

Condensed income statement of the Bank Austria Group¹⁾

for the first quarter of 2014

(€ million)

RECAST ²⁾	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	CHANGE OVER PREVIOUS YEAR	
						+/- €	IN %
Net interest	855	857	876	868	841	-13	-1.5%
Dividend income and other income from equity investments	132	165	310	109	73	-59	-44.5%
Net fees and commissions	324	346	334	377	330	+6	+1.8%
Net trading, hedging and fair value income	133	180	157	321	112	-21	-16.0%
Net other expenses/income	28	3	44	20	20	-8	-29.5%
Operating income	1,472	1,551	1,721	1,694	1,376	-96	-6.5%
Payroll costs	-412	-421	-397	-403	-406	+5	-1.3%
Other administrative expenses	-381	-360	-363	-402	-385	-4	+1.0%
Recovery of expenses	0	1	0	0	0	-0	-62.0%
Amortisation, depreciation and impairment losses on intangible and tangible assets	-51	-53	-50	-87	-44	+7	-13.7%
Operating costs	-844	-834	-811	-892	-835	+8	-1.0%
Operating profit	628	718	910	802	541	-87	-13.9%
Net write-downs of loans and provisions for guarantees and commitments	-246	-267	-259	-532	-190	+55	-22.6%
Net operating profit	382	451	651	270	350	-32	-8.3%
Provisions for risks and charges	-63	-34	-17	-34	-4	+60	-94.4%
Integration/restructuring costs	-2	-4	-10	-117	-1	+1	-33.8%
Net income/loss from investments	-2	0	-26	-699	75	+77	n.m.
Profit or loss before tax	316	413	598	-580	421	+105	+33.2%
Income tax for the period	-38	-79	-66	-245	-64	-26	+66.9%
Total profit or loss after tax from discontinued operations	20	-43	8	-251	2	-18	-89.8%
Profit or loss for the period	298	292	540	-1,076	359	+61	+20.6%
Non-controlling interests	-14	-8	-13	60	-9	+5	-36.7%
Net profit or loss before PPA ³⁾	284	284	527	-1,016	350	+66	+23.4%
Purchase Price Allocation effect	0	0	0	0	0	+0	n.m.
Goodwill impairment	-3	-3	-3	-1,670	0	+3	n.m.
Net profit or loss ³⁾	281	281	525	-2,686	350	+69	+24.5%

n.m. = not meaningful. / 1) Bank Austria's income statement as presented in this table is a reclassified format corresponding to the format used for segment reporting. / 2) Recast to reflect the consolidation perimeter and business structure in 2014. / 3) Attributable to the owners of the parent company.

Segment reporting of the Bank Austria Group

1–3 2014/1–3 2013

(€ million)

		RETAIL & CORPORATES	PRIVATE BANKING	CORPORATE & INVESTMENT BANKING (CIB)	CENTRAL EASTERN EUROPE (CEE)	CORPORATE CENTER	BANK AUSTRIA GROUP (RECAST)	RECASTING DIFFER- ENCES ¹⁾	BANK AUSTRIA GROUP (PUBLISHED) ²⁾
Net interest	1–3 2014	230	15	85	584	-73	841	0	841
	1–3 2013	220	11	89	595	-61	855	-8	847
Dividends and other income from equity investments	1–3 2014	9	0	0	48	16	73	0	73
	1–3 2013	7	0	4	100	21	132	0	131
Net fees and commissions	1–3 2014	123	25	24	180	-22	330	0	330
	1–3 2013	120	25	30	169	-21	324	-1	323
Net trading, hedging and fair value income/loss	1–3 2014	3	0	20	57	31	112	0	112
	1–3 2013	18	0	8	111	-4	133	0	133
Net other expenses/income	1–3 2014	4	0	0	5	10	20	0	20
	1–3 2013	5	0	3	11	9	28	0	29
OPERATING INCOME	1–3 2014	370	40	130	875	-38	1,376	0	1,376
	1–3 2013	370	37	134	986	-56	1,472	-8	1,463
OPERATING COSTS	1–3 2014	-285	-29	-62	-404	-56	-835	0	-835
	1–3 2013	-282	-28	-57	-422	-56	-844	7	-836
OPERATING PROFIT	1–3 2014	85	12	68	471	-95	541	0	541
	1–3 2013	88	10	78	564	-112	628	-1	627
Net write-downs of loans and provisions for guarantees and commitments	1–3 2014	-43	0	-13	-134	0	-190	0	-190
	1–3 2013	-45	0	-13	-188	0	-246	3	-242
NET OPERATING PROFIT	1–3 2014	42	12	55	337	-95	350	0	350
	1–3 2013	43	9	65	377	-112	382	3	385
Provisions for risks and charges	1–3 2014	0	0	0	-3	0	-4	0	-4
	1–3 2013	0	0	0	-1	-62	-63	0	-63
Integration/restructuring costs	1–3 2014	0	0	0	-1	0	-1	0	-1
	1–3 2013	0	0	0	-2	0	-2	0	-2
Net income/loss from investments	1–3 2014	0	0	2	0	73	75	0	75
	1–3 2013	0	0	-2	0	0	-2	0	-2
PROFIT BEFORE TAX	1–3 2014	42	12	57	332	-22	421	0	421
	1–3 2013	43	9	63	374	-173	316	3	319
Income tax for the period	1–3 2014	-8	-3	-15	-51	12	-64	0	-64
	1–3 2013	-6	-2	-15	-51	37	-38	-1	-39
Total profit or loss after tax from discontinued operations	1–3 2014	0	0	0	-4	6	2	0	2
	1–3 2013	0	0	0	3	17	20	-1	19
PROFIT OR LOSS FOR THE PERIOD	1–3 2014	34	9	43	277	-3	359	0	359
	1–3 2013	37	7	47	326	-120	298	1	299
Non-controlling interests	1–3 2014	-1	0	0	-14	7	-9	0	-9
	1–3 2013	-2	0	1	-19	6	-14	3	-11
NET PROFIT OR LOSS ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY BEFORE PPA	1–3 2014	32	9	43	263	3	350	0	350
	1–3 2013	35	7	49	307	-114	284	4	288
Purchase Price Allocation effect	1–3 2014	0	0	0	0	0	0	0	0
	1–3 2013	0	0	0	0	0	0	0	0
Goodwill impairment	1–3 2014	0	0	0	0	0	0	0	0
	1–3 2013	0	0	0	0	-3	-3	0	-3
NET PROFIT OR LOSS ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY	1–3 2014	32	9	43	263	3	350	0	350
	1–3 2013	35	7	49	307	-117	281	4	285

Segment reporting of the Bank Austria Group

1–3 2014/1–3 2013

		RETAIL & CORPORATES	PRIVATE BANKING	CORPORATE & INVESTMENT BANKING (CIB)	CENTRAL EASTERN EUROPE (CEE)	CORPORATE CENTER	BANK AUSTRIA GROUP (RECAST)	RECASTING DIFFER- ENCES ¹⁾	BANK AUSTRIA GROUP (PUBLISHED) ²⁾
Loans to customers (end of period)	1–3 2014	39,723	636	14,161	54,606	5,134	114,259	0	114,259
	1–3 2013	40,758	592	14,864	58,092	5,744	120,051	-778	119,273
Primary funds (end of period) ³⁾	1–3 2014	40,518	8,585	8,886	47,452	18,661	124,103	0	124,103
	1–3 2013	42,442	7,761	9,776	46,303	16,179	122,461	71	122,531
Cost/income ratio excl. bank levy in %	1–3 2014	73.9	70.3	41.2	42.8	n.m.	56.5	n.m.	56.5
	1–3 2013	73.7	73.9	36.0	39.5	n.m.	53.5	n.m.	53.3
Risk/earnings ratio in % ⁴⁾	1–3 2014	17.8	0.7	15.7	21.2	n.m.	20.8	n.m.	20.8
	1–3 2013	19.7	1.7	14.1	27.0	n.m.	24.9	n.m.	24.7

1) The segment results have been recast. The difference compared to Bank Austria's results is presented in a separate column showing "Recasting differences", which for 2013 mainly relate to the transfer of Leasing subsidiaries in the Baltics and in Bulgaria, Russia, the Czech Republic and Slovakia to Bank Austria.

2) The comparative figures for 2013 and 2014 reflect the accounting figures, restatements are included as described in the notes.

3) Primary funds: deposits from customers and debt securities in issue.

4) Risk/earnings ratio: net write-downs of loans and provisions for guarantees and commitments measured against net interest and dividends and other income from equity investments.

n.m. = not meaningful

Statement of Financial Position of the Bank Austria Group

at 31 March 2014

Assets

(€ million)

	31 MARCH 2014	31 DEC. 2013
Cash and cash balances	1,904	2,375
Financial assets held for trading	2,323	2,207
Financial assets at fair value through profit or loss	242	343
Available-for-sale financial assets	21,376	19,746
Held-to-maturity investments	624	633
Loans and receivables with banks	23,680	22,316
Loans and receivables with customers	114,259	114,880
Hedging derivatives	2,883	2,839
Changes in fair value of portfolio hedged items (+/-)	0	33
Investments in associates and joint ventures	4,485	4,463
Insurance reserves attributable to reinsurers	0	0
Property, plant and equipment	2,134	2,096
<i>of which held for investment</i>	848	800
Intangible assets	162	162
Tax assets	960	945
a) current tax assets	87	72
b) deferred tax assets	872	872
Non-current assets and disposal groups classified as held for sale	2,883	3,714
Other assets	1,244	1,103
TOTAL ASSETS	179,158	177,857

Liabilities and equity

(€ million)

	31 MARCH 2014	31 DEC. 2013
Deposits from banks	25,332	24,145
Deposits from customers	95,805	96,978
Debt securities in issue	28,298	27,302
Financial liabilities held for trading	1,703	1,505
Financial liabilities at fair value through profit or loss	731	797
Hedging derivatives	2,453	2,220
Changes in fair value of portfolio hedged items (+/-)	4	0
Tax liabilities	599	508
a) current tax liabilities	55	21
b) deferred tax liabilities	543	487
Liabilities included in disposal groups classified as held for sale	1,576	2,242
Other liabilities	2,539	2,124
Provisions for risks and charges	4,991	4,985
a) post-retirement benefit obligations	4,648	4,630
b) other provisions	344	355
Equity	15,126	15,050
<i>of which non-controlling interests (+/-)</i>	266	485
TOTAL LIABILITIES AND EQUITY	179,158	177,857