ERSTE Group

Interim Report
First quarter 2026

Key financial data

Income statement					
in EUR million	**Q1 25**	**Q4 25**	**Q1 26**	**1-3 25**	**1-3 26**
Net interest income	1,872	2,027	2,674	1,872	2,674
Net fee and commission income	780	850	965	780	965
Net trading result and gains/losses from financial instruments at FVPL	97	131	229	97	229
Operating income	2,802	3,072	3,939	2,802	3,939
Operating expenses	-1,345	-1,515	-1,771	-1,345	-1,771
Operating result	**1,458**	**1,557**	**2,167**	**1,458**	**2,167**
Impairment result from financial instruments	-85	-159	-439	-85	-439
Post-provision operating result	**1,372**	**1,398**	**1,728**	**1,372**	**1,728**
Other operating result	-184	54	-194	-184	-194
Levies on banking activities	-121	-88	-251	-121	-251
Pre-tax result from continuing operations	1,182	1,422	1,533	1,182	1,533
Taxes on income	-242	-287	-376	-242	-376
Net result for the period	940	1,135	1,157	940	1,157
Net result attributable to non-controlling interests	197	191	279	197	279
Net result attributable to owners of the parent	**743**	**944**	**879**	**743**	**879**
Earnings per share	1.82	2.11	2.15	1.82	2.15
Return on tangible equity	15.2%	16.0%	18.1%	15.2%	18.1%
Net interest margin (on average interest-bearing assets)	2.32%	2.46%	2.64%	2.32%	2.64%
Cost/income ratio	48.0%	49.3%	45.0%	48.0%	45.0%
Provisioning ratio (on average gross customer loans)	0.15%	0.27%	0.68%	0.15%	0.68%
Tax rate	20.5%	20.2%	24.5%	20.5%	24.5%

Balance sheet					
in EUR million	**Mar 25**	**Dec 25**	**Mar 26**	**Dec 25**	**Mar 26**
Cash and cash balances	23,940	27,573	26,850	27,573	26,850
Trading, financial assets	79,156	79,522	106,177	79,522	106,177
Loans and advances to banks	26,770	20,827	26,382	20,827	26,382
Loans and advances to customers	220,069	231,985	275,630	231,985	275,630
Intangible assets	1,366	1,413	5,915	1,413	5,915
Miscellaneous assets	6,702	7,254	9,073	7,254	9,073
Total assets	**358,003**	**368,574**	**450,027**	**368,574**	**450,027**
Financial liabilities held for trading	2,094	2,412	4,975	2,412	4,975
Deposits from banks	16,588	16,919	19,658	16,919	19,658
Deposits from customers	246,149	252,991	314,772	252,991	314,772
Debt securities issued	54,293	54,872	59,891	54,872	59,891
Miscellaneous liabilities	7,053	6,715	10,423	6,715	10,423
Total equity	**31,826**	**34,665**	**40,308**	**34,665**	**40,308**
Total liabilities and equity	**358,003**	**368,574**	**450,027**	**368,574**	**450,027**
Loan/deposit ratio	89.4%	91.7%	87.6%	91.7%	87.6%
NPL ratio	2.5%	2.4%	2.4%	2.4%	2.4%
NPL coverage ratio (based on AC loans, ex collateral)	74.6%	69.7%	67.9%	69.7%	67.9%
CET1 ratio (phased-in)	15.9%	19.3%	14.5%	19.3%	14.5%

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

Letter from the CEO

Dear shareholders,

On 9 January 2026, we successfully closed the acquisition of what is now Erste Bank Polska. With Poland as its eighth core market alongside Austria, the Czech Republic, Slovakia, Romania, Hungary, Croatia and Serbia, Erste Group is securing, over the long term, its position as the leading bank for retail and corporate customers in Central Europe, indisputably the fastest growing region in Europe. A net profit of EUR 879 million for the first three months of the year of 2026, posted despite the announced charges due to first-time consolidation of Erste Bank Polska, is an impressive testament to the potential of this new Erste Group.

But even without Erste Bank Polska, business momentum remained positive: the key components of operating income – net interest income and net fee and commission income – rose by 6.5% and 7.3%, respectively. The positive development of net interest income was primarily based on loan growth and repricing of customer deposits as well as higher income from the liquidity portfolio. Year on year, the net interest margin rose correspondingly. Net fee and commission income was again driven by the securities business and payment services. Including Erste Bank Polska, Erste Group posted operating income of nearly EUR 4 billion in the first quarter while costs totalled EUR 1.8 billion. In addition to personnel expenses, IT costs were the key factor driving this increase. Another EUR 30 million were posted in the first quarter as integration costs. As in the past, contributions to deposit insurance schemes of EUR 48 million were again posted upfront in the first quarter for the full year. Amortisation and depreciation related to Poland were incurred for the first time: EUR 66 million for the acquired customer base and brand. Overall, operating income rose at a faster pace than costs, resulting in a further improvement in operating efficiency. Or, in other words: the cost-income-ratio now stands at 45.0%.

Just a few words on other operating result, which was materially impacted by banking levies in Austria, Hungary (here, with the exception of transaction taxes, already for the full year of 2026), Poland and Romania totalling EUR 250.4 million versus EUR 121.3 million in the first quarter of the previous year. This rise was only partly offset by a gain from the sale of a Croatian company.

The consolidation of Erste Bank Polska led to a significant increase in total assets, from EUR 369 billion at year-end 2025 to EUR 450 billion at the reporting date. Customer deposits – one of the traditional strengths of Erste Group – rose to EUR 315 billion (including EUR 54 billion from Poland). Including the Polish loan portfolio of slightly above EUR 40 billion, loans and advances to customers amounted to EUR 276 billion at the end of March. Here again, we benefited not only from the consolidation of Erste Bank Polska. Even without it, first-quarter loan growth came in at 1.5%, supported by the retail business as well as – and even slightly more so – by the corporate business. Asset quality remained more than satisfactory across all core markets, with the NPL ratio stable at 2.4% despite inclusion of Erste Bank Polska. Risk costs for the first three months amounted to EUR 439 million, which is equivalent to a provisioning ratio (of average gross customer loans) of 68 basis points. Thereof, however, EUR 302 million were not the result of a deterioration in portfolio quality, but had to be posted under IFRS 9 for the acquired portfolio as part of first-time consolidation. This is hence a one-off effect. This time, moreover, risk costs did not benefit from the release of provisions for credit risks driven by updated forward-looking economic indicators (FLIs) and stage overlays. On the contrary: in the quarter ended, they were even slightly up.

This takes me to the dominating macroeconomic theme of recent weeks, namely the war in Iran and its consequences. Higher energy prices have led to revisions of economic forecasts world-wide and not spared our region either. While for five of our core markets – Poland, Austria, Slovakia, Hungary and Serbia – we still expect better growth than in 2025, we anticipate slightly less momentum for the Czech Republic, Romania and Croatia than in the previous year. In view of the renewed rise in inflation expectations, still in the low to mid-single digit range, no further rate cuts are expected in the euro zone, Poland, Hungary and Serbia this year from today's vantage point, which again is beneficial for the banking business.

Finally, regarding Erste Group's capitalisation: it is still excellent, even after the acquisition of the 49% stake in Erste Bank Polska that was funded entirely from internal resources. Including interim profit, the common equity tier 1 ratio stood at 14.8% at the end of March 2026. To recall: we have thus already achieved our new target CET1-ratio of 14.25%. This means that we definitely have the capacity to return to previous payout ratios. We will do this to the full extent, however, only if alternative capital allocation options do not offer higher returns for you, our shareholders. Working with our employees, I am looking forward to continuing the successful growth strategy of Erste Group in Central Europe.

Peter Bosek m.p.

Erste Group on the capital markets

EQUITY MARKET REVIEW

Equity markets initially continued their previous uptrends on the back of rate cuts implemented in the US and Europe in the preceding year as well as improved corporate growth forecasts. Most of the indices covered reached new record highs in the course of the first quarter. The European equity market benefited in particular from better revenues and profits prospects of European corporates and significantly outperformed the US market. In March, market slides caused by the onset of the Iran conflict in February erased previous gains. With the exception of the FTSE 100, AEX, ATX and Nikkei, the indices covered ended the first quarter lower. In the US, the Dow Jones Industrial Average declined by 3.6% to 46,341.51 points, the broader Standard & Poor's 500 4.6% to 6,528.82 points and the NASDAQ technology index 7.1% to 21,590.63 points. The Stoxx Europe 600 index, which reflects the performance of the 600 largest exchange-listed companies from 17 European countries, lost 1.5% and closed the quarter at 583.14 points. The Euro Stoxx Banks Index, which is composed of the leading European bank shares, suffered a drop by 9.3% in the first quarter of 2026 after its record gain of 80.3% in 2025 and ended March at 238.89 points. Austria's ATX (Austrian Traded Index) closed the reporting period up 0.3%, nearly unchanged year-to-date, at 5,343.25 points. Prior to that the Austrian leading index had hit a new all-time high at 5,820.55 points on 18 February.

Against the backdrop of geopolitical developments and their potential impacts on supply chains, inflation, global economic growth and interest rates, the focus of investors was again on the meetings of the European Central Bank (ECB) and the US central bank Federal Reserve (Fed). Both central banks left their rates unchanged in the first quarter, the Fed within the range of 3.50% to 3.75%, the ECB at 2.00%.

SHARE PERFORMANCE

The acquisition of a controlling stake in Santander Bank Polska was closed in early January and the 2025 financial result released at the end of February beat market expectations. In addition to the strong capital build-up, the limelight was in particular on the 2026 outlook for the "new" Erste Group, including Poland as a core market for the first time. On 3 February, the share marked its highest closing price to date at EUR 110.80. Amid geopolitical uncertainty, the Erste Group share also sustained a loss in value. It saw its first-quarter low at EUR 89.35 on 20 March 2026. On 31 March 2026, the closing price stood at EUR 92.50.

The Erste Group share is listed on the stock exchanges Vienna, Prague and Bucharest. Its main stock exchange is Vienna. In the quarter ended, trading volume there averaged 397,384 shares per day.

ISSUING ACTIVITIES

As in previous years, Erste Group tapped the capital markets already in January. Erste Group issued a EUR 750 million T2 note (MS+127bps), which was received with significant investor demand (peak order book exceeded EUR 4 billion). Further transactions were issued by Slovenská sporiteľňa (mortgage covered bond) followed by Erste Bank Hungary (senior preferred notes) and Česká spořitelna (senior non-preferred). In addition, Erste Group made use of another issuance opportunity at the end of January (EUR 750m 6.25NC5.25 senior preferred note at MS+62bps).

As the Iran war led to a temporary closure of the funding markets, Erste Group decided to bring forward secured funding by issuing a EUR 1 billion mortgage covered bond (5y, MS+25bps) as a supportive market backdrop materialised end of March.

INVESTOR RELATIONS

In the first quarter, Erste Group's management and the investor relations team held a large number of one-on-one and group meetings. Questions raised by investors and analysts were answered both at in-person events as well as during telephone and video conferences. The presentation of the 2025 annual results in Vienna was followed by the analysts' dinner and a roadshow day with investor meetings in London. The economic development and the strategy of Erste Group against the backdrop of the current economic environment were presented at international banking and investor conferences hosted by the Vienna Stock Exchange, Kepler Cheuvreux, CaixaBank, UBS, Société Générale, Morgan Stanley, PKO Bank, Baader Bank, Bank Pekao and Wood.

Interim management report

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

EARNINGS PERFORMANCE IN BRIEF

Net interest income rose to EUR 2,674 million (+42.8%; EUR 1,872 million). Increases were recorded primarily in Slovakia, the Czech Republic and Hungary on the back of loan growth and lower interest expenses on customer deposits, the latter most notably in Austria. An additional major contribution came from Poland in the amount of EUR 681 million. **Net fee and commission income** rose in nearly all core markets and income categories to EUR 965 million (+23.7%; EUR 780 million), including EUR 128 million from Poland. **Net trading result** increased to EUR 161 million (EUR 47 million); the line item **gains/losses from financial instruments measured at fair value through profit or loss** rose to EUR 68 million (EUR 50 million). The development of both line items was mostly attributable to valuation effects. **Operating income** was up at EUR 3,939 million (+40.5%; EUR 2,802 million), with EUR 901 million contributed by Poland. **General administrative expenses** rose to EUR 1,771 million (+31.7%; EUR 1,345 million), including EUR 359 million from Poland. In the first quarter, integration costs of EUR 30 million in total were booked. Personnel expenses increased to EUR 974 million (+22.7%; EUR 794 million). This was primarily due to the consolidation of the Poland segment (EUR 138 million) and collectively agreed salary increases. Other administrative expenses were higher at EUR 556 million (+34.1%; EUR 414 million), thereof EUR 125 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 48 million (EUR 54 million), IT expenses increased to EUR 244 million (EUR 166 million), most importantly due to the inclusion of Poland (EUR 58 million). Amortisation and depreciation amounted to EUR 241 million (+77.6%; EUR 136 million), with Poland accounting for EUR 96 million. Overall, the **operating result** increased to EUR 2,167 million (+48.7%; EUR 1,458 million), the **cost/income ratio** improved to 45.0% (48.0%).

The **impairment result from financial instruments** amounted to EUR -439 million or 68 basis points of average gross customer loans (EUR -85 million or 15 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 47 basis points). The **NPL ratio** based on gross customer loans remained at 2.4% (2.4%). The **NPL coverage ratio** (excluding collateral) stood at 67.9% (69.7%).

Other operating result amounted to EUR -194 million (EUR -184 million). Expenses for annual contributions to resolution funds included in this line item already for the full year of 2026 declined to EUR 13 million (EUR 15 million). Banking levies – currently payable in five core markets – went up, though. EUR 251 million (EUR 121 million) are reflected in other operating result: thereof, EUR 152 million (EUR 78 million) were charged in Hungary (including EUR 120 million banking tax for the full year), EUR 50 million in Poland. In Austria, banking tax amounted to EUR 32 million (EUR 34 million), in Romania to EUR 16 million (EUR 10 million). The banking tax in Slovakia of EUR 16 million (EUR 15 million) is posted in the line item taxes on income.

Taxes on income amounted to EUR 376 million (EUR 242 million). The minority charge increased to EUR 279 million (EUR 197 million) on the back of higher contributions from the savings banks and the inclusion of the Poland segment (EUR 17 million). The **net result attributable to owners of the parent** rose to EUR 879 million (+ 18.2%; EUR 743 million).

Total equity not including AT1 instruments rose to EUR 36.8 billion (EUR 31.2 billion). After regulatory deductions and filtering in accordance with the Capital Requirements Regulation (CRR), **common equity tier 1 capital** (CET1) decreased to EUR 26.5 billion (EUR 28.5 billion). Total **own funds** stood at EUR 35.8 billion (EUR 36.5 billion). Interim profit for the first quarter is not included in the above figures. Total risk (**risk-weighted assets** including credit, market and operational risk) rose to EUR 183.2 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 14.5% (19.3%), the **total capital ratio** to 19.5% (24.8%). The initial consolidation of Erste Bank Polska reduced the CET1 ratio by 455 basis points.

Total assets increased to EUR 450.0 billion (+22.1%; EUR 368.6 billion). On the asset side, cash and cash balances declined to EUR 26.8 billion (EUR 27.6 billion); loans and advances to banks increased to EUR 26.4 billion (EUR 20.8 billion). Year to date, **loans and advances to customers** rose to EUR 275.6 billion (+18.8%; EUR 232.0 billion), most importantly on the back of the Polish portfolio of EUR 40.1 billion. In the other core markets, increased volume was recorded most notably in Austria and the Czech Republic. On the liability side, deposits from banks rose to EUR 19.7 billion (EUR 16.9 billion).

Customer deposits were up at EUR 314.8 billion (+24.4%; EUR 253.0 billion). This rise was driven mainly by the first-time consolidation of Poland (EUR 53.8 billion) as well as higher deposits from corporates in Austria and the Czech Republic. The **loan-to-deposit ratio** stood at 87.6% (91.7%).

OUTLOOK

Erste Group's goal for 2026 is to achieve a return on tangible equity (ROTE) of about 19% and an increase in earnings per share of more than 20% based on 2025 net profit adjusted for one-off items compared to 2026 net profit adjusted for extraordinary items connected to the acquisition and first-time consolidation of Erste Bank Polska. 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, supported by an improved macro-economic environment, broadly stable interest rates, especially in the euro zone, stable margins and healthy loan volume growth of more than 5%. Operating performance as defined by operating result (operating income minus operating expenses) is expected to improve year-on-year, as net interest income is projected to grow by about 5%, fee and commission income continues to grow by more than 5%, net trading and fair 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 about 47% in 2026. Other operating result is expected to normalise following several positive one-offs in the amount of about EUR 270 million in 2025 and be more in line with the amount of banking levies also booked in this line item. Risk costs, at 20-25 basis points, are expected at a similarly benign level as in 2025.

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

Consequently, 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 in its now eight core markets, in 2026, targets net interest income in excess of EUR 11 billion, fee income of approx. EUR 4 billion and operating expenses of about EUR 7 billion. Consequently, the cost/income ratio is projected to improve to about 45%. 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 somewhat below EUR 4 billion, net profit adjusted for extraordinary items related to first time consolidation of Erste Bank Polska is projected at somewhat above EUR 4 billion.

In line with the projected strong profit performance, the CET1 ratio is expected to increase again in 2026, providing renewed capital return and/or M&A flexibility.

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.

PERFORMANCE IN DETAIL

in EUR million	1-3 25	1-3 26	Change
Net interest income	1,872	2,674	42.8%
Net fee and commission income	780	965	23.7%
Net trading result and gains/losses from financial instruments at FVPL	97	229	137.1%
Operating income	2,802	3,939	40.5%
Operating expenses	-1,345	-1,771	31.7%
Operating result	**1,458**	**2,167**	**48.7%**
Impairment result from financial instruments	-85	-439	414.3%
Other operating result	-184	-194	5.3%
Levies on banking activities	-121	-251	106.7%
Pre-tax result from continuing operations	**1,182**	**1,533**	**29.6%**
Taxes on income	-242	-376	54.9%
Net result for the period	**940**	**1,157**	**23.1%**
Net result attributable to non-controlling interests	197	279	41.7%
Net result attributable to owners of the parent	**743**	**879**	**18.2%**

Net interest income

Net interest income rose especially in the CEE markets. Increases were mainly driven by higher loan volumes in Slovakia, 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 681 million. The net interest margin (calculated as the annualised sum of net interest income, dividend income and net result from equity method investments over interest-bearing assets at the end of the first quarter) stood at 2.64% (2.32%), with the rise being primarily attributable to the first-time consolidation of the Poland segment.

Net fee and commission income

Growth was achieved across nearly all core markets and income categories, with asset management and payment services showing a particularly positive development. The securities business also performed well. A significant contribution to higher fee and commission income came from Poland in the amount of EUR 128 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 on the back of strong foreign exchange business in Poland to EUR 161 million (EUR 47 million). Gains/losses from financial instruments measured at fair value through profit or loss likewise improved to EUR 68 million (EUR 50 million), most notably due to gains from the valuation of debt securities in issue at fair value.

General administrative expenses

in EUR million	1-3 25	1-3 26	change
Personnel expenses	-794	-974	22.7%
Other administrative expenses	-414	-556	34.1%
Depreciation and amortisation	-136	-241	77.6%
General administrative expenses	**-1,345**	**-1,771**	**31.7%**

Personnel expenses increased, most importantly due to the first-time inclusion of Poland (EUR 138 million) although 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 and consulting expenses. Overall, EUR 30 million integration costs were booked, EUR 21 million thereof in Poland. Contributions to deposit insurance schemes (already for the full year 2026) declined to EUR 48 million (EUR 54 million). This decline was almost exclusively attributable to Austria and Romania, where contributions fell to EUR 15 million (EUR 19 million) and EUR 0 million (EUR 4 million) respectively. Amortisation and depreciation increased to EUR 241 million (EUR -136 million), primarily as a result of the first-time inclusion of Poland. In Poland, first-quarter amortisation and depreciation amounted to EUR 96 million, with the key items being the amortisation of the acquired customer relationships and brand (EUR 66 million). The cost/income ratio stood at 45.0% (48.0%).

Headcount as of end of the period

	Dec 25	Mar 26	Change
Austria	**16,844**	**16,802**	**-0.2%**
Erste Group Bank AG, Erste Bank Oesterreich and subsidiaries	9,321	9,261	-0.6%
Cross-guarantee system companies	7,522	7,541	0.3%
Outside Austria	**28,857**	**38,628**	**33.9%**
Erste Bank Polska Group	n/a	10,131	n/a
Česká spořitelna Group	9,483	9,299	-1.9%
Banca Comercială Română Group	5,051	4,978	-1.4%
Slovenská sporiteľňa Group	3,514	3,485	-0.8%
Erste Bank Hungary Group	3,430	3,458	0.8%
Erste Bank Croatia Group	3,176	3,073	-3.3%
Erste Bank Serbia Group	1,270	1,282	0.9%
Savings banks subsidiaries	1,578	1,603	1.6%
Other subsidiaries and foreign branch offices	1,355	1,320	-2.5%
Total	**45,700**	**55,431**	**21.3%**

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 -2 million (EUR -6 million). This includes mainly losses from the sale of securities in Poland.

Impairment result from financial instruments

The impairment result from financial instruments amounted to EUR -439 million (EUR -85 million). Net allocations to provisions for loans and advances amounted to EUR 448 million (EUR 105 million), most of which were seen in Poland where, in accordance with IFRS 9 rules, provisions in the amount of EUR 302 million had to be allocated for the entire acquired portfolio as part of first-time consolidation. Positive contributions came from high recoveries, primarily in Austria.

Other operating result

Other operating result is significantly affected by taxes and levies on banking activities and one-off effects. Taxes and levies on banking activities included in this line item rose to EUR 251 million (EUR121 million). In Hungary, banking levies (with the exception of the transaction tax already for the full year 2026) increased to a total of EUR 152 million (EUR 78 million) due to a higher tax rate as well as well as a larger tax base resulting from higher profits. In Romania, banking levies rose to EUR 16 million (EUR 10 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 32 million (EUR 34 million). In Poland, banking tax amounted to EUR 50 million. A positive impact came from the rise in the result from other operating expenses/income to EUR 108 million (EUR -6 million), which includes a EUR 116 million gain from the sale of a company in Croatia. Contributions to resolution funds declined to EUR 13 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 376 million (EUR 242 million). The minority charge increased to EUR 279 million (EUR 197 million) on the back of higher contributions from the savings banks and the inclusion of the Poland segment (EUR 17 million). The net result attributable to owners of the parent rose to EUR 879 million (+18.2%; EUR 743 million). The return on tangible equity (ROTE) was 18.1% (15.2%).

FINANCIAL RESULTS – QUARTER-ON-QUARTER COMPARISON

First quarter of 2026 compared with the fourth quarter of 2025

in EUR million	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26
Income statement					
Net interest income	1,872	1,914	1,975	2,027	2,674
Net fee and commission income	780	762	798	850	965
Dividend income	3	26	3	4	4
Net trading result	47	94	90	82	161
Gains/losses from financial instruments measured at fair value through profit or loss	50	10	-2	49	68
Net result from equity method investments	7	16	10	13	19
Rental income from investment properties & other operating leases	43	45	45	46	48
Personnel expenses	-794	-830	-824	-886	-974
Other administrative expenses	-414	-393	-399	-481	-556
Depreciation and amortisation	-136	-138	-139	-147	-241
Gains/losses from derecognition of financial assets at AC	-6	-7	-10	-26	-3
Other gains/losses from derecognition of financial instruments not at FVPL	0	-1	14	-4	2
Impairment result from financial instruments	-85	-97	-136	-159	-439
Other operating result	-184	1	-29	54	-194
Levies on banking activities	-121	-76	-87	-88	-251
Pre-tax result from continuing operations	**1,182**	**1,400**	**1,395**	**1,422**	**1,533**
Taxes on income	-242	-287	-286	-287	-376
Net result for the period	**940**	**1,113**	**1,109**	**1,135**	**1,157**
Net result attributable to non-controlling interests	197	192	208	191	279
Net result attributable to owners of the parent	**743**	**921**	**901**	**944**	**879**

The changes reflected in the quarter-on-quarter comparison are again materially attributable to the consolidation of the Poland segment.

Net interest income increased by 31.9%, most notably due to the first-time consolidation of Poland. **Net fee and commission income** was up 13.4%, mainly due to higher income from the securities business and payment services.

Net trading result rose to EUR 161 million (EUR 82 million), again primarily due to the first-time inclusion of Poland. **Gains/losses from financial instruments measured at fair value through profit or loss** were also up.

General administrative expenses increased by 16.9%. In the first quarter, integration costs in an amount of EUR 30 million were booked (EUR 38 Million). The operating result rose to EUR 2,167 million (EUR 1,557 million). The **cost/income ratio** improved to 45.0% (49.3%).

Gains/losses from derecognition of financial instruments not measured at fair value through profit or loss and from financial assets measured at amortised cost amounted to EUR -2 million (EUR -30 million).

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

Other operating result deteriorated despite a positive one-off effect of EUR 116 million in Croatia from the sale of a company. In the comparative quarter, positive one-off effects had been stronger, though: EUR 90 million from the release of provisions for legal risks and EUR 43 million from real estate sales in the Czech Republic. Adverse effects also resulted from taxes and levies on the banking business, which increased to EUR 251 million (EUR 88 million): in Hungary, banking tax rose to a total of EUR 152 million (EUR 34 million) due to a seasonal effect (banking tax is paid in the first quarter upfront for the full year) as well as a higher tax rate and a larger tax base resulting from higher profits. In Romania, the banking levy declined to EUR 16 million (EUR 22 million), in Austria it amounted to EUR 32 million (EUR 32 million). In addition, banking tax was payable in Poland in the amount of EUR 50 million.

The **net result attributable to owners of the parent** declined to EUR 879 million (-6.9%; EUR 944 million). The **return on tangible equity (ROTE)** improved to 18.1% (16.0%).

BALANCE SHEET

in EUR million	Dec 25	Mar 26	Change
Assets			
Cash and cash balances	27,573	26,850	-2.6%
Trading, financial assets	79,522	106,177	33.5%
Loans and advances to banks	20,827	26,382	26.7%
Loans and advances to customers	231,985	275,630	18.8%
Intangible assets	1,413	5,915	318.6%
Miscellaneous assets	7,254	9,073	25.1%
Total assets	**368,574**	**450,027**	**22.1%**
Liabilities and equity			
Financial liabilities held for trading	2,412	4,975	106.2%
Deposits from banks	16,919	19,658	16.2%
Deposits from customers	252,991	314,772	24.4%
Debt securities issued	54,872	59,891	9.1%
Miscellaneous liabilities	6,715	10,423	55.2%
Total equity	34,665	40,308	16.3%
Total liabilities and equity	**368,574**	**450,027**	**22.1%**

Cash and cash balances amounted to EUR 26.8 billion (EUR 27.6 billion). **Trading and investment securities** held in various categories of financial assets increased to EUR 106.2 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 26.4 billion (EUR 20.8 billion). **Loans and advances to customers (net)** increased to EUR 275.6 billion (EUR 232.0 billion), most notably in Austria. Poland's share of loans and advances to customers (net) came to EUR 40.1 billion. In the seven original core markets, loan growth was recorded in both retail and corporate business.

Loan loss allowances for loans to customers were almost unchanged at EUR 4.5 billion (EUR 4.0 billion). The **NPL ratio** – non-performing loans as a percentage of gross customer loans – was stable at 2.4% (2.4%), the **NPL coverage ratio** (based on gross customer loans) slipped to 67.9% (69.7%).

Financial liabilities – held for trading amounted to EUR 5.0 billion (EUR 2.4 billion). **Deposits from banks** rose to EUR 19.7 billion (EUR 16.9 billion). **Deposits from customers** increased to EUR 314.8 billion (EUR 253.0 billion) mostly on the back of deposits from corporate customers in Austria and the Czech Republic. Poland's contribution to customer deposits amounted to EUR 53.8 billion. The **loan-to-deposit ratio** stood at 87.6% (91.7%). **Debt securities in issue** rose to EUR 59.9 billion (EUR 54.9 billion).

Total assets rose to EUR 450.0 billion (EUR 368.6 billion). **Total equity** increased to EUR 40.3 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) decreased to EUR 26.5 billion (EUR 28.5 billion) as were **total own funds** to EUR 35.8 billion (EUR 36.5 billion). The interim profit for the first quarter of the year is not included in the above figures. Total risk – **risk-weighted assets** including credit, market and operational risk – increased to EUR 183.2 billion (EUR 147.5 billion), with EUR 32.9 billion attributable to Erste Bank Polska.

The **total capital ratio,** total eligible qualifying capital in relation to total risk, stood at 19.5% (24.8%), well above the legal minimum requirement. The **tier 1 ratio** was 16.5% (21.7%), the **common equity tier 1** ratio 14.5% (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-March 2026 compared with January-March 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	1-3 25	1-3 26	Change
Net interest income	253	271	7.0%
Net fee and commission income	144	151	4.6%
Net trading result and gains/losses from financial instruments at FVPL	6	-15	n/a
Operating income	421	427	1.3%
Operating expenses	-197	-200	1.6%
Operating result	225	227	1.0%
Cost/income ratio	46.7%	46.9%	
Impairment result from financial instruments	-18	-16	-15.2%
Other result	-24	-7	-69.7%
Net result attributable to owners of the parent	134	148	10.5%
Return on allocated capital	22.0%	25.1%	

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

Net interest income increased due to lower expenses for customer deposits and higher income from debt securities which was partially offset by the repricing of variable rate customer loans and lower income from placements at the central bank due to the decreased interest rate environment as well as higher expense for issued bonds. Net fee and commission income rose mainly on the back of higher securities and payment fees. Net trading result and gains/losses from financial instruments at FVPL decreased on valuation effects. Operating expenses increased due to higher IT expenses, which was partly compensated by the lower contribution to the deposit insurance fund of EUR 5 million (EUR 6 million). Overall, operating result increased slightly, and the cost/income ratio remained nearly stable. Impairment result from financial instruments improved due to lower allocations for new defaults. 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	1-3 25	1-3 26	Change
Net interest income	420	459	9.3%
Net fee and commission income	195	210	7.7%
Net trading result and gains/losses from financial instruments at FVPL	11	6	-49.9%
Operating income	636	686	7.9%
Operating expenses	-339	-355	4.7%
Operating result	296	330	11.4%
Cost/income ratio	53.4%	51.8%	
Impairment result from financial instruments	-39	-45	15.7%
Other result	-28	-4	-83.8%
Net result attributable to owners of the parent	22	28	24.4%
Return on allocated capital	12.8%	16.2%	

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

Net interest income increased due to lower expenses for customer deposits partially offset by lower income from the variable loan portfolio and placements of surplus liquidity driven by the decreased interest rate environment. Net fee and commission income increased on the back of higher payment and securities 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 a lower contribution to the deposit insurance fund of EUR 10 million (EUR 13 million). Overall, operating result increased and the cost/income ratio improved. Impairment result from financial instruments deteriorated mainly due to higher risk cost allocations for new defaults. The improvement of other result was driven mainly by the non-recurrence of last year's provisions for legal risks with regards to loan arrangement fees. Banking tax remained stable at EUR 5 million. Overall, the net result attributable to the owners of the parent increased.

OTHER AUSTRIA

in EUR million	1-3 25	1-3 26	Change
Net interest income	153	141	-7.5%
Net fee and commission income	106	117	10.0%
Net trading result and gains/losses from financial instruments at FVPL	13	-1	n/a
Operating income	288	274	-4.8%
Operating expenses	-108	-108	0.0%
Operating result	180	166	-7.7%
Cost/income ratio	37.5%	39.3%	
Impairment result from financial instruments	8	2	-68.6%
Other result	1	2	63.5%
Net result attributable to owners of the parent	143	130	-9.1%
Return on allocated capital	20.2%	20.4%	

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 and repo business in Group Markets, as well as a lower result of Erste Group Immorent, only partially compensated by higher loan volumes in Corporate business in Holding. Net fee and commission income improved mainly due to higher asset management fees, as well as higher securities fees on the debt capital market and custody business contribution. Net trading result and gains/losses from financial instruments at FVPL deteriorated on valuation effects. While operating income decreased, operating expenses remained stable. Thus operating result and the cost/income ratio deteriorated. The impairment result from financial instruments again posted a net release, albeit at a lower level mostly due lower recoveries and impairment releases. Other result improved due to lower provisions for commitments in the Corporate portfolio in Holding. Overall, the net result attributable to owners of the parent deteriorated.

Central and Eastern Europe

POLAND

in EUR million	1-3 26	Change
Net interest income	681	n/a
Net fee and commission income	128	n/a
Net trading result and gains/losses from financial instruments at FVPL	85	n/a
Operating income	901	n/a
Operating expenses	-359	n/a
Operating result	542	n/a
Cost/income ratio	39.8%	
Impairment result from financial instruments	-335	n/a
Other result	-88	n/a
Net result attributable to owners of the parent	24	n/a
Return on allocated capital	5.5%	

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 by EUR -47 million (mainly unwinding of FV PPA adjustments related to securities) and operating expenses by EUR -66 million (amortisation of customer relationships and brand) . Impairment result from financial instruments contains 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.

CZECH REPUBLIC

in EUR million	1-3 25	1-3 26	Change
Net interest income	366	392	7.1%
Net fee and commission income	128	140	9.2%
Net trading result and gains/losses from financial instruments at FVPL	30	49	63.4%
Operating income	527	584	10.8%
Operating expenses	-253	-269	6.5%
Operating result	274	315	14.7%
Cost/income ratio	48.0%	46.1%	
Impairment result from financial instruments	-13	2	n/a
Other result	-23	-11	-50.7%
Net result attributable to owners of the parent	199	253	27.2%
Return on allocated capital	19.0%	22.8%	

The segment analysis is done on a constant currency basis. The CZK appreciated by 3.0% 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, lower expenses for customer deposits and higher yields on bond investments, partially offset by lower income from placements at the central bank due to the decreased interest rate environment as well as higher expenses for issued bonds. 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 and IT costs. Contributions into the deposit insurance fund were unchanged at EUR 17 million. Overall, the operating result increased and the cost/income ratio improved. Impairment result from financial instruments improved benefitting from net releases mainly on a positive development of the Corporate portfolio. Other result improved on the non-recurrence of last year's negative impact from the deconsolidation of a subsidiary and non-recurrence of last year's selling losses from bonds although the contribution to the resolution fund increased slightly to EUR 7 million (EUR 6 million). Altogether, these developments resulted in a higher net result attributable to the owners of the parent.

SLOVAKIA

in EUR million	1-3 25	1-3 26	Change
Net interest income	145	164	13.0%
Net fee and commission income	59	66	12.3%
Net trading result and gains/losses from financial instruments at FVPL	6	9	49.6%
Operating income	212	241	13.8%
Operating expenses	-94	-98	4.3%
Operating result	118	143	21.4%
Cost/income ratio	44.3%	40.6%	
Impairment result from financial instruments	-20	-23	13.1%
Other result	0	0	>100.0%
Net result attributable to owners of the parent	65	82	26.3%
Return on allocated capital	18.8%	22.1%	

Net interest income in the Slovakia segment (comprising Slovenská sporitel'ňa Group) increased due to higher customer loan volumes and repricing of fixed rate loans as well as lower expenses for customer deposits. These effects were partially offset by lower income from central bank placements and higher expenses 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 increased due to valuation effects. Operating expenses went up mainly due to higher personnel expenses. The contributions into the deposit insurance fund rose to EUR 4 million (EUR 3 million). Operating result and the cost/income ratio improved. Impairment result from financial instruments deteriorated due to higher allocations in the retail business. Other result remained stable. The banking tax, booked in the taxes on income line, amounted to EUR 16 million (EUR 15 million). Overall, the net result attributable to the owners of the parent increased.

ROMANIA

in EUR million	1-3 25	1-3 26	Change
Net interest income	201	184	-8.6%
Net fee and commission income	57	60	4.4%
Net trading result and gains/losses from financial instruments at FVPL	24	25	1.7%
Operating income	284	269	-5.2%
Operating expenses	-109	-111	1.9%
Operating result	175	159	-9.6%
Cost/income ratio	38.3%	41.1%	
Impairment result from financial instruments	-12	-36	>100.0%
Other result	-25	-24	-3.7%
Net result attributable to owners of the parent	111	79	-28.8%
Return on allocated capital	19.2%	14.6%	

The segment analysis is done on a constant currency basis. The RON depreciated by 2.4% against the EUR in the reporting period. Net interest income in the Romania segment (comprising Banca Comercială Română Group) decreased on a lower contribution from loans driven by lower market interest rates as well as higher expense for customer deposits impacted by higher volumes. Net fee and commission income went up mainly on higher payment, securities and insurance brokerage fees. The net trading result and gains/losses from financial instruments at FVPL increased due to improved contribution from FX business. Operating expenses rose mainly due to higher personnel, IT and marketing 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 new defaults. Other result improved only moderately on the discontinuation of payments into the resolution fund as the target level was reached (2025: EUR 8 million) as the banking tax increased to EUR 16 million (EUR 10 million). Overall, the net result attributable to the owners of the parent decreased.

HUNGARY

in EUR million	1-3 25	1-3 26	Change
Net interest income	107	118	10.4%
Net fee and commission income	83	94	13.7%
Net trading result and gains/losses from financial instruments at FVPL	12	2	-82.5%
Operating income	203	216	6.1%
Operating expenses	-82	-95	16.2%
Operating result	122	121	-0.6%
Cost/income ratio	40.2%	44.0%	
Impairment result from financial instruments	4	6	36.8%
Other result	-84	-157	87.6%
Net result attributable to owners of the parent	33	-35	n/a
Return on allocated capital	11.0%	-11.3%	

The segment analysis is done on a constant currency basis. The HUF appreciated by 5.1% 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 declined due to valuation effects. Operating expenses increased due to higher personnel and IT expenses. The contribution into the deposit insurance fund amounted to EUR 9 million (EUR 8 million). Overall, operating result remained by and large stable, while the cost/income ratio deteriorated. Impairment result from financial instruments still benefitted from net releases. The deterioration of the other result was primarily driven by the higher banking tax amounting to EUR 120 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 32 million (EUR 30 million). The contribution to the resolution fund remained at EUR 2 million. Overall, the net result attributable to the owners of the parent decreased.

CROATIA

in EUR million	1-3 25	1-3 26	Change
Net interest income	102	109	6.8%
Net fee and commission income	33	29	-12.4%
Net trading result and gains/losses from financial instruments at FVPL	5	5	-1.6%
Operating income	142	145	1.8%
Operating expenses	-73	-72	-1.8%
Operating result	69	73	5.6%
Cost/income ratio	51.5%	49.7%	
Impairment result from financial instruments	9	7	-21.8%
Other result	1	116	>100.0%
Net result attributable to owners of the parent	45	117	>100.0%
Return on allocated capital	23.6%	53.6%	

Net interest income in the Croatia segment (comprising Erste Bank Croatia Group) increased driven by higher loan volumes and lower interest expenses for customer deposits, 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 remained stable. Operating expenses were also by and large stable. The contribution into the deposit insurance fund remained unchanged at EUR 1 million. Overall, operating result increased and the cost/income ratio improved. Impairment result from financial instruments still benefited from net releases, albeit at a lower level. 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	1-3 25	1-3 26	Change
Net interest income	28	26	-5.1%
Net fee and commission income	7	7	5.6%
Net trading result and gains/losses from financial instruments at FVPL	3	3	1.0%
Operating income	39	39	-1.0%
Operating expenses	-23	-25	8.4%
Operating result	16	13	-15.1%
Cost/income ratio	59.7%	65.4%	
Impairment result from financial instruments	-3	-2	-25.1%
Other result	0	-4	n/a
Net result attributable to owners of the parent	10	5	-54.5%
Return on allocated capital	15.3%	6.6%	

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 1,1 million (EUR 1,5 million). Consequently, operating result decreased, and the cost/income ratio worsened. Impairment result from financial instruments improved, reflecting the non-recurrence of the one-off allocation related to a significant default and due to rating upgrades in the corporate portfolio. Other result worsened mainly due to the contribution to the resolution fund introduced in 2026 in the amount of EUR 4 million. Overall, the net result attributable to owners of the parent decreased.

Condensed interim consolidated financial statements

Interim report 1 January to 31 March 2026

Consolidated statement of income

in EUR million	Notes	1-3 25	1-3 26
Net interest income	1	1,872	2,674
Interest income	1	3,549	4,080
Other similar income	1	770	695
Interest expenses	1	-1,675	-1,473
Other similar expenses	1	-772	-629
Net fee and commission income	2	780	965
Fee and commission income	2	918	1,177
Fee and commission expenses	2	-138	-212
Dividend income	3	3	4
Net trading result	4	47	161
Gains/losses from financial instruments measured at fair value through profit or loss	5	50	68
Net result from equity method investments		7	19
Rental income from investment properties & other operating leases	6	43	48
Personnel expenses	7	-794	-974
Other administrative expenses	7	-414	-556
Depreciation and amortisation	7	-136	-241
Gains/losses from derecognition of financial assets measured at amortised cost	8	-6	-3
Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss	9	0	2
Impairment result from financial instruments	10	-85	-439
Other operating result	11	-184	-194
Levies on banking activities	11	-121	-251
Pre-tax result from continuing operations		**1,182**	**1,533**
Taxes on income	12	-242	-376
Net result for the period		**940**	**1,157**
Net result attributable to non-controlling interests		197	279
Net result attributable to owners of the parent		**743**	**879**

Earnings per share

		1-3 25	1-3 26
Net result attributable to owners of the parent	in EUR thousand	743,311	878,549
Dividend on AT1 capital (after tax effect)	in EUR thousand	0	0
Net result for the period attributable to owners of the parent after deduction of AT1 capital dividend	in EUR thousand	743,311	878,549
Weighted average undiluted number of outstanding shares		408,934,690	408,969,302
Undiluted earnings per share	**in EUR**	**1.82**	**2.15**
Weighted average diluted number of outstanding shares		409,095,449	409,144,748
Diluted earnings per share	**in EUR**	**1.82**	**2.15**

Development of the number of shares

	1-3 25	1-3 26
Shares outstanding at the beginning of the period	**388,126,224**	**388,406,224**
Acquisition of treasury shares	-744,634	-243,914
Disposal of treasury shares	744,634	243,914
Capital increase/Capital decrease	0	0
Shares outstanding at the end of the period	**388,126,224**	**388,406,224**
Treasury shares	22,388,160	22,108,160
Number of shares issued at the end of the period	**410,514,384**	**410,514,384**
Weighted average undiluted number of outstanding shares	408,934,690	408,969,302
Weighted average diluted number of outstanding shares	409,095,449	409,144,748

Consolidated statement of comprehensive income

in EUR million	1-3 25	1-3 26
Net result for the period	**940**	**1,157**
Other comprehensive income		
Items that may not be reclassified to profit or loss	**26**	**24**
Remeasurement of defined benefit plans	20	-2
Fair value reserve of equity instruments	2	1
Own credit risk reserve	12	32
Deferred taxes relating to items that may not be reclassified	-7	-7
Items that may be reclassified to profit or loss	**94**	**-512**
Fair value reserve of debt instruments	3	-103
Gains/losses during the period	4	-113
Reclassification adjustments	0	-1
Credit loss allowances	0	11
Cash flow hedge reserve	24	-212
Gains/losses during the period	8	-200
Reclassification adjustments	16	-12
Currency reserve	75	-244
Gains/losses during the period	90	-260
Net investment hedge gains/losses during the period	-16	17
Reclassification adjustments	0	0
Deferred taxes relating to items that may be reclassified	-8	46
Gains/losses during the period	-4	44
Reclassification adjustments	-3	3
Total other comprehensive income	**120**	**-488**
Total comprehensive income	**1,060**	**669**
Total comprehensive income attributable to non-controlling interests	207	113
Total comprehensive income attributable to owners of the parent	**854**	**556**

Quarterly results

in EUR million	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26
Income statement					
Net interest income	1,872	1,914	1,975	2,027	2,674
Interest income	3,549	3,489	3,407	3,249	4,080
Other similar income	770	728	694	723	695
Interest expenses	-1,675	-1,589	-1,454	-1,272	-1,473
Other similar expenses	-772	-713	-672	-673	-629
Net fee and commission income	780	762	798	850	965
Fee and commission income	918	921	961	1,010	1,177
Fee and commission expense	-138	-159	-163	-160	-212
Dividend income	3	26	3	4	4
Net trading result	47	94	90	82	161
Gains/losses from financial instruments measured at fair value	50	10	-2	49	68
Net result from equity method investments	7	16	10	13	19
Rental income from investment properties & other operating	43	45	45	46	48
Personnel expenses	-794	-830	-824	-886	-974
Other administrative expenses	-414	-393	-399	-481	-556
Depreciation and amortisation	-136	-138	-139	-147	-241
Gains/losses from derecognition of financial assets at AC	-6	-7	-10	-26	-3
Other gains/losses from derecognition of financial instruments	0	-1	14	-4	2
Impairment result from financial instruments	-85	-97	-136	-159	-439
Other operating result	-184	1	-29	54	-194
Levies on banking activities	-121	-76	-87	-88	-251
Pre-tax result from continuing operations	**1,182**	**1,400**	**1,395**	**1,422**	**1,533**
Taxes on income	-242	-287	-286	-287	-376
Net result for the period	**940**	**1,113**	**1,109**	**1,135**	**1,157**
Net result attributable to non-controlling interests	197	192	208	191	279
Net result attributable to owners of the parent	**743**	**921**	**901**	**944**	**879**
Statement of comprehensive income					
Net result for the period	**940**	**1,113**	**1,109**	**1,135**	**1,157**
Other comprehensive income					
Items that may not be reclassified to profit or loss	**26**	**12**	**-28**	**15**	**24**
Remeasurement of defined benefit plans	20	18	-1	4	-2
Fair value reserve of equity instruments	2	-7	1	9	1
Own credit risk reserve	12	5	-37	8	32
Deferred taxes relating to items that may not be reclassified	-7	-4	8	-5	-7
Items that may be reclassified to profit or loss	**94**	**-4**	**70**	**51**	**-512**
Fair value reserve of debt instruments	3	13	-5	22	-103
Gains/losses during the period	4	20	9	20	-113
Reclassification adjustments	0	-7	-14	3	-1
Credit loss allowances	0	-1	1	0	11
Cashflow hedge reserve	24	-8	-35	12	-212
Gains/losses during the period	8	-25	-66	19	-200
Reclassification adjustments	16	17	31	-7	-12
Currency reserve	75	-8	101	26	-244
Gains/losses during the period	90	3	131	37	-260
Net investment hedge gains/losses during the period	-16	-11	-29	-11	17
Deferred taxes relating to items that may be reclassified	-8	0	8	-9	46
Gains/losses during the period	-4	2	12	-10	44
Reclassification adjustments	-3	-2	-3	1	3
Total	**120**	**8**	**42**	**67**	**-488**
Total comprehensive income	**1,060**	**1,121**	**1,151**	**1,202**	**669**
Total comprehensive income attributable to non-controlling	207	204	208	195	113
Total comprehensive income attributable to owners of the	**854**	**918**	**943**	**1,007**	**556**

Consolidated balance sheet

in EUR million	Notes	Dec 25	Mar 26
Assets			
Cash and cash balances	13	27,573	26,850
Financial assets held for trading		9,377	12,042
Derivatives	19	829	2,582
Other financial assets held for trading	20	8,548	9,460
Pledged as collateral		248	1,366
Non-trading financial assets at fair value through profit or loss	21	3,833	3,985
Pledged as collateral		0	0
Equity instruments		523	545
Debt securities		1,786	1,714
Loans and advances to banks		0	0
Loans and advances to customers		1,524	1,727
Financial assets at fair value through other comprehensive income	17	9,181	17,186
Pledged as collateral		275	602
Equity instruments		113	228
Debt securities		9,068	16,069
Loans and advances to banks		0	0
Loans and advances to customers		0	889
Financial assets at amortised cost	14	301,707	361,867
Pledged as collateral		2,708	8,460
Debt securities		58,655	75,579
Loans and advances to banks		20,827	26,382
Loans and advances to customers		222,225	259,906
Finance lease receivables	18	5,290	7,794
Hedge accounting derivatives	22	231	552
Fair value changes of hedged items in portfolio hedge of interest rate risk		-64	-105
Property and equipment		2,941	3,220
Investment properties		1,913	1,970
Intangible assets		1,413	5,915
Investments in associates and joint ventures		465	797
Current tax assets		84	109
Deferred tax assets		171	215
Assets held for sale		211	190
Trade and other receivables	15	2,946	5,314
Other assets	23	1,301	2,125
Total assets		**368,574**	**450,027**

in EUR million	Notes	Dec 25	Mar 26
Liabilities and equity			
Financial liabilities held for trading		2,412	4,975
Derivatives	19	1,092	3,121
Other financial liabilities held for trading	24	1,321	1,854
Financial liabilities at fair value through profit or loss		9,857	9,503
Deposits from banks		0	0
Deposits from customers		174	180
Debt securities issued	25	9,268	8,912
Other financial liabilities		415	411
Financial liabilities at amortised cost		316,168	386,515
Deposits from banks	16	16,919	19,658
Deposits from customers	16	252,817	314,592
Debt securities issued	16	45,604	50,979
Other financial liabilities		829	1,286
Lease liabilities		721	844
Hedge accounting derivatives	22	170	183
Provisions	26	1,416	2,352
Current tax liabilities		323	512
Deferred tax liabilities		52	450
Liabilities associated with assets held for sale		84	6
Other liabilities	27	2,706	4,378
Total equity		34,665	40,308
Equity attributable to non-controlling interests		8,367	13,457
Additional equity instruments		3,479	3,479
Equity attributable to owners of the parent		22,819	23,372
Subscribed capital		821	821
Additional paid-in capital		1,516	1,516
Retained earnings and other reserves		20,481	21,035
Total liabilities and equity		**368,574**	**450,027**

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 1 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	1	0	0	0	0	0	1	0	0	1
Dividends paid	0	0	0	0	0	0	0	0	0	0	-8	-8
Capital increase/decrease	0	0	0	0	0	0	0	0	0	0	0	0
Changes in scope of consolidation and ownership interest	0	0	0	0	0	0	0	0	0	0	4,994	4,994
Reclassification from other comprehensive income to retained earnings	0	0	0	0	0	0	0	0	0	0	0	0
Share-based payments	0	0	9	0	0	0	0	0	9	0	0	9
Other changes	0	0	-13	0	0	0	0	0	-13	0	-9	-22
Total comprehensive income	0	0	879	-130	-61	27	-158	0	556	0	113	669
Net result for the period	0	0	879	0	0	0	0	0	879	0	279	1,157
Other comprehensive income	0	0	0	-130	-61	27	-158	0	-322	0	-166	-488
Change from remeasurement of defined benefit plans	0	0	0	0	0	0	0	0	0	0	-1	-1
Change in fair value reserve	0	0	0	0	-61	0	0	0	-61	0	-19	-79
Change in cash flow hedge reserve	0	0	0	-130	0	0	0	0	-130	0	-58	-189
Change in currency reserve	0	0	0	0	0	0	-158	0	-158	0	-86	-244
Change in own credit risk reserve	0	0	0	0	0	27	0	0	27	0	-2	25
Other changes in other comprehensive income	0	0	0	0	0	0	0	0	0	0	0	0
As of 31 March 2026	**821**	**1,516**	**22,551**	**-142**	**26**	**-81**	**-853**	**-467**	**23,372**	**3,479**	**13,457**	**40,308**

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 1 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	-1	0	0	0	0	0	-1	0	0	-1
Dividends paid	0	0	0	0	0	0	0	0	0	0	-8	-8
Capital increase/decrease	0	0	0	0	0	0	0	0	0	0	0	0
Changes in scope of consolidation and ownership interest	0	0	0	0	0	0	0	0	0	0	1	1
Reclassification from other comprehensive income to retained earnings	0	0	0	0	0	0	0	0	0	0	0	0
Share based payments	0	0	7	0	0	0	0	0	7	0	0	7
Other changes	0	0	0	0	0	0	0	0	0	0	0	0
Total comprehensive income	0	0	743	18	0	10	74	8	854	0	207	1,060
Net result for the period	0	0	743	0	0	0	0	0	743	0	197	940
Other comprehensive income	0	0	0	18	0	10	74	8	110	0	10	120
Change from remeasurement of defined benefit plans	0	0	0	0	0	0	0	8	8	0	7	16
Change in fair value reserve	0	0	0	0	0	0	0	0	0	0	3	3
Change in cash flow hedge reserve	0	0	0	18	0	0	0	0	18	0	0	18
Change in currency reserve	0	0	0	0	0	0	74	0	74	0	0	75
Change in own credit risk reserve	0	0	0	0	0	10	0	0	10	0	-1	9
Other changes in other comprehensive income	0	0	0	0	0	0	0	0	0	0	0	0
As of 31 March 2025	**821**	**1,516**	**20,266**	**12**	**69**	**-92**	**-815**	**-471**	**21,306**	**2,688**	**7,832**	**31,826**

Consolidated statement of cash flow

in EUR million	1-3 25	1-3 26
Net result for the period	**940**	**1,157**
Non-cash adjustments for items in net profit/loss for the year		
Depreciation, amortisation and net impairment of non-financial assets	135	241
Net allocation of credit loss allowances and other provisions	141	478
Gains/losses from measurement and derecognition of financial assets and financial liabilities	306	-188
Other adjustments	-6	-179
Changes in assets and liabilities from operating activities after adjustment for non-cash components		
Financial assets held for trading	672	1,427
Non-trading financial assets at fair value through profit or loss		
Equity instruments	11	-22
Debt securities	-15	68
Loans and advances to customers	-65	-225
Financial assets at fair value through other comprehensive income		
Debt securities	-312	1,155
Loans and advances to banks	0	132
Loans and advances to customers	0	-139
Financial assets at amortised cost		
Debt securities	-3,714	-4,754
Loans and advances to banks	201	-2,057
Loans and advances to customers	-2,006	17
Finance lease receivables	-12	115
Hedge accounting derivatives - assets	9	29
Other assets from operating activities	-268	-406
Financial liabilities held for trading	-93	-223
Financial liabilities at fair value through profit or loss	-21	-240
Financial liabilities measured at amortised cost		
Deposits from banks	-4,673	-2,330
Deposits from customers	4,490	6,767
Debt securities issued	2,488	1,557
Other financial liabilities	315	136
Hedge accounting derivatives - liabilities	-6	-33
Other liabilities from operating activities	328	339
Cash flow from operating activities	**-1,156**	**2,821**
Proceeds of disposal		
Financial assets at fair value through other comprehensive income: equity instruments	0	0
Investments in associates and joint ventures	-3	118
Property and equipment and intangible assets	16	13
Investment properties	3	0
Acquisition of		
Property and equipment and intangible assets	-86	-128
Investment properties	-14	-81
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	-9	-3,452
Disposal of subsidiaries	0	46
Cash flow from investing activities	**-94**	**-3,483**
Capital increase	0	0
Capital decrease	0	0
Changes in ownership interests that do not result in a loss of control	1	0
Dividends paid to equity holders of the parent	0	0
Dividends paid to non-controlling interests	-8	-8
Cash flow from financing activities	**-7**	**-8**
Cash and cash equivalents at the beginning of the period	**25,129**	**27,573**
Cash flow from operating activities	-1,156	2,821
Cash flow from investing activities	-94	-3,483
Cash flow from financing activities	-7	-8
Effect of currency translation	68	-54
Cash and cash equivalents at the end of period	**23,940**	**26,850**
Cash flows related to taxes, interest and dividends (included in cash flow from operating activities)	**1,901**	**2,178**
Payments for taxes on income	-137	-535
Interest received	5,252	5,859
Dividends received	3	4
Interest paid	-3,218	-3,150

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 31 March 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 31 March 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	11
Disposals	
Companies sold or liquidated	-1
Mergers	0
As of 31 March 2026	**291**

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

ACCOUNTING AND MEASUREMENT METHODS

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

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

1. Net interest income

in EUR million	1-3 25	1-3 26
Interest income	3,549	4,080
Financial assets at AC	3,450	3,885
Financial assets at FVOCI	99	195
Other similar income	770	695
Non-trading financial assets at FVPL	26	41
Financial assets HfT	663	549
Hedge accounting derivatives, interest rate risk	7	1
Other assets	69	102
Negative interest from financial liabilities	4	3
Interest and other similar income	**4,318**	**4,775**
Interest expenses	-1,675	-1,473
Financial liabilities at AC	-1,675	-1,473
Other similar expenses	-772	-629
Financial liabilities at FVPL	-77	-67
Financial liabilities HfT	-599	-516
Hedge accounting derivatives, interest rate risk	-84	-26
Other liabilities	-12	-16
Negative interest from financial assets	0	-4
Interest and other similar expenses	**-2,446**	**-2,101**
Net interest income	**1,872**	**2,674**

An amount of EUR 58 million (EUR 39 million) relating to impaired financial assets is included in interest income.

2. Net fee and commission income

	1-3 25		1-3 26	
in EUR million	Income	Expenses	Income	Expenses
Securities	101	-17	127	-23
Issues	22	-1	25	-2
Transfer orders	75	-13	97	-18
Other	4	-3	5	-4
Clearing and settlement	1	0	1	-1
Asset management	176	-12	237	-15
Custody	40	-6	47	-6
Fiduciary transactions	0	0	0	0
Payment services	394	-76	496	-98
Card business	120	-49	187	-65
Current accounts from customers	203	0	246	0
Other	71	-27	63	-32
Customer resources distributed but not managed	83	-3	113	-18
Collective investment	8	0	14	-2
Insurance products	68	0	89	0
Foreign exchange transactions	7	0	7	0
Other	1	-2	3	-15
Structured finance	4	0	2	0
Servicing fees from securitization activities	0	-3	0	-4
Lending business	81	-12	110	-33
Guarantees given, guarantees received	24	-1	32	-19
Loan commitments given, loan commitments received	19	0	26	0
Other lending business	38	-10	52	-14
Other	38	-9	45	-15
Total fee and commission income and expenses	**918**	**-138**	**1,177**	**-212**
Net fee and commission income	**780**		**965**	

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	1-3 25	1-3 26
Financial assets HfT	0	0
Non-trading financial assets at FVPL	3	4
Financial assets at FVOCI	0	0
Dividend income	**3**	**4**

4. Net trading result

in EUR million	1-3 25	1-3 26
Securities and derivatives trading	-47	18
Foreign exchange transactions	94	150
Result from hedge accounting	0	-7
Net trading result	**47**	**161**

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

in EUR million	1-3 25	1-3 26
Result from measurement/sale of financial assets designated at FVPL	0	0
Result from measurement/repurchase of financial liabilities designated at FVPL	41	87
Result from financial assets and liabilities designated at FVPL	**41**	**87**
Result from measurement/sale of financial assets mandatorily at FVPL	9	-19
Gains/losses from financial instruments measured at fair value through profit or loss	**50**	**68**

6. Rental income from investment properties & other operating leases

in EUR million	1-3 25	1-3 26
Investment properties	33	37
Other operating leases	10	11
Rental income from investment properties & other operating leases	**43**	**48**

7. General administrative expenses

in EUR million	1-3 25	1-3 26
Personnel expenses	**-794**	**-974**
Wages and salaries	-614	-753
Compulsory social security	-147	-177
Long-term employee provisions	-3	-5
Other personnel expenses	-31	-39
Other administrative expenses	**-414**	**-556**
Deposit insurance contribution	-54	-48
IT expenses	-166	-244
Expenses for office space	-52	-69
Office operating expenses	-41	-53
Advertising/marketing/events	-47	-57
Legal and consulting costs	-33	-59
Sundry administrative expenses	-21	-26
Depreciation and amortisation	**-136**	**-241**
Software and other intangible assets	-42	-72
Owner occupied real estate	-40	-53
Investment properties	-9	-9
Customer relationships	-2	-52
Office furniture and equipment and sundry property and equipment	-43	-55
General administrative expenses	**-1,345**	**-1,771**

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

in EUR million	1-3 25	1-3 26
Gains from derecognition of financial assets at AC	0	0
Losses from derecognition of financial assets at AC	-6	-3
Gains/losses from derecognition of financial assets measured at amortised cost	**-6**	**-3**

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

in EUR million	1-3 25	1-3 26
Sale of financial assets at FVOCI	0	1
Sale of financial lease receivables	0	0
Derecognition of financial liabilities at AC	0	1
Derecognition of the separate line item in portfolio fair value hedges of interest rate risk	0	0
Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss	**0**	**2**

10. Impairment result from financial instruments

in EUR million	1-3 25	1-3 26
Financial assets at FVOCI	1	-12
Financial assets at AC	-88	-399
allocation/reversal to credit loss allowances (net)	-104	-419
Direct write-offs	-1	-1
Recoveries recorded directly to the income statement	18	22
Modification gains or losses	-1	0
Finance lease receivables	0	-28
allocation/reversal to credit loss allowances (net)	0	-29
Direct write-offs	0	0
Recoveries recorded directly to the income statement	0	0
Credit loss allowances for loan commitments and financial guarantees given	2	0
Impairment result from financial instruments	**-85**	**-439**

11. Other operating result

in EUR million	1-3 25	1-3 26
Other operating expenses	**-188**	**-347**
Allocation to other provisions	-47	-78
Levies on banking activities	-121	-251
Banking tax	-91	-219
Financial transaction tax	-30	-32
Other taxes	-5	-5
Resolution fund contributions	-15	-13
Impairment of goodwill	0	0
Other operating income	**6**	**43**
Release of other provisions	6	43
Result from properties and equipment, investment properties and other intangible assets	4	1
Result from other operating expenses/income	-6	108
Other operating result	**-184**	**-194**

12. Taxes on income

The consolidated net tax expenses for the reporting period amounted to EUR 376 million (EUR 242 million), including EUR 83 million of deferred tax income (deferred tax expenses of EUR 16 million).

13. Cash and cash balances

in EUR million	Dec 25	Mar 26
Cash on hand	3,376	3,204
Cash balances at central banks	22,636	21,110
Other demand deposits at credit institutions	1,561	2,536
Cash and cash balances	**27,573**	**26,850**

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
Mar 26									
Central banks	28	0	0	28	0	0	0	0	28
General governments	64,276	8	0	64,284	-5	0	0	-5	64,279
Credit institutions	9,450	5	0	9,455	-3	0	0	-3	9,452
Other financial corporations	717	23	0	740	0	0	0	-1	740
Non-financial corporations	1,015	63	9	1,086	-1	-2	-4	-6	1,081
Total	**75,486**	**99**	**9**	**75,594**	**-9**	**-2**	**-4**	**-15**	**75,579**
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
Mar 26									
Central banks	17,674	0	0	17,674	0	0	0	0	17,674
Credit institutions	8,591	120	0	8,711	-3	0	0	-4	8,708
Total	**26,265**	**120**	**0**	**26,385**	**-3**	**0**	**0**	**-4**	**26,382**
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
Mar 26											
General governments	9,577	674	30	1	10,282	-5	-13	0	0	-18	10,264
Other financial corporations	9,484	534	55	2	10,075	-14	-18	-30	-1	-63	10,012
Non-financial corporations	91,008	18,847	3,316	578	113,749	-258	-770	-1,314	-55	-2,397	111,352
Households	114,406	13,224	2,121	350	130,101	-178	-575	-1,036	-34	-1,823	128,278
Total	**224,475**	**33,279**	**5,522**	**931**	**264,207**	**-454**	**-1,377**	**-2,381**	**-90**	**-4,301**	**259,906**
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
Mar 26											
Central banks	5	0	0	0	5	0	0	0	0	0	5
General governments	132	46	0	0	178	0	0	0	0	0	178
Credit institutions	89	2	0	0	91	0	0	0	0	0	91
Other financial corporations	160	24	0	0	184	-1	0	0	0	-1	183
Non-financial corporations	3,636	984	40	79	4,739	-12	-3	-16	-3	-35	4,704
Households	109	48	15	0	172	-1	-5	-13	0	-18	154
Total	**4,130**	**1,105**	**55**	**79**	**5,368**	**-14**	**-8**	**-29**	**-3**	**-54**	**5,314**
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	Mar 26
Deposits repayable on demand	2,565	4,528
Term deposits	10,923	10,274
Repurchase agreements	3,431	4,856
Deposits from banks	**16,919**	**19,658**

Deposits from customers

in EUR million	Dec 25	Mar 26
Deposits repayable on demand	**184,773**	**225,339**
Savings deposits	62,108	79,512
Other financial corporations	172	164
Non-financial corporations	3,885	3,640
Households	58,051	75,708
Non-savings deposits	122,665	145,826
General governments	9,405	11,525
Other financial corporations	5,689	8,156
Non-financial corporations	35,970	49,529
Households	71,602	76,617
Term deposits	**62,365**	**76,229**
Deposits with agreed maturity	60,534	74,986
Savings deposits	25,719	24,991
Other financial corporations	33	34
Non-financial corporations	757	718
Households	24,929	24,238
Non-savings deposits	34,815	49,995
General governments	2,726	3,271
Other financial corporations	6,089	7,730
Non-financial corporations	11,975	16,262
Households	14,025	22,731
Deposits redeemable at notice	1,831	1,243
General governments	10	10
Other financial corporations	6	1
Non-financial corporations	324	70
Households	1,489	1,162
Repurchase agreements	**5,679**	**13,025**
General governments	2,124	5,245
Other financial corporations	3,503	6,644
Non-financial corporations	52	1,136
Deposits from customers	**252,817**	**314,592**
General governments	14,265	20,051
Other financial corporations	15,492	22,730
Non-financial corporations	52,963	71,356
Households	170,096	200,456

Debt securities issued

in EUR million	Dec 25	Mar 26
Subordinated debt securities issued	3,746	4,687
Senior non-preferred bonds	6,263	8,045
Other debt securities issued	35,594	38,247
Bonds	13,702	16,675
Certificates of deposit	4,191	3,691
Other certificates of deposits/name certificates	94	83
Mortgage covered bonds	17,608	17,799
Debt securities issued	**45,604**	**50,979**

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 31 March 2026 amounts to EUR 228 million (EUR 113 million), the cumulative fair value change for equity instruments FVOCI before taxes recognised in other comprehensive income amounted to EUR 74 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
Mar 26													
Debt securities	16,082	58	5	0	16,145	-3	0	-3	0	-6	16,139	-70	16,069
Central banks	816	0	0	0	816	0	0	0	0	0	816	0	815
General governments	13,477	0	0	0	13,477	-2	0	0	0	-2	13,475	-62	13,413
Credit institutions	944	0	0	0	944	0	0	0	0	0	944	7	951
Other financial corporations	238	1	0	0	239	0	0	0	0	0	239	-3	236
Non-financial corporations	607	57	4	0	669	-1	0	-2	0	-3	666	-12	654
Loans and advances to banks	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans and advances to customers	833	59	0	8	900	-3	-7	0	0	-11	889	0	889
Total	**16,915**	**117**	**5**	**8**	**17,045**	**-6**	**-8**	**-3**	**0**	**-17**	**17,028**	**-70**	**16,958**
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
Mar 26											
General governments	232	10	0	0	241	-1	-1	0	0	-2	239
Credit institutions	35	0	0	0	36	0	0	0	0	0	35
Other financial corporations	264	6	13	1	284	-1	0	-1	-1	-3	281
Non-financial corporations	5,364	901	90	51	6,406	-21	-30	-28	-5	-83	6,323
Households	840	73	15	1	929	-5	-2	-6	0	-13	915
Total	**6,735**	**990**	**118**	**52**	**7,895**	**-28**	**-34**	**-34**	**-5**	**-101**	**7,794**
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			Mar 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**	**739,196**	**6,742**	**6,726**
Interest rate	204,278	3,010	2,955	634,142	5,828	5,882
Equity	346	7	15	978	31	32
Foreign exchange	55,310	368	507	103,105	877	795
Credit	93	0	2	531	1	14
Commodity	11	0	0	14	0	0
Other	376	5	2	426	6	3
Derivatives held in the banking book	**42,150**	**367**	**406**	**49,427**	**380**	**704**
Interest rate	33,456	255	281	36,121	262	336
Equity	750	73	23	725	58	25
Foreign exchange	6,392	39	98	11,030	60	341
Credit	1,366	0	0	1,364	0	0
Other	186	0	4	186	0	2
Total gross amounts	**302,564**	**3,758**	**3,887**	**788,623**	**7,122**	**7,431**
Offset		-2,928	-2,795		-4,540	-4,310
Total		**829**	**1,092**		**2,582**	**3,121**

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	Mar 26
Equity instruments	222	329
Debt securities	8,326	9,131
Central banks	1,595	460
General governments	4,036	5,949
Credit institutions	2,300	2,376
Other financial corporations	259	241
Non-financial corporations	135	106
Other financial assets held for trading	**8,548**	**9,460**

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

	Dec 25		Mar 26	
in EUR million	Designated	Mandatorily	Designated	Mandatorily
Equity instruments	0	523	0	545
Debt securities	0	1,786	0	1,714
General governments	0	484	0	494
Credit institutions	0	356	0	338
Other financial corporations	0	813	0	749
Non-financial corporations	0	133	0	133
Loans and advances to customers	0	1,524	0	1,727
General governments	0	0	0	0
Other financial corporations	0	0	0	29
Non-financial corporations	0	8	0	9
Households	0	1,515	0	1,689
Financial assets designated and mandatorily at FVPL	0	3,833	0	3,985
Non-trading financial assets at fair value through profit or loss	**3,833**		**3,985**	

22. Hedge Accounting

	Dec 25			Mar 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**	**40,928**	**638**	**937**
Interest rate	36,761	684	891	42,419	638	971
Foreign exchange	0	0	0	-1,491	0	-34
Cashflow hedges	**6,723**	**115**	**17**	**20,887**	**352**	**88**
Interest rate	5,062	33	11	19,062	287	52
Foreign exchange	1,661	82	6	1,825	66	35
Hedge of net investments in a foreign	**1,881**	**0**	**54**	**3,502**	**7**	**49**
Total gross amounts	**45,365**	**799**	**962**	**65,317**	**998**	**1,074**
Offset		-568	-792		-446	-891
Total		**231**	**170**		**552**	**183**

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	Mar 26
Prepayments	187	358
Inventories	129	142
Sundry assets	985	1,625
Other assets	**1,301**	**2,125**

24. Other financial liabilities held for trading

in EUR million	Dec 25	Mar 26
Short positions	1,226	1,742
Equity instruments	40	41
Debt securities	1,187	1,701
Debt securities issued	94	112
Other financial liabilities held for trading	**1,321**	**1,854**

25. Financial liabilities at fair value through profit and loss

Debt securities issued

in EUR million	Dec 25	Mar 26
Subordinated debt securities issued	1,768	1,615
Other debt securities issued	7,500	7,297
Bonds	5,083	4,907
Other certificates of deposits/name certificates	1,091	1,070
Mortgage covered bonds	1,249	1,253
Public sector covered bonds	77	66
Debt securities issued	**9,268**	**8,912**

26. Provisions

in EUR million	Dec 25	Mar 26
Defined employee benefit plans	657	667
Loan commitments and financial guarantees given in scope of IFRS 9	435	452
Pending legal issues and tax litigation	196	892
Commitments and guarantees given out of scope of IFRS 9	6	8
Other provisions	121	333
Provisions	**1,416**	**2,352**

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

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

27. Other liabilities

in EUR million	Dec 25	Mar 26
Deferred income	128	159
Sundry liabilities	2,577	4,219
Other liabilities	**2,706**	**4,378**

28. Segment reporting

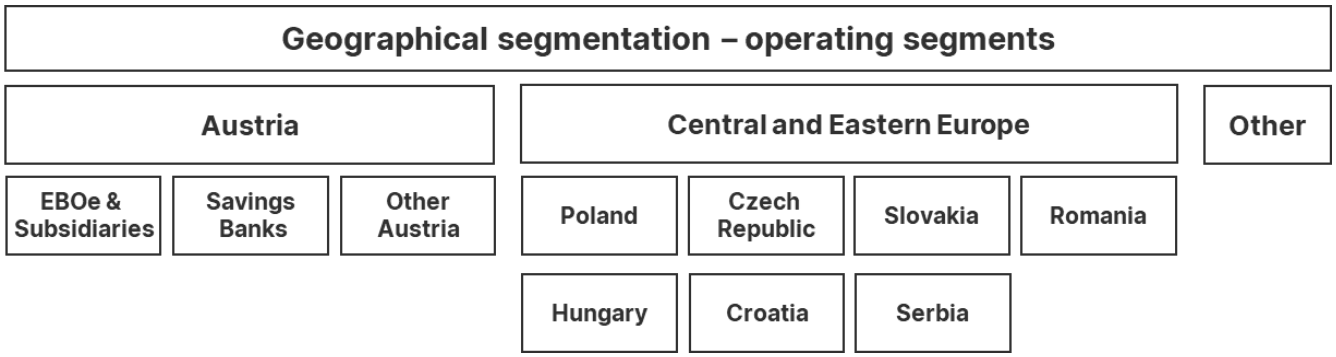
Erste Group's segment reporting is based on IFRS 8 Operating Segments, which adopts the management approach. Accordingly, segment information is prepared on the basis of internal management reporting that is regularly reviewed by the chief operating decision maker to assess the performance of the segments 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	**1-3 25**	**1-3 26**	**1-3 25**	**1-3 26**	**1-3 25**	**1-3 26**	**1-3 25**	**1-3 26**
Net interest income	826	871	948	1,673	98	130	1,872	2,674
Net fee and commission income	446	478	367	524	-33	-37	780	965
Dividend income	3	4	0	0	0	0	3	4
Net trading result	10	-38	81	196	-43	3	47	161
Gains/losses from financial instruments at FVPL	20	27	0	-19	30	60	50	68
Net result from equity method investments	3	3	4	10	1	6	7	19
Rental income from investment properties & other operating leases	38	41	9	11	-4	-4	43	48
General administrative expenses	-644	-663	-634	-1,029	-66	-79	-1,345	-1,771
thereof depreciation and amortization	-175	-174	-278	-277	-95	-94	-547	-546
Gains/losses from derecognition of financial assets at AC	0	0	-6	-3	0	0	-6	-3
Other gains/losses from derecognition of financial instruments not at FVPL	0	-1	0	0	0	3	0	2
Impairment result from financial instruments	-50	-58	-36	-382	0	1	-85	-439
Other operating result	-51	-9	-125	-166	-8	-19	-184	-194
Levies on banking activities	-11	-11	-88	-218	-23	-21	-121	-251
Pre-tax result from continuing operations	**601**	**655**	**607**	**815**	**-26**	**62**	**1,182**	**1,533**
Taxes on income	-134	-149	-121	-220	13	-6	-242	-376
Net result for the period	**467**	**506**	**486**	**595**	**-13**	**56**	**940**	**1,157**
Net result attributable to non-controlling interests	167	200	23	71	6	8	197	279
Net result attributable to owners of the parent	**300**	**306**	**463**	**524**	**-19**	**48**	**743**	**879**
Operating income	1,345	1,387	1,408	2,395	49	157	2,802	3,939
Operating expenses	-644	-663	-634	-1,029	-66	-79	-1,345	-1,771
Operating result	**701**	**723**	**774**	**1,366**	**-17**	**78**	**1,458**	**2,167**
Risk-weighted assets (credit risk, eop)	65,333	65,802	58,146	86,527	948	-2,443	124,427	149,886
Average allocated capital	11,195	10,616	10,687	14,120	9,501	14,245	31,383	38,981
Cost/income ratio	47.9%	47.8%	45.0%	43.0%	>100%	50.3%	48.0%	45.0%
Return on allocated capital	16.9%	19.3%	18.4%	17.1%	-0.5%	1.6%	12.1%	12.0%
Total assets (eop)	207,954	210,542	167,597	257,445	-17,548	-17,960	358,003	450,027
Total liabilities excluding equity (eop)	158,651	163,810	151,239	229,166	16,287	16,742	326,177	409,719
Impairments	**-49**	**-58**	**-36**	**-382**	**0**	**1**	**-85**	**-439**
Net impairment loss on financial assets AC/FVTOCI and finance lease receivables	-52	-65	-36	-375	0	0	-88	-439
Net impairment loss on commitments and guarantees given	2	6	0	-7	0	1	2	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	0	0	0	0	0	0

Operating segments: Geographical area Austria

	EBOe & Subsidiaries		Savings Banks		Other Austria	
in EUR million	**1-3 25**	**1-3 26**	**1-3 25**	**1-3 26**	**1-3 25**	**1-3 26**
Net interest income	253	271	420	459	153	141
Net fee and commission income	144	151	195	210	106	117
Dividend income	0	0	0	2	2	2
Net trading result	5	-42	-4	5	8	-1
Gains/losses from financial instruments at FVPL	1	27	15	0	5	0
Net result from equity method investments	3	3	0	0	0	0
Rental income from investment properties & other operating leases	14	17	9	9	15	15
General administrative expenses	-197	-200	-339	-355	-108	-108
thereof depreciation and amortization	-49	-48	-85	-84	-41	-40
Gains/losses from derecognition of financial assets at AC	0	0	0	0	0	0
Other gains/losses from derecognition of financial instruments not at FVPL	0	0	0	0	0	0
Impairment result from financial instruments	-18	-16	-39	-45	8	2
Other operating result	-24	-7	-28	-4	1	2
Levies on banking activities	-6	-6	-5	-5	0	0
Pre-tax result from continuing operations	**182**	**204**	**230**	**281**	**189**	**171**
Taxes on income	-38	-50	-53	-62	-43	-38
Net result for the period	**144**	**154**	**177**	**219**	**146**	**133**
Net result attributable to non-controlling interests	10	6	155	191	3	3
Net result attributable to owners of the parent	**134**	**148**	**22**	**28**	**143**	**130**
Operating income	421	427	636	686	288	274
Operating expenses	-197	-200	-339	-355	-108	-108
Operating result	**225**	**227**	**296**	**330**	**180**	**166**
Risk-weighted assets (credit risk, eop)	15,999	16,410	29,028	30,029	20,305	19,362
Average allocated capital	2,659	2,492	5,608	5,478	2,928	2,646
Cost/income ratio	46.7%	46.9%	53.4%	51.8%	37.5%	39.3%
Return on allocated capital	22.0%	25.1%	12.8%	16.2%	20.2%	20.4%
Total assets (eop)	58,192	59,425	85,541	89,030	64,221	62,087
Total liabilities excluding equity (eop)	54,632	55,805	77,564	80,104	26,455	27,901
Impairments	**-18**	**-16**	**-39**	**-45**	**8**	**2**
Net impairment loss on financial assets AC/FVTOCI and finance lease receivables	-15	-25	-27	-41	-9	2
Net impairment loss on commitments and guarantees given	-3	10	-12	-4	17	1
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	0	0	0	0	0

Operating segments: Geographical area Central and Eastern Europe

	Poland		Czech Republic		Slovakia		Romania		Hungary		Croatia		Serbia	
in EUR million	**1-3 25**	**1-3 26**	**1-3 25**	**1-3 26**	**1-3 25**	**1-3 26**	**1-3 25**	**1-3 26**	**1-3 25**	**1-3 26**	**1-3 25**	**1-3 26**	**1-3 25**	**1-3 26**
Net interest income	0	681	366	392	145	164	201	184	107	118	102	109	28	26
Net fee and commission income	0	128	128	140	59	66	57	60	83	94	33	29	7	7
Dividend income	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net trading result	0	85	30	49	5	6	24	25	14	24	5	4	3	3
Gains/losses from financial instruments at FVPL	0	0	0	-1	1	3	0	0	-1	-22	0	1	0	0
Net result from equity method investments	0	6	1	1	2	2	0	1	0	0	0	0	0	0
Rental income from investment properties & other operating leases	0	2	2	3	0	0	1	0	2	2	2	2	1	2
General administrative expenses	0	-359	-253	-269	-94	-98	-109	-111	-82	-95	-73	-72	-23	-25
thereof depreciation and amortization	0	0	-110	-109	-34	-33	-52	-51	-36	-35	-30	-29	-15	-14
Gains/losses from derecognition of financial assets at AC	0	-3	-6	0	0	0	0	0	0	0	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	-335	-13	2	-20	-23	-12	-36	4	6	9	7	-3	-2
Other operating result	0	-85	-17	-11	0	0	-25	-24	-84	-157	1	116	0	-4
Levies on banking activities	0	-50	0	0	0	0	-10	-16	-78	-152	0	0	0	0
Pre-tax result from continuing operations	**0**	**120**	**238**	**305**	**97**	**120**	**138**	**99**	**42**	**-31**	**79**	**196**	**13**	**6**
Taxes on income	0	-79	-39	-52	-33	-38	-27	-20	-9	-5	-14	-26	0	-1
Net result for the period	**0**	**41**	**199**	**253**	**65**	**82**	**111**	**79**	**33**	**-35**	**65**	**170**	**13**	**6**
Net result attributable to non-controlling interests	0	17	0	0	0	0	0	0	0	0	21	52	3	1
Net result attributable to owners of the parent	**0**	**24**	**199**	**253**	**65**	**82**	**111**	**79**	**33**	**-35**	**45**	**117**	**10**	**5**
Operating income	0	901	527	584	212	241	284	269	203	216	142	145	39	39
Operating expenses	0	-359	-253	-269	-94	-98	-109	-111	-82	-95	-73	-72	-23	-25
Operating result	**0**	**542**	**274**	**315**	**118**	**143**	**175**	**159**	**122**	**121**	**69**	**73**	**16**	**13**
Risk-weighted assets (credit risk, eop)	0	26,786	23,942	23,896	9,546	9,503	11,266	11,295	4,598	4,993	6,629	7,612	2,165	2,441
Average allocated capital	0	2,987	4,249	4,509	1,398	1,503	2,352	2,200	1,231	1,269	1,120	1,286	337	366
Cost/income ratio	0.0%	39.8%	48.0%	46.1%	44.3%	40.6%	38.3%	41.1%	40.2%	44.0%	51.5%	49.7%	59.7%	65.4%
Return on allocated capital	0.0%	5.5%	19.0%	22.8%	18.8%	22.1%	19.2%	14.6%	11.0%	-11.3%	23.6%	53.6%	15.3%	6.6%
Total assets (eop)	0	75,085	82,393	90,964	26,891	27,794	24,681	26,322	13,596	15,756	16,371	17,281	3,664	4,243
Total liabilities excluding equity (eop)	0	63,367	75,938	84,605	24,540	25,549	21,366	22,737	11,916	13,980	14,321	15,251	3,158	3,678
Impairments	**0**	**-335**	**-13**	**2**	**-20**	**-23**	**-12**	**-36**	**4**	**5**	**9**	**7**	**-3**	**-2**
Net impairment loss on financial assets AC/FVTOCI and finance lease receivables	0	-332	-13	3	-19	-24	-16	-34	4	5	12	10	-3	-3
Net impairment loss on commitments and guarantees given	0	-3	0	-2	-1	1	4	-1	0	0	-3	-3	0	0
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	0	0	0	0	0	0	0	0	0	0	0	0	0

Business segments (1)

	Retail		Corporates		Group Markets		ALM&LCC	
in EUR million	**1-3 25**	**1-3 26**	**1-3 25**	**1-3 26**	**1-3 25**	**1-3 26**	**1-3 25**	**1-3 26**
Net interest income	786	846	448	453	94	90	10	4
Net fee and commission income	405	440	118	118	99	112	-27	-30
Dividend income	0	0	2	2	0	0	1	0
Net trading result	45	49	32	32	17	14	-44	-26
Gains/losses from financial instruments at FVPL	-2	-22	4	1	1	0	31	86
Net result from equity method investments	3	2	0	0	0	0	4	4
Rental income from investment properties & other operating leases	3	3	26	29	0	0	9	10
General administrative expenses	-642	-673	-172	-178	-73	-75	-55	-57
thereof depreciation and amortization	-274	-296	-69	-68	-15	-14	-11	-10
Gains/losses from derecognition of financial assets at AC	0	0	0	0	0	0	-6	0
Other gains/losses from derecognition of financial instruments not at FVPL	0	0	0	0	0	0	0	0
Impairment result from financial instruments	-51	-73	4	7	3	0	-2	6
Other operating result	-39	-46	-22	-35	-4	-6	-83	1
Levies on banking activities	-29	-43	-18	-28	-2	-4	-44	-99
Pre-tax result from continuing operations	**506**	**528**	**439**	**429**	**137**	**135**	**-162**	**0**
Taxes on income	-92	-111	-76	-86	-27	-27	6	-9
Net result for the period	**413**	**417**	**364**	**343**	**110**	**108**	**-155**	**-9**
Net result attributable to non-controlling interests	9	10	19	14	2	1	6	38
Net result attributable to owners of the parent	**404**	**407**	**344**	**330**	**108**	**106**	**-161**	**-47**
Operating income	1,239	1,319	630	636	212	216	-16	49
Operating expenses	-642	-673	-172	-178	-73	-75	-55	-57
Operating result	**596**	**646**	**458**	**458**	**139**	**141**	**-71**	**-8**
Risk-weighted assets (credit risk, eop)	27,799	30,148	57,205	58,777	4,529	3,832	5,921	3,293
Average allocated capital	4,071	4,225	6,597	6,734	1,080	844	6,693	6,690
Cost/income ratio	51.9%	51.0%	27.4%	28.0%	34.6%	34.8%	>100%	>100%
Return on allocated capital	41.2%	40.0%	22.4%	20.7%	41.2%	51.7%	-9.4%	-0.6%
Total assets (eop)	81,357	88,906	84,911	90,345	44,530	41,212	101,047	108,269
Total liabilities excluding equity (eop)	120,239	125,304	48,036	55,715	41,560	42,894	79,202	86,000
Impairments	**-51**	**-73**	**4**	**7**	**3**	**0**	**-2**	**6**
Net impairment loss on financial assets AC/FVTOCI and finance lease receivables	-49	-71	-11	-1	1	0	-1	6
Net impairment loss on commitments and guarantees given	-2	-3	15	9	1	0	0	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	0	0	0	0	0	0

Business segments (2)

	Savings Banks		Poland		Group Corporate Center		Intragroup Elimination		Group total	
in EUR million	**1-3 25**	**1-3 26**	**1-3 25**	**1-3 26**	**1-3 25**	**1-3 26**	**1-3 25**	**1-3 26**	**1-3 25**	**1-3 26**
Net interest income	420	459	0	681	107	133	5	7	1,872	2,674
Net fee and commission income	195	210	0	128	-3	-5	-7	-9	780	965
Dividend income	0	2	0	0	0	0	0	0	3	4
Net trading result	-4	5	0	85	2	2	-1	0	47	161
Gains/losses from financial instruments at FVPL	15	0	0	0	1	3	0	0	50	68
Net result from equity method investments	0	0	0	6	1	6	0	0	7	19
Rental income from investment properties & other operating leases	9	9	0	2	2	2	-6	-6	43	48
General administrative expenses	-339	-355	0	-359	-307	-338	245	263	-1,345	-1,771
thereof depreciation and amortization	-85	-84	0	0	-97	-96	3	4	-547	-546
Gains/losses from derecognition of financial assets at AC	0	0	0	-3	0	0	0	0	-6	-3
Other gains/losses from derecognition of financial instruments not at FVPL	0	0	0	0	0	2	0	0	0	2
Impairment result from financial instruments	-39	-45	0	-335	0	1	0	0	-85	-439
Other operating result	-28	-4	0	-85	228	236	-236	-255	-184	-194
Levies on banking activities	-5	-5	0	-50	-23	-21	0	0	-121	-251
Pre-tax result from continuing operations	**230**	**281**	**0**	**120**	**32**	**41**	**0**	**0**	**1,182**	**1,533**
Taxes on income	-53	-62	0	-79	-1	-2	0	0	-242	-376
Net result for the period	**177**	**219**	**0**	**41**	**31**	**40**	**0**	**0**	**940**	**1,157**
Net result attributable to non-controlling interests	155	191	0	17	6	8	0	0	197	279
Net result attributable to owners of the parent	**22**	**28**	**0**	**24**	**25**	**32**	**0**	**0**	**743**	**879**
Operating income	636	686	0	901	111	141	-8	-8	2,802	3,939
Operating expenses	-339	-355	0	-359	-307	-338	245	263	-1,345	-1,771
Operating result	**296**	**330**	**0**	**542**	**-196**	**-197**	**236**	**255**	**1,458**	**2,167**
Risk-weighted assets (credit risk, eop)	29,028	30,029	0	26,786	-55	-2,979	0	0	124,427	149,886
Average allocated capital	5,608	5,478	0	2,987	7,334	12,022	0	0	31,383	38,981
Cost/income ratio	53.4%	51.8%	0.0%	39.8%	>100%	>100%	>100%	>100%	48.0%	45.0%
Return on allocated capital	12.8%	16.2%	0.0%	5.5%	1.7%	1.3%			12.1%	12.0%
Total assets (eop)	85,541	89,030	0	75,085	4,044	3,133	-43,426	-45,954	358,003	450,027
Total liabilities excluding equity (eop)	77,564	80,104	0	63,367	3,025	2,308	-43,448	-45,974	326,177	409,719
Impairments	**-39**	**-45**	**0**	**-335**	**0**	**1**	**0**	**0**	**-85**	**-439**
Net impairment loss on financial assets AC/FVTOCI and finance lease receivables	-27	-41	0	-332	0	0	0	0	-88	-439
Net impairment loss on commitments and guarantees given	-12	-4	0	-3	0	1	0	0	2	0
Impairment of goodwill	0	0	0	0	0	0	0	0	0	0
Net impairment on investments in subsidiaries, joint ventures and associates	0	0	0	0	0	0	0	0	0	0
Net impairment on other non-financial assets	0	0	0	0	0	0	0	0	0	0

29. Risk management

A core function of a bank is taking risks in a conscious and selective manner and professionally steering those risks. Adequate risk policy and risk strategy is essential to a bank's fundamental financial health and operational business success. Concerning risk policy and strategy as well as regarding 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 24% or EUR 98.3 billion, mainly due to 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
Mar 26				
Cash and cash balances - demand deposits to credit institutions	2,538	-2	0	2,536
Instruments HfT	11,713	0	0	11,713
Non-trading debt instruments at FVPL	3,440	0	0	3,440
Debt securities	1,714	0	0	1,714
Loans and advances to banks	0	0	0	0
Loans and advances to customers	1,727	0	0	1,727
Debt instruments at FVOCI	17,045	-17	-70	16,958
Debt securities	16,145	-6	-70	16,069
Loans and advances to banks	0	0	0	0
Loans and advances to customers	900	-11	0	889
Debt instruments at AC	366,186	-4,319	0	361,867
Debt securities	75,594	-15	0	75,579
Loans and advances to banks	26,385	-4	0	26,382
Loans and advances to customers	264,207	-4,301	0	259,906
Trade and other receivables	5,368	-54	0	5,314
Finance lease receivables	7,895	-101	0	7,794
Debt instruments held for sale in disposal groups	0	0	0	0
Positive fair value of hedge accounting derivatives	552	0	0	552
Off-balance sheet exposures	100,370	-460	0	-
Total	**515,107**	**-4,952**	**-70**	**410,176**
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
Mar 26					
Agriculture	5,040	2,484	707	366	8,597
Conventional Fuels & Petrochemicals	8,815	775	217	86	9,892
Utilities	14,209	1,675	453	81	16,417
Construction and Building materials	17,965	5,389	1,632	539	25,525
Automotive	8,250	1,619	733	215	10,817
Cyclical Consumer Products	8,467	2,387	797	432	12,084
Non-Cyclical Consumer Products	12,007	2,264	489	164	14,924
Machinery	12,335	2,267	917	407	15,926
Transportation	9,558	2,166	600	136	12,459
Telecommunications, Media, Technology	8,259	1,550	359	178	10,346
Healthcare & Services	15,472	3,988	1,063	197	20,719
Hotels & Leisure Industry	7,793	2,334	614	284	11,025
Real Estate	30,835	8,476	2,136	1,767	43,213
Non Profit Housing Associations	8,019	0	0	0	8,019
Public Sector	110,498	376	522	30	111,426
Financial Institutions	42,442	1,559	418	52	44,471
Private Households	115,328	9,957	5,963	1,976	133,223
Other	5,959	36	26	2	6,024
Total	**441,251**	**49,299**	**17,645**	**6,912**	**515,107**
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**

Starting January 2026, Erste Group has 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 separate industry;
_ Industry "Energy" has been split into “Conventional Fuels & Petrochemicals” and “Utilities”;
_ "Non-Profit Housing Associations" has been separated from “Real Estate” as distinct industry.

Credit risk exposure by region and risk category

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total
Mar 26					
Core markets	**374,212**	**46,079**	**16,190**	**6,454**	**442,935**
Austria	126,761	17,568	6,150	3,266	153,745
Czechia	85,248	9,729	2,254	791	98,022
Poland	76,032	3,687	3,224	926	83,869
Slovakia	28,395	3,208	1,761	550	33,914
Romania	24,897	4,785	1,459	446	31,587
Hungary	15,083	2,566	810	139	18,597
Croatia	14,066	2,911	432	278	17,687
Serbia	3,731	1,625	100	59	5,515
Other EU	**41,351**	**1,875**	**736**	**320**	**44,281**
Other industrialised countries	**18,295**	**368**	**52**	**11**	**18,726**
Emerging markets	**7,393**	**977**	**668**	**128**	**9,166**
Southeastern Europe/CIS	4,271	633	284	93	5,280
Asia	2,264	50	21	10	2,345
Latin America	210	3	1	0	214
Middle East/Africa	649	290	363	24	1,326
Total	**441,251**	**49,299**	**17,645**	**6,912**	**515,107**
Dec 25					
Core markets	**293,591**	**41,129**	**9,887**	**5,566**	**350,173**
Austria	127,993	14,677	4,648	3,313	150,631
Czechia	80,145	10,755	1,516	818	93,233
Slovakia	26,347	4,856	1,968	533	33,705
Romania	26,082	3,921	731	413	31,147
Hungary	14,608	3,380	620	140	18,749
Croatia	13,959	2,707	278	291	17,235
Serbia	4,457	832	125	58	5,473
Other EU	**39,655**	**1,564**	**519**	**378**	**42,116**
Other industrialised countries	**16,431**	**217**	**70**	**9**	**16,727**
Emerging markets	**6,274**	**1,076**	**313**	**132**	**7,796**
Southeastern Europe/CIS	4,222	694	236	94	5,246
Asia	1,134	52	7	10	1,204
Latin America	202	3	0	0	205
Middle East/Africa	717	326	70	28	1,140
Total	**355,951**	**43,986**	**10,789**	**6,086**	**416,812**

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

Portfolio quality remained resilient in the first quarter of 2026, with no indication of underlying credit deterioration. The distribution of credit risk exposure across risk categories has been affected by the integration of Poland segment leading to 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. Overall, these developments resulted in decrease of “Management Attention” exposure share by 1 percentage point and increase of “Substandard” exposure share by 0.8 percentage points compared to December 2025.

Credit risk exposure by geographical segment and risk category

in EUR million	Low risk	Management attention	Substandard	Non-performing	Total
Mar 26					
Austria	**177,237**	**20,658**	**7,242**	**3,757**	**208,894**
EBOe & Subs.	49,194	5,437	2,078	1,016	57,725
Savings Banks	66,983	13,490	4,346	2,418	87,237
Other Austria	61,060	1,731	818	323	63,931
CEE	**244,437**	**28,622**	**10,370**	**3,155**	**286,584**
Czechia	85,570	9,948	2,460	798	98,776
Poland	78,821	3,539	3,219	873	86,452
Slovakia	27,225	3,180	1,803	553	32,761
Romania	22,734	4,847	1,501	443	29,526
Hungary	12,094	2,519	791	134	15,538
Croatia	14,751	2,988	507	300	18,546
Serbia	3,241	1,601	89	54	4,985
Other	**19,577**	**19**	**33**	**0**	**19,630**
Total	**441,251**	**49,299**	**17,645**	**6,912**	**515,107**
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
Mar 26					
Retail	79,373	11,256	4,437	1,717	96,783
Corporates	112,535	20,173	5,187	1,877	139,772
Group Markets	24,043	767	260	1	25,071
ALM & LCC	79,217	55	163	26	79,460
Savings Banks	66,983	13,490	4,346	2,418	87,237
Poland	78,821	3,539	3,219	873	86,452
GCC	279	19	33	0	332
Total	**441,251**	**49,299**	**17,645**	**6,912**	**515,107**
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
Mar 26						
Austria	**166,159**	**25,187**	**3,690**	**66**	**13,793**	**208,894**
EBOe & Subs.	49,178	6,639	992	17	899	57,725
Savings Banks	66,975	14,806	2,385	45	3,027	87,237
Other Austria	50,005	3,742	312	4	9,867	63,931
CEE	**245,428**	**15,924**	**2,166**	**1,042**	**22,023**	**286,584**
Czechia	89,373	4,198	722	67	4,417	98,776
Poland	72,263	5,689	120	762	7,617	86,452
Slovakia	26,669	1,594	467	116	3,915	32,761
Romania	25,568	1,979	415	50	1,514	29,526
Hungary	11,629	766	105	27	3,010	15,538
Croatia	16,010	1,434	292	11	800	18,546
Serbia	3,916	264	45	9	750	4,985
Other	**19,396**	**3**	**0**	**0**	**231**	**19,630**
Total	**430,982**	**41,114**	**5,855**	**1,109**	**36,047**	**515,107**
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
Mar 26						
Retail	85,046	8,057	1,669	88	1,923	96,783
Corporates	112,262	12,108	1,656	213	13,532	139,772
Group Markets	15,144	423	0	0	9,504	25,071
ALM & LCC	79,192	28	25	0	215	79,460
Savings Banks	66,975	14,806	2,385	45	3,027	87,237
Poland	72,263	5,689	120	762	7,617	86,452
GCC	99	3	0	0	229	332
Total	**430,982**	**41,114**	**5,855**	**1,109**	**36,047**	**515,107**
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 908 million (2025: EUR 161 million), the non-defaulted part to EUR 200 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 Santander 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						Mar 26
Stage 1	-8	-1	0	0	0	0	-9
Stage 2	-2	0	0	0	0	0	-2
Stage 3	-4	0	0	0	0	0	-4
Total	**-14**	**-1**	**0**	**0**	**0**	**0**	**-15**

	Jan 25						Mar 25
Stage 1	-9	-1	0	0	0	0	-10
Stage 2	-2	0	0	-1	0	0	-2
Stage 3	-4	0	0	0	0	0	-4
Total	**-15**	**-1**	**1**	**-1**	**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						Mar 26
Stage 1	-3	-1	1	0	0	0	-3
Stage 2	0	0	0	0	0	0	0
Stage 3	0	0	0	0	0	0	0
Total	**-3**	**-1**	**1**	**0**	**0**	**0**	**-4**

	Jan 25						Mar 25
Stage 1	-6	-3	3	0	2	0	-4
Stage 2	0	0	0	0	0	0	0
Stage 3	0	0	0	0	0	0	0
Total	**-6**	**-3**	**3**	**0**	**2**	**0**	**-5**

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							Mar 26
Stage 1	**-401**	**-281**	**22**	**159**	**44**	**0**	**3**	**-454**
General governments	-4	-1	1	0	0	0	0	-5
Other financial corporations	-11	-7	3	2	0	0	0	-14
Non-financial corporations	-231	-130	10	62	28	0	3	-258
Households	-155	-142	8	94	17	0	0	-178
Stage 2	**-1,113**	**-20**	**51**	**-318**	**16**	**0**	**6**	**-1,377**
General governments	-12	0	0	-1	0	0	0	-13
Other financial corporations	-15	-3	7	-12	4	0	1	-18
Non-financial corporations	-645	-12	30	-140	-6	0	4	-770
Households	-441	-5	14	-164	18	0	1	-575
Stage 3	**-2,304**	**-7**	**58**	**-33**	**-149**	**61**	**-5**	**-2,381**
General governments	-1	0	0	0	0	1	0	0
Other financial corporations	-30	0	4	0	-5	0	1	-30
Non-financial corporations	-1,296	-2	22	-10	-47	27	-7	-1,314
Households	-977	-5	32	-23	-97	32	1	-1,036
POCI	**-54**	**0**	**4**	**0**	**-41**	**0**	**0**	**-90**
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	2	0	-18	0	0	-55
Households	-14	0	1	0	-22	0	0	-34
Total	**-3,872**	**-307**	**135**	**-192**	**-130**	**61**	**4**	**-4,301**

	Jan 25							Mar 25
Stage 1	**-366**	**-86**	**21**	**155**	**-85**	**0**	**-2**	**-364**
General governments	-5	-1	1	1	-2	0	0	-6
Other financial corporations	-12	-5	4	2	-2	0	0	-13
Non-financial corporations	-204	-52	10	61	-17	0	1	-202
Households	-145	-28	6	90	-64	0	-2	-144
Stage 2	**-1,263**	**-34**	**61**	**-197**	**129**	**0**	**-10**	**-1,313**
General governments	-16	0	0	-1	2	0	-1	-16
Other financial corporations	-17	-1	11	-11	0	0	0	-18
Non-financial corporations	-770	-28	37	-92	41	0	-5	-818
Households	-460	-5	13	-92	87	0	-5	-461
Stage 3	**-2,289**	**-25**	**56**	**-18**	**-112**	**51**	**-4**	**-2,340**
General governments	-4	0	0	0	1	0	0	-3
Other financial corporations	-28	0	0	0	1	0	0	-28
Non-financial corporations	-1,247	-18	31	-6	-48	17	-1	-1,273
Households	-1,009	-6	25	-12	-66	34	-3	-1,036
POCI	**-73**	**0**	**1**	**0**	**-4**	**4**	**0**	**-73**
General governments	0	0	0	0	-1	0	0	-1
Other financial corporations	0	0	0	0	0	0	0	0
Non-financial corporations	-54	0	0	0	-2	2	0	-54
Households	-19	0	1	0	-1	2	0	-18
Total	**-3,991**	**-145**	**139**	**-60**	**-72**	**55**	**-17**	**-4,090**

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							Mar 26
Stage 1	-11	-17	13	0	0	0	0	-14
Stage 2	-7	0	1	-1	-1	0	0	-8
Stage 3	-28	0	1	-4	1	1	0	-29
POCI	-1	0	0	0	-2	0	0	-3
Total	**-47**	**-18**	**15**	**-5**	**-1**	**2**	**0**	**-54**

	Jan 25							Mar 25
Stage 1	-10	-2	1	0	1	0	0	-10
Stage 2	-8	0	1	0	0	0	0	-8
Stage 3	-26	0	1	-2	0	1	0	-27
POCI	-1	0	0	0	0	0	0	-1
Total	**-44**	**-3**	**2**	**-2**	**0**	**1**	**0**	**-45**

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						Mar 26
Stage 1	-3	0	0	0	0	0	-3
Stage 2	0	0	0	0	0	0	0
Stage 3	-2	0	0	0	-1	0	-3
Total	**-5**	**0**	**0**	**0**	**0**	**0**	**-6**

	Jan 25						Mar 25
Stage 1	-3	0	0	0	0	0	-3
Stage 2	-9	0	0	0	1	0	-8
Stage 3	0	0	0	0	0	0	0
Total	**-13**	**0**	**0**	**0**	**1**	**0**	**-12**

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						Mar 26
Stage 1	0	-6	0	0	3	0	-3
Stage 2	0	0	0	-4	-4	0	-7
Stage 3	0	0	0	0	0	0	0
POCI	0	0	0	0	0	0	0
Total	**0**	**-6**	**0**	**-4**	**-1**	**0**	**-11**

	Jan 25						Mar 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							Mar 26
Stage 1	-22	-16	0	5	6	0	0	-28
Stage 2	-25	0	0	-7	-2	0	0	-34
Stage 3	-32	0	3	-3	-4	2	0	-34
POCI	0	0	0	0	-5	0	0	-5
Total	**-79**	**-16**	**3**	**-6**	**-5**	**2**	**0**	**-101**

	Jan 25							Mar 25
Stage 1	-20	-2	1	3	-4	0	0	-22
Stage 2	-31	0	0	-3	6	0	0	-28
Stage 3	-32	0	1	-1	-2	1	0	-33
POCI	0	0	0	0	0	0	0	0
Total	**-83**	**-2**	**2**	**-1**	**0**	**1**	**0**	**-83**

Scenarios used in forward looking information and Crises Effects

Overview on scenarios used in forward-looking information

INCORPORATION OF FORWARD-LOOKING INFORMATION

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

In the first quarter of 2026, the FLI concept applied in Poland was updated to align with the Erste Group methodology. For the remaining entities, the FLI applied in the ECL framework were not updated during the period. Erste Group assessed that the existing FLI adequately reflect the forecasts of macroeconomic variables development observed during this period, including the moderation in Eurozone economic activity in 2026 compared with 2025.

Overall, the Eurozone economy remains broadly resilient, although the growth environment has become more challenging than previously anticipated. The economic activity continues to be primarily supported by domestic demand, underpinned by a resilient labour market, improving real incomes, and sustained public expenditure, particularly in infrastructure and defence. At the same time, the near-term economic outlook has softened, as geopolitical tensions, including the conflict involving Iran, have contributed to higher oil and gas prices, increased uncertainty, and adverse effects on confidence, consumption, and investment. For more details on the macroeconomic assumptions incorporated in FLI, please refer to Erste Group's annual report 2025, group consolidated financial statements, risk and capital management notes.

The next regular FLI review is planned in the second quarter of 2026.

Overview of Baseline, Upside and Downside scenarios

Below Erste Group is summarizing expected development of the GDP for all regions, all scenarios and scenario weights, as main indicator of the macro-economic 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, however including GDP predictions for Germany.

Additionally, Erste is disclosing the most relevant variables for the macro-shift model in the most significant regions. Austria, Czechia, Poland, Slovakia and Romania are presented as they have the highest share of credit risk exposure, expected credit loss and the highest share of FLI component in the expected credit loss measurement. Macro-shift models are calibrated for the three main sub-portfolios: private individuals, micro enterprises and another corporate business. Models' calibration and variables disclosed below are incorporated into expected credit loss measurement as of 31 March 2026. The baseline and weighted scenario outcome for the major variables is disclosed in the tabular format for the years 2026-2028.

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

		Scenario weights	GDP growth in %		
	Scenario	2026-2028	2026	2027	2028
Mar 26					
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
Poland	Upside	22%	6.0	5.5	5.4
	Baseline	50%	3.8	3.2	3.1
	Downside	28%	1.3	0.8	0.7
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

Dec 25		**2026-2028**	**2026**	**2027**	**2028**
Austria	Upside	21%	3.3	3.7	3.7
	Baseline	50%	0.7	1.1	1.1
	Downside	29%	-2.0	-1.6	-1.6
Czechia	Upside	24%	4.7	4.7	4.8
	Baseline	50%	2.7	2.7	2.8
	Downside	26%	0.2	0.2	0.3
Slovakia	Upside	26%	3.7	4.2	4.4
	Baseline	50%	1.3	1.8	2.0
	Downside	24%	-1.8	-1.3	-1.1
Romania	Upside	24%	5.0	5.9	5.6
	Baseline	50%	2.1	3.0	2.7
	Downside	26%	-1.4	-0.5	-0.8
Hungary	Upside	18%	4.4	4.7	4.9
	Baseline	50%	2.0	2.3	2.5
	Downside	32%	-0.6	-0.3	-0.1
Croatia	Upside	26%	4.9	5.3	4.9
	Baseline	50%	2.8	2.6	2.6
	Downside	24%	0.7	-0.1	0.3
Serbia	Upside	21%	4.8	6.6	5.6
	Baseline	50%	2.7	4.5	3.5
	Downside	29%	0.5	2.3	1.3
Germany	Upside	22%	3.0	3.6	3.3
	Baseline	50%	0.9	1.5	1.2
	Downside	28%	-1.7	-1.1	-1.4

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

	Baseline scenario			Scenario weighted outcome		
	2026	2027	2028	2026	2027	2028
Mar 26						
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
Poland						
GDP growth	3.8	3.2	3.1	3.6	3.1	2.9
Inflation	3.0	2.5	2.6	3.5	2.9	3.1
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
	2026	2027	2028	2026	2027	2028
Dec 25						
Austria						
GDP growth	0.7	1.1	1.1	0.5	0.9	0.9
Inflation	2.0	2.2	2.0	2.1	2.3	2.1
Yields_10Y	2.8	2.7	2.7	2.8	2.7	2.2
Czechia						
GDP Deflator	1.4	1.4	1.4	1.4	1.4	1.4
CPI core	157.7	161.5	165.8	157.7	161.5	165.7
Slovakia						
Unemployment Rate	5.8	5.6	5.5	5.8	5.6	5.5
Inflation	3.2	2.3	2.1	3.5	2.6	2.4
Romania						
GDP growth	2.1	3.0	2.7	1.9	2.8	2.5
Interest Rate (ROBOR 3M)	5.5	4.3	4.0	5.6	4.4	4.1
Inflation (CPI)	6.5	3.0	3.0	6.5	3.0	3.0

Collective assessment

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

In March 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, in case of industries selected in line with industry strategy, to ensuring that it reflects risks and changes in the risk assessment which our portfolio is exposed to, and one-year IFRS PDs.

In the first quarter of 2026, Erste Group has started to identify the industries in the scope of overlays based on the NACE 2.1 classification codes, resulting into ECL allocation in amount of EUR 1.9 million.

Out of the overall credit risk exposure of EUR 515 billion (2025: EUR 417 billion), portfolio under collective staging assessment (industry stage overlays) represents EUR 53 billion, thereof EUR 13 billion is in Stage 2 (out of which EUR 4 billion due to applying rules for industry stage overlays).

As of March 2026, industry overlays have not been applied in Poland. The rollout of these overlays is planned for a subsequent phase, aligned with the inclusion of Poland in the Industry Strategy.

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 31 March 2026, the exposure in Stage 2 resulting from this collective assessment amounts to EUR 1 billion, with an allocated ECL to 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 31 March 2026, the exposure in Stage 2 due to this collective assessment amounts to EUR 362 million and an allocated ECL to EUR 12 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 31 March 2026, the exposure classified in Stage 2 as a result of the application of collective SICR assessment rules (industry stage overlays) amounted to EUR 3,996 million (2025: EUR 3,784 million), with additional ECL allocated in the amount of EUR 81 million (2025: EUR 71 million).

As described above, the FLI were not reassessed in the first quarter of 2026. Nevertheless, Stage 2 exposures identified as a result of the application of FLI increased to EUR 3,391 million as of March 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 287 million (2025: EUR 265 million). On ECL side, the increase of EUR 22 million was driven by Poland acquisition and portfolio development in Austria.

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 243 million (2025: EUR 289 million), resulting in an ECL drop by EUR 21 million (2025: EUR 19 million).

The downside scenario would lead to additional EUR 3,929 million (2025: EUR 3,905 million) of exposure migration to Stage 2 in comparison with scenario weighted FLI, resulting in ECL increase of EUR 322 million (2025: EUR 294 million).

For the ECL change a positive sign (+) equals a release while a negative sign (-) equals an allocation. Values presented 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
Mar 26									
Austria	**166,159**	**25,187**	**191,346**	**3,448**	**0**	**2,483**	**-2,627**	**-190**	**3,307**
EBOe & Subs.	49,178	6,639	55,817	895	0	814	-866	-89	982
Savings Banks	66,975	14,806	81,781	2,530	0	1,265	-1,466	-129	2,114
Other Austria	50,005	3,742	53,748	23	0	404	-295	27	212
CEE	**245,428**	**15,924**	**261,352**	**548**	**1,004**	**909**	**-606**	**-53**	**622**
Czechia	89,373	4,198	93,570	193	807	396	-231	-13	214
Poland	72,263	5,689	77,952	0	0	57	-102	-13	85
Slovakia	26,669	1,594	28,263	63	0	47	-59	1	58
Romania	25,568	1,979	27,548	118	0	175	-145	-26	214
Hungary	11,629	766	12,395	39	0	128	-47	-2	34
Croatia	16,010	1,434	17,443	89	196	102	-19	0	14
Serbia	3,916	264	4,181	46	0	3	-3	-1	2
Other	**19,396**	**3**	**19,399**	**0**	**0**	**0**	**0**	**0**	**0**
Total	**430,982**	**41,114**	**472,096**	**3,996**	**1,004**	**3,391**	**-3,233**	**-243**	**3,929**
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
Mar 26									
Austria	**-186**	**-751**	**-937**	**-66**	**0**	**-153**	**147**	**12**	**-215**
EBOe & Subs.	-45	-201	-246	-16	0	-39	42	3	-61
Savings Banks	-105	-496	-601	-50	0	-84	92	6	-135
Other Austria	-36	-54	-90	0	0	-30	13	3	-19
CEE	**-442**	**-925**	**-1,367**	**-15**	**-15**	**-135**	**96**	**10**	**-107**
Czechia	-109	-278	-386	-5	-10	-30	23	3	-25
Poland	-78	-241	-319	0	0	-13	19	2	-18
Slovakia	-48	-97	-144	-2	0	-4	9	0	-10
Romania	-116	-176	-292	-5	0	-43	36	4	-45
Hungary	-26	-42	-68	-1	0	-21	4	0	-3
Croatia	-51	-76	-127	-2	-6	-21	4	0	-4
Serbia	-14	-16	-30	-1	0	-2	1	0	-1
Other	**-2**	**-1**	**-3**	**0**	**0**	**0**	**0**	**0**	**0**
Total	**-629**	**-1,678**	**-2,307**	**-81**	**-15**	**-287**	**243**	**21**	**-322**
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
Mar 26					
Austria	**106,512**	**16,229**	**6,228**	**3,622**	**132,591**
EBOe & Subs.	36,210	4,526	1,865	978	43,578
Savings Banks	46,048	10,859	3,861	2,332	63,099
Other Austria	24,254	844	503	312	25,913
CEE	**114,329**	**21,562**	**8,539**	**2,965**	**147,395**
Czechia	39,439	7,726	2,074	747	49,986
Poland	33,842	2,939	2,870	851	40,501
Slovakia	17,190	2,433	1,237	482	21,342
Romania	9,351	3,548	1,190	433	14,523
Hungary	4,617	1,901	684	111	7,312
Croatia	8,108	2,198	414	290	11,010
Serbia	1,781	818	70	52	2,720
Other	**95**	**10**	**6**	**0**	**111**
Total	**220,935**	**37,801**	**14,773**	**6,588**	**280,097**
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
Mar 26					
Retail	71,446	10,029	4,218	1,697	87,390
Corporates	66,726	13,809	3,710	1,682	85,928
Group Markets	2,659	131	39	0	2,829
ALM & LCC	208	23	70	25	326
Savings Banks	46,048	10,859	3,861	2,332	63,099
Poland	33,842	2,939	2,870	851	40,501
GCC	8	10	6	0	24
Total	**220,935**	**37,801**	**14,773**	**6,588**	**280,097**
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 contrasted 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
Mar 26												
Austria	**3,622**	**3,622**	**132,591**	**132,583**	**-1,870**	**2,104**	**2,104**	**2.7%**	**2.7%**	**51.6%**	**58.1%**	**58.1%**
EBOe & Subs.	978	978	43,578	43,571	-504	584	584	2.2%	2.2%	51.5%	59.8%	59.8%
Savings Banks	2,332	2,332	63,099	63,098	-1,266	1,412	1,412	3.7%	3.7%	54.3%	60.5%	60.5%
Other Austria	312	312	25,913	25,913	-101	108	108	1.2%	1.2%	32.3%	34.5%	34.5%
CEE	**2,965**	**2,959**	**147,395**	**145,677**	**-2,595**	**1,122**	**1,116**	**2.0%**	**2.0%**	**87.7%**	**37.8%**	**37.7%**
Czechia	747	747	49,986	49,984	-798	204	204	1.5%	1.5%	106.9%	27.4%	27.4%
Poland	851	851	40,501	40,501	-388	388	388	2.1%	2.1%	45.6%	45.7%	45.7%
Slovakia	482	482	21,342	21,342	-383	232	232	2.3%	2.3%	79.5%	48.1%	48.1%
Romania	433	433	14,523	14,523	-559	137	137	3.0%	3.0%	128.9%	31.7%	31.7%
Hungary	111	104	7,312	5,625	-127	43	37	1.5%	1.9%	121.4%	39.1%	35.7%
Croatia	290	290	11,010	10,981	-282	100	100	2.6%	2.6%	97.1%	34.4%	34.4%
Serbia	52	52	2,720	2,720	-58	17	17	1.9%	1.9%	111.8%	32.1%	32.2%
Other	**0**	**0**	**111**	**111**	**-1**	**0**	**0**	**0.0%**	**0.0%**	**>500%**	**0.0%**	**0.0%**
Total	**6,588**	**6,582**	**280,097**	**278,370**	**-4,466**	**3,226**	**3,220**	**2.4%**	**2.4%**	**67.9%**	**49.0%**	**48.9%**
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%**	**0.0%**	**0.0%**
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
Mar 26												
Retail	1,697	1,691	87,390	85,700	-1,534	625	619	1.9%	2.0%	90.7%	36.8%	36.6%
Corporates	1,682	1,682	85,928	85,921	-1,258	792	791	2.0%	2.0%	74.8%	47.0%	47.0%
Group Markets	0	0	2,829	2,829	-4	0	0	0.0%	0.0%	>500%	0.0%	0.0%
ALM & LCC	25	25	326	296	-15	9	9	7.7%	8.5%	57.9%	36.4%	36.4%
Savings Banks	2,332	2,332	63,099	63,098	-1,266	1,412	1,412	3.7%	3.7%	54.3%	60.5%	60.5%
Poland	851	851	40,501	40,501	-388	388	388	2.1%	2.1%	45.6%	45.7%	45.7%
GCC	0	0	24	24	-1	0	0	0.0%	0.0%	>500%	0.0%	0.0%
Total	**6,588**	**6,582**	**280,097**	**278,370**	**-4,466**	**3,226**	**3,220**	**2.4%**	**2.4%**	**67.9%**	**49.0%**	**48.9%**
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	0.0%	0.0%	>500.0%	0.0%	0.0%
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%	0.0%	0.0%
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%**

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
Mar 26												
Austria	**107,599**	**21,327**	**3,590**	**66**	**8**	**-130**	**-585**	**-1,155**	**0**	**2.7%**	**32.2%**	**0.0%**
EBOe & Subs.	36,890	5,692	971	17	8	-33	-155	-316	0	2.7%	32.5%	0.0%
Savings Banks	47,863	12,880	2,311	45	1	-79	-407	-779	0	3.2%	33.7%	0.0%
Other Austria	22,846	2,755	308	4	0	-19	-23	-60	0	0.8%	19.4%	0.0%
CEE	**128,466**	**14,103**	**2,104**	**1,004**	**1,718**	**-368**	**-839**	**-1,289**	**-98**	**5.9%**	**61.3%**	**9.8%**
Czechia	45,591	3,627	700	67	1	-95	-238	-446	-20	6.6%	63.7%	29.6%
Poland	34,413	5,239	116	732	0	-71	-234	-40	-42	4.5%	34.6%	5.8%
Slovakia	19,275	1,489	463	115	0	-41	-91	-231	-19	6.1%	49.9%	17.0%
Romania	12,381	1,688	405	49	0	-89	-160	-307	-3	9.5%	75.9%	6.5%
Hungary	4,792	717	94	22	1,688	-20	-39	-62	-5	5.4%	66.2%	24.8%
Croatia	9,588	1,101	282	11	29	-40	-61	-174	-7	5.5%	61.6%	68.6%
Serbia	2,426	242	43	9	0	-12	-16	-29	-1	6.5%	67.4%	8.0%
Other	**108**	**3**	**0**	**0**	**0**	**0**	**-1**	**0**	**0**	**32.0%**	**0.0%**	**0.0%**
Total	**236,173**	**35,433**	**5,694**	**1,070**	**1,727**	**-499**	**-1,425**	**-2,444**	**-98**	**4.0%**	**42.9%**	**9.2%**
Dec 25												
Austria	**106,785**	**19,696**	**3,619**	**67**	**8**	**-139**	**-545**	**-1,129**	**0**	**2.8%**	**31.2%**	**0.0%**
EBOe & Subs.	37,027	5,283	1,009	17	7	-34	-145	-305	0	2.8%	30.2%	0.0%
Savings Banks	47,872	12,429	2,296	45	1	-85	-377	-765	0	3.0%	33.3%	0.0%
Other Austria	21,886	1,983	314	4	0	-20	-23	-59	0	1.2%	18.8%	0.0%
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%**	**0.0%**	**0.0%**
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 888 million (2025: EUR 156 million), the non-defaulted part to EUR 183 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
Mar 26												
Retail	76,723	7,239	1,653	86	1,690	-160	-429	-931	-14	5.9%	56.3%	16.9%
Corporates	74,163	9,961	1,589	208	7	-185	-348	-684	-41	3.5%	43.0%	19.9%
Group Markets	2,732	97	0	0	0	-2	-2	0	0	2.0%	31.9%	0.0%
ALM & LCC	257	14	25	0	29	-1	-4	-10	0	28.5%	39.4%	83.6%
Savings Banks	47,863	12,880	2,311	45	1	-79	-407	-779	0	3.2%	33.7%	0.0%
Poland	34,413	5,239	116	732	0	-71	-234	-40	-42	4.5%	34.6%	5.8%
GCC	21	3	0	0	0	0	-1	0	0	32.0%	0.0%	0.0%
Total	**236,173**	**35,433**	**5,694**	**1,070**	**1,727**	**-499**	**-1,425**	**-2,444**	**-98**	**4.0%**	**42.9%**	**9.2%**
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%	0.0%
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%	0.0%
GCC	24	5	0	0	0	0	-1	0	0	19.2%	0.0%	0.0%
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
Mar 26						
Austria	**125,033**	**0**	**1,515**	**3,520**	**2,523**	**132,591**
EBOe & Subs.	43,040	0	513	14	11	43,578
Savings Banks	60,347	0	843	47	1,863	63,099
Other Austria	21,646	0	159	3,459	650	25,913
CEE	**55,175**	**91,296**	**44**	**748**	**131**	**147,395**
Czechia	9,369	40,381	33	135	68	49,986
Poland	5,690	34,262	6	516	28	40,501
Slovakia	21,300	0	0	7	35	21,342
Romania	4,087	10,388	0	47	0	14,523
Hungary	1,811	5,498	0	3	1	7,312
Croatia	10,966	0	5	39	0	11,010
Serbia	1,952	767	0	1	0	2,720
Other	**24**	**44**	**0**	**0**	**43**	**111**
Total	**180,232**	**91,340**	**1,559**	**4,268**	**2,698**	**280,097**
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 etc.).

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 with a holding period of one day.

in EUR million	Dec 25	Mar 26
Interest	2.3	2.1
Currency	0.8	1.5
Shares	1.2	1.5
Commodity	0.3	1.1
Volatility	0.6	1.1
Total	**2.7**	**3.0**

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 three months about EUR 2.8 billion were issued, thereof three benchmark bonds (senior preferred, covered bonds and Tier 2).

Leverage ratio

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

As of 31 March 2026, the leverage ratio for Erste Group Bank AG at consolidated level amounted to 6.4%, comfortably above the 3.0% minimum requirement defined in Article 92 Capital Requirements Regulation (CRR). Tier 1 capital amounted to EUR 30.2 billion at the reference date, while total leverage exposure stood at EUR 473.9 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 26.50% interest in Erste Group Bank AG. Privatstiftung is the largest single investor in Erste Group Bank AG. At the end of the reporting period, Erste Group had, in relation to Privatstiftung, accounts payable of EUR 41 million (EUR 65 million) and no accounts receivable. Privatstiftung held bonds issued by Erste Group of EUR 46 million (EUR 47 million). From the mentioned transactions, interest expenses for Erste Group amounted to EUR 1 million (EUR 1 million). Erste Group did not receive fee and commission income or rental income.

31. Contingent liabilities - legal proceedings

On 6 April 2026, BCR received an investigation report from the Romanian Competition Council alleging anticompetitive conduct in connection with possible agreements and/or concerted practice regarding the coordinated fixing of the ROBOR reference rate among the ten panel banks (including BCR), covering the period since November 2018. The investigation report - which does not represent the final decision of the authority - proposes a fine of up to 10% of BCR's annual turnover (the statutory maximum). BCR is convinced in the correctness of its market conduct and, in the eventuality the Romanian Competition Council upholds such allegations, will contest the findings and challenge them through all available legal means.

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

32. Fair value of financial instruments

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

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

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

Financial instruments carried at fair value

DESCRIPTION OF VALUATION MODELS AND PARAMETERS

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

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

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

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

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

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

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

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

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

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

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

The accumulated CVA-adjustments amounted to EUR 9 million (2025: EUR 9 million) and the total DVA-adjustment amounted to EUR 13 million (2025: 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				Mar 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	6,868	5,085	90	12,042
Derivatives	1	795	34	829	7	2,544	31	2,582
Other financial assets HfT	4,717	3,808	23	8,548	6,861	2,541	58	9,460
Non-trading financial assets at FVPL	1,706	91	2,036	3,833	1,644	83	2,259	3,985
Equity instruments	67	14	441	523	69	18	458	545
Debt securities	1,639	77	71	1,786	1,575	65	74	1,714
Loans and advances	0	0	1,524	1,524	0	0	1,727	1,727
Financial assets at FVOCI	6,977	1,906	298	9,181	12,295	2,580	2,311	17,186
Equity instruments	1	0	113	113	0	0	227	228
Debt securities	6,976	1,906	185	9,068	12,295	2,580	1,195	16,069
Loans and advances	0	0	0	0	0	0	889	889
Hedge accounting derivatives	0	231	0	231	0	552	0	552
Total assets	**13,400**	**6,832**	**2,390**	**22,622**	**20,807**	**8,299**	**4,659**	**33,766**
Liabilities								
Financial liabilities HfT	1,220	1,191	1	2,412	1,724	3,248	2	4,975
Derivatives	4	1,087	1	1,092	9	3,110	2	3,121
Other financial liabilities HfT	1,216	104	0	1,321	1,715	139	0	1,854
Financial liabilities at FVPL	415	9,442	0	9,857	411	9,084	8	9,503
Deposits from customers	0	174	0	174	0	180	0	180
Debt securities issued	0	9,268	0	9,268	0	8,905	8	8,912
Other financial liabilities	415	0	0	415	411	0	0	411
Hedge accounting derivatives	0	170	0	170	0	183	0	183
Total liabilities	**1,635**	**10,804**	**1**	**12,439**	**2,136**	**12,516**	**9**	**14,661**

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		Mar 26	
in EUR million	L1 to L2	L2 to L1	L1 to L2	L2 to L1
Financial assets HfT	**217**	**4**	**73**	**426**
Bonds	217	3	73	424
Shares	0	1	0	2
Non-trading financial assets at FVPL	**3**	**5**	**8**	**8**
Bonds	2	5	8	7
Funds	1	0	0	0
Shares	0	0	0	1
Financial assets at FVOCI	**159**	**4**	**38**	**270**
Bonds	159	4	38	270
Total	**379**	**13**	**119**	**704**

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	Jan 26	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	Mar 26
Assets												
Financial assets HfT	57	-13	0	46	-4	0	3	0	16	-14	0	90
Derivatives	34	-13	0	0	0	0	2	0	13	-4	0	32
Other financial assets HfT	23	0	0	46	-4	0	1	0	4	-11	0	58
Non-trading financial assets at FVPL	2,036	-17	0	684	-5	-442	0	0	5	-3	0	2,258
Equity instruments	441	3	0	18	-5	0	0	0	0	0	0	457
Debt securities	71	2	0	0	0	0	0	0	5	-3	0	74
Loans and advances	1,524	-22	0	666	0	-442	0	0	0	0	1	1,727
Financial assets at FVOCI	298	-7	0	82	0	-59	2,045	0	1	-18	-31	2,311
Equity instruments	113	0	1	0	0	0	116	0	0	0	-2	227
Debt securities	185	-18	-1	19	0	-1	1,046	0	1	-18	-18	1,195
Loans and advances	0	11	0	63	0	-58	884	0	0	0	-10	889
Hedge accounting derivatives	0	0	0	0	0	0	0	0	0	0	0	0
Total assets	**2,390**	**-37**	**0**	**811**	**-9**	**-501**	**2,048**	**0**	**23**	**-35**	**-31**	**4,659**
Liabilities												
Financial liabilities HfT	1	1	0	0	0	0	0	0	0	0	0	2
Derivatives	1	1	0	0	0	0	0	0	0	0	0	2
Other trading financial liabilities	0	0	0	0	0	0	0	0	0	0	0	0
Financial liabilities at FVPL	0	0	0	0	0	0	0	0	8	0	0	8
Debt securities issued	0	0	0	0	0	0	0	0	8	0	0	8
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	**1**	**1**	**0**	**0**	**0**	**0**	**0**	**0**	**8**	**0**	**0**	**9**

	Jan 25	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	Mar 25
Assets												
Financial assets HfT	63	-3	0	0	-15	0	0	0	0	-14	0	31
Derivatives	41	-7	0	0	0	0	0	0	0	-14	0	21
Other financial assets HfT	22	3	0	0	-15	0	0	0	0	0	0	10
Non-trading financial assets at FVPL	1,563	-1	0	72	-3	-14	0	0	1	-39	25	1,606
Equity instruments	396	1	0	13	-2	0	0	0	0	-38	0	371
Debt securities	60	0	0	4	-1	0	0	0	1	-1	0	65
Loans and advances	1,108	-2	0	54	0	-13	0	0	0	0	24	1,171
Financial assets at FVOCI	329	1	3	10	0	-3	0	0	20	-22	1	339
Equity instruments	109	0	1	0	0	0	0	0	0	0	0	111
Debt securities	220	1	1	10	0	-3	0	0	20	-21	1	229
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**	**-3**	**3**	**81**	**-18**	**-17**	**0**	**0**	**22**	**-74**	**26**	**1,976**
Liabilities												
Financial liabilities HfT	14	-10	0	0	0	0	0	0	0	0	0	4
Derivatives	14	-10	0	0	0	0	0	0	0	0	0	4
Other trading financial liabilities	0	0	0	0	0	0	0	0	0	0	0	0
Financial liabilities at FVPL	0	0	0	0	0	0	0	0	0	0	0	0
Debt securities issued	0	0	0	0	0	0	0	0	0	0	0	0
Other financial liabilities	0	0	0	0	0	0	0	0	0	0	0	0
Hedge accounting derivatives	0	0	0	0	0	0	0	0	0	0	0	0
Total liabilities	**14**	**-10**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**4**

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	1-3 25	1-3 26
Assets		
Financial assets HfT	4	-29
Derivatives	0	-18
Other financial assets HfT	3	-11
Non-trading financial assets at FVPL	-1	-16
Equity instruments	1	4
Debt securities	0	2
Loans and advances	-2	-22
Financial assets at FVOCI	0	10
Equity instruments	0	0
Debt securities	0	-1
Loans and advances	0	11
Total	**4**	**-35**
Liabilities		
Financial liabilities HfT	4	-4
Derivatives	4	-4
Total	**4**	**-4**

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**	**Mar 26**	**Significant unobservable inputs**	**Dec 25**	**Mar 26**
Positive / negative fair value of derivatives	Forwards, swaps, options	DCF and option models with CVA adjustment based on potential future exposure	32	29	PD	0.97%-4.95% (2.22%)	0.31%-4.13% (1.04%)
					LGD	60%	60%
	Fixed and variable coupon bonds	DCF	22	16	Credit Spread	-1.11%-2.58% (1.97%)	-1.11%-2.03% (0.66%)
Financial assets at FVPL	Loans	DCF	1,524	1,727	PD	0.02%-29.18% (0.48%)	0.02%-29.18% (0.57%)
					LGD	0.01%-61.63% (28.31%)	0.04%-61.63% (29.93%)
	Fixed and variable coupon bonds	DCF	185	176	Credit Spread	-1.18%-3.11% (1.16%)	-1.18%-3.11% (1.07%)
Financial assets at FVOCI	Loans	DCF	0	889	Effective margin		Customers: '0.34%-2.74% Banks: 0.57%
Financial assets at FVOCI / at FVPL	Non-trading equity instruments (participations)	Dividend Discount Model; Simplified Income Approach	281	285	Beta levered	0.58-1.22 (0.90)	0.58-1.22 (0.90)
					Country risk premium	0.27%-2.18% (0.48%)	0.23%-2.18% (0.47%)
		Adjusted Net Asset Value	145	156	Adjusted Equity	Depending on accounting equity of investment	Depending on accounting equity of investment

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

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

Services (Non-bank & Insurance) with 1.03). The majority of financial assets at FVOCI/at FVPL, where Country risk premium inputs are being used, is related to Austria with 0.30% (2025: Austria with 0.32%).

In addition to the information above, equity instruments with a fair value in amount of EUR 86 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		Mar 26	
in EUR million	**Positive**	**Negative**	**Positive**	**Negative**
Derivatives	1	-2	1	-1
Income statement	1	-2	1	-1
Debt securities	6	-9	28	-37
Income statement	1	-1	4	-5
Other comprehensive income	5	-7	24	-32
Equity instruments	106	-69	108	-70
Income statement	82	-54	84	-55
Other comprehensive income	24	-15	24	-15
Loans and advances	30	-98	34	-109
Income statement	30	-98	34	-109
Other comprehensive income	0	0	0	0
Total	**142**	**-177**	**170**	**-217**
Income statement	**113**	**-155**	**122**	**-170**
Other comprehensive income	**29**	**-22**	**48**	**-47**

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
Mar 26					
Assets					
Financial assets at AC	361,867	356,637	68,978	3,937	283,722
Loans and advances to banks	26,382	26,427	0	0	26,427
Loans and advances to customers	259,906	257,076	0	0	257,076
Debt securities	75,579	73,134	68,978	3,937	218
Finance lease receivables	7,794	7,809	0	0	7,809
Trade and other receivables	5,314	5,314	0	0	5,314
Liabilities					
Financial liabilities at AC	386,515	386,150	27,517	18,219	340,414
Deposits from banks	19,658	19,489	0	0	19,489
Deposits from customers	314,592	314,386	0	0	314,386
Debt securities issued	50,979	50,990	27,517	18,219	5,254
Other financial liabilities	1,286	1,286	0	0	1,286
Financial guarantees and commitments					
Financial guarantees	n/a	20	0	0	20
Loan commitments	n/a	133	0	0	133
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. Details on synthetic securitisations can be found in *Note 36 Use of collateral and other credit enhancements*. 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)

	1-3 25	1-3 26
Austria	**16,832**	**16,769**
Erste Group Bank AG, Erste Bank Oesterreich and subsidiaries	9,345	9,230
Cross-guarantee system companies	7,487	7,539
Outside Austria	**28,977**	**38,896**
Erste Bank Polska Group	n/a	10,112
Česká spořitelna Group	9,638	9,582
Banca Comercială Română Group	5,130	4,997
Slovenská sporiteľňa Group	3,546	3,488
Erste Bank Hungary Group	3,404	3,442
Erste Bank Croatia Group	3,206	3,072
Erste Bank Serbia Group	1,268	1,283
Savings banks subsidiaries	1,555	1,597
Other subsidiaries and foreign branch offices	1,228	1,323
Total	**45,809**	**55,665**

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.

[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.

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 österreichischen 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 31 March 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.

Overview of capital requirements and capital buffers

	Dec 25	Mar 26
Pillar 1		
Minimum CET1 requirement	4.50%	4.50%
Minimum Tier 1 requirement	6.00%	6.00%
Minimum own funds requirement	8.00%	8.00%
Combined buffer requirement (CBR)	**6.03%**	**6.07%**
Capital conservation buffer	2.50%	2.50%
Countercyclical capital buffer	0.70%	0.75%
Systemic risk buffer	1.08%	1.07%
O-SII capital buffer	1.75%	1.75%
Minimum CET1 requirement (incl. CBR)	10.53%	10.57%
Minimum Tier 1 requirement (incl. CBR)	12.03%	12.07%
Minimum own funds requirement (incl. CBR)	14.03%	14.07%
Pillar 2	**2.00%**	**2.00%**
Minimum CET1 requirement	1.13%	1.13%
Minimum T1 requirement	1.50%	1.50%
Minimum own funds requirement	2.00%	2.00%
Total CET1 requirement for Pillar 1 and Pillar 2	**11.65%**	**11.69%**
Total Tier 1 requirement for Pillar 1 and Pillar 2	**13.53%**	**13.57%**
Total capital requirement for Pillar 1 and Pillar 2	**16.03%**	**16.07%**

Capital structure (phased in)

in EUR million	Dec 25	Mar 26
Common equity tier 1 capital (CET1)		
Capital instruments eligible as CET1	2,337	2,337
Retained earnings	20,118	20,099
Accumulated other comprehensive income (and other reserves)	-404	-803
Minority interest recognised in CET1	8,092	9,980
Common equity tier 1 capital (CET1) before regulatory adjustments	**30,143**	**31,613**
Own CET1 instruments	-125	-118
Prudential filter: cash flow hedge reserve	12	200
Prudential filter: Cumulative gains and losses due to changes in own credit risk on fair valued liabilities	114	89
Prudential filter: Fair value gains and losses arising from the institution's own credit risk related to derivative liabilities	-10	-13
Value adjustments due to the requirements for prudent valuation	-97	-132
Securitisation which qualify for a RW of 1250%, where the institution opts for the deduction alternative (deduction from CET1)	-175	-182
Goodwill	-621	-2,809
Other intangible assets	-434	-1,595
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	-562
Common equity tier 1 capital (CET1)	**28,524**	**26,491**
Additional tier 1 capital (AT1)		
Capital instruments eligible as AT1	3,479	3,479
Instruments issued by subsidiaries that are given recognition in AT1	11	11
Other AT1 eligible elements	0	247
Additional tier 1 capital (AT1) before regulatory adjustments	**3,490**	**3,737**
Own AT1 instruments	-1	-5
Additional tier 1 capital (AT1)	**3,489**	**3,732**
Tier 1 capital = CET1 + AT1	**32,013**	**30,223**
Tier 2 capital (T2)		
Capital instruments eligible as T2	4,100	4,728
Instruments issued by subsidiaries recognised in T2	360	361
IRB excess of provisions over expected losses eligible	127	127
Other T2 eligible elements	0	364
Tier 2 capital (T2) before regulatory adjustments	**4,587**	**5,579**
Own T2 instruments	-61	-45
Tier 2 capital (T2)	**4,526**	**5,534**
Total own funds	**36,539**	**35,757**
Capital requirement	**11,799**	**14,657**
CET1 capital ratio	**19.3%**	**14.5%**
Tier 1 capital ratio	**21.7%**	**16.5%**
Total capital ratio	**24.8%**	**19.5%**

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

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

Risk structure (phased in)

in EUR million	Dec 25 Total risk	Dec 25 Capital requirement	Mar 26 Total risk	Mar 26 Capital requirement
Total risk exposure amount	**147,487**	**11,799**	**183,210**	**14,657**
Risk weighted assets (credit risk)	119,889	9,591	149,130	11,930
Standardised approach	25,418	2,033	51,868	4,149
IRB approach	91,091	7,287	93,464	7,477
Contribution to the default fund of a CCP	10	1	11	1
Securitizations	3,370	270	3,786	303
Settlement risk	1	0	6	0
Trading book, foreign FX risk and commodity risk	4,585	367	5,358	429
Operational risk	22,277	1,782	27,451	2,196
Exposure for CVA	333	27	756	60
Other exposure amounts (incl. Basel 1 floor)	402	32	508	41

The position “Other exposure amounts (including Basel 1 floor)" includes an additional RWA add-on in the amount of approximate EUR 402 million due to a temporary non-compliance with the CRR3 provisions related to the CCF estimates and a temporary RWA add-on of roughly EUR 106 million due to the dividend risk under the risks-not-in-the-model (RNIME) framework for market risk.

35. Events after the balance sheet date

There are no significant events after the balance sheet date.

36. Agreement on the acquisition of Erste Bank Polska

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

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

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

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

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

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

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

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

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

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

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

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

The acquired receivables

Loans and advances to banks at AC

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

Loans and advances to customers at AC

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

Loans and advances to customers at FVOCI

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

Finance lease receivables

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

Factoring receivables (Other assets)

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

Goodwill

Goodwill arising from the acquisition was measured as follows.

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

* See part Consideration transferred

** See part Identifiable assets acquired and liabilities assumed

The goodwill recognised in connection with the acquisition primarily reflects:

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

Goodwill is not expected to be tax deductible.

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 31 March 2026, the contribution of the Erste Bank Polska group to Erste Group's operating income amounts to EUR 889 million, while the contribution to the net result for the period amounted to EUR 29 million.

The purchase price allocation has been finalised for all the assets acquired and liabilities assumed except for the area of provisions, due to the ongoing assessment of recent court rulings. For this reason, the measurement period for this topic remains open in accordance with IFRS 3.45 until more information about facts and circumstances that existed as of the acquisition date in relation to these matters has been obtained.

ABBREVIATIONS

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

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

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

Your notes

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

NOTE REGARDING FORWARD-LOOKING STATEMENTS

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

FINANCIAL CALENDAR

30 July 2026	Half year financial report 2026
30 October 2026	Results for the third quarter of 2026

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

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