

Condensed income statement of the Bank Austria Group¹⁾

for the year ended 31 December 2012

(€ million)

	2012	2011 RECAST ²⁾	CHANGE	
			+/- €	IN %
Net interest	4,373	4,315	+58	+1%
Dividend income and other income from equity investments	-150	208	-358	>100%
Net fees and commissions	1,595	1,625	-31	-2%
Net trading, hedging and fair value income	664	452	+212	+47%
Net other expenses/income	140	100	+40	+40%
Operating income	6,622	6,700	-79	-1%
Payroll costs	-1,969	-1,945	-24	+1%
Other administrative expenses	-1,662	-1,574	-88	+6%
Recovery of expenses	1	2	-0	-22%
Amortisation, depreciation and impairment losses on intangible and tangible assets	-264	-260	-4	+2%
Operating costs	-3,893	-3,777	-116	+3%
Operating profit	2,728	2,923	-195	-7%
Net write-downs of loans and provisions for guarantees and commitments	-1,103	-1,060	-43	+4%
Net operating profit	1,625	1,863	-238	-13%
Provisions for risks and charges	-305	-136	-169	>100%
Integration/restructuring costs	-33	-28	-5	+19%
Net income from investments	39	-275	+314	>100%
Profit before tax	1,326	1,424	-98	-7%
Income tax for the period	-353	-259	-93	+36%
Total profit or loss after tax from discontinued operations	-301	-493	+193	-39%
Profit for the period	672	671	+1	+0%
Non-controlling interests	-38	-50	+12	-24%
Net profit before PPA ³⁾	635	622	+13	+2%
Purchase Price Allocation effect ⁴⁾	-13	-29	+16	-54%
Goodwill impairment	-199	-387	+188	-49%
Net profit³⁾	423	206	+217	>100%

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 2012. / 3) Attributable to the owners of the parent company. / 4) PPA effects Russia and Ukraine (2011) and Aton.

Segment reporting of the Bank Austria Group

1–12 2012/1–12 2011

(€ million)

		FAMILY & SME BANKING (F&SME)	PRIVATE BANKING	CORPORATE & INVESTMENT BANKING (CIB)	CENTRAL EASTERN EUROPE (CEE)	CORPORATE CENTER	BANK AUSTRIA GROUP (RECAST)	RECASTING DIFFERENCES ¹⁾	BANK AUSTRIA GROUP (ADJUSTED) ²⁾
Net interest	1–12 2012	690	59	756	3,194	-326	4,373	-	4,373
	1–12 2011	696	61	713	3,058	-213	4,315	-	4,315
Dividends and other income from equity investments	1–12 2012	2	-	41	21	-215	-150	-	-150
	1–12 2011	7	-	44	34	123	208	-1	207
Net fees and commissions	1–12 2012	379	91	183	1,008	-67	1,595	-	1,595
	1–12 2011	399	86	219	992	-70	1,625	210	1,836
Net trading, hedging and fair value income/loss	1–12 2012	12	2	7	416	227	664	-	664
	1–12 2011	11	2	34	347	58	452	-210	242
Net other expenses/income	1–12 2012	15	-	11	89	25	140	-	140
	1–12 2011	13	1	10	63	13	100	36	136
OPERATING INCOME	1–12 2012	1,099	152	997	4,728	-355	6,622	-	6,622
	1–12 2011	1,126	150	1,020	4,493	-89	6,700	35	6,736
OPERATING COSTS	1–12 2012	-931	-108	-361	-2,177	-316	-3,893	-	-3,893
	1–12 2011	-906	-102	-388	-2,102	-280	-3,777	-33	-3,810
OPERATING PROFIT	1–12 2012	167	45	636	2,551	-671	2,728	-	2,728
	1–12 2011	220	49	632	2,392	-369	2,923	2	2,926
Net write-downs of loans and provisions for guarantees and commitments	1–12 2012	-86	-	-122	-895	-1	-1,103	-	-1,103
	1–12 2011	-158	-4	-130	-768	-	-1,060	-	-1,060
NET OPERATING PROFIT	1–12 2012	81	45	514	1,657	-671	1,625	-	1,625
	1–12 2011	62	45	502	1,623	-369	1,863	2	1,866
Provisions for risks and charges	1–12 2012	-3	-1	-16	-62	-223	-305	-	-305
	1–12 2011	4	2	-19	-14	-109	-136	-	-136
Integration/restructuring costs	1–12 2012	-27	-1	-4	-1	-	-33	-	-33
	1–12 2011	-	-	-15	-2	-10	-28	-	-28
Net income from investments	1–12 2012	-8	-	-18	119	-55	39	-	39
	1–12 2011	3	-	-26	8	-259	-275	-	-275
PROFIT BEFORE TAX	1–12 2012	43	44	476	1,712	-949	1,326	-	1,326
	1–12 2011	68	47	442	1,615	-747	1,424	2	1,426
Income tax for the period	1–12 2012	-9	-12	-120	-314	102	-353	-	-353
	1–12 2011	-15	-12	-105	-252	124	-259	-	-259
Total profit or loss after tax from discontinued operations	1–12 2012	-	-	-	-	-301	-301	-	-301
	1–12 2011	-	-	-	-	-493	-493	-	-493
PROFIT (LOSS) FOR THE PERIOD	1–12 2012	34	32	356	1,398	-1,147	672	-	672
	1–12 2011	53	35	337	1,363	-1,117	671	3	674
Non-controlling interests	1–12 2012	-9	-	2	-51	20	-38	-	-38
	1–12 2011	-9	-	1	-60	19	-50	-	-50
NET PROFIT ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY BEFORE PPA	1–12 2012	25	32	358	1,347	-1,127	635	-	635
	1–12 2011	44	35	337	1,303	-1,098	622	3	625
Purchase Price Allocation effect	1–12 2012	-	-	-	-	-13	-13	-	-13
	1–12 2011	-	-	-	-	-29	-29	-	-29
Goodwill impairment	1–12 2012	-	-	-	-22	-177	-199	-	-199
	1–12 2011	-	-	-	-	-387	-387	-	-387
NET PROFIT ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY	1–12 2012	25	32	358	1,325	-1,317	423	-	423
	1–12 2011	44	35	337	1,303	-1,514	206	3	209

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 2011 mainly relate to the sale of Bank Austria Global Information Services GmbH, the sale of Domus Facility Management GmbH and a change in reporting fee and commission income from management, brokerage and consultancy services relating to derivatives business in securities and currency trading, which is now included in the item Net trading, hedging and fair value income.

2) The figures for 2011 and 2012 reflect the accounting figures, adjusted as described in the notes included accordingly.

Segment reporting of the Bank Austria Group

1–12 2012/1–12 2011

		FAMILY & SME BANKING (F&SME)	PRIVATE BANKING	CORPORATE & INVESTMENT BANKING (CIB)	CENTRAL EASTERN EUROPE (CEE)	CORPORATE CENTER	BANK AUSTRIA GROUP (RECAST)	RECASTING DIFFERENCES ¹⁾	BANK AUSTRIA GROUP (ADJUSTED) ²⁾
Risk-weighted assets (RWA) (avg.)	1–12 2012	11,277	954	16,045	83,898	16,906	129,079	4	129,083
	1–12 2011	12,568	878	19,542	76,619	14,572	124,179	198	124,377
Loans to customers (end of period)	1–12 2012	20,454	599	34,355	70,185	6,832	132,424	–	132,424
	1–12 2011	21,335	601	37,292	66,745	5,333	131,307	3,607	134,914
Primary funds (end of period) ³⁾	1–12 2012	28,672	7,716	23,255	64,290	14,692	138,626	–	138,626
	1–12 2011	27,436	7,231	22,062	57,036	16,976	130,740	3,918	134,658
Equity (avg.) ⁴⁾	1–12 2012	1,215	171	1,868	12,981	1,640	17,875	–	17,875
	1–12 2011	1,094	159	1,699	11,604	2,791	17,347	7	17,354
Cost/income ratio in %	1–12 2012	84.8	70.6	36.3	46.0	n. m.	58.8	n. m.	58.8
	1–12 2011	80.5	67.6	38.0	46.8	n. m.	56.4	n. m.	56.6
Risk/earnings ratio in % ⁴⁾	1–12 2012	12.5	n. m.	15.3	27.8	n. m.	26.1	n. m.	26.1
	1–12 2011	22.5	n. m.	17.2	24.8	n. m.	23.4	n. m.	23.4

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2) The figures for 2011 and 2012 reflect the accounting figures, adjusted as described in the notes included accordingly.

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

4) Total IFRS capital for the subsidiaries allocated to the respective Division together with standardised capital (capital allocation based on actual RWAs of the previous quarter) for the rest of the respective Division. The difference compared to the consolidated equity of the Bank Austria Group is shown in the Corporate Center.

5) 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 December 2012

Assets

(€ million)

	31 DEC. 2012	31 DEC. 2011
Cash and cash balances	2,754	2,919
Financial assets held for trading	2,855	3,322
Financial assets at fair value through profit or loss	426	214
Available-for-sale financial assets	21,063	14,677
Held-to-maturity investments	1,895	3,498
Loans and receivables with banks	28,112	25,621
Loans and receivables with customers	132,424	134,914
Hedging derivatives	4,125	3,466
Changes in fair value of portfolio hedged items (+/-)	54	30
Investments in associates and joint ventures	2,348	2,562
Insurance reserves attributable to reinsurers	1	1
Property, plant and equipment	2,509	2,576
<i>of which held for investment</i>	782	721
Intangible assets	2,459	2,866
<i>of which goodwill</i>	2,127	2,397
Tax assets	1,336	1,389
a) current tax assets	52	282
b) deferred tax assets	1,284	1,107
Non-current assets and disposal groups classified as held for sale	3,788	55
Other assets	1,446	1,120
TOTAL ASSETS	207,596	199,229

Liabilities and equity

(€ million)

	31 DEC. 2012	31 DEC. 2011
Deposits from banks	31,061	32,772
Deposits from customers	110,563	104,728
Debt securities in issue	28,063	29,931
Financial liabilities held for trading	2,196	2,554
Financial liabilities at fair value through profit or loss	1,152	1,042
Hedging derivatives	2,989	2,591
Changes in fair value of portfolio hedged items (+/-)	-	-
Tax liabilities	856	789
a) current tax liabilities	88	146
b) deferred tax liabilities	768	643
Liabilities included in disposal groups classified as held for sale	3,506	-
Other liabilities	3,428	2,782
Provisions for risks and charges	5,389	4,204
a) post-retirement benefit obligations	4,600	3,664
b) other provisions	789	540
Insurance reserves	201	175
Equity	18,192	17,661
<i>of which non-controlling interests (+/-)</i>	530	534
TOTAL LIABILITIES AND EQUITY	207,596	199,229

As of 31 December 2012, based on a strategic decision of UniCredit Group on risk downsizing of the investment in Kazakhstan, ATF Bank, Kazakhstan, was classified as a discontinued operation/held-for-sale.