# Erste Group posts net profit of EUR 3,095 million in the first nine months of 2026

## Financial data

| Income statement | | | | | |
|---|---|---|---|---|---|
| **in EUR million** | **Q3 25** | **Q2 26** | **Q3 26** | **1-9 25** | **1-9 26** |
| Net interest income | 1,975 | 2,713 | 2,872 | 5,761 | 8,258 |
| Net fee and commission income | 798 | 964 | 974 | 2,340 | 2,903 |
| Net trading result and gains/losses from financial instruments at FVPL | 88 | 234 | 155 | 288 | 618 |
| Operating income | 2,919 | 4,020 | 4,072 | 8,587 | 12,031 |
| Operating expenses | -1,362 | -1,766 | -1,756 | -4,068 | -5,293 |
| Operating result | 1,556 | 2,254 | 2,316 | 4,519 | 6,737 |
| Impairment result from financial instruments | -136 | -144 | -170 | -318 | -753 |
| Post-provision operating result | 1,420 | 2,111 | 2,146 | 4,200 | 5,985 |
| **Net result attributable to owners of the parent** | **901** | **1,096** | **1,121** | **2,566** | **3,095** |
| | | | | | |
| Net interest margin (on average interest-bearing assets) | 2.42% | 2.64% | 2.73% | 2.37% | 2.65% |
| Cost/income ratio | 46.7% | 43.9% | 43.1% | 47.4% | 44.0% |
| Provisioning ratio (on average gross customer loans) | 0.24% | 0.20% | 0.24% | 0.19% | 0.37% |
| Tax rate | 20.5% | 23.6% | 24.0% | 20.5% | 24.0% |
| Return on tangible equity | 18.0% | 22.1% | 23.8% | 16.8% | 20.9% |

| Balance sheet | | | | | |
|---|---|---|---|---|---|
| **in EUR million** | **Sept 25** | **Jun 26** | **Sept 26** | **Dec 25** | **Sept 26** |
| Cash and cash balances | 25,345 | 23,757 | 22,299 | 27,573 | 22,299 |
| Trading, financial assets | 77,229 | 111,826 | 111,445 | 79,522 | 111,445 |
| Loans and advances to banks | 23,965 | 27,811 | 26,793 | 20,827 | 26,793 |
| Loans and advances to customers | 227,978 | 282,704 | 287,432 | 231,985 | 287,432 |
| Intangible assets | 1,390 | 5,857 | 5,752 | 1,413 | 5,752 |
| Miscellaneous assets | 6,944 | 9,182 | 8,747 | 7,254 | 8,747 |
| **Total assets** | **362,851** | **461,137** | **462,468** | **368,574** | **462,468** |
| | | | | | |
| Financial liabilities held for trading | 2,538 | 4,732 | 4,660 | 2,412 | 4,660 |
| Deposits from banks | 15,830 | 21,191 | 20,770 | 16,919 | 20,770 |
| Deposits from customers | 247,811 | 323,653 | 324,131 | 252,991 | 324,131 |
| Debt securities issued | 55,835 | 58,913 | 61,318 | 54,872 | 61,318 |
| Miscellaneous liabilities | 7,074 | 10,957 | 9,717 | 6,715 | 9,717 |
| Total equity | 33,763 | 41,691 | 41,873 | 34,665 | 41,873 |
| **Total liabilities and equity** | **362,851** | **461,137** | **462,468** | **368,574** | **462,468** |
| | | | | | |
| Loan/deposit ratio | 92.0% | 87.3% | 88.7% | 91.7% | 88.7% |
| NPL ratio | 2.5% | 2.3% | 2.3% | 2.4% | 2.3% |
| NPL coverage ratio (based on AC loans, ex collateral) | 73.7% | 68.4% | 68.8% | 69.7% | 68.8% |
| CET1 ratio (phased-in) | 17.5% | 15.2% | 14.6% | 19.3% | 14.6% |

**HIGHLIGHTS**
P&L: 1-9 2026 compared with 1-9 2025
Balance sheet: 30 September 2026 compared with 31 December 2025
The first-time consolidation of Erste Bank Polska materially affected the consolidated financial statements.

**Net interest income** rose to EUR 8,258 million (+43.4%; EUR 5,761 million). Increases were recorded primarily in the Czech Republic and Hungary on the back of loan growth and in Austria due to lower interest expenses on customer deposits. An additional major contribution came from Poland in the amount of EUR 2,095 million. **Net fee and commission income** rose in nearly all core markets and income categories to EUR 2,903 million (+24.0%; EUR 2,340 million), including EUR 341 million from Poland. **Net trading result** increased to EUR 423 million (EUR 231 million); the line item **gains/losses from financial instruments measured at fair value through profit or loss** rose to EUR 195 million (EUR 58 million). The development of both line items was mostly attributable to valuation effects. **Operating income** was up at EUR 12,031 million (+40.1%; EUR 8,587 million), with EUR 2,708 million contributed by Poland. **General administrative expenses** rose to EUR 5,293 million (+30.1%; EUR 4,068 million), including EUR 1,098 million from Poland. In the first three quarters of the year, integration costs were posted in the total amount of EUR 100 million. Personnel expenses increased to EUR 2,975 million (+21.5%; EUR 2,449 million). This was primarily due to the consolidation of the Poland segment (EUR 428 million) and collectively agreed salary increases. Other administrative expenses were higher at EUR 1,603 million (+32.9%; EUR 1,206 million), thereof EUR 396 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 53 million (EUR 59 million), IT expenses increased to EUR 734 million (EUR 530 million), most importantly due to the inclusion of Poland (EUR 187 million). Amortisation and depreciation amounted to EUR 715 million (+73.2%; EUR 413 million), with Poland accounting for EUR 274 million. Overall, the **operating result** increased to EUR 6,737 million (+49.1%; EUR 4,519 million), the **cost/income ratio** improved to 44.0% (47.4%).

The **impairment result from financial instruments** amounted to EUR -753 million or 37 basis points of average gross customer loans (EUR -318 million or 19 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 68.8% (69.7%).

**Other operating result** deteriorated to EUR -495 million (EUR -212 million). Banking levies – currently payable in five core markets – went up. EUR 529 million (EUR 284 million) are reflected in other operating result: thereof, EUR 224 million (EUR 141 million) were charged in Hungary (including EUR 121 million banking tax for the full year), EUR 148 million in Poland. In Austria, banking tax amounted to EUR 97 million (EUR 102 million), in Romania to EUR 59 million (EUR 41 million). The banking tax in Slovakia of EUR 56 million (EUR 50 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 1,317 million (EUR 815 million). The minority charge increased to EUR 1,077 million (EUR 596 million) on the back of higher contributions from the savings banks and the inclusion of the Poland segment (EUR 318 million). The **net result attributable to owners of the parent** rose to EUR 3,095 million (+20.6%; EUR 2,566 million).

**Total equity** not including AT1 instruments rose to EUR 38.4 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 28.2 billion (EUR 28.5 billion), total **own funds** at EUR 37.1 billion (EUR 36.5 billion). While interim profit for the first half of the year is included in the above figures, interim profit for the third quarter is not. Total risk (**risk-weighted assets** including credit, market and operational risk) rose to EUR 192.8 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 14.6% (19.3%), the **total capital ratio** to 19.2% (24.8%). The initial consolidation of Erste Bank Polska reduced the CET1 ratio by 455 basis points.

**Total assets** increased to EUR 462.5 billion (+25.5%; EUR 368.6 billion). On the asset side, cash and cash balances declined to EUR 22.3 billion (EUR 27.6 billion); loans and advances to banks increased to EUR 26.8 billion (EUR 20.8 billion). Year to date, **loans and advances to customers** rose to EUR 287.4 billion (+23.9%; EUR 232.0 billion), most importantly on the back of the Polish portfolio of EUR 41.9 billion. In the other core markets, increased volume was recorded most notably in the Czech Republic, Hungary, Slovakia and Austria. On the liability side, deposits from banks rose to EUR 20.8 billion (EUR 16.9 billion). **Customer deposits** were up at EUR 324.1 billion (+28.1%; EUR 253.0 billion). This rise was driven mainly by the first-time consolidation of Poland (EUR 59.9 billion) as well as higher deposits from corporates in Austria and the Czech Republic. The **loan-to-deposit ratio** stood at 88.7% (91.7%).

**OUTLOOK 2026**

Based on the good business development in the first three quarters of the year, Erste Group again raises the financial outlook for 2026. Erste Group expects to achieve a return on tangible equity (ROTE) of above 20% in 2026 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, supported by broadly stable interest rates, especially in the euro zone, and stable margins. Based on this, healthy loan volume growth of 6-8% 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 more than 6% (instead of about 5%), fee and commission income should increase by around 10% (compared to 7-9% before), 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 below 46% (instead of less than 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 are 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 three quarters 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 above EUR 290 billion (instead of approximately EUR 290 billion). 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%, 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.

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.

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