million	Amount
Gross carrying amount (=carrying amount) at the acquisition date	2,220
Net exchange rate differences	-35
Gross carrying amount (=carrying amount) at the reporting date	2,185

Contribution to the operating income and the net result

Due to immateriality of the differences resulting from the short period between 1 January 2026 and the acquisition date on 9 January 2026, Erste Bank Polska was included in the consolidated financial statements of Erste Group as of 1 January 2026. Up to the reporting date of 30 June 2026, the contribution of the Erste Bank Polska group to Erste Group's operating income amounts to EUR 1,801 million, while the contribution to the net result for the period amounted to EUR 357 million.

The purchase price allocation has been finalised for all the assets acquired and liabilities assumed except for the area of provisions, due to the ongoing assessment of recent court rulings and related market developments. Erste Group continues to observe developments in legal interpretation, court practice and the judicial environment relevant to these matters. For this reason, the measurement period for this topic remains open in accordance with IFRS 3.45 until sufficient information about facts and circumstances that existed as of the acquisition date in relation to these matters has been obtained.

ABBREVIATIONS

ABA	Austrian Banking Act
ABC	Anti-bribery and Corruption
AC	Amortised cost
AI	Artificial Intelligence
ALCO	Asset Liability Committee
ALM	Asset Liability Management
AMA	Advanced Measurement Approach
AT1	Additional Tier 1
AuM	Assets under Management
B2BS	Beyond 2°C Scenario
BCR	Banca Comercială Românlă S.A.
CapEx	Capital Expenditures
CCMO	Chief Corporates and Markets Officer
CEE	Central and Eastern Europe
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CET1	Common Equity Tier 1
CGU	Cash-Generating Unit
CLA	Credit Loss Allowance
CMO	Collateralised Mortgage Obligation
CO_2	Carbon Dioxide
CO_2e	Carbon Dioxide Equivalent
CoI	Conflict of Interest
COO	Chief Operating Officer
CPO	Chief Platform Officer
CRD	Capital Requirements Directive
CRE	Commercial Real Estate
CRetO	Chief Retail Officer
CRO	Chief Risk Officer
CRP	Credit Portfolio Steering
CRR	Capital Requirements Regulation
CSAS	Česká spořitelna, a.s.
CSDDD	Corporate Sustainability Due Diligence Directive
CSRD	Corporate Sustainability Reporting Directive
CVA	Credit Value Adjustments
DBEIS	Department for Business, Energy & Industrial Strategy
Defra	Department for Environment, Food & Rural Affairs
DFR	Deposit Facility Rate
DMA	Double Materiality Assessment
DNSH	Do no significant harm
DQ	Data Quality
DTA	Deferred Tax Asset
DVA	Debit Value Adjustment
EAD	Exposure At Default
EBA	European Banking Authority
EBC	Erste Bank Croatia
EBH	Erste Bank Hungary Zrt.
EBOe	Erste Bank Oesterreich
EBP	Erste Bank Polska
ECB	European Central Bank
ECL	Expected Credit Loss
EIB	European Investment Bank
EIF	European Investment Fund
EIR	Effective interest rate
eop	end of period
EPC	Energy Performance Certificate
ERG	Employee Resource Group
ERM	Enterprise wide & Operational Risk Management

ESG	Environmental, Social and Governance
ESMA	European Security and Markets Authority
ESRS	European Sustainability Reporting Standards
EVIC	Enterprise Value including Cash
FinGuar	Financial Guarantees
FINREP	Financial Reporting
FKi	Frauen-Karriere-Index; Women's Career Index
FLI	Forward Looking Information
FLiP	Erste Financial Life Park
FMA	Financial Market Authority
FTE	Full-time Equivalent
FVOCI	Fair value through other comprehensive income
FVPL	Fair value through profit or loss
FX	Foreign exchange
GAR	Green Asset Ratio
GCA	Gross Carrying Amount
GCC	Group Corporate Centre
GDM	Group Diversity Management
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas
GWP	Global Warming Potentials
HC	Headcount
HFT	Held for trading
IAS	International Accounting Standards
IC	Intercompany
ICAAP	Internal Capital Adequacy Assessment Process
ICS	Internal Control System
ICT	Information and Communication Technology
IEA	International Energy Agency
IFRS	International Financial Reporting Standards
ILO	International Labour Organization
IRO	Impacts, Risks and Opportunities
KPI	Key Performance Indicator
LC	Large Corporates
LCC	Local Corporate Centre
LCR	Liquidity Coverage Ratio
LDM	Local Diversity Management
LGD	Loss Given Default
LT PD	Lifetime Probability of Default
LULUCF	Land Use, Land-Use Change and Forestry
MREL	Minimum Requirement for Own Funds and Eligible Liabilities
MS	Minimum Safeguards
MWh	Megawatt-hour
N&G	Nuclear and Gas
NACE	Nomenclature statistique des activités économiques dans la Communauté éeuropéenne
NCI	Non-controlling Interest
NECPs	National Energy and Climate Plans
NFR	Non-financial Risk
NGFS	Network for Greening the Financial System
NGO	Non-Governmental Organisation
NPE	Non-performing Exposure
NPL	Non-performing Loans
NZE	Net Zero Emissions
NZEB	Nearly Zero Energy Building
OCI	Other comprehensive income
O-SII	Other Systemic Important Institution
OTC	Over the Counter
P&L	Profit and loss
P2G	Pillar 2 Guidance
P2R	Pillar 2 Requirement

PACTA	Paris Agreement Capital Transition Assessment
PCAF	Partnership for Carbon Accounting Financials
PD	Probability of Default
PED	Primary Energy Demand
POCI	Purchased or originated credit impaired
PSU	Performance Share Unit
RAS	Risk Appetite Statement
RCP	Representative Concentration Pathway
REF	Real Estate Financing
RMA	Risk Materiality Assessment
RRE	Residential Real Estate
RWA	Risk Weighted Assets
SBTi	Science Based Targets initiative
SC	Substantial Contribution
SDA	Sectoral Decarbonisation Approach
SFM	Sustainable Finance Methodology
SICR	Significant increase in credit risk
SLSP	Slovenská sporiteľňa
SME	Small and medium-sized Enterprises
Sparkasse Kärnten	Kärntner Sparkasse Aktiengesellschaft
Sparkasse Oberösterreich	Sparkasse Oberösterreich Bank AG
Sparkasse Steiermark	Steiermärkische Bank und Sparkassen Aktiengesellschaft
SPPI	Solely payments of principal and interest
SREP	Supervisory Review and Evaluation Process
T&D	Transmission and Distribution
T1	Tier 1
T2	Tier 2
TLTRO	Target Longer-Term Refinancing Operations
TMT	Technology, Media and Telecommunications
UBA	Umweltbundesamt
UGB	Unternehmensgesetzbuch; Austrian Company Code
UN	United Nations
UoP	Use of Proceeds
VAR	Value at Risk
WACI	Weighted Average Carbon Intensity
WBT	Web-based Training
WEO	World Energy Outlook
WTT	Well-to-tank

Statement of all Legal Representatives

We confirm to the best of our knowledge that the interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the group management report gives a true and fair view of important events that have occurred during the first six months of the financial year and their impact on the interim financial statements, of the principal risks and uncertainties for the remaining six months of the financial year and of the major related party transactions to be disclosed.

Management Board	
Peter Bosek mp, Chairman	
Stefan Dörfler mp, Member	Alexandra Habeler-Drabek mp, Member
Maurizio Poletto mp, Member	

Vienna, 30 July 2026

Your notes

We have prepared this report with the greatest possible care and have thoroughly checked the data presented in it. However, we cannot rule out errors associated with rounding, transmission, typesetting or printing. The English version of the report is a translation.

NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements. These statements are based on current estimates, assumptions and projections of Erste Group Bank AG and currently available public information. They are not guarantees of future performance and involve certain known and yet unknown risks and uncertainties and are based upon assumptions as to future events that may not prove to be accurate. Many factors could cause the actual results or performance to be materially different from those that may be expressed or implied by such statements. Erste Group Bank AG does not assume any obligation to update the forward-looking statements contained in this report.

FINANCIAL CALENDAR

30 October 2026	Results for the third quarter of 2026

The financial calendar is subject to change.
The latest updated version is available on Erste Group's website:
www.erstegroup.com/investorrelations

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