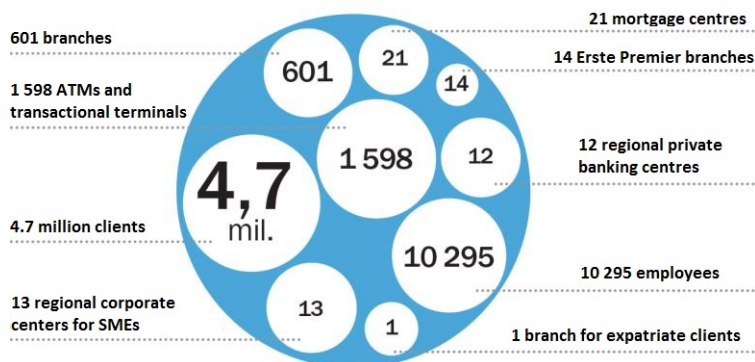


Company Profile

More than 190 years ago, our founders came up with the idea to establish an institution whose services would help individuals, entrepreneurs, corporations, as well as non-profit organisations throughout the Czech lands to achieve prosperity. Today, we still want to be their guides through the complex financial world. Our ambition is to be available wherever and whenever our clients need us. We make that possible through an extensive branch network in every region, as well as through our presence in the digital world.



Basic Facts (as at 30 September 2016, consolidated):



News for Clients

- With the **My Healthy Finance** service, we help clients reduce their regular expenditures, we give them saving tips and tips for appreciating the money they save. My Healthy Finance includes advisory services, an application with an overview of income and expenditures, non-financial services, and two accounts for clients or their families. More than 76,000 clients use My Healthy Finance, having saved CZK 10,000 on average.
- Our **Transparent Credit Card** brings clients a **simple calculation of interest and an interest-free period on ATM withdrawals**. Furthermore, the client's account is maintained free of charge, if he pays at least CZK 3,000 by card in the given billing period.
- We have further heightened the great client demand for mortgages by offering **interest rates starting at 1.79% per year on mortgages with a 10-year fixed rate**, and a property valuation free of charge. Clients can also get their **mortgage refinanced on-line**. Newly, we offer to **send loan account statements electronically**, to Internet banking. Electronic statements are valid documents for tax returns.
- Cash loans are now even more advantageous – we reward clients **for due repayment** by forgiving **up to 15 monthly instalments**. This can save them as much as CZK 68,000. We also offer the **Paper-Free Loan** with which our client can have **money in his account** within 15 minutes of contract conclusion on-line. Loan processing as well as extraordinary repayment or a repayment in full are free of charge.
- We offer our clients a higher level of security and a significant saving on time with **biometric signing** of documents. A special device (signpad or tablet) in the form of an electronic board reads not only the shape of the signature itself, but many other unique

Management Team



Tomáš Salomon
CEO of Ceska sporitelna



Wolfgang Schopf
CFO of Ceska sporitelna



Daniela Pešková
Member of the Board of Directors responsible for Retail Banking



Pavel Kráčmar
Member of the Board of Directors responsible for Corporate Banking and Financial Markets



Karel Mourek
Member of the Board of Directors responsible for Credit Risk Management

Shareholder Structure

Share in voting rights:

ERSTE
Group 99.52%, others 0.48%

Basic Capital Structure:

ERSTE
Group 98.97%, self-governing authorities 0.59%, others 0.44%

Credit Rating

	Long-term	Short-term	Outlook
S&P	A-	A2	Negative
Fitch	A-	F2	Stable
Moody's	A2	Prime-1	Stable

Selected Financial Figures (CZK mil.; IFRS)

	30 Sept. 2016	Y/Y change
Operating income	28,453	-4/7%
Operating expenses	-13,232	-3/0%
Total operating result	15,221	-6.1%
Net profit in accounting period	11,924	7.1%
Total assets	1,085,848	13.2%
Total client loans	585,955	8.2%
Total client deposits	772,283	9.4%
Total equity	118,240	9.8%

Ration indicators

ROE	13.2%
Cost/income	46.5%
Receivables from customers / loans to customers	73.9%
Capital adequacy – Tier1+2 ratio	19.4%

signature properties, such as speed, pressure, and its course in time. In six months, our clients signed more than a million documents biometrically.

We Are No. 1 on the Market



In terms of the **number of clients** (4.7 mil.)

In **mortgages** (a 27% market share)

In **consumer loans**, including credit cards and overdrafts facilities (a 29% market share)

In terms of **total deposits** (a 21% market share)

On the **mutual fund** market (a 25% market share)

Source: CNB statistic, MRD, AKAT, Bank Card Association

Current News from the Bank

- As at 30 September 2016, Ceska sporitelna reported **unaudited consolidated net profit** calculated according to international financial reporting standards (IFRS) of **CZK 11.9 bn.** In the comparable period last year, its profit was CZK 11.1 bn. **Its operating result dropped to CZK 15.2 bn,** from CZK 16.2 bn.
- Gross client loans were up by 8.2%** in a year-on-year comparison, to CZK 586.0 bn. The **household loan** portfolio (bank only) amounted to CZK 319.5 bn, which is a year-on-year **growth of 7.6%**, primarily due to **double-digit growth in individual mortgages.** They amounted to CZK 2,036.0 bn. **The increase in loans to large corporations** was manifest in an overall increase in the volume of loans to businesses (wholesale) **by 11.0%.**
- Amounts owed to customers** amounted to CZK 772.3 bn., and compared to Q3 of last year, **they were up by 9.4%. Household deposits were up by 6.7%** to CZK 560.9 bn. **Corporate client deposits were up by 18.3%** to CZK 138.4 bn. **Public sector deposits were up by 14.6%,** at CZK 73.0 bn.
- In mid-November, **we opened a new acquisition branch at Prague's Main Station, open 24/7,** and others will follow. This branch network concept is based on new client service principles – advisors are available to clients during day-time opening hours; while for 24 hours per day, clients can use self-serve equipment for executing financial services – deposit and withdrawal ATMS and transactional terminals.

Social Banking

- We have been helping non-profits and social enterprises to stand on solid ground and attain stable growth. We offer them **development programmes, mentoring, and individual care in addressing financing.** We have granted them **loans worth CZK 150 mil.** Together, we give a new dimension to money.
- 27 student teams signed up for the **Social Impact Award** acceleration and educational programmes for socially-beneficial enterprise. In total, ten contestants participated and the 5 winners divided up **CZK 242,600.**
- 67 projects signed up for the three runs of our **Impact First** acceleration programme for social enterprises, non-profits, and informal teams with a positive social impact, and 20 actually took part. Eleven mentors participated, with **CZK 300,000** being handed out for project testing. The winner received **CZK 100,000.**
- 80 participants signed up for our FRIN fundraising academy, of whom 20 visited workshops, yielding **10 final participants.**
- Ceska sporitelna is a partner to the Debt Advisory Centre. Between January and October 2016, it served **8,408 new clients,** spending **248 hours** on the **help line** and drafting **956 debt restructuring proposals.**

Erste Group in a nutshell (data as at 30 Sept. 2016)

Number of clients	15.9 mil.
employees	46,700
branches	2,697
total assets	206.8 bn. EUR
net profit	1,179.2 mil. EUR

Erste Group's Business Position

- A leading provider of financial services and products in the Eastern part of the EU
- A TOP 3 bank on our key markets in CZ, AUT, SK, RO, HU, and HR
- A leader in innovations for retail banking in its home market of Austria

Management Team

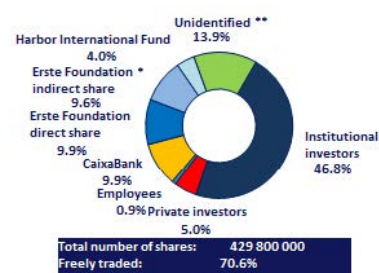
- Andreas Treichl, CEO
- Gernot Mittendorfer, CFO and CPO
- Andreas Gottschling, CRO
- Peter Bosek, Retail Banking
- Jozef Sikela, Corporate Banking and Financial Markets
- Petr Brávek, COO

Erste Group in Q3 2016

"Our business results continue to reflect the trends we noted earlier in the year: the quality of our assets keeps improving, and consequently the volume of provisions dropped; operating income was down slightly due to the pressure of the low-interest rate environment; and operating expenses were up, reflecting increasing investments in IT and data quality. In the Central and East European region, we attain growth above the Eurozone average. All our subsidiaries perform well, contributing to the Group's net profit of nearly 1.2 billion euros in the first nine months of 2016. As a result, we successfully tripled our capital base from the start of the global financial crisis and achieved a great growth of core tier 1 capital to 13.2% in Q3. Overall, our present condition gives us a strong base for achieving a stable yield in a persisting difficult environment," said Andreas Treichl, CEO of Erste Group Bank AG.



Shareholder Structure



* Includes the voting rights of Erste Foundation, savings banks, saving bank foundations, and Wiener Stadtische Wechselseitige Versicherungsverein
** Institutional and international retail investors

Stock Exchange listings and index listing

Kotace	Index	Váha (30.9.2016)
Vienna Stock Exchange	ATX	19.47%
Prague Stock Exchange	PX	20.02%
Bucharest Stock Exchange	ROTX	19.86%

- Publicly traded in the US in the Level I ADR programme
- MSCI Standard Index
- DJ Euro Stoxx Banks Index
- FTSEurofirst 300 Index

Credit Rating

	Long-term	Short-term
S&P	BBB+	A-2
Fitch	BBB+	F2
Moody's	Baa1	P-2