ERSTE Group

Interim Report
Third quarter 2026

Key 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**
Other operating result	-29	-136	-165	-212	-495
Levies on banking activities	-87	-141	-138	-284	-529
Pre-tax result from continuing operations	1,395	1,973	1,984	3,978	5,489
Taxes on income	-286	-466	-476	-815	-1,317
Net result for the period	1,109	1,507	1,508	3,162	4,172
Net result attributable to non-controlling interests	208	411	387	596	1,077
Net result attributable to owners of the parent	**901**	**1,096**	**1,121**	**2,566**	**3,095**
Earnings per share	2.20	2.48	2.74	6.13	7.37
Return on tangible equity	18.0%	22.1%	23.8%	16.8%	20.9%
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%

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%

Ratings	Sept 25	Jun 26	Sept 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 around EUR 3.1 billion for the first three quarters of 2026, Erste Group once again confirms its position as the leading bank in Central Europe. Following the consolidation 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, among them last but not least the strong operating result and, overall, solid asset quality. In particular, I would like to highlight that operating income grew faster than operating expenses. As a result, we further improved our operational efficiency, with the cost/income ratio currently standing at 44.0%.

Even excluding the contribution from EBP (since 9 January 2026), our business momentum remained strong: net interest income and net fee and commission income, the two key components of operating income, increased by 7% and even close to 10%, respectively, in the first three quarters of the year. The strong performance of net interest income was primarily due to loan growth and the repricing of customer deposits as well as 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 posted operating income of EUR 12 billion against operating expenses of EUR 5.3 billion. Personnel and IT expenses remained key cost drivers, while integration expenses for the Polish business amounted to EUR 100 million. As in previous years, contributions to deposit guarantee schemes, totalling EUR 53 million, had already been recognised for the full year. In respect of Poland, regular amortisation charges of EUR 180 million were recognised for the customer base and the brand. Other operating result largely reflects banking taxes in Austria, Hungary (excluding transaction taxes, already recognised for the full year of 2026), Poland and Romania, amounting to a total of EUR 529 million. Their adverse impact was thus notably higher than in the comparable period of the previous year (EUR 284 million).

The addition of Erste Bank Polska and organic growth significantly increased our total assets, from EUR 369 billion at year-end 2025 to currently EUR 462 billion. Customer deposits – traditionally one of Erste Group's key strengths – rose to EUR 324 billion, including EUR 60 billion in Poland. Including the Polish loan portfolio of EUR 42 billion, net customer loans amounted to EUR 287 billion at the end of September. Excluding Poland, customer lending expanded by 5.8% in the first nine months 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 nine months, risk costs amounted to EUR 753 million, corresponding to a loan loss provision ratio (based on average gross customer loans) of 37 basis points. Of this amount, EUR 302 million represent a one-off effect that does not reflect any deterioration in portfolio quality but resulted from IFRS 9 provisioning required upon the initial consolidation of the acquired Polish portfolio. Economic forecasts for our region remained largely unchanged, despite renewed upward pressure on energy prices, likewise macroeconomic indicators such as inflation expectations, unemployment rates and foreign trade and fiscal balances. More recently we have, however, noted a distinct rise in interest rates along the entire yield curve not in all, but most core markets, which in the current environment benefits the banking business.

I can confirm that Erste Group's capital position is solid: at the end of September 2026, the Common Equity Tier 1 (CET1) ratio stood at 15% (including third-quarter profit and still assuming a payout ratio of 50%). This gives us flexibility and the capacity to return to our previous dividend payout ratios. As you know, however, we will do so to the full extent only if alternative investment opportunities do not offer higher returns for you, our shareholders. As already announced at the end of September we will, to this end, launch a voluntary takeover bid in early November to increase our stake in Erste Bank Polska.

Consequently, we will publish a final dividend proposal and an official outlook for 2027 only when we know about the outcome of the offer. On the other hand, the strong performance of our business over the first nine months of 2026 allows us to raise the outlook for the current financial year once again: we now expect net interest income excluding EBP to increase by more than 6%, which should lead to total net interest income comfortably exceeding EUR 11 billion. These assumptions are supported by stronger lending growth to, overall, more than EUR 290 billion (instead of around EUR 290 billion). Net fee and commission income is forecast to grow by about 10% (instead of 7 to 9%, again excluding Poland). As a result, the cost/income ratio (excluding Poland) should fall to below 46%. Risks costs (including Poland) are expected in a range of 25 to 30 basis points, leading to a rise in net profit to more than EUR 4 billion.

Overall, from today's vantage point, I do not see any reason why Erste Group's solid business momentum should not keep going in Europe's undisputed growth region in 2027.

Peter Bosek m.p.

Erste Group on the capital markets

EQUITY MARKET REVIEW

Geopolitical uncertainties and persistent inflationary pressure continued to affect equity market developments in the third quarter. The European Central Bank (ECB) raised its policy rate for the second time this year by 25 basis points to 2.50%. The US Federal Reserve (Fed) – in response to ongoing inflationary pressure and rising energy prices – also raised its policy rate by 25 basis points to a range of 3.75% to 4.00%. Global bond yields increased significantly, with US Treasury yields reaching their highest level since 2002. International equity indices continued their positive trend during the reporting period, albeit at a somewhat slower pace than in the previous quarter. This was primarily attributable to the overall resilience of the economy, positive corporate earnings developments and the ongoing AI boom. In the US, the broad-based Standard & Poor's 500 Index closed the third quarter at 7,651.54 points, up 2.0% in the quarter and 11.8% year-to-date. The NASDAQ Composite technology index closed September at 26,861.06 points, gaining 2.5% in the third quarter and 15.6% since the beginning of the year. At 50,906.05 points at the end of September, the Dow Jones Industrial Average Index was down 2.7% quarter-on-quarter but up 5.9% year-to-date. In Europe, the broad-based Stoxx Europe 600 Index, which reflects the performance of the 600 largest listed companies from 17 European countries, and the Euro Stoxx 50 Index both ended the third quarter more or less unchanged. Year-to-date, the two indices gained 7.2% and 8.2%, respectively. The Austrian Traded Index (ATX) continued its solid performance in the third quarter, rising by 6.1% and marking an all-time high of 7,012.13 points on 28 September. With a year-to-date gain of 28.7% to 6,856.00 points, it ranked second among the equity market indices covered, behind Japan's Nikkei 225 (+32.6%). The Dow Jones Euro Stoxx Banks Index, which is composed of the leading European bank shares, increased by 5.8% in the third quarter and by 18.0% year-to-date.

SHARE PERFORMANCE

Following the publication of second-quarter 2026 results, the Erste Group share continued its upward trend during the reporting period. Market participants focused in particular on the upgraded outlook for 2026, business performance, asset quality, profitability, capital development and the financial ambitions 2030. The announcement of the planned voluntary takeover offer to increase the stake in Erste Bank Polska was also positively received. The share marked its third-quarter low of EUR 111.70 on 17 July. On 28 September, the Erste Group share reached its highest closing price in the reporting period at EUR 126.40, also setting a new all-time high. The closing price on 30 September 2026 was EUR 121.10, representing an increase of 3.4% in the quarter and 17.7% year-to-date. Market capitalisation amounted to EUR 49.7 billion. The Erste Group share is listed on the stock exchanges Vienna, Prague and Bucharest. At its main stock exchange in Vienna, trading volume averaged 304,738 shares per day in the quarter ended.

ISSUING ACTIVITIES

From a funding perspective, the third quarter was primarily characterised by MREL-related issuances. In September, Erste Group issued its inaugural dual-tranche Senior Preferred transaction, opting for maturities of three and seven years, each with a volume of EUR 750 million and a bullet structure. Both tranches attracted strong investor demand, with the combined order book exceeding EUR 4.5 billion. The two tranches were placed at MS+37 basis points and MS+70 basis points, respectively. With this dual-tranche transaction, Erste Group has covered its funding needs for 2026. Any potential further transactions in the fourth quarter would be undertaken for strategic reasons.

INVESTOR RELATIONS

In the third 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 and during telephone and video conferences. The economic development and the strategy of Erste Group against the backdrop of the current environment were presented at international banking and investor conferences hosted by UBS, Kepler Cheuvreux, Goldman Sachs, Barclays, Natixis, Santander, the European Covered Bond Council (ECBC), Baader Bank, Bank of America Merrill Lynch and mBank.

Interim management report

In the interim management report, financial results from January to September 2026 are compared with those from January to September 2025 and balance sheet positions as of 30 September 2026 with those as of 31 December 2025. The first-time consolidation of Erste Bank Polska materially affected the consolidated financial statements.

EARNINGS PERFORMANCE IN BRIEF

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.

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 at the time of initial publication end of July 2026, 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	1-9 25	1-9 26	Change
Net interest income	5,761	8,258	43.4%
Net fee and commission income	2,340	2,903	24.0%
Net trading result and gains/losses from financial instruments at FVPL	288	618	>100.0%
Operating income	8,587	12,031	40.1%
Operating expenses	-4,068	-5,293	30.1%
Operating result	**4,519**	**6,737**	**49.1%**
Impairment result from financial instruments	-318	-753	>100.0%
Other operating result	-212	-495	>100.0%
Levies on banking activities	-284	-529	86.5%
Pre-tax result from continuing operations	**3,978**	**5,489**	**38.0%**
Taxes on income	-815	-1,317	61.6%
Net result for the period	**3,162**	**4,172**	**31.9%**
Net result attributable to non-controlling interests	596	1,077	80.5%
Net result attributable to owners of the parent	**2,566**	**3,095**	**20.6%**

Net interest income

Net interest income rose mainly driven by higher loan volumes in the Czech Republic and Hungary as well as lower interest expenses on customer deposits in Austria. An additional major contribution came from Poland in the amount of EUR 2,095 million. The net interest margin (calculated as the annualised net interest income over average interest-bearing assets) stood at 2.65% (2.37%), 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 and insurance brokerage also performed well. A major contribution to the significant rise in fee and commission income came from Poland in the amount of EUR 341 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 177 million to EUR 423 million (EUR 231 million). Gains/losses from financial instruments measured at fair value through profit or loss, rose as well to EUR 195 million (EUR 58 million), most notably due to gains from the valuation of debt securities in issue at fair value.

General administrative expenses

in EUR million	1-9 25	1-9 26	Change
Personnel expenses	-2,449	-2,975	21.5%
Other administrative expenses	-1,206	-1,603	32.9%
Depreciation and amortisation	-413	-715	73.2%
General administrative expenses	**-4,068**	**-5,293**	**30.1%**

Personnel expenses increased, most importantly due to the first-time inclusion of Poland (EUR 428 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 100 million. Contributions to deposit insurance schemes (already for the full year 2026) declined to EUR 53 million (EUR 59 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 715 million (EUR 413 million), primarily as a result of the first-time inclusion of Poland. In Poland, amortisation and depreciation amounted to EUR 274 million, with the key items being the amortisation of the customer relationships, acquired software and brand (EUR 223 million). The cost/income ratio stood at 44.0% (47.4%).

Headcount as of end of the period

	Dec 25	Sep 26	Change
Austria	**16,844**	**16,697**	**-0.9%**
Erste Group Bank AG, Erste Bank Oesterreich and subsidiaries	9,321	9,112	-2.2%
Cross-guarantee system companies	7,522	7,585	0.8%
Outside Austria	**28,857**	**38,263**	**32.6%**
Erste Bank Polska Group	n/a	9,944	n/a
Česká spořitelna Group	9,483	9,080	-4.3%
Banca Comercială Română Group	5,051	4,872	-3.5%
Slovenská sporiteľňa Group	3,514	3,436	-2.2%
Erste Bank Hungary Group	3,430	3,455	0.7%
Erste Bank Croatia Group	3,176	3,032	-4.5%
Erste Bank Serbia Group	1,270	1,276	0.5%
Savings banks subsidiaries	1,578	1,556	-1.4%
Other subsidiaries and foreign branch offices	1,355	1,612	19.0%
Total	**45,700**	**54,959**	**20.3%**

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 0 million (EUR -11 million).

Impairment result from financial instruments

The impairment result from financial instruments amounted to EUR -753 million (EUR -318 million). Net allocations to provisions for loans and advances amounted to EUR 811 million (EUR 359 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 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 529 million (EUR 284 million). In Hungary, banking levies (with the exception of the transaction tax already for the full year 2026) increased to a total of EUR 224 million (EUR 141 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 59 million (EUR 41 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 97 million (EUR 102 million), in Poland to EUR 148 million. The decline in the result from other operating expenses/income to EUR 108 million (EUR 137 million) also had a negative effect. 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 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). The return on tangible equity (ROTE) was 20.9% (16.8%).

FINANCIAL RESULTS – QUARTER-ON-QUARTER COMPARISON

Third quarter of 2026 compared with the second quarter of 2026

in EUR million	Q3 25	Q4 25	Q1 26	Q2 26	Q3 26
Income statement					
Net interest income	1,975	2,027	2,674	2,713	2,872
Net fee and commission income	798	850	965	964	974
Dividend income	3	4	4	41	9
Net trading result	90	82	161	262	0
Gains/losses from financial instruments measured at fair value through profit or loss	-2	49	68	-29	156
Net result from equity method investments	10	13	19	21	15
Rental income from investment properties & other operating leases	45	46	48	48	47
Personnel expenses	-824	-886	-974	-1,002	-998
Other administrative expenses	-399	-481	-556	-519	-528
Depreciation and amortisation	-139	-147	-241	-244	-230
Gains/losses from derecognition of financial assets at AC	-10	-26	-3	-2	0
Other gains/losses from derecognition of financial instruments not at FVPL	14	-4	2	0	4
Impairment result from financial instruments	-136	-159	-439	-144	-170
Other operating result	-29	54	-194	-136	-165
Levies on banking activities	-87	-88	-251	-141	-138
Pre-tax result from continuing operations	**1,395**	**1,422**	**1,533**	**1,973**	**1,984**
Taxes on income	-286	-287	-376	-466	-476
Net result for the period	**1,109**	**1,135**	**1,157**	**1,507**	**1,508**
Net result attributable to non-controlling interests	208	191	279	411	387
Net result attributable to owners of the parent	**901**	**944**	**879**	**1,096**	**1,121**

Net interest income increased by 5.9%, most notably in Austria and Poland. **Net fee and commission income** went up slightly by 1.0%, mainly due to higher income from payment services.

Net trading result deteriorated to EUR 0 million (EUR 262 million), on the back of weaker FX as well as securities and derivatives business. **Gains/losses from financial instruments measured at fair value through profit or loss**, on the other hand, improved to EUR 156 million (EUR -29 million), mainly due to gains from the valuation of debt securities in issue in Austria.

General administrative expenses were almost unchanged. The operating result rose to EUR 2,316 million (EUR 2,254 million). The **cost/income ratio** improved to 43.1% (43.9%).

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 4 million (EUR -2 million).

The deterioration of the **impairment result from financial instruments** was mainly attributable to higher net allocations to provisions for loans and advances in Austria. Furthermore, higher net releases of provisions for loan commitments and financial guarantees as well as lower recoveries were booked in the second quarter.

Other operating result worsened despite a positive one-off effect in Immorent in an amount of EUR 48 million related to real estate sales. This was partially offset by the prolongation of an interest rate cap in Hungary resulting in negative impact of EUR 38 million.

The **net result attributable to owners of the parent** increased to EUR 1,121 million (+2.2%; EUR 1,096 million). The **return on tangible equity (ROTE)** improved to 23.8% (22.1%).

BALANCE SHEET

in EUR million	Dec 25	Sep 26	Change
Assets			
Cash and cash balances	27,573	22,299	-19.1%
Trading, financial assets	79,522	111,445	40.1%
Loans and advances to banks	20,827	26,793	28.6%
Loans and advances to customers	231,985	287,432	23.9%
Intangible assets	1,413	5,752	307.1%
Miscellaneous assets	7,254	8,747	20.6%
Total assets	**368,574**	**462,468**	**25.5%**
Liabilities and equity			
Financial liabilities held for trading	2,412	4,660	93.2%
Deposits from banks	16,919	20,770	22.8%
Deposits from customers	252,991	324,131	28.1%
Debt securities issued	54,872	61,318	11.7%
Miscellaneous liabilities	6,715	9,717	44.7%
Total equity	34,665	41,873	20.8%
Total liabilities and equity	**368,574**	**462,468**	**25.5%**

Cash and cash balances amounted to EUR 22.3 billion (EUR 27.6 billion). **Trading and investment securities** held in various categories of financial assets increased to EUR 111.4 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 26.8 billion (EUR 20.8 billion). **Loans and advances to customers (net)** increased to EUR 287.4 billion (EUR 232.0 billion), most notably in Hungary, Czech Republic, Slovakia as well as Austria (segment Other Austria). Poland's share of loans and advances to customers (net) came to EUR 41.9 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 68.8% (69.7%).

Financial liabilities – held for trading amounted to EUR 4.7 billion (EUR 2.4 billion). **Deposits from banks** rose to EUR 20.8 billion (EUR 16.9 billion). **Deposits from customers** increased to EUR 324.1 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 59.9 billion. The **loan-to-deposit ratio** stood at 88.7% (91.7%). **Debt securities in issue** rose to EUR 61.3 billion (EUR 54.9 billion).

Total assets were up at EUR 462.5 billion (EUR 368.6 billion). **Total equity** increased to EUR 41.9 billion (EUR 34.7 billion). This includes AT1 instruments in the amount of EUR 3.5 billion. After regulatory deductions and filtering according to 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 – increased to EUR 192.8 billion (EUR 147.5 billion).

The **total capital ratio,** total eligible qualifying capital in relation to total risk, stood at 19.2% (24.8%), well above the legal minimum requirement. The **tier 1 ratio** was 16.6% (21.7%), the **common equity tier 1** ratio 14.6% (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-September 2026 compared with January-September 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	1-9 25	1-9 26	Change
Net interest income	764	838	9.7%
Net fee and commission income	436	468	7.4%
Net trading result and gains/losses from financial instruments at FVPL	3	-13	n/a
Operating income	1,265	1,360	7.5%
Operating expenses	-604	-604	0.0%
Operating result	661	755	14.3%
Cost/income ratio	47.8%	44.4%	
Impairment result from financial instruments	-82	-71	-12.6%
Other result	-58	-27	-53.2%
Net result attributable to owners of the parent	387	479	23.8%
Return on allocated capital	21.7%	26.6%	

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 lower income from placements at central bank 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 and a higher contribution to the deposit insurance fund of EUR 7 million (EUR 5 million) were fully compensated by lower personnel costs. Consequently, operating result increased, and the cost/income ratio improved. Impairment result from financial instruments improved due to lower allocations for new defaults, less rating downgrades, 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	1-9 25	1-9 26	Change
Net interest income	1,291	1,455	12.7%
Net fee and commission income	568	604	6.4%
Net trading result and gains/losses from financial instruments at FVPL	35	14	-59.4%
Operating income	1,926	2,106	9.4%
Operating expenses	-1,020	-1,062	4.1%
Operating result	906	1,044	15.3%
Cost/income ratio	53.0%	50.4%	
Impairment result from financial instruments	-150	-126	-16.1%
Other result	-36	-13	-64.4%
Net result attributable to owners of the parent	75	93	23.6%
Return on allocated capital	13.1%	17.4%	

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 and higher income from loans partially offset by lower income from placements of surplus liquidity. Net fee and commission income increased mainly on the back of higher securities 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 15 million). Overall, operating result increased and the cost/income ratio improved. Impairment result from financial instruments improved mainly due to lower allocation related to parameter updates and releases driven by the reassessment of the scope of industry overlays in 2026. 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 16 million. Overall, the net result attributable to the owners of the parent increased.

OTHER AUSTRIA

in EUR million	1-9 25	1-9 26	Change
Net interest income	454	437	-3.7%
Net fee and commission income	312	356	14.2%
Net trading result and gains/losses from financial instruments at FVPL	20	39	97.0%
Operating income	836	888	6.3%
Operating expenses	-331	-325	-1.9%
Operating result	504	563	11.7%
Cost/income ratio	39.6%	36.6%	
Impairment result from financial instruments	-1	-47	>100.0%
Other result	14	48	>100.0%
Net result attributable to owners of the parent	393	426	8.5%
Return on allocated capital	18.7%	22.3%	

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, Intermarket Bank and Erste Asset Management, 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 and capital markets business. 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 to methodological updates (FLI recalibration) as well as lower recoveries and impairment releases. Other result improved mainly due to higher 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	1-9 25	1-9 26	Change
Net interest income		2,095	n/a
Net fee and commission income		341	n/a
Net trading result and gains/losses from financial instruments at FVPL		232	n/a
Operating income		2,708	n/a
Operating expenses		-1,098	n/a
Operating result		1,609	n/a
Cost/income ratio		40.6%	
Impairment result from financial instruments		-388	n/a
Other result		-185	n/a
Net result attributable to owners of the parent		326	n/a
Return on allocated capital		27.3%	

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 123 million (mainly unwinding of FV PPA adjustments related to securities and derivatives), operating expenses included amortisation of customer relationships and brand amounting to EUR 180 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	1-9 25	1-9 26	Change
Net interest income	1,145	1,206	5.3%
Net fee and commission income	383	435	13.7%
Net trading result and gains/losses from financial instruments at FVPL	95	134	40.7%
Operating income	1,639	1,788	9.1%
Operating expenses	-757	-781	3.2%
Operating result	882	1,008	14.2%
Cost/income ratio	46.2%	43.7%	
Impairment result from financial instruments	2	-29	n/a
Other result	-59	-30	-48.7%
Net result attributable to owners of the parent	678	797	17.6%
Return on allocated capital	20.9%	23.9%	

The segment analysis is done on a constant currency basis. The CZK appreciated by 2.2% 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 year's 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	1-9 25	1-9 26	Change
Net interest income	452	498	10.0%
Net fee and commission income	182	201	10.3%
Net trading result and gains/losses from financial instruments at FVPL	14	21	46.7%
Operating income	655	726	10.8%
Operating expenses	-277	-283	2.2%
Operating result	378	443	17.2%
Cost/income ratio	42.3%	39.0%	
Impairment result from financial instruments	-50	-28	-45.3%
Other result	1	-3	n/a
Net result attributable to owners of the parent	220	280	27.4%
Return on allocated capital	20.6%	25.2%	

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 improved due to upgrades in the Corporate segment and 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 56 million (EUR 51 million). Overall, the net result attributable to the owners of the parent increased.

ROMANIA

in EUR million	1-9 25	1-9 26	Change
Net interest income	593	554	-6.5%
Net fee and commission income	172	196	14.3%
Net trading result and gains/losses from financial instruments at FVPL	76	87	14.4%
Operating income	845	842	-0.4%
Operating expenses	-346	-361	4.3%
Operating result	499	481	-3.6%
Cost/income ratio	41.0%	42.9%	
Impairment result from financial instruments	-46	-66	44.9%
Other result	1	-79	n/a
Net result attributable to owners of the parent	392	268	-31.6%
Return on allocated capital	23.0%	15.9%	

The segment analysis is done on a constant currency basis. The RON depreciated by 3.0% against the EUR in the reporting period. Net interest income in the Romania segment (comprising Banca Comercială Română Group) decreased on higher expense for customer deposits impacted by higher volumes and higher expenses for issued bonds partially offset by higher income from debt securities. 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 and IT expenses, 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 was impacted by the non-recurrence of last year's release of provisions for legal risks in relation to business activities of the local building society. In addition, the banking tax increased to EUR 59 million (EUR 41 million). Payments into the resolution fund were discontinued as the target level was reached (2025: EUR 7 million). Overall, the net result attributable to the owners of the parent decreased.

HUNGARY

in EUR million	1-9 25	1-9 26	Change
Net interest income	311	379	21.8%
Net fee and commission income	262	297	13.4%
Net trading result and gains/losses from financial instruments at FVPL	61	49	-19.5%
Operating income	639	731	14.3%
Operating expenses	-236	-280	18.5%
Operating result	403	451	11.9%
Cost/income ratio	37.0%	38.3%	
Impairment result from financial instruments	0	3	n/a
Other result	-141	-260	85.1%
Net result attributable to owners of the parent	227	161	-29.2%
Return on allocated capital	24.8%	16.4%	

The segment analysis is done on a constant currency basis. The HUF appreciated by 8.1% 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 deteriorated due to valuation effects. Operating expenses increased due to higher personnel, IT and legal & consultancy expenses. The contribution into the deposit insurance fund amounted to EUR 9 million (EUR 8 million). Overall, operating result increased, while the cost/income ratio worsened. Impairment result from financial instruments 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 103 million (EUR 92 million). The contribution to the resolution fund increased to EUR 2 million (EUR 1 million). This line item also included the booking of the assumingly unlimited prolongation of an interest rate cap. Consequently, the net result attributable to the owners of the parent decreased.

CROATIA

in EUR million	1-9 25	1-9 26	Change
Net interest income	310	335	8.0%
Net fee and commission income	107	94	-12.2%
Net trading result and gains/losses from financial instruments at FVPL	13	16	23.3%
Operating income	436	451	3.4%
Operating expenses	-215	-214	-0.6%
Operating result	221	237	7.3%
Cost/income ratio	49.3%	47.4%	
Impairment result from financial instruments	13	1	-94.0%
Other result	-5	105	n/a
Net result attributable to owners of the parent	129	201	55.5%
Return on allocated capital	21.7%	28.8%	

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, yet still resulting in a net release. 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	1-9 25	1-9 26	Change
Net interest income	85	77	-9.8%
Net fee and commission income	22	24	9.3%
Net trading result and gains/losses from financial instruments at FVPL	9	9	-0.7%
Operating income	121	116	-4.0%
Operating expenses	-73	-80	10.1%
Operating result	48	35	-25.6%
Cost/income ratio	60.5%	69.4%	
Impairment result from financial instruments	-5	-4	-14.5%
Other result	0	-5	n/a
Net result attributable to owners of the parent	31	19	-39.6%
Return on allocated capital	14.5%	8.7%	

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 3 million (EUR 5 million). Consequently, operating result decreased and the cost/income ratio worsened. Impairment result from financial instruments improved. Other result worsened mainly due to the contribution to the resolution fund introduced in 2026 in the amount of EUR 3 million. Overall, the net result attributable to owners of the parent decreased.

Condensed interim consolidated financial statements

Interim report 1 January to 30 September 2026

Consolidated statement of income

in EUR million	Notes	1-9 25	1-9 26
Net interest income	1	5,761	8,258
Interest income	1	10,444	12,772
Other similar income	1	2,191	2,195
Interest expenses	1	-4,718	-4,749
Other similar expenses	1	-2,156	-1,960
Net fee and commission income	2	2,340	2,903
Fee and commission income	2	2,800	3,635
Fee and commission expenses	2	-460	-732
Dividend income	3	32	54
Net trading result	4	231	423
Gains/losses from financial instruments measured at fair value through profit or loss	5	58	195
Net result from equity method investments		33	54
Rental income from investment properties & other operating leases	6	132	143
Personnel expenses	7	-2,449	-2,975
Other administrative expenses	7	-1,206	-1,603
Depreciation and amortisation	7	-413	-715
Gains/losses from derecognition of financial assets measured at amortised cost	8	-23	-6
Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss	9	12	6
Impairment result from financial instruments	10	-318	-753
Other operating result	11	-212	-495
Levies on banking activities	11	-284	-529
Pre-tax result from continuing operations		**3,978**	**5,489**
Taxes on income	12	-815	-1,317
Net result for the period		**3,162**	**4,172**
Net result attributable to non-controlling interests		596	1,077
Net result attributable to owners of the parent		**2,566**	**3,095**

Earnings per share

		1-9 25	1-9 26
Net result attributable to owners of the parent	in EUR thousand	2,565,794	3,095,345
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	2,506,437	3,015,458
Weighted average undiluted number of outstanding shares		408,947,282	408,960,133
Undiluted earnings per share	**in EUR**	**6.13**	**7.37**
Weighted average diluted number of outstanding shares		409,253,789	409,206,633
Diluted earnings per share	**in EUR**	**6.12**	**7.37**

Development of the number of shares

	1-9 25	1-9 26
Shares outstanding at the beginning of the period	**388,126,224**	**388,406,224**
Acquisition of treasury shares	-2,487,544	-1,246,926
Disposal of treasury shares	2,717,544	1,291,926
Shares outstanding at the end of the period	**388,356,224**	**388,451,224**
Treasury shares	22,158,160	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	408,947,282	408,960,133
Weighted average diluted number of outstanding shares	409,253,789	409,206,633

Consolidated statement of comprehensive income

in EUR million	1-9 25	1-9 26
Net result for the period	**3,162**	**4,172**
Other comprehensive income		
Items that may not be reclassified to profit or loss	**10**	**40**
Remeasurement of defined benefit plans	37	34
Fair value reserve of equity instruments	-5	-2
Own credit risk reserve	-20	15
Deferred taxes relating to items that may not be reclassified	-3	-7
Items that may be reclassified to profit or loss	**161**	**-805**
Fair value reserve of debt instruments	11	-163
Gains/losses during the period	33	-172
Reclassification adjustments	-22	-4
Credit loss allowances	0	13
Cash flow hedge reserve	-19	-277
Gains/losses during the period	-82	-131
Reclassification adjustments	64	-146
Currency reserve	168	-464
Gains/losses during the period	224	-456
Net investment hedge gains/losses during the period	-56	-8
Reclassification adjustments	0	0
Deferred taxes relating to items that may be reclassified	1	99
Gains/losses during the period	10	65
Reclassification adjustments	-9	34
Total other comprehensive income	**171**	**-766**
Total comprehensive income	**3,333**	**3,406**
Total comprehensive income attributable to non-controlling interests	619	802
Total comprehensive income attributable to owners of the parent	**2,714**	**2,604**

Quarterly results

in EUR million	Q3 25	Q4 25	Q1 26	Q2 26	Q3 26
Income statement					
Net interest income	1,975	2,027	2,674	2,713	2,872
Interest income	3,407	3,249	4,080	4,275	4,417
Other similar income	694	723	695	697	803
Interest expenses	-1,454	-1,272	-1,473	-1,591	-1,685
Other similar expenses	-672	-673	-629	-668	-663
Net fee and commission income	798	850	965	964	974
Fee and commission income	961	1,010	1,177	1,207	1,251
Fee and commission expense	-163	-160	-212	-243	-277
Dividend income	3	4	4	41	9
Net trading result	90	82	161	262	0
Gains/losses from financial instruments measured at fair value through profit or loss	-2	49	68	-29	156
Net result from equity method investments	10	13	19	21	15
Rental income from investment properties & other operating leases	45	46	48	48	47
Personnel expenses	-824	-886	-974	-1,002	-998
Other administrative expenses	-399	-481	-556	-519	-528
Depreciation and amortisation	-139	-147	-241	-244	-230
Gains/losses from derecognition of financial assets at AC	-10	-26	-3	-2	0
Other gains/losses from derecognition of financial instruments not at FVPL	14	-4	2	0	4
Impairment result from financial instruments	-136	-159	-439	-144	-170
Other operating result	-29	54	-194	-136	-165
Levies on banking activities	-87	-88	-251	-141	-138
Pre-tax result from continuing operations	**1,395**	**1,422**	**1,533**	**1,973**	**1,984**
Taxes on income	-286	-287	-376	-466	-476
Net result for the period	**1,109**	**1,135**	**1,157**	**1,507**	**1,508**
Net result attributable to non-controlling interests	208	191	279	411	387
Net result attributable to owners of the parent	**901**	**944**	**879**	**1,096**	**1,121**
Statement of comprehensive income					
Net result for the period	**1,109**	**1,135**	**1,157**	**1,507**	**1,508**
Other comprehensive income					
Items that may not be reclassified to profit or loss	**-28**	**15**	**24**	**-22**	**38**
Remeasurement of defined benefit plans	-1	4	-2	-2	38
Fair value reserve of equity instruments	1	9	1	-4	1
Own credit risk reserve	-37	8	32	-22	5
Deferred taxes relating to items that may not be reclassified	8	-5	-7	7	-6
Items that may be reclassified to profit or loss	**70**	**51**	**-512**	**268**	**-561**
Fair value reserve of debt instruments	-5	22	-103	87	-147
Gains/losses during the period	9	20	-113	85	-144
Reclassification adjustments	-14	3	-1	-1	-2
Credit loss allowances	1	0	11	2	-1
Cashflow hedge reserve	-35	12	-212	138	-203
Gains/losses during the period	-66	19	-200	219	-150
Reclassification adjustments	31	-7	-12	-82	-52
Currency reserve	101	26	-244	66	-287
Gains/losses during the period	131	37	-260	113	-309
Net investment hedge gains/losses during the period	-29	-11	17	-47	23
Deferred taxes relating to items that may be reclassified	8	-9	46	-23	75
Gains/losses during the period	12	-10	44	-42	63
Reclassification adjustments	-3	1	3	19	12
Total	**42**	**67**	**-488**	**246**	**-523**
Total comprehensive income	**1,151**	**1,202**	**669**	**1,753**	**984**
Total comprehensive income attributable to non-controlling interests	208	195	113	472	217
Total comprehensive income attributable to owners of the parent	**943**	**1,007**	**556**	**1,281**	**767**

Consolidated balance sheet

in EUR million	Notes	Dec 25	Sep 26
Assets			
Cash and cash balances	13	27,573	22,299
Financial assets held for trading		9,377	12,830
Derivatives	19	829	2,278
Other financial assets held for trading	20	8,548	10,553
Pledged as collateral		248	1,568
Non-trading financial assets at fair value through profit or loss	21	3,833	4,650
Pledged as collateral		0	0
Equity instruments		523	593
Debt securities		1,786	1,787
Loans and advances to banks		0	0
Loans and advances to customers		1,524	2,269
Financial assets at fair value through other comprehensive income	17	9,181	16,029
Pledged as collateral		275	666
Equity instruments		113	269
Debt securities		9,068	14,934
Loans and advances to banks		0	0
Loans and advances to customers		0	825
Financial assets at amortised cost	14	301,707	378,484
Pledged as collateral		2,708	10,012
Debt securities		58,655	81,031
Loans and advances to banks		20,827	26,793
Loans and advances to customers		222,225	270,660
Finance lease receivables	18	5,290	7,883
Hedge accounting derivatives	22	231	614
Fair value changes of hedged items in portfolio hedge of interest rate risk		-64	-215
Property and equipment		2,941	3,320
Investment properties		1,913	1,907
Intangible assets		1,413	5,752
Investments in associates and joint ventures		465	784
Current tax assets		84	129
Deferred tax assets		171	241
Assets held for sale		211	183
Trade and other receivables	15	2,946	5,794
Other assets	23	1,301	1,785
Total assets		**368,574**	**462,468**

in EUR million	Notes	Dec 25	Sep 26
Liabilities and equity			
Financial liabilities held for trading		2,412	4,660
Derivatives	19	1,092	2,745
Other financial liabilities held for trading	24	1,321	1,915
Financial liabilities at fair value through profit or loss		9,857	10,033
Deposits from banks		0	0
Deposits from customers		174	173
Debt securities issued	25	9,268	9,397
Other financial liabilities		415	462
Financial liabilities at amortised cost		316,168	398,090
Deposits from banks	16	16,919	20,770
Deposits from customers	16	252,817	323,958
Debt securities issued	16	45,604	51,921
Other financial liabilities		829	1,442
Lease liabilities		721	863
Hedge accounting derivatives	22	170	271
Provisions	26	1,416	2,113
Current tax liabilities		323	406
Deferred tax liabilities		52	558
Liabilities associated with assets held for sale		84	4
Other liabilities	27	2,706	3,598
Total equity		**34,665**	**41,873**
Equity attributable to non-controlling interests		8,367	13,389
Additional equity instruments		3,479	3,480
Equity attributable to owners of the parent		22,819	25,004
Subscribed capital		821	821
Additional paid-in capital		1,516	1,516
Retained earnings and other reserves		20,481	22,667
Total liabilities and equity		**368,574**	**462,468**

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	-2	0	0	0	0	0	-2	0	0	-2
Dividends paid	0	0	-395	0	0	0	0	0	-395	0	-734	-1,129
Capital increase/decrease	0	0	0	0	0	0	0	0	0	1	0	1
Changes in scope of consolidation and ownership interest	0	0	1	0	0	0	0	0	1	0	4,993	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	-2	0	0	0	0	0	-2	0	0	-2
Other changes	0	0	-21	0	0	0	0	0	-21	0	-40	-61
Total comprehensive income	0	0	3,095	-140	-104	17	-279	15	2,604	0	802	3,406
Net result for the period	0	0	3,095	0	0	0	0	0	3,095	0	1,077	4,172
Other comprehensive income	0	0	0	-140	-104	17	-279	15	-491	0	-274	-766
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	-104	0	0	0	-104	0	-27	-131
Change in cash flow hedge reserve	0	0	0	-140	0	0	0	0	-140	0	-73	-213
Change in currency reserve	0	0	0	0	0	0	-279	0	-279	0	-185	-464
Change in own credit risk reserve	0	0	0	0	0	17	0	0	17	0	-4	13
Other changes in other comprehensive income	0	0	0	0	0	0	0	0	0	0	0	0
As of 30 September 2026	**821**	**1,516**	**24,352**	**-151**	**-17**	**-91**	**-974**	**-452**	**25,004**	**3,480**	**13,389**	**41,872**

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	-94	-1,336
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	-1	0	0	1	0	0	0	0	0	0
Share based payments	0	0	-6	0	0	0	0	0	-6	0	0	-6
Other changes	0	0	2	0	0	0	0	0	2	0	11	13
Total comprehensive income	0	0	2,566	-15	-6	-14	168	15	2,714	0	619	3,333
Net result for the period	0	0	2,566	0	0	0	0	0	2,566	0	596	3,162
Other comprehensive income	0	0	0	-15	-6	-14	168	15	148	0	22	171
Change from remeasurement of defined benefit plans	0	0	0	0	0	0	0	15	15	0	13	28
Change in fair value reserve	0	0	0	0	-6	0	0	0	-6	0	10	4
Change in cash flow hedge reserve	0	0	0	-15	0	0	0	0	-15	0	0	-15
Change in currency reserve	0	0	0	0	0	0	168	0	168	0	0	168
Change in own credit risk reserve	0	0	0	0	0	-14	0	0	-14	0	-1	-15
Other changes in other comprehensive income	0	0	0	0	0	0	0	0	0	0	0	0
As of 30 September 2025	**821**	**1,516**	**20,834**	**-21**	**63**	**-115**	**-721**	**-465**	**21,913**	**3,682**	**8,168**	**33,763**

Consolidated statement of cash flow

in EUR million	1-9 25	1-9 26
Net result for the period	**3,162**	**4,172**
Non-cash adjustments for items in net profit/loss for the year		
Depreciation, amortisation and net impairment of non-financial assets	405	714
Net allocation of credit loss allowances and other provisions	406	853
Gains/losses from measurement and derecognition of financial assets and financial liabilities	1,238	-276
Other adjustments	-1	-274
Changes in assets and liabilities from operating activities after adjustment for non-cash components		
Financial assets held for trading	3,600	721
Non-trading financial assets at fair value through profit or loss		
Equity instruments	-36	-71
Debt securities	-20	-2
Loans and advances to customers	-186	-753
Financial assets at fair value through other comprehensive income		
Debt securities	414	2,249
Loans and advances to banks	0	132
Loans and advances to customers	0	-73
Financial assets at amortised cost		
Debt securities	-5,353	-10,209
Loans and advances to banks	3,000	-2,473
Loans and advances to customers	-9,954	-11,086
Finance lease receivables	-58	18
Hedge accounting derivatives - assets	-28	-43
Other assets from operating activities	-267	-690
Financial liabilities held for trading	-584	-631
Financial liabilities at fair value through profit or loss	-101	360
Financial liabilities measured at amortised cost		
Deposits from banks	-5,432	-1,218
Deposits from customers	6,114	16,132
Debt securities issued	4,092	2,499
Other financial liabilities	220	292
Hedge accounting derivatives - liabilities	0	55
Other liabilities from operating activities	372	-722
Cash flow from operating activities	**1,005**	**-323**
Proceeds of disposal		
Financial assets at fair value through other comprehensive income: equity instruments	0	0
Investments in associates and joint ventures	5	167
Property and equipment and intangible assets	47	32
Investment properties	8	86
Acquisition of		
Property and equipment and intangible assets	-358	-496
Investment properties	-201	-169
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	-21	-3,452
Disposal of subsidiaries	0	46
Cash flow from investing activities	**-520**	**-3,786**
Capital increase	994	746
Capital decrease	0	-745
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	-94	-734
Cash flow from financing activities	**-341**	**-1,128**
Cash and cash equivalents at the beginning of the period	**25,129**	**27,573**
Cash flow from operating activities	1,005	-323
Cash flow from investing activities	-520	-3,786
Cash flow from financing activities	-341	-1,128
Effect of currency translation	72	-38
Cash and cash equivalents at the end of period	**25,345**	**22,299**
Cash flows related to taxes, interest and dividends (included in cash flow from operating activities)	**5,472**	**6,068**
Payments for taxes on income	-652	-1,430
Interest received	14,980	17,364
Dividends received	32	54
Interest paid	-8,888	-9,920

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 September 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 September 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	6
As of 30 September 2026	**282**

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 and disclosures of contingent liabilities at the balance sheet date. The same accounting principles as those in the Erste Group's consolidated financial statements as of year ended 31 December 2025 have been applied, 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 used. Actual results may differ from management's estimates.

1. Net interest income

in EUR million	1-9 25	1-9 26
Interest income	10,444	12,772
Financial assets at AC	10,136	12,214
Financial assets at FVOCI	308	558
Other similar income	2,191	2,195
Non-trading financial assets at FVPL	85	144
Financial assets HfT	1,881	1,734
Hedge accounting derivatives, interest rate risk	13	3
Other assets	204	307
Negative interest from financial liabilities	8	6
Interest and other similar income	**12,635**	**14,967**
Interest expenses	-4,718	-4,749
Financial liabilities at AC	-4,718	-4,749
Other similar expenses	-2,156	-1,960
Financial liabilities at FVPL	-234	-205
Financial liabilities HfT	-1,716	-1,591
Hedge accounting derivatives, interest rate risk	-168	-94
Other liabilities	-38	-56
Negative interest from financial assets	-1	-14
Interest and other similar expenses	**-6,874**	**-6,709**
Net interest income	**5,761**	**8,258**

An amount of EUR 196 million (EUR 108 million) relating to impaired financial assets is included in interest income.

2. Net fee and commission income

	1-9 25		1-9 26	
in EUR million	Income	Expenses	Income	Expenses
Securities	273	-49	359	-65
Issues	54	-2	69	-7
Transfer orders	208	-38	262	-48
Other	11	-10	27	-10
Clearing and settlement	2	-1	3	-2
Asset management	543	-38	752	-46
Custody	117	-17	150	-20
Fiduciary transactions	1	0	1	0
Payment services	1,252	-262	1,539	-393
Card business	398	-176	594	-232
Current accounts from customers	627	0	741	0
Other	227	-86	204	-161
Customer resources distributed but not managed	255	-11	340	-25
Collective investment	27	-2	41	-5
Insurance products	205	-1	270	-3
Foreign exchange transactions	20	-2	21	-1
Other	2	-7	8	-15
Structured finance	7	0	5	0
Servicing fees from securitization activities	0	-13	0	-1
Lending business	245	-39	360	-127
Guarantees given, guarantees received	72	-4	100	-65
Loan commitments given, loan commitments received	57	-1	101	-1
Other lending business	116	-34	158	-61
Other	105	-31	126	-52
Total fee and commission income and expenses	**2,800**	**-460**	**3,635**	**-732**
Net fee and commission income	**2,340**		**2,903**	

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	1-9 25	1-9 26
Financial assets HfT	6	9
Non-trading financial assets at FVPL	14	20
Financial assets at FVOCI	12	25
Dividend income	**32**	**54**

4. Net trading result

in EUR million	1-9 25	1-9 26
Securities and derivatives trading	-51	116
Foreign exchange transactions	282	317
Result from hedge accounting	-1	-10
Net trading result	**231**	**423**

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

in EUR million	1-9 25	1-9 26
Result from measurement/sale of financial assets designated at FVPL	0	0
Result from measurement/repurchase of financial liabilities designated at FVPL	0	168
Result from financial assets and liabilities designated at FVPL	**0**	**168**
Result from measurement/sale of financial assets mandatorily at FVPL	58	27
Gains/losses from financial instruments measured at fair value through profit or loss	**58**	**195**

6. Rental income from investment properties & other operating leases

in EUR million	1-9 25	1-9 26
Investment properties	103	110
Other operating leases	29	33
Rental income from investment properties & other operating leases	**132**	**143**

7. General administrative expenses

in EUR million	1-9 25	1-9 26
Personnel expenses	**-2,449**	**-2,975**
Wages and salaries	-1,886	-2,320
Compulsory social security	-453	-537
Long-term employee provisions	-10	-9
Other personnel expenses	-100	-109
Other administrative expenses	**-1,206**	**-1,603**
Deposit insurance contribution	-59	-53
IT expenses	-530	-734
Expenses for office space	-147	-199
Office operating expenses	-124	-157
Advertising/marketing/events	-169	-215
Legal and consulting costs	-114	-163
Sundry administrative expenses	-63	-83
Depreciation and amortisation	**-413**	**-715**
Software and other intangible assets	-129	-207
Owner occupied real estate	-123	-162
Investment properties	-25	-27
Customer relationships	-5	-156
Office furniture and equipment and sundry property and equipment	-130	-164
General administrative expenses	**-4,068**	**-5,293**

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

in EUR million	1-9 25	1-9 26
Gains from derecognition of financial assets at AC	19	1
Losses from derecognition of financial assets at AC	-43	-7
Gains/losses from derecognition of financial assets measured at amortised cost	**-23**	**-6**

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

in EUR million	1-9 25	1-9 26
Sale of financial assets at FVOCI	14	2
Sale of financial lease receivables	0	0
Derecognition of financial liabilities at AC	-1	3
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	**12**	**6**

10. Impairment result from financial instruments

in EUR million	1-9 25	1-9 26
Financial assets at FVOCI	7	-10
Financial assets at AC	-312	-718
allocation/reversal to credit loss allowances (net)	-360	-774
Direct write-offs	-2	-4
Recoveries recorded directly to the income statement	56	68
Modification gains or losses	-7	-8
Finance lease receivables	1	-37
allocation/reversal to credit loss allowances (net)	1	-37
Direct write-offs	-1	-1
Recoveries recorded directly to the income statement	1	1
Credit loss allowances for loan commitments and financial guarantees given	-14	11
Impairment result from financial instruments	**-318**	**-753**

11. Other operating result

in EUR million	1-9 25	1-9 26
Other operating expenses	**-376**	**-637**
Allocation to other provisions	-59	-81
Levies on banking activities	-284	-529
Banking tax	-191	-424
Financial transaction tax	-93	-105
Other taxes	-18	-13
Resolution fund contributions	-15	-14
Impairment of goodwill	0	0
Other operating income	**16**	**27**
Release of other provisions	16	27
Result from properties and equipment, investment properties and other intangible assets	12	7
Result from other operating expenses/income	137	108
Other operating result	**-212**	**-495**

12. Taxes on income

The consolidated net tax expenses for the reporting period amounted to EUR 1,317 million (EUR 815 million), including EUR 62 million of deferred tax income (deferred tax expenses of EUR 53 million).

13. Cash and cash balances

in EUR million	Dec 25	Sep 26
Cash on hand	3,376	3,115
Cash balances at central banks	22,636	16,572
Other demand deposits at credit institutions	1,561	2,613
Cash and cash balances	**27,573**	**22,299**

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
Sep 26									
Central banks	31	0	0	31	0	0	0	0	31
General governments	69,191	41	0	69,233	-6	0	0	-6	69,227
Credit institutions	9,792	24	0	9,816	-3	0	0	-3	9,813
Other financial corporations	802	26	0	828	0	0	0	-1	827
Non-financial corporations	1,060	74	5	1,138	-1	-2	-4	-6	1,132
Total	**80,877**	**165**	**5**	**81,046**	**-10**	**-3**	**-4**	**-16**	**81,031**
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
Sep 26									
Central banks	16,484	0	0	16,484	0	0	0	0	16,484
Credit institutions	10,207	105	0	10,312	-3	0	0	-3	10,309
Total	**26,691**	**105**	**0**	**26,796**	**-3**	**0**	**0**	**-3**	**26,793**
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

	Gross carrying amount					Credit loss allowances					
in EUR million	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	Carrying amount
Sep 26											
General governments	10,603	505	79	1	11,188	-6	-4	-9	0	-19	11,169
Other financial corporations	10,538	686	45	1	11,271	-18	-24	-30	-1	-73	11,198
Non-financial corporations	99,521	14,965	3,380	562	118,428	-277	-717	-1,398	-63	-2,455	115,973
Households	118,916	12,742	2,243	310	134,209	-182	-578	-1,086	-44	-1,889	132,320
Total	**239,578**	**28,898**	**5,746**	**873**	**275,096**	**-482**	**-1,323**	**-2,523**	**-107**	**-4,436**	**270,660**
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

	Gross carrying amount					Credit loss allowances					
in EUR million	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	Carrying amount
Sep 26											
Central banks	25	0	0	0	25	0	0	0	0	0	25
General governments	112	47	0	0	160	0	0	0	0	0	159
Credit institutions	46	3	0	0	48	0	0	0	0	0	48
Other financial corporations	199	13	0	0	211	-1	0	0	0	-1	211
Non-financial corporations	4,021	1,085	58	66	5,230	-14	-3	-16	-3	-36	5,194
Households	109	52	13	0	174	-1	-6	-11	0	-18	157
Total	**4,512**	**1,199**	**71**	**66**	**5,849**	**-15**	**-9**	**-27**	**-3**	**-54**	**5,794**
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	Sep 26
Deposits repayable on demand	2,565	3,505
Term deposits	10,923	11,146
Repurchase agreements	3,431	6,118
Deposits from banks	**16,919**	**20,770**

Deposits from customers

in EUR million	Dec 25	Sep 26
Deposits repayable on demand	**184,773**	**229,889**
Savings deposits	62,108	80,785
Other financial corporations	172	248
Non-financial corporations	3,885	3,310
Households	58,051	77,226
Non-savings deposits	122,665	149,104
General governments	9,405	12,032
Other financial corporations	5,689	8,147
Non-financial corporations	35,970	51,378
Households	71,602	77,546
Term deposits	**62,365**	**78,702**
Deposits with agreed maturity	60,534	77,537
Savings deposits	25,719	24,870
Other financial corporations	33	31
Non-financial corporations	757	686
Households	24,929	24,153
Non-savings deposits	34,815	52,667
General governments	2,726	4,657
Other financial corporations	6,089	6,508
Non-financial corporations	11,975	19,349
Households	14,025	22,154
Deposits redeemable at notice	1,831	1,165
General governments	10	10
Other financial corporations	6	3
Non-financial corporations	324	95
Households	1,489	1,056
Repurchase agreements	**5,679**	**15,367**
General governments	2,124	5,339
Other financial corporations	3,503	8,770
Non-financial corporations	52	1,258
Deposits from customers	**252,817**	**323,958**
General governments	14,265	22,039
Other financial corporations	15,492	23,707
Non-financial corporations	52,963	76,076
Households	170,096	202,135

Debt securities issued

in EUR million	Dec 25	Sep 26
Subordinated debt securities issued	3,746	4,172
Senior non-preferred bonds	6,263	4,694
Other debt securities issued	35,594	43,055
Bonds	13,702	19,065
Certificates of deposit	4,191	5,705
Other certificates of deposits/name certificates	94	79
Mortgage covered bonds	17,608	18,206
Debt securities issued	**45,604**	**51,921**

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 September 2026 amounts to EUR 269 million (EUR 113 million), the cumulative fair value change for equity instruments FVOCI before taxes recognised in other comprehensive income amounted to EUR 71 million (EUR 73 million).

Debt instruments

Debt securities and loans and advances

	Gross carrying amount					Credit loss allowances							
in EUR million	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	Amortised cost	Accumulated OCI changes	Fair value
Sep 26													
Debt securities	15,005	60	3	0	15,067	-3	0	-2	0	-6	15,061	-127	14,934
Central banks	1,144	0	0	0	1,144	0	0	0	0	0	1,144	0	1,144
General governments	12,190	0	0	0	12,190	-2	0	0	0	-2	12,188	-106	12,082
Credit institutions	956	0	0	0	956	0	0	0	0	0	955	-2	953
Other financial corporations	190	2	0	0	192	0	0	0	0	0	192	-3	189
Non-financial corporations	525	58	2	0	585	-1	0	-2	0	-3	582	-16	566
Loans and advances to banks	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans and advances to customers	769	53	0	14	836	-3	-7	0	-2	-12	824	2	825
Total	**15,773**	**113**	**3**	**14**	**15,903**	**-5**	**-8**	**-2**	**-2**	**-18**	**15,885**	**-126**	**15,759**
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

	Gross carrying amount					Credit loss allowances					
in EUR million	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	Carrying amount
Sep 26											
General governments	256	13	0	0	269	0	-1	0	0	-1	267
Credit institutions	32	0	0	0	33	0	0	0	0	0	33
Other financial corporations	256	6	11	1	274	-1	0	0	-1	-3	271
Non-financial corporations	5,579	743	104	41	6,468	-24	-24	-33	-9	-89	6,378
Households	865	68	14	0	948	-6	-2	-6	0	-14	934
Total	**6,989**	**830**	**129**	**43**	**7,991**	**-31**	**-27**	**-40**	**-9**	**-108**	**7,883**
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

	Dec 25			Sep 26		
in EUR million	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**	**778,690**	**7,640**	**7,254**
Interest rate	204,278	3,010	2,955	672,838	6,699	6,492
Equity	346	7	15	1,185	37	30
Foreign exchange	55,310	368	507	103,931	895	709
Credit	93	0	2	384	0	17
Commodity	11	0	0	65	5	3
Other	376	5	2	288	4	4
Derivatives held in the banking book	**42,150**	**367**	**406**	**42,053**	**295**	**729**
Interest rate	33,456	255	281	28,501	180	437
Equity	750	73	23	714	57	14
Foreign exchange	6,392	39	98	11,257	54	270
Credit	1,366	0	0	1,361	0	0
Commodity	0	0	0	37	3	5
Other	186	0	4	181	0	3
Total gross amounts	**302,564**	**3,758**	**3,887**	**820,742**	**7,934**	**7,983**
Offset		-2,928	-2,795		-5,656	-5,238
Total		**829**	**1,092**		**2,278**	**2,745**

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	Sep 26
Equity instruments	222	442
Debt securities	8,326	10,110
Central banks	1,595	826
General governments	4,036	6,065
Credit institutions	2,300	2,835
Other financial corporations	259	294
Non-financial corporations	135	91
Other financial assets held for trading	**8,548**	**10,553**

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

	Dec 25		Sep 26	
in EUR million	Designated	Mandatorily	Designated	Mandatorily
Equity instruments	0	523	0	593
Debt securities	0	1,786	0	1,787
General governments	0	484	0	538
Credit institutions	0	356	0	330
Other financial corporations	0	813	0	771
Non-financial corporations	0	133	0	149
Loans and advances to customers	0	1,524	0	2,269
General governments	0	0	0	0
Other financial corporations	0	0	0	31
Non-financial corporations	0	8	0	55
Households	0	1,515	0	2,183
Financial assets designated and mandatorily at FVPL	0	3,833	0	4,650
Non-trading financial assets at fair value through profit or loss	**3,833**		**4,650**	

22. Hedge Accounting

	Dec 25			Sep 26		
in EUR million	Notional value	Positive fair value	Negative fair value	Notional value	Positive fair value	Negative fair value
Fair value hedges	**36,761**	**684**	**891**	**42,592**	**826**	**1,344**
Interest rate	36,761	684	891	42,592	826	1,344
Foreign exchange	0	0	0	0	0	0
Cash flow hedges	**6,723**	**115**	**17**	**18,140**	**300**	**136**
Interest rate	5,062	33	11	16,812	257	125
Foreign exchange	1,661	82	6	1,328	44	11
Hedge of net investments in a foreign operation	**1,881**	**0**	**54**	**1,837**	**6**	**4**
Total gross amounts	**45,365**	**799**	**962**	**62,569**	**1,133**	**1,484**
Offset		-568	-792		-519	-1,214
Total		**231**	**170**		**614**	**271**

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	Sep 26
Prepayments	187	320
Inventories	129	156
Sundry assets	985	1,308
Other assets	**1,301**	**1,785**

24. Other financial liabilities held for trading

in EUR million	Dec 25	Sep 26
Short positions	1,226	1,740
Equity instruments	40	15
Debt securities	1,187	1,726
Debt securities issued	94	174
Other financial liabilities held for trading	**1,321**	**1,915**

25. Financial liabilities at fair value through profit or loss

Debt securities issued

in EUR million	Dec 25	Sep 26
Subordinated debt securities issued	1,768	1,514
Other debt securities issued	7,500	7,883
Bonds	5,083	5,487
Other certificates of deposits/name certificates	1,091	1,044
Mortgage covered bonds	1,249	1,290
Public sector covered bonds	77	61
Debt securities issued	**9,268**	**9,397**

26. Provisions

in EUR million	Dec 25	Sep 26
Defined employee benefit plans	657	615
Loan commitments and financial guarantees given in scope of IFRS 9	435	436
Pending legal issues and tax litigation	196	897
Commitments and guarantees given out of scope of IFRS 9	6	7
Other provisions	121	159
Provisions	**1,416**	**2,113**

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 has been increased to 4.70% p.a. as of 30 September 2026 (31 December 2025: 3.99% p.a.) to reflect the actual interest rate levels. All other calculation parameters remained unchanged. According to IAS 19 the resulting measurement adjustments have been recognised as an income in other comprehensive income amounting to EUR 34 million for pension and severance payment provisions while for jubilee provisions an income of EUR 5 million has been considered in the income statement.

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	Sep 26
Deferred income	128	173
Sundry liabilities	2,577	3,425
Other liabilities	**2,706**	**3,598**

28. Segment reporting

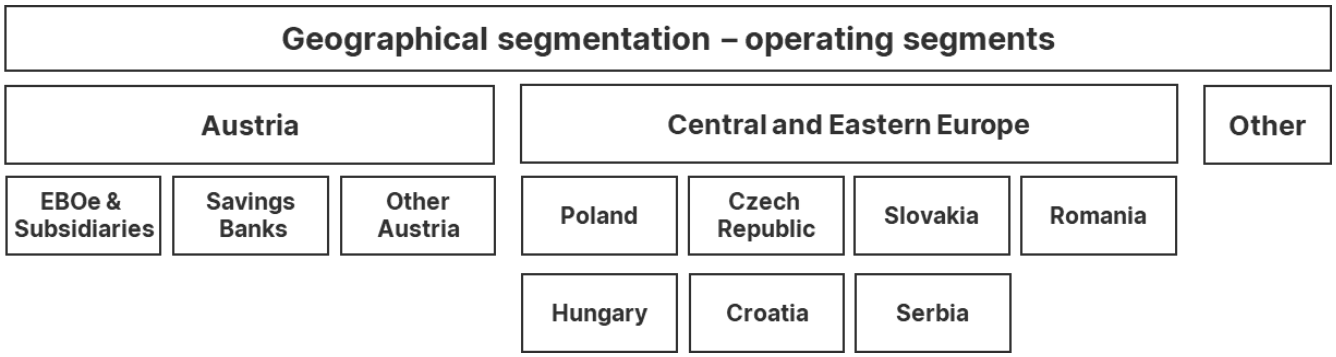
Erste Group's segment reporting is based on IFRS 8 Operating Segments, which adopts the management approach. Accordingly, segment information is prepared on the basis of internal management reporting that is regularly reviewed by the chief operating decision maker to assess the performance of the segments 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	**1-9 25**	**1-9 26**	**1-9 25**	**1-9 26**	**1-9 25**	**1-9 26**	**1-9 25**	**1-9 26**
Net interest income	2,509	2,730	2,895	5,143	357	385	5,761	8,258
Net fee and commission income	1,316	1,429	1,127	1,588	-103	-114	2,340	2,903
Dividend income	20	25	4	18	8	11	32	54
Net trading result	28	7	260	523	-57	-107	231	423
Gains/losses from financial instruments at FVPL	31	33	9	25	18	137	58	195
Net result from equity method investments	6	7	14	34	13	14	33	54
Rental income from investment properties & other operating leases	117	124	27	31	-11	-12	132	143
General administrative expenses	-1,955	-1,991	-1,905	-3,098	-208	-204	-4,068	-5,293
Gains/losses from derecognition of financial assets at AC	-5	-3	-33	-10	14	8	-23	-6
Other gains/losses from derecognition of financial instruments not at FVPL	-1	0	-1	-1	14	6	12	6
Impairment result from financial instruments	-233	-244	-87	-511	1	2	-318	-753
Other operating result	-74	11	-168	-447	31	-59	-212	-495
Levies on banking activities	-33	-34	-182	-432	-69	-64	-284	-529
Pre-tax result from continuing operations	**1,758**	**2,126**	**2,143**	**3,295**	**76**	**68**	**3,978**	**5,489**
Taxes on income	-398	-488	-399	-830	-18	1	-815	-1,317
Net result for the period	**1,360**	**1,638**	**1,744**	**2,465**	**58**	**68**	**3,162**	**4,172**
Net result attributable to non-controlling interests	506	641	68	415	22	21	596	1,077
Net result attributable to owners of the parent	**854**	**997**	**1,676**	**2,050**	**36**	**48**	**2,566**	**3,095**
Operating income	4,026	4,354	4,336	7,362	225	314	8,587	12,031
Operating expenses	-1,955	-1,991	-1,905	-3,098	-208	-204	-4,068	-5,293
Operating result	**2,071**	**2,363**	**2,431**	**4,264**	**17**	**111**	**4,519**	**6,737**
Risk-weighted assets (credit risk, eop)	64,391	70,180	59,775	90,690	840	-2,155	125,005	158,715
Average allocated capital	11,024	10,543	10,798	14,382	10,450	15,432	32,272	40,356
Cost/income ratio	48.6%	45.7%	43.9%	42.1%	92.5%	64.8%	47.4%	44.0%
Return on allocated capital	16.5%	20.8%	21.6%	22.9%	0.7%	0.6%	13.1%	13.8%
Total assets (eop)	205,054	212,915	173,774	264,763	-15,977	-15,210	362,851	462,468
Total liabilities excluding equity (eop)	153,731	164,405	158,128	237,632	17,230	18,559	329,088	420,596
Impairments	**-233**	**-243**	**-78**	**-511**	**1**	**4**	**-310**	**-750**
Net impairment loss on financial assets AC/FVTOCI and finance lease receivables	-223	-282	-82	-481	1	-1	-304	-764
Net impairment loss on commitments and guarantees given	-9	38	-5	-30	0	3	-14	11
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	0	0	1	8	3

Operating segments: Geographical area Austria

	EBOe & Subsidiaries		Savings Banks		Other Austria	
in EUR million	**1-9 25**	**1-9 26**	**1-9 25**	**1-9 26**	**1-9 25**	**1-9 26**
Net interest income	764	838	1,291	1,455	454	437
Net fee and commission income	436	468	568	604	312	356
Dividend income	9	9	4	6	7	9
Net trading result	5	-30	10	-3	12	40
Gains/losses from financial instruments at FVPL	-2	17	25	17	7	-2
Net result from equity method investments	7	5	0	0	-1	1
Rental income from investment properties & other operating leases	46	52	27	26	44	45
General administrative expenses	-604	-604	-1,020	-1,062	-331	-325
Gains/losses from derecognition of financial assets at AC	-8	-4	0	0	3	0
Other gains/losses from derecognition of financial instruments not at FVPL	0	0	-1	0	0	0
Impairment result from financial instruments	-82	-71	-150	-126	-1	-47
Other operating result	-49	-23	-36	-13	11	47
Levies on banking activities	-17	-17	-15	-16	-1	-1
Pre-tax result from continuing operations	**522**	**657**	**719**	**905**	**517**	**564**
Taxes on income	-115	-159	-167	-200	-116	-128
Net result for the period	**407**	**498**	**553**	**705**	**401**	**435**
Net result attributable to non-controlling interests	20	19	478	612	8	10
Net result attributable to owners of the parent	**387**	**479**	**75**	**93**	**393**	**426**
Operating income	1,265	1,360	1,926	2,106	836	888
Operating expenses	-604	-604	-1,020	-1,062	-331	-325
Operating result	**661**	**755**	**906**	**1,044**	**504**	**563**
Risk-weighted assets (credit risk, eop)	16,116	17,226	29,313	32,327	18,962	20,627
Average allocated capital	2,503	2,499	5,659	5,431	2,862	2,612
Cost/income ratio	47.8%	44.4%	53.0%	50.4%	39.6%	36.6%
Return on allocated capital	21.7%	26.6%	13.1%	17.4%	18.7%	22.3%
Total assets (eop)	57,489	60,260	87,006	89,830	60,559	62,825
Total liabilities excluding equity (eop)	54,210	56,825	78,488	80,496	21,032	27,084
Impairments	**-81**	**-69**	**-150**	**-127**	**-1**	**-47**
Net impairment loss on financial assets AC/FVTOCI and finance lease receivables	-76	-88	-125	-151	-22	-44
Net impairment loss on commitments and guarantees given	-5	16	-25	25	21	-3
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	2	0	-1	0	0

Operating segments: Geographical area Central and Eastern Europe

	Poland		Czech Republic		Slovakia		Romania		Hungary		Croatia		Serbia	
in EUR million	**1-9 25**	**1-9 26**	**1-9 25**	**1-9 26**	**1-9 25**	**1-9 26**	**1-9 25**	**1-9 26**	**1-9 25**	**1-9 26**	**1-9 25**	**1-9 26**	**1-9 25**	**1-9 26**
Net interest income	0	2,095	1,145	1,206	452	498	593	554	311	379	310	335	85	77
Net fee and commission income	0	341	383	435	182	201	172	196	262	297	107	94	22	24
Dividend income	0	14	2	2	1	1	1	2	0	0	0	0	0	0
Net trading result	0	232	96	126	16	17	73	81	52	43	13	14	9	9
Gains/losses from financial instruments at FVPL	0	0	-1	8	-2	4	3	6	9	6	0	2	0	0
Net result from equity method investments	0	20	7	4	5	6	1	2	0	0	1	1	0	0
Rental income from investment properties & other operating leases	0	5	8	8	0	0	3	1	6	7	5	5	5	6
General administrative expenses	0	-1,098	-757	-781	-277	-283	-346	-361	-236	-280	-215	-214	-73	-80
Gains/losses from derecognition of financial assets at AC	0	0	-33	-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	-388	2	-29	-50	-28	-46	-66	0	3	13	1	-5	-4
Other operating result	0	-186	-26	-20	2	-3	1	-78	-141	-259	-5	105	0	-5
Levies on banking activities	0	-148	0	0	-1	-1	-41	-59	-141	-224	0	0	0	0
Pre-tax result from continuing operations	**0**	**1,036**	**825**	**949**	**329**	**412**	**454**	**336**	**262**	**194**	**229**	**343**	**43**	**26**
Taxes on income	0	-392	-148	-152	-109	-132	-62	-68	-35	-33	-40	-51	-5	-2
Net result for the period	**0**	**644**	**678**	**797**	**220**	**280**	**392**	**268**	**227**	**161**	**189**	**292**	**39**	**24**
Net result attributable to non-controlling interests	0	318	0	0	0	0	0	0	0	0	60	91	8	5
Net result attributable to owners of the parent	**0**	**326**	**678**	**797**	**220**	**280**	**392**	**268**	**227**	**161**	**129**	**201**	**31**	**19**
Operating income	0	2,708	1,639	1,788	655	726	845	842	639	731	436	451	121	116
Operating expenses	0	-1,098	-757	-781	-277	-283	-346	-361	-236	-280	-215	-214	-73	-80
Operating result	**0**	**1,609**	**882**	**1,008**	**378**	**443**	**499**	**481**	**403**	**451**	**221**	**237**	**48**	**35**
Risk-weighted assets (credit risk, eop)	0	28,156	24,874	24,654	9,401	9,215	11,896	11,745	4,563	6,219	6,681	8,303	2,360	2,397
Average allocated capital	0	3,156	4,342	4,459	1,427	1,486	2,280	2,250	1,226	1,313	1,166	1,354	358	364
Cost/income ratio	0.0%	40.6%	46.2%	43.7%	42.3%	39.0%	41.0%	42.9%	37.0%	38.3%	49.3%	47.4%	60.5%	69.4%
Return on allocated capital	0.0%	27.3%	20.9%	23.9%	20.6%	25.2%	23.0%	15.9%	24.8%	16.4%	21.7%	28.8%	14.5%	8.7%
Total assets (eop)	0	79,557	86,260	91,166	27,600	28,882	24,656	25,537	13,427	16,771	17,838	18,471	3,994	4,379
Total liabilities excluding equity (eop)	0	68,671	80,473	85,111	25,102	26,440	21,332	22,172	11,751	14,990	16,020	16,464	3,450	3,784
Impairments	**0**	**-389**	**2**	**-29**	**-49**	**-27**	**-47**	**-65**	**7**	**3**	**12**	**1**	**-5**	**-4**
Net impairment loss on financial assets AC/FVTOCI and finance lease receivables	0	-382	11	-29	-49	-31	-62	-55	-1	8	22	13	-3	-5
Net impairment loss on commitments and guarantees given	0	-6	-9	1	-1	3	16	-12	0	-4	-9	-12	-2	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	2	0	-1	1	8	0	0	0	0	0

Business segments (1)

	Retail		Corporates		Group Markets		ALM&LCC	
in EUR million	**1-9 25**	**1-9 26**	**1-9 25**	**1-9 26**	**1-9 25**	**1-9 26**	**1-9 25**	**1-9 26**
Net interest income	2,388	2,608	1,339	1,389	293	280	76	-4
Net fee and commission income	1,243	1,386	355	369	286	338	-81	-95
Dividend income	0	5	2	2	5	7	12	8
Net trading result	146	155	88	103	53	84	-68	-159
Gains/losses from financial instruments at FVPL	6	2	4	-2	4	1	-12	165
Net result from equity method investments	9	7	2	1	0	0	9	12
Rental income from investment properties & other operating leases	8	9	80	89	0	0	28	26
General administrative expenses	-1,989	-2,056	-538	-553	-227	-233	-99	-102
Gains/losses from derecognition of financial assets at AC	0	0	0	0	3	0	-25	-14
Other gains/losses from derecognition of financial instruments not at FVPL	0	0	0	0	0	0	12	11
Impairment result from financial instruments	-140	-135	-33	-145	-2	33	6	5
Other operating result	-31	-193	-66	-65	-10	-16	-99	36
Levies on banking activities	-91	-141	-55	-92	-7	-13	-47	-56
Pre-tax result from continuing operations	**1,640**	**1,788**	**1,233**	**1,191**	**404**	**495**	**-240**	**-112**
Taxes on income	-312	-373	-244	-231	-83	-100	42	6
Net result for the period	**1,328**	**1,415**	**990**	**959**	**321**	**395**	**-199**	**-106**
Net result attributable to non-controlling interests	28	29	48	43	5	5	16	48
Net result attributable to owners of the parent	**1,300**	**1,386**	**942**	**916**	**316**	**390**	**-214**	**-155**
Operating income	3,800	4,171	1,870	1,952	641	710	-36	-48
Operating expenses	-1,989	-2,056	-538	-553	-227	-233	-99	-102
Operating result	**1,811**	**2,116**	**1,332**	**1,400**	**414**	**478**	**-134**	**-150**
Risk-weighted assets (credit risk, eop)	29,346	32,426	57,414	60,619	3,809	4,125	4,785	3,871
Average allocated capital	3,992	4,235	6,504	6,716	1,036	853	6,929	7,248
Cost/income ratio	52.4%	49.3%	28.8%	28.3%	35.5%	32.8%	>100%	>100%
Return on allocated capital	44.5%	44.7%	20.3%	19.1%	41.5%	61.9%	-3.8%	-2.0%
Total assets (eop)	85,920	92,095	88,144	94,789	40,429	40,893	99,582	107,802
Total liabilities excluding equity (eop)	123,342	127,356	48,723	56,221	37,815	43,080	79,847	88,134
Impairments	**-140**	**-135**	**-33**	**-145**	**-2**	**33**	**15**	**8**
Net impairment loss on financial assets AC/FVTOCI and finance lease receivables	-133	-133	-53	-129	4	27	2	5
Net impairment loss on commitments and guarantees given	-6	-2	20	-16	-7	6	4	0
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	-1	0	0	0	9	3

Business segments (2)

	Savings Banks		Poland		Group Corporate Center		Intragroup Elimination		Group total	
in EUR million	**1-9 25**	**1-9 26**	**1-9 25**	**1-9 26**	**1-9 25**	**1-9 26**	**1-9 25**	**1-9 26**	**1-9 25**	**1-9 26**
Net interest income	1,291	1,455	0	2,095	360	428	13	7	5,761	8,258
Net fee and commission income	568	604	0	341	-6	-16	-24	-25	2,340	2,903
Dividend income	4	6	0	14	8	11	0	0	32	54
Net trading result	10	-3	0	232	2	6	1	6	231	423
Gains/losses from financial instruments at FVPL	25	17	0	0	31	12	0	0	58	195
Net result from equity method investments	0	0	0	20	13	14	0	0	33	54
Rental income from investment properties & other operating leases	27	26	0	5	6	7	-18	-19	132	143
General administrative expenses	-1,020	-1,062	0	-1,098	-961	-1,018	767	828	-4,068	-5,293
Gains/losses from derecognition of financial assets at AC	0	0	0	0	0	0	0	8	-23	-6
Other gains/losses from derecognition of financial instruments not at FVPL	-1	0	0	0	0	3	0	-8	12	6
Impairment result from financial instruments	-150	-126	0	-388	1	2	0	0	-318	-753
Other operating result	-36	-13	0	-186	769	738	-738	-798	-212	-495
Levies on banking activities	-15	-16	0	-148	-69	-64	0	0	-284	-529
Pre-tax result from continuing operations	**719**	**905**	**0**	**1,036**	**221**	**187**	**0**	**0**	**3,978**	**5,489**
Taxes on income	-167	-200	0	-392	-52	-27	0	0	-815	-1,317
Net result for the period	**553**	**705**	**0**	**644**	**170**	**160**	**0**	**0**	**3,162**	**4,172**
Net result attributable to non-controlling interests	478	612	0	318	22	21	0	0	596	1,077
Net result attributable to owners of the parent	**75**	**93**	**0**	**326**	**147**	**139**	**0**	**0**	**2,566**	**3,095**
Operating income	1,926	2,106	0	2,708	413	461	-28	-30	8,587	12,031
Operating expenses	-1,020	-1,062	0	-1,098	-961	-1,018	767	828	-4,068	-5,293
Operating result	**906**	**1,044**	**0**	**1,609**	**-548**	**-557**	**738**	**798**	**4,519**	**6,737**
Risk-weighted assets (credit risk, eop)	29,313	32,327	0	28,156	339	-2,810	0	0	125,005	158,715
Average allocated capital	5,659	5,431	0	3,156	8,152	12,717	0	0	32,272	40,356
Cost/income ratio	53.0%	50.4%	0.0%	40.6%	>100%	>100%	>100%	>100%	47.4%	44.0%
Return on allocated capital	13.1%	17.4%	0.0%	27.3%	2.8%	1.7%			13.1%	13.8%
Total assets (eop)	87,006	89,830	0	79,557	4,078	3,900	-42,307	-46,398	362,851	462,468
Total liabilities excluding equity (eop)	78,488	80,496	0	68,671	3,197	3,053	-42,324	-46,413	329,088	420,596
Impairments	**-150**	**-127**	**0**	**-389**	**1**	**4**	**0**	**0**	**-310**	**-750**
Net impairment loss on financial assets AC/FVTOCI and finance lease receivables	-125	-151	0	-382	0	-1	0	0	-304	-764
Net impairment loss on commitments and guarantees given	-25	25	0	-6	0	4	0	0	-14	11
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	-1	0	-1	0	1	0	0	8	3

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 29% or EUR 119 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
Sep 26				
Cash and cash balances - demand deposits to credit institutions	2,615	-2	0	2,613
Instruments HfT	12,388	0	0	12,388
Non-trading debt instruments at FVPL	4,057	0	0	4,057
Debt securities	1,787	0	0	1,787
Loans and advances to banks	0	0	0	0
Loans and advances to customers	2,269	0	0	2,269
Debt instruments at FVOCI	15,903	-18	-126	15,759
Debt securities	15,067	-6	-127	14,934
Loans and advances to banks	0	0	0	0
Loans and advances to customers	836	-12	2	825
Debt instruments at AC	382,938	-4,455	0	378,484
Debt securities	81,046	-16	0	81,031
Loans and advances to banks	26,796	-3	0	26,793
Loans and advances to customers	275,096	-4,436	0	270,660
Trade and other receivables	5,849	-54	0	5,794
Finance lease receivables	7,991	-108	0	7,883
Debt instruments held for sale in disposal groups	0	0	0	0
Positive fair value of hedge accounting derivatives	614	0	0	614
Off-balance sheet exposures	103,692	-443	0	-
Total	**536,046**	**-5,079**	**-126**	**427,592**
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
Sep 26					
Agriculture	5,374	2,509	767	400	9,049
Conventional Fuels & Petrochemicals	9,192	647	230	84	10,153
Utilities	15,513	1,830	408	150	17,900
Construction and Building materials	17,604	5,843	1,517	576	25,540
Automotive	8,546	1,765	439	180	10,930
Cyclical Consumer Products	8,910	2,398	760	371	12,439
Non-Cyclical Consumer Products	13,956	2,790	537	154	17,438
Machinery	13,774	2,295	807	438	17,313
Transportation	9,465	1,891	615	117	12,088
Telecommunications, Media, Technology	8,463	1,483	693	154	10,793
Healthcare & Services	13,655	4,142	1,101	195	19,094
Hotels & Leisure Industry	7,253	2,726	1,042	277	11,299
Real Estate	26,930	11,875	4,017	1,803	44,626
Non Profit Housing Associations	8,376	0	0	0	8,376
Public Sector	113,102	371	519	78	114,070
Financial Institutions	46,828	1,791	543	26	49,188
Private Households	120,378	10,000	5,918	2,041	138,337
Other	7,384	10	16	2	7,412
Total	**454,702**	**54,368**	**19,929**	**7,047**	**536,046**
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.
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Credit risk exposure by region and risk category

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total
Sep 26					
Core markets	**380,175**	**50,764**	**18,468**	**6,565**	**455,973**
Austria	127,160	20,553	8,262	3,243	159,218
Czechia	86,608	10,383	1,995	834	99,820
Poland	77,476	4,282	3,309	983	86,050
Slovakia	28,362	3,103	1,751	578	33,794
Romania	25,386	4,872	1,494	435	32,188
Hungary	17,920	2,274	848	153	21,195
Croatia	12,786	4,404	683	267	18,141
Serbia	4,476	893	126	71	5,566
Other EU	**44,135**	**2,404**	**811**	**295**	**47,645**
Other industrialised countries	**22,217**	**327**	**66**	**8**	**22,619**
Emerging markets	**8,175**	**873**	**583**	**178**	**9,810**
Southeastern Europe/CIS	4,336	794	311	96	5,537
Asia	2,560	44	8	9	2,621
Latin America	264	3	1	0	267
Middle East/Africa	1,015	31	264	73	1,384
Total	**454,702**	**54,368**	**19,929**	**7,047**	**536,046**
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 reporting period, 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
Sep 26					
Austria	**182,997**	**24,709**	**9,493**	**3,663**	**220,863**
EBOe & Subs.	50,098	6,541	2,204	1,054	59,897
Savings Banks	65,951	15,247	6,285	2,388	89,872
Other Austria	66,948	2,921	1,005	221	71,095
CEE	**251,024**	**29,643**	**10,394**	**3,384**	**294,445**
Czechia	87,298	10,438	2,129	882	100,747
Poland	80,708	3,791	3,270	984	88,753
Slovakia	27,511	3,219	1,774	582	33,086
Romania	23,390	4,626	1,537	432	29,986
Hungary	14,300	2,202	822	149	17,473
Croatia	13,798	4,508	740	289	19,335
Serbia	4,019	860	121	66	5,066
Other	**20,680**	**15**	**42**	**0**	**20,737**
Total	**454,702**	**54,368**	**19,929**	**7,047**	**536,046**
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
Sep 26					
Retail	82,569	11,643	4,370	1,755	100,338
Corporates	116,682	22,812	5,530	1,905	146,930
Group Markets	27,865	731	302	0	28,899
ALM & LCC	80,827	128	129	14	81,099
Savings Banks	65,951	15,247	6,285	2,388	89,872
Poland	80,708	3,791	3,270	984	88,753
GCC	99	15	42	0	156
Total	**454,702**	**54,368**	**19,929**	**7,047**	**536,046**
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
Sep 26						
Austria	**181,268**	**20,366**	**3,595**	**65**	**15,570**	**220,863**
EBOe & Subs.	52,740	5,181	1,035	14	926	59,897
Savings Banks	72,272	12,047	2,350	46	3,156	89,872
Other Austria	56,255	3,137	211	4	11,487	71,095
CEE	**253,272**	**15,253**	**2,544**	**958**	**22,418**	**294,445**
Czechia	91,464	3,922	811	60	4,489	100,747
Poland	74,397	5,540	360	687	7,769	88,753
Slovakia	27,263	1,694	509	120	3,499	33,086
Romania	26,396	1,709	404	47	1,429	29,986
Hungary	12,949	715	122	25	3,661	17,473
Croatia	16,719	1,465	284	8	859	19,335
Serbia	4,083	207	52	11	713	5,066
Other	**20,649**	**2**	**0**	**0**	**86**	**20,737**
Total	**455,189**	**35,621**	**6,139**	**1,023**	**38,074**	**536,046**
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
Sep 26						
Retail	88,523	7,617	1,709	85	2,405	100,338
Corporates	120,566	10,013	1,706	205	14,439	146,930
Group Markets	18,480	366	0	0	10,053	28,899
ALM & LCC	80,884	35	14	0	167	81,099
Savings Banks	72,272	12,047	2,350	46	3,156	89,872
Poland	74,397	5,540	360	687	7,769	88,753
GCC	67	2	0	0	86	156
Total	**455,189**	**35,621**	**6,139**	**1,023**	**38,074**	**536,046**
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 769 million (2025: EUR 161 million), with the increase primarily attributable to the integration of the Poland portfolio. The non-defaulted part amounted to EUR 254 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						Sep 26
Stage 1	-8	-5	1	0	2	0	-10
Stage 2	-2	0	0	-1	0	0	-3
Stage 3	-4	0	0	0	0	0	-4
Total	**-14**	**-5**	**1**	**0**	**2**	**0**	**-16**

	Jan 25						Sep 25
Stage 1	-9	-1	2	1	-1	0	-9
Stage 2	-2	0	0	-1	1	0	-2
Stage 3	-4	0	0	0	0	0	-4
Total	**-15**	**-1**	**2**	**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						Sep 26
Stage 1	-3	-4	3	0	1	0	-3
Stage 2	0	0	0	0	0	0	0
Stage 3	0	0	0	0	0	0	0
Total	**-3**	**-4**	**4**	**0**	**1**	**0**	**-3**

	Jan 25						Sep 25
Stage 1	-6	-6	5	0	4	0	-3
Stage 2	0	0	0	0	0	0	0
Stage 3	0	0	0	0	0	0	0
Total	**-6**	**-6**	**5**	**0**	**4**	**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							Sep 26
Stage 1	**-401**	**-464**	**75**	**462**	**-174**	**0**	**21**	**-482**
General governments	-4	-2	1	2	-3	0	0	-6
Other financial corporations	-11	-17	9	5	-5	0	1	-18
Non-financial corporations	-231	-238	39	226	-93	0	21	-277
Households	-155	-207	25	228	-74	0	0	-182
Stage 2	**-1,113**	**-55**	**144**	**-678**	**372**	**1**	**6**	**-1,323**
General governments	-12	0	0	-2	10	0	0	-4
Other financial corporations	-15	-5	4	-30	21	0	1	-24
Non-financial corporations	-645	-35	90	-307	179	0	2	-717
Households	-441	-14	50	-339	162	0	3	-578
Stage 3	**-2,304**	**-24**	**277**	**-130**	**-650**	**331**	**-22**	**-2,523**
General governments	-1	0	0	0	-9	1	0	-9
Other financial corporations	-30	0	4	0	-9	2	3	-30
Non-financial corporations	-1,296	-9	131	-52	-368	225	-29	-1,398
Households	-977	-15	141	-77	-264	103	4	-1,086
POCI	**-54**	**0**	**17**	**0**	**-74**	**5**	**-1**	**-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	6	0	-34	4	0	-63
Households	-14	0	10	0	-39	2	-2	-44
Total	**-3,872**	**-543**	**512**	**-347**	**-526**	**337**	**3**	**-4,436**

	Jan 25							Sep 25
Stage 1	**-366**	**-212**	**69**	**415**	**-295**	**0**	**-3**	**-392**
General governments	-5	-2	2	4	-5	0	2	-3
Other financial corporations	-12	-13	12	9	-8	0	0	-12
Non-financial corporations	-204	-110	37	176	-114	0	-3	-219
Households	-145	-86	19	225	-168	0	-2	-158
Stage 2	**-1,263**	**-113**	**188**	**-492**	**475**	**0**	**-16**	**-1,219**
General governments	-16	0	1	-3	6	0	5	-8
Other financial corporations	-17	-4	31	-38	13	0	-2	-17
Non-financial corporations	-770	-92	115	-208	223	0	-14	-746
Households	-460	-16	42	-242	235	0	-5	-447
Stage 3	**-2,289**	**-54**	**221**	**-47**	**-567**	**326**	**-16**	**-2,426**
General governments	-4	0	0	0	1	0	0	-3
Other financial corporations	-28	-1	13	0	-12	0	-1	-29
Non-financial corporations	-1,247	-34	120	-15	-354	210	-10	-1,331
Households	-1,009	-19	88	-32	-203	116	-5	-1,064
POCI	**-73**	**0**	**3**	**0**	**2**	**8**	**-2**	**-63**
General governments	0	0	0	0	-1	0	0	-2
Other financial corporations	0	0	0	0	0	0	0	0
Non-financial corporations	-54	0	2	0	4	2	-1	-47
Households	-19	0	1	0	-1	5	-1	-15
Total	**-3,991**	**-379**	**481**	**-124**	**-385**	**334**	**-37**	**-4,101**

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							Sep 26
Stage 1	-11	-48	40	0	1	2	0	-15
Stage 2	-7	0	2	-1	-4	1	0	-9
Stage 3	-28	0	3	-4	-4	6	0	-27
POCI	-1	0	2	0	-4	0	0	-3
Total	**-47**	**-49**	**48**	**-5**	**-9**	**8**	**1**	**-54**

	Jan 25							Sep 25
Stage 1	-10	-5	2	1	1	1	0	-10
Stage 2	-8	-1	2	-1	1	1	0	-6
Stage 3	-26	0	2	-3	-1	4	-5	-30
POCI	-1	0	0	0	0	0	0	-1
Total	**-44**	**-6**	**6**	**-3**	**1**	**6**	**-6**	**-46**

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						Sep 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	0	0	-2
Total	**-5**	**-1**	**1**	**0**	**0**	**0**	**-6**

	Jan 25						Sep 25
Stage 1	-3	-1	1	1	-1	0	-3
Stage 2	-9	0	1	0	7	0	-1
Stage 3	0	0	0	0	-1	0	-2
Total	**-13**	**-1**	**2**	**1**	**5**	**0**	**-6**

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						Sep 26
Stage 1	0	-7	0	0	4	0	-3
Stage 2	0	0	6	-9	-4	0	-7
Stage 3	0	0	0	0	0	0	0
POCI	0	0	0	0	-2	0	-2
Total	**0**	**-7**	**6**	**-9**	**-3**	**0**	**-12**

	Jan 25						Sep 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							Sep 26
Stage 1	-22	-24	2	10	2	0	0	-31
Stage 2	-25	0	2	-13	8	0	0	-27
Stage 3	-32	0	9	-9	-13	4	0	-40
POCI	0	0	0	0	-9	0	0	-9
Total	**-79**	**-24**	**14**	**-11**	**-12**	**4**	**1**	**-108**

	Jan 25							Sep 25
Stage 1	-20	-7	2	8	-6	0	-1	-23
Stage 2	-31	0	1	-10	15	0	1	-24
Stage 3	-32	0	5	-3	-3	1	0	-32
POCI	0	0	0	0	0	0	0	0
Total	**-83**	**-7**	**7**	**-5**	**6**	**1**	**0**	**-79**

Relative thresholds for significant increase in credit risk assessment

Assessment of significant increase in credit risk (SICR) of financial instruments as at the reporting date since initial recognition is one of the key drivers affecting the amount of the ECL recognised based on IFRS 9 requirements. In this respect, across portfolios and product types, quantitative and qualitative indicators are defined for assessing SICR, including the indicator of 30 days-past due (DPD).

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

The bank has established thresholds for significant increases in credit risk based on both a percentage (relative) and absolute change in PD compared to initial recognition. The relative thresholds are kept stable as one of the most significant estimates in ECL measurement. They are re-estimated only in cases of significant changes in rating/PD models or when required by internal validation findings. In the third quarter of 2026, thresholds were recalibrated for central models, group (large) corporate and specialized lending clients, and in Slovakia, for local private individual portfolio.

Relative thresholds for SICR assessment by Erste Group main entities

	Dec 25			Sep 26		
Threshold interval (x times)	Min	Weighted average	Max	Min	Weighted average	Max
Austria	**1.02**	**1.60**	**2.37**	**1.02**	**1.59**	**2.67**
EBOe & Subs.	1.02	1.53	2.37	1.02	1.52	2.67
Savings Banks	1.02	1.65	2.37	1.02	1.65	2.67
Holding	1.02	1.62	2.37	1.02	1.60	2.67
CEE	**1.01**	**2.38**	**4.90**	**1.01**	**2.23**	**4.90**
Czechia	1.01	2.24	4.83	1.01	2.15	4.83
Poland	-	-	-	1.02	2.43	3.00
Slovakia	1.13	2.89	4.08	1.04	2.17	4.42
Romania	1.06	2.56	3.37	1.06	2.56	3.37
Hungary	1.01	2.12	4.90	1.01	2.11	4.90
Croatia	1.13	2.14	3.13	1.07	1.90	3.13
Serbia	1.01	2.14	3.00	1.01	2.01	3.00
Total	**1.01**	**1.88**	**4.90**	**1.01**	**1.87**	**4.90**

The table shows only relative thresholds applied by main Erste Group entities. The thresholds applied by their subsidiaries can deviate from those shown in the table.

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 are used for regulatory and internal stress test. 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 third quarter of 2026 based on the disclosed forecasts for baseline, downside, and upside scenarios. For Erste Bank Serbia's (EBS) local models, FLI applied in the second quarter of 2026 was maintained, as the updated forecasts resulted in an immaterial impact on ECL.

Moreover, in the third quarter of 2026, the bank re-calibrated the FLI model for central models and Austrian local models.

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 moderate slightly in 2026, with GDP growth projected at 1.2%, following an estimated expansion of 1.4% in 2025. While higher energy prices resulting from the conflict in the Middle East are expected to temporarily weigh on economic activity, both domestic and external demand should continue to support growth, underpinned by a resilient labour market, rising real incomes, and ongoing public investment.

The external environment has improved in recent months despite persistent geopolitical tensions. In particular, the global investment boom in artificial intelligence and related technologies continues to support external demand. Nevertheless, European exporters remain exposed to intense competitive pressure from China, while uncertainty surrounding future US-EU trade relations continues to weigh on the outlook. Over the medium term, Eurozone growth is expected to benefit from a more expansionary fiscal stance, including Germany's infrastructure investment programme and increased defence spending across the European Union.

Following the ECB's decision to increase the deposit facility rate to 2.50% in September 2026, Erste Group expects a further 25 bps increase to 2.75% by year-end, reflecting broadening inflationary pressures and the ECB's commitment to maintaining price stability.

Downside Risk to the Baseline Scenario

Downside risks remain elevated. Key sources of uncertainty include the ongoing war in Ukraine, geopolitical tensions in the Middle East, and unresolved trade frictions between the United States and the European Union. Any disruption to global energy markets could lead to renewed inflationary pressures, reduce household purchasing power, and weaken industrial production.

In addition, a prolonged period of elevated interest rates, coupled with persistently high inflation, could further constrain corporate investment and private consumption. Rising fiscal deficits and public debt levels may also reignite concerns about fiscal sustainability in parts of the Eurozone. Furthermore, the current political and fiscal uncertainty in France has contributed to widening sovereign bond spreads and increasing fragmentation risks within the European bond market, posing an additional downside risk to the baseline scenario.

Upside Risk to the Baseline Scenario

Upside risks are primarily associated with a stronger-than-expected recovery in global industrial activity, supported by robust investment spending, particularly in AI-related technologies. Such a scenario would be especially beneficial for Germany's manufacturing sector and could generate significant positive spillover effects across the Eurozone through integrated supply chains.

Stronger business investment, improving confidence, and resilient private consumption could result in economic growth exceeding the baseline forecast. In addition, a faster-than-expected decline in inflation, accompanied by stable energy prices, would strengthen real household incomes and reduce the likelihood of further monetary tightening by the ECB, thereby providing additional support to economic activity.

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 were incorporated into expected credit loss measurement as of 30 September 2026. The baseline and weighted scenario outcome for the major variables is disclosed in the tabular format for the years 2026-2028, or 2027-2029. In the third quarter of 2026, Erste Group initiated the transition of the forecast horizon. As a result, both forecast periods are presented, with the transition expected to be completed in the fourth quarter of 2026.

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

		Scenario weights	GDP growth in %			
	Scenario	2026-2029	2026	2027	2028	2029
Sep 26						
Austria	Upside	25%	2.3	2.7	2.6	-
	Baseline	50%	0.7	1.1	1.0	-
	Downside	25%	-1.4	-1.0	-1.1	-
Czechia	Upside	26%	-	4.8	4.7	4.7
	Baseline	50%	-	2.8	2.7	2.7
	Downside	24%	-	0.3	0.3	0.2
Poland	Upside	30%	-	4.7	4.4	4.8
	Baseline	50%	-	3.0	2.7	3.1
	Downside	20%	-	0.5	0.2	0.6
Slovakia	Upside	24%	-	4.1	4.4	4.4
	Baseline	50%	-	1.7	2.0	2.0
	Downside	26%	-	-1.2	-0.9	-0.9
Romania	Upside	30%	2.0	4.9	5.2	-
	Baseline	50%	-0.7	2.2	2.5	-
	Downside	20%	-4.3	-1.4	-1.1	-
Hungary	Upside	22%	-	4.0	4.2	4.3
	Baseline	50%	-	2.2	2.4	2.5
	Downside	28%	-	0.0	0.2	0.3
Croatia	Upside	24%	-	3.9	4.6	6.1
	Baseline	50%	-	2.2	2.4	2.5
	Downside	26%	-	0.5	0.3	-1.1
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**	**2029**
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	2029	2026	2027	2028	2029
Sep 26								
Austria								
GDP growth	0.7	1.1	1.0	-	0.6	1.0	0.9	-
Inflation	3.1	2.8	2.2	-	3.3	3.0	2.4	-
Yields_10Y	3.4	3.4	3.4	-	3.4	3.4	3.4	-
Czechia								
GDP Deflator	-	1.4	1.4	1.5	-	1.4	1.4	1.5
CPI core	-	163.0	167.4	171.0	-	163.1	167.5	171.1
Poland								
GDP growth	-	3.0	2.7	3.1	-	3.0	2.7	3.1
House Prices	-	5.2	5.3	5.0	-	5.6	5.6	5.4
Slovakia								
Unemployment Rate	-	6.0	5.9	5.8	-	6.0	5.9	5.8
Inflation	-	1.9	2.5	2.5	-	2.1	2.8	2.8
Romania								
GDP growth	-0.7	2.2	2.5	-	-0.6	2.3	2.6	-
Interest Rate (ROBOR 3M)	5.9	5.5	4.0	-	5.5	5.2	3.6	-
Inflation (CPI)	8.6	5.2	3.5	-	8.2	4.9	3.3	-
	2026	2027	2028	2029	2026	2027	2028	2029
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 September 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 third 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. As a result, the remaining industries considered as overlays since November 2024 were removed from the overlay framework: the Austrian Real Estate sector, following the implementation of the new rating model for specialized lending clients; and Cyclical Industries and Healthcare & Services, as the industry strategy review did not identify any additional risk compared with the situation observed in November 2024, and the previously identified risks are adequately reflected in updated customer ratings and the ECL models

The reduction in the scope of industry overlays resulted in an ECL release.

Out of the overall credit risk exposure of EUR 536 billion (2025: EUR 417 billion), the portfolio under collective staging assessment (industry stage overlays) represents EUR 4 billion, thereof EUR 676 million is in Stage 2 (out of which EUR 143 million 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 September 2026, the exposure in Stage 2 resulting from this collective assessment amounts to EUR 1 billion, with an allocated ECL of EUR 15 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 September 2026, the exposure in Stage 2 due to this collective assessment amounts to EUR 280 million and an allocated ECL of EUR 7 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 September 2026, after the reduction of the Industry overlays scope, the exposure classified in Stage 2 as a result of the application of collective SICR assessment rules (industry stage overlays) amounted to EUR 143 million (2025: EUR 3,784 million), with additional ECL allocated in the amount of EUR 4 million (2025: EUR 71 million).

As described above, the FLI were reassessed in the third quarter of 2026. Stage 2 exposures identified as a result of the application of FLI increased to EUR 3,572 million as of September 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 333 million (2025: EUR 265 million). On the ECL side, an increase of EUR 68 million was driven mainly by the Poland acquisition in the first quarter of 2026, macro worsening in Romania and recalibration of FLI model for central models.

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 261 million (2025: EUR 289 million), resulting in an ECL drop by EUR 17 million (2025: EUR 19 million).

The downside scenario would lead to additional EUR 2,695 million (2025: EUR 3,905 million) of exposure migration to Stage 2 in comparison with scenario weighted FLI, resulting in ECL increase of EUR 211 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

	Current status - parameters (FLI shifted)						Simulations - difference to FLI shifts effect		
				Stage 2 impacted by					
				Collective assessment					
in EUR million	Stage 1	Stage 2	Total	Industry	PI	FLI shifts	Upside scenario	Baseline scenario	Downside scenario
Sep 26									
Austria	**181,268**	**20,366**	**201,633**	**29**	**0**	**2,540**	**-1,476**	**-185**	**1,870**
EBOe & Subs.	52,740	5,181	57,922	4	0	757	-494	-55	428
Savings Banks	72,272	12,047	84,320	25	0	1,274	-774	-118	1,038
Other Austria	56,255	3,137	59,392	0	0	509	-208	-12	405
CEE	**253,272**	**15,253**	**268,525**	**114**	**973**	**1,032**	**-576**	**-76**	**825**
Czechia	91,464	3,922	95,386	23	796	560	-224	-28	262
Poland	74,397	5,540	79,937	44	0	84	-64	-11	129
Slovakia	27,263	1,694	28,958	6	0	9	-58	-16	117
Romania	26,396	1,709	28,105	29	0	236	-158	-1	204
Hungary	12,949	715	13,664	4	0	27	-30	0	53
Croatia	16,719	1,465	18,184	6	177	111	-40	-20	55
Serbia	4,083	207	4,290	3	0	5	-2	0	4
Other	**20,649**	**2**	**20,651**	**0**	**0**	**0**	**0**	**0**	**0**
Total	**455,189**	**35,621**	**490,809**	**143**	**973**	**3,572**	**-2,052**	**-261**	**2,695**
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

	Current status - parameters (FLI shifted)						Simulations - difference to FLI shifts effect		
				Out of which:					
				Collective assessment due to					
in EUR million	Stage 1	Stage 2	Total	Industry	PI	FLI shifts	Upside scenario	Baseline scenario	Downside scenario
Sep 26									
Austria	**-225**	**-663**	**-888**	**-1**	**0**	**-177**	**88**	**15**	**-99**
EBOe & Subs.	-54	-170	-224	0	0	-46	25	4	-25
Savings Banks	-128	-414	-543	0	0	-79	49	8	-54
Other Austria	-42	-79	-121	0	0	-51	14	3	-20
CEE	**-445**	**-918**	**-1,363**	**-3**	**-15**	**-157**	**85**	**2**	**-112**
Czechia	-111	-276	-387	-1	-10	-37	18	2	-23
Poland	-82	-227	-309	-1	0	-23	12	1	-20
Slovakia	-38	-101	-139	0	0	0	8	1	-11
Romania	-117	-180	-297	-1	0	-66	39	-2	-50
Hungary	-28	-39	-67	0	0	-7	3	0	-3
Croatia	-55	-82	-137	0	-4	-23	5	1	-5
Serbia	-13	-14	-27	0	0	-1	0	0	-1
Other	**-1**	**-2**	**-4**	**0**	**0**	**0**	**0**	**0**	**0**
Total	**-672**	**-1,583**	**-2,254**	**-4**	**-15**	**-333**	**173**	**17**	**-211**
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
Sep 26					
Austria	**106,072**	**19,721**	**8,227**	**3,539**	**137,559**
EBOe & Subs.	36,183	5,491	1,963	1,005	44,642
Savings Banks	44,631	12,232	5,664	2,326	64,853
Other Austria	25,258	1,998	601	208	28,064
CEE	**120,060**	**22,531**	**8,602**	**3,169**	**154,362**
Czechia	41,943	8,161	1,799	828	52,732
Poland	35,441	3,131	2,910	941	42,422
Slovakia	17,565	2,561	1,317	518	21,961
Romania	9,792	3,377	1,220	422	14,811
Hungary	5,933	1,596	717	117	8,362
Croatia	7,352	3,121	537	284	11,294
Serbia	2,034	583	102	60	2,779
Other	**112**	**5**	**2**	**0**	**119**
Total	**226,244**	**42,256**	**16,832**	**6,708**	**292,040**
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
Sep 26					
Retail	74,380	10,358	4,127	1,737	90,602
Corporates	67,964	16,221	4,011	1,691	89,886
Group Markets	3,477	243	55	0	3,775
ALM & LCC	343	66	64	13	486
Savings Banks	44,631	12,232	5,664	2,326	64,853
Poland	35,441	3,131	2,910	941	42,422
GCC	9	5	2	0	16
Total	**226,244**	**42,256**	**16,832**	**6,708**	**292,040**
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
Sep 26												
Austria	**3,539**	**3,537**	**137,559**	**137,503**	**-1,891**	**2,047**	**2,047**	**2.6%**	**2.6%**	**53.5%**	**57.8%**	**57.9%**
EBOe & Subs.	1,005	1,005	44,642	44,635	-520	584	584	2.3%	2.3%	51.7%	58.1%	58.1%
Savings Banks	2,326	2,326	64,853	64,843	-1,263	1,408	1,408	3.6%	3.6%	54.3%	60.5%	60.5%
Other Austria	208	206	28,064	28,025	-108	55	55	0.7%	0.7%	52.7%	26.4%	26.7%
CEE	**3,169**	**3,160**	**154,362**	**152,149**	**-2,716**	**1,390**	**1,381**	**2.1%**	**2.1%**	**86.0%**	**43.9%**	**43.7%**
Czechia	828	828	52,732	52,730	-829	243	243	1.6%	1.6%	100.0%	29.4%	29.4%
Poland	941	941	42,422	42,422	-503	599	599	2.2%	2.2%	53.5%	63.7%	63.7%
Slovakia	518	518	21,961	21,961	-386	243	243	2.4%	2.4%	74.6%	46.9%	46.9%
Romania	422	422	14,811	14,811	-541	147	147	2.8%	2.8%	128.1%	34.7%	34.7%
Hungary	117	107	8,362	6,180	-126	50	41	1.4%	1.7%	117.2%	42.9%	38.4%
Croatia	284	284	11,294	11,265	-276	88	88	2.5%	2.5%	97.3%	31.1%	31.1%
Serbia	60	60	2,779	2,779	-56	20	20	2.2%	2.2%	93.6%	32.7%	32.7%
Other	**0**	**0**	**119**	**119**	**-3**	**0**	**0**	**—%**	**—%**	**>500.0%**	**—%**	**—%**
Total	**6,708**	**6,697**	**292,040**	**289,771**	**-4,610**	**3,437**	**3,428**	**2.3%**	**2.3%**	**68.8%**	**51.2%**	**51.2%**
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
Sep 26												
Retail	1,737	1,728	90,602	88,417	-1,518	636	627	1.9%	2.0%	87.8%	36.6%	36.3%
Corporates	1,691	1,689	89,886	89,841	-1,304	790	790	1.9%	1.9%	77.2%	46.7%	46.8%
Group Markets	0	0	3,775	3,775	-8	0	0	—%	—%	>500.0%	—%	—%
ALM & LCC	13	13	486	456	-13	4	4	2.7%	2.8%	98.9%	29.4%	29.4%
Savings Banks	2,326	2,326	64,853	64,843	-1,263	1,408	1,408	3.6%	3.6%	54.3%	60.5%	60.5%
Poland	941	941	42,422	42,422	-503	599	599	2.2%	2.2%	53.5%	63.7%	63.7%
GCC	0	0	16	16	-2	0	0	—%	—%	>500.0%	—%	—%
Total	**6,708**	**6,697**	**292,040**	**289,771**	**-4,610**	**3,437**	**3,428**	**2.3%**	**2.3%**	**68.8%**	**51.2%**	**51.2%**
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
Sep 26												
Austria	**116,379**	**17,556**	**3,504**	**65**	**56**	**-161**	**-537**	**-1,192**	**0**	**3.1%**	**34.0%**	**0.2%**
EBOe & Subs.	39,142	4,477	1,001	14	8	-41	-135	-344	0	3.0%	34.4%	—%
Savings Banks	51,874	10,622	2,301	46	10	-98	-357	-807	0	3.4%	35.1%	0.3%
Other Austria	25,363	2,456	202	4	38	-22	-45	-41	0	1.9%	20.4%	—%
CEE	**135,353**	**13,422**	**2,442**	**932**	**2,213**	**-370**	**-827**	**-1,398**	**-121**	**6.2%**	**57.2%**	**13.0%**
Czechia	48,499	3,387	785	60	2	-98	-241	-470	-20	7.1%	59.8%	33.4%
Poland	36,325	5,094	335	668	0	-75	-223	-128	-77	4.4%	38.2%	11.6%
Slovakia	19,772	1,572	498	119	0	-35	-95	-244	-12	6.0%	49.0%	10.3%
Romania	12,972	1,399	394	46	0	-88	-156	-293	-3	11.2%	74.4%	6.6%
Hungary	5,394	667	100	20	2,182	-21	-35	-66	-3	5.3%	65.9%	16.0%
Croatia	9,863	1,115	278	8	29	-40	-64	-168	-4	5.7%	60.2%	52.5%
Serbia	2,528	188	51	11	0	-12	-13	-29	-1	7.1%	56.8%	11.0%
Other	**117**	**2**	**0**	**0**	**0**	**0**	**-2**	**0**	**0**	**92.9%**	**7.4%**	**—%**
Total	**251,848**	**30,980**	**5,946**	**996**	**2,269**	**-531**	**-1,366**	**-2,590**	**-122**	**4.4%**	**43.6%**	**12.2%**
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 751 million (2025: EUR 156 million), the non-defaulted part to EUR 246 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
Sep 26												
Retail	79,804	6,837	1,693	82	2,185	-166	-415	-925	-12	6.1%	54.6%	14.6%
Corporates	79,831	8,206	1,605	200	45	-188	-361	-723	-32	4.4%	45.1%	16.0%
Group Markets	3,573	202	0	0	0	-3	-4	0	0	2.1%	13.7%	—%
ALM & LCC	427	17	13	0	29	-1	-4	-7	0	25.7%	55.6%	92.1%
Savings Banks	51,874	10,622	2,301	46	10	-98	-357	-807	0	3.4%	35.1%	0.3%
Poland	36,325	5,094	335	668	0	-75	-223	-128	-77	4.4%	38.2%	11.6%
GCC	14	2	0	0	0	0	-2	0	0	92.9%	7.4%	—%
Total	**251,848**	**30,980**	**5,946**	**996**	**2,269**	**-531**	**-1,366**	**-2,590**	**-122**	**4.4%**	**43.6%**	**12.2%**
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
Sep 26						
Austria	**129,837**	**0**	**1,401**	**3,681**	**2,640**	**137,559**
EBOe & Subs.	44,165	0	451	16	10	44,642
Savings Banks	62,122	0	777	55	1,899	64,853
Other Austria	23,550	0	173	3,610	731	28,064
CEE	**57,912**	**95,334**	**62**	**923**	**131**	**154,362**
Czechia	10,153	42,380	54	78	67	52,732
Poland	6,447	35,281	3	672	19	42,422
Slovakia	21,896	0	0	32	34	21,961
Romania	4,218	10,534	0	59	0	14,811
Hungary	2,049	6,292	0	9	11	8,362
Croatia	11,219	0	5	71	0	11,294
Serbia	1,931	847	0	1	0	2,779
Other	**16**	**61**	**0**	**0**	**41**	**119**
Total	**187,765**	**95,395**	**1,463**	**4,604**	**2,813**	**292,040**
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	Sep 26
Interest	2.3	3.3
Currency	0.8	2.1
Shares	1.2	1.7
Commodity	0.3	1.3
Volatility	0.6	0.9
Total	**2.7**	**2.9**

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 nine months, about EUR 5.5 billion were issued, thereof seven benchmark bonds. The liquidity coverage ratio amounted to 142% as of 30 September 2026.

Leverage ratio

The leverage ratio represents the relationship between core capital (tier 1) and the leverage exposure according to Article 429 of the 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 September 2026, the leverage ratio for Erste Group Bank AG at consolidated level amounted to 6.5%, comfortably above the 3.0% minimum requirement defined in Article 92 of the Capital Requirements Regulation (CRR). Tier 1 capital amounted to EUR 31.9 billion at the reference date, while total leverage exposure stood at EUR 490.7 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 and 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 12 million (EUR 65 million). Privatstiftung held bonds issued by Erste Group of EUR 47 million (EUR 47 million). From the mentioned transactions, interest expenses for Erste Group amounted to EUR 2 million (EUR 2 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 decision that includes the specific findings and a detailed reasoning was submitted to BCR end of September 2026. BCR remains convinced in the correctness of its market conduct and compliance with applicable legal and regulatory frameworks and will contest the findings and challenge the decision 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 or 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 9 million (EUR 9 million) and the total DVA-adjustment amounted to EUR 16 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				Sep 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	6,943	5,724	163	12,830
Derivatives	1	795	34	829	6	2,251	21	2,278
Other financial assets HfT	4,717	3,808	23	8,548	6,937	3,474	142	10,553
Non-trading financial assets at FVPL	1,706	91	2,036	3,833	1,706	91	2,852	4,650
Equity instruments	67	14	441	523	78	8	507	593
Debt securities	1,639	77	71	1,786	1,628	83	76	1,787
Loans and advances	0	0	1,524	1,524	0	0	2,269	2,269
Financial assets at FVOCI	6,977	1,906	298	9,181	10,959	3,802	1,268	16,029
Equity instruments	1	0	113	113	0	0	269	269
Debt securities	6,976	1,906	185	9,068	10,959	3,801	174	14,934
Loans and advances	0	0	0	0	0	0	825	825
Hedge accounting derivatives	0	231	0	231	0	614	0	614
Total assets	**13,400**	**6,832**	**2,390**	**22,622**	**19,608**	**10,231**	**4,284**	**34,123**
Liabilities								
Financial liabilities HfT	1,220	1,191	1	2,412	1,700	2,938	21	4,660
Derivatives	4	1,087	1	1,092	16	2,707	21	2,745
Other financial liabilities HfT	1,216	104	0	1,321	1,683	231	0	1,915
Financial liabilities at FVPL	415	9,442	0	9,857	915	9,053	64	10,033
Deposits from customers	0	174	0	174	0	173	0	173
Debt securities issued	0	9,268	0	9,268	492	8,880	25	9,397
Other financial liabilities	415	0	0	415	423	0	39	462
Hedge accounting derivatives	0	170	0	170	0	271	0	271
Total liabilities	**1,635**	**10,804**	**1**	**12,439**	**2,615**	**12,262**	**86**	**14,963**

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		Sep 26	
in EUR million	L1 to L2	L2 to L1	L1 to L2	L2 to L1
Financial assets HfT	**217**	**4**	**7**	**50**
Bonds	217	3	7	48
Shares	0	1	0	2
Non-trading financial assets at FVPL	**3**	**5**	**6**	**12**
Bonds	2	5	6	7
Funds	1	0	0	0
Shares	0	0	0	5
Financial assets at FVOCI	**159**	**4**	**2**	**341**
Bonds	159	4	2	341
Total	**379**	**13**	**15**	**403**

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											Sep 26
Assets												
Financial assets HfT	57	-10	0	126	-4	-13	3	0	14	-9	0	163
Derivatives	34	-8	0	1	0	0	2	0	0	-8	0	21
Other financial assets HfT	23	-3	0	125	-4	-13	1	0	14	-1	0	142
Non-trading financial assets at FVPL	2,036	28	0	759	-9	-47	0	0	6	-3	82	2,852
Equity instruments	441	29	0	44	-8	0	0	0	0	0	-1	507
Debt securities	71	2	0	3	-1	0	0	0	5	-3	0	76
Loans and advances	1,524	-3	0	712	0	-47	0	0	1	0	83	2,269
Financial assets at FVOCI	298	34	0	184	0	-209	2,045	0	27	-1,073	-36	1,268
Equity instruments	113	0	-2	47	0	0	116	0	0	0	-4	269
Debt securities	185	0	-1	6	0	-2	1,046	0	27	-1,073	-13	174
Loans and advances	0	35	3	130	0	-207	884	0	0	0	-19	825
Hedge accounting derivatives	0	0	0	0	0	0	0	0	0	0	0	0
Total assets	**2,390**	**51**	**0**	**1,069**	**-13**	**-269**	**2,048**	**0**	**47**	**-1,086**	**46**	**4,284**
Liabilities												
Financial liabilities HfT	1	20	0	0	0	0	0	0	0	0	0	21
Derivatives	1	20	0	0	0	0	0	0	0	0	0	21
Other trading financial liabilities	0	0	0	0	0	0	0	0	0	0	0	0
Financial liabilities at FVPL	0	-1	0	0	0	0	39	0	26	0	0	64
Debt securities issued	0	-1	0	0	0	0	0	0	26	0	0	25
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**	**19**	**0**	**0**	**0**	**0**	**39**	**0**	**26**	**0**	**0**	**86**
	Jan 25											Sep 25
Assets												
Financial assets HfT	63	21	0	9	-15	0	0	0	38	-20	0	95
Derivatives	41	23	0	0	0	0	0	0	0	-20	0	44
Other financial assets HfT	22	-2	0	9	-15	0	0	0	38	0	0	51
Non-trading financial assets at FVPL	1,563	23	0	239	-15	-67	10	0	5	-60	65	1,764
Equity instruments	396	23	0	44	-9	0	10	0	0	-52	1	412
Debt securities	60	-5	0	10	-6	-5	0	0	5	-7	1	54
Loans and advances	1,108	5	0	185	0	-63	0	0	0	0	63	1,298
Financial assets at FVOCI	329	4	-6	29	0	-78	0	0	133	-131	2	282
Equity instruments	109	0	-5	0	0	0	0	0	0	0	0	104
Debt securities	220	4	-1	29	0	-78	0	0	133	-131	2	178
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**	**48**	**-6**	**277**	**-30**	**-145**	**10**	**0**	**176**	**-211**	**67**	**2,141**
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	7	0	0	0	0	0	0	0	7
Debt securities issued	0	0	0	7	0	0	0	0	0	0	0	7
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**	**-13**	**0**	**7**	**0**	**0**	**0**	**0**	**1**	**0**	**0**	**9**

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	1-9 25	1-9 26
Assets		
Financial assets HfT	34	-7
Derivatives	36	-4
Other financial assets HfT	-2	-3
Non-trading financial assets at FVPL	24	25
Equity instruments	23	29
Debt securities	-4	2
Loans and advances	5	-6
Financial assets at FVOCI	4	34
Equity instruments	0	0
Debt securities	4	0
Loans and advances	0	35
Total	**61**	**52**
Liabilities		
Financial liabilities HfT	-4	-23
Derivatives	-4	-23
Other financial liabilities held for trading	0	0
Financial liabilities at FVPL	0	1
Deposits from customers	0	0
Debt securities issued	0	1
Other financial liabilities	0	0
Total	**-4**	**-22**

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**	**Sep 26**	**Significant unobservable inputs**	**Dec 25**	**Sep 26**
Positive / negative fair value of derivatives	Forwards, swaps, options	DCF and option models with CVA adjustment based on potential future exposure	32	0	PD	0.97%-4.95% (2.22%)	0.44%-6.54% (2.40%)
					LGD	60%	60%
Financial assets at FVPL	Fixed and variable coupon bonds	DCF	22	127	Credit Spread	-1.11%-2.58% (1.97%)	-0.92%-2.02% (0.40%)
	Loans	DCF	1,524	2,269	PD	0.02%-29.18% (0.48%)	0.02%-27.21% (0.68%)
					LGD	0.01%-61.63% (28.31%)	14.52%-61.63% (42.39%)
Financial assets at FVOCI	Fixed and variable coupon bonds	DCF	185	174	Credit Spread	-1.18%-3.11% (1.16%)	-0.32%-4.70% (1.27%)
	Loans	DCF	0	825	Effective margin	0.00%	0.70%-3.75% (2.23%)
Financial assets at FVOCI / at FVPL	Non-trading equity instruments (participations)	Dividend Discount Model; Simplified Income Approach	281	333	Beta levered	Industries: 0.58-1.22 (0.90)	Industries: 0.58-1.15 (0.88)
					Country risk premium	0.27%-2.18% (0.48%)	0.22%-2.16% (0.48%)
		Adjusted Net Asset Value	145	166	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 5.71%-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 0.31% (2025: Austria with 0.32%).

In addition to the information above, equity instruments with a fair value in amount of EUR 110 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 10 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		Sep 26	
in EUR million	**Positive**	**Negative**	**Positive**	**Negative**
Derivatives	1	-2	1	-1
Income statement	1	-2	1	-1
Debt securities	6	-9	13	-18
Income statement	1	-1	9	-12
Other comprehensive income	5	-7	5	-6
Equity instruments	106	-69	124	-81
Income statement	82	-54	91	-60
Other comprehensive income	24	-15	33	-21
Loans and advances	30	-98	73	-157
Income statement	30	-98	46	-132
Other comprehensive income	0	0	27	-25
Total	**142**	**-177**	**212**	**-257**
Income statement	**113**	**-155**	**147**	**-204**
Other comprehensive income	**29**	**-22**	**65**	**-52**

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
Sep 26					
Assets					
Financial assets at AC	378,484	368,785	72,356	5,250	291,179
Loans and advances to banks	26,793	26,717	0	0	26,717
Loans and advances to customers	270,660	264,381	0	0	264,381
Debt securities	81,031	77,687	72,356	5,250	81
Finance lease receivables	7,883	7,833	0	0	7,833
Trade and other receivables	5,794	5,787	0	0	5,787
Liabilities					
Financial liabilities at AC	398,090	397,232	27,081	21,590	348,562
Deposits from banks	20,770	20,537	0	0	20,537
Deposits from customers	323,958	323,438	0	0	323,438
Debt securities issued	51,921	51,815	27,081	21,590	3,145
Other financial liabilities	1,442	1,442	0	0	1,442
Financial guarantees and commitments					
Financial guarantees	n/a	32	0	0	32
Loan commitments	n/a	-15	0	0	-15
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)

	1-9 25	1-9 26
Austria	**16,881**	**16,750**
Erste Group Bank AG, Erste Bank Oesterreich and subsidiaries	9,349	9,197
Cross-guarantee system companies	7,532	7,553
Outside Austria	**29,038**	**38,265**
Erste Bank Polska Group	n/a	9,904
Česká spořitelna Group	9,622	9,203
Banca Comercială Română Group	5,133	4,938
Slovenská sporiteľňa Group	3,546	3,472
Erste Bank Hungary Group	3,412	3,447
Erste Bank Croatia Group	3,193	3,059
Erste Bank Serbia Group	1,277	1,276
Savings banks subsidiaries	1,563	1,585
Other subsidiaries and foreign branch offices	1,291	1,381
Total	**45,918**	**55,015**

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 September 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	Sep 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%**	**6.31%**
Capital conservation buffer	2.50%	2.50%
Countercyclical capital buffer	0.70%	0.93%
Systemic risk buffer	1.08%	1.13%
O-SII capital buffer	1.75%	1.75%
Minimum CET1 requirement (incl. CBR)	10.53%	10.81%
Minimum Tier 1 requirement (incl. CBR)	12.03%	12.31%
Minimum own funds requirement (incl. CBR)	14.03%	14.31%
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%**	**11.94%**
Total Tier 1 requirement for Pillar 1 and Pillar 2	**13.53%**	**13.81%**
Total capital requirement for Pillar 1 and Pillar 2	**16.03%**	**16.31%**

A total CET1 requirement for Pillar 1 and Pillar 2 (excluding the P2G of 1.0%) of 11.94% is expected for year end 2026.

Erste Group´s buffer to the Maximum Distributable Amount (MDA) lies at 269 bps as of 30 September 2026.

Furthermore Erste Group has available distributable items (ADI) pursuant to Austrian Commercial Code (UGB) in the amount of EUR 8.9 billion as of 30 September 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 11.3 billion.

Capital structure

in EUR million	Dec 25	Sep 26
Common equity tier 1 capital (CET1)		
Capital instruments eligible as CET1	2,337	2,337
Retained earnings	20,118	20,106
Interim profit	0	926
Accumulated other comprehensive income (and other reserves)	-404	-999
Minority interest recognised in CET1	8,092	10,561
Common equity tier 1 capital (CET1) before regulatory adjustments	**30,143**	**32,930**
Own CET1 instruments	-125	-166
Prudential filter: cash flow hedge reserve	12	224
Prudential filter: Cumulative gains and losses due to changes in own credit risk on fair valued liabilities	114	101
Prudential filter: Fair value gains and losses arising from the institution's own credit risk related to derivative liabilities	-10	-16
Value adjustments due to the requirements for prudent valuation	-97	-148
Securitisation which qualify for a RW of 1250%, where the institution opts for the deduction alternative (deduction from CET1)	-175	-182
Goodwill	-621	-2,769
Other intangible assets	-434	-1,264
DTA that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	-1	-1
CET1 capital elements or deductions – other	-282	-503
Common equity tier 1 capital (CET1)	**28,524**	**28,206**
Additional tier 1 capital (AT1)		
Capital instruments eligible as AT1	3,479	3,480
Instruments issued by subsidiaries that are given recognition in AT1	11	11
Other AT1 eligible elements	0	254
Additional tier 1 capital (AT1) before regulatory adjustments	**3,490**	**3,745**
Own AT1 instruments	-1	-4
Additional tier 1 capital (AT1)	**3,489**	**3,741**
Tier 1 capital = CET1 + AT1	**32,013**	**31,948**
Tier 2 capital (T2)		
Capital instruments eligible as T2	4,100	4,187
Instruments issued by subsidiaries recognised in T2	360	355
IRB excess of provisions over expected losses eligible	127	262
Other T2 eligible elements	0	366
Tier 2 capital (T2) before regulatory adjustments	**4,587**	**5,169**
Own T2 instruments	-61	-44
Tier 2 capital (T2)	**4,526**	**5,125**
Total own funds	**36,539**	**37,073**
Capital requirement	**11,799**	**15,426**
CET1 capital ratio	**19.3%**	**14.6%**
Tier 1 capital ratio	**21.7%**	**16.6%**
Total capital ratio	**24.8%**	**19.2%**

* The CET1 capital ratio of Erste Group (unconsolidated) amounts to 30.00% as of Q2 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 that exceed the CET1 eligibility.

Risk structure

in EUR million	Dec 25 Total risk	Dec 25 Capital requirement	Sep 26 Total risk	Sep 26 Capital requirement
Total risk exposure amount	**147,487**	**11,799**	**192,820**	**15,426**
Risk weighted assets (credit risk)	119,889	9,591	158,110	12,649
Standardised approach	25,418	2,033	54,655	4,372
IRB approach	91,091	7,287	99,662	7,973
Contribution to the default fund of a CCP	10	1	11	1
Securitizations	3,370	270	3,782	303
Settlement risk	1	0	0	0
Trading book, foreign FX risk and commodity risk	4,585	367	6,653	532
Operational risk	22,277	1,782	27,451	2,196
Exposure for CVA	333	27	605	48
Other exposure amounts (incl. Basel 1 floor)	402	32	0	0

The position “Other exposure amounts (including Basel 1 floor)" included an additional RWA add-on, which was released following the implementation of the new version of the CCF model.

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 5.39% and Nationale-Nederlanden OFE 5.01% of the share capital in Erste Bank Polska. The remaining 30.90% of the share capital is in free float, of which 12.20% is held by 18 institutional investors each holding more than a 0.15% 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 Erste Bank Polska which grants Erste Group control over 100% of the voting rights.

The transaction closed in January 2026 is accounted for as a business combination using the acquisition method under IFRS 3.

On 25 September 2026, Erste Group announced its intention to launch a voluntary tender offer to increase its current 49.00% shareholding in Erste Bank Polska by acquiring up to an additional 26% stake. The minimum acceptance condition is increasing the ownership to at least 50%. The maximum tendered amount is limited by Erste Group's commitment, made upon the acquisition

of Erste Bank Polska in January 2026, to maintain a free float of at least 25% of Erste Bank Polska shares on Warsaw Stock Exchange. Erste Group expects to launch the offer at the start of November 2026 with a subscription period of 30 days. The offer price is PLN 713.60 per share corresponding to the 3-month-volume-weighted average per share preceding 28 September 2026.

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 customers 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 joint 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 purchase price allocation has been finalised for all the assets acquired and liabilities assumed.

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	-72
Gross carrying amount (=carrying amount) at the reporting date	2,148

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 September 2026, the contribution of the Erste Bank Polska group to Erste Group's operating income amounts to EUR 2,686 million, while the contribution to the net result for the period amounted to EUR 652 million.

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
B2DS	Beyond 2°C Scenario
BCR	Banca Comercială Română 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 Securities 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 européenne
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 Systemically 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	Targeted 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

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

25 February 2027	Full-year results 2026
10 March 2027	Annual financial report 2026
13 April 2027	Annual General Meeting in Vienna
30 April 2027	Results for the first quarter of 2027
29 July 2027	Half-year financial report 2027
29 October 2027	Results for the first three quarters of 2027

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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Reuters:	ERST.VI
Bloomberg:	EBS AV
Datastream:	0:ERS
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