

# Condensed income statement of the Bank Austria Group<sup>1)</sup>

for the first half of 2011

(€ m)

	H1 2011	H1 2010 <sup>2)</sup>	CHANGE OVER H1 2010	
			€ M	IN %
Net interest	2,248	2,196	+52	+2 %
Dividend income and other income from equity investments	102	83	+19	+23 %
Net fees and commissions	922	985	-63	-6 %
Net trading, hedging and fair value income	168	151	+17	+11 %
Net other expenses/income	105	86	+19	+22 %
<b>Operating income</b>	<b>3,545</b>	<b>3,501</b>	<b>+44</b>	<b>+1 %</b>
Payroll costs	-1,008	-950	-59	+6 %
Other administrative expenses	-793	-723	-70	+10 %
Recovery of expenses	0	1	-0	-37 %
Amortisation, depreciation and impairment losses on intangible and tangible assets	-139	-153	+14	-9 %
<b>Operating costs</b>	<b>-1,941</b>	<b>-1,825</b>	<b>-115</b>	<b>+6 %</b>
<b>Operating profit</b>	<b>1,605</b>	<b>1,676</b>	<b>-71</b>	<b>-4 %</b>
Net write-downs of loans and provisions for guarantees and commitments	-705	-896	+191	-21 %
<b>NET OPERATING PROFIT</b>	<b>900</b>	<b>780</b>	<b>+120</b>	<b>+15 %</b>
Provisions for risks and charges	-31	-90	+59	-66 %
Integration costs	-2	-2	+0	-2 %
Net income from investments	-29	38	-67	n. m.
<b>PROFIT BEFORE TAX</b>	<b>838</b>	<b>726</b>	<b>+112</b>	<b>+15 %</b>
Income tax for the period	-113	-112	-1	+1 %
<b>Profit for the period</b>	<b>725</b>	<b>614</b>	<b>+111</b>	<b>+18 %</b>
Non-controlling interests	-25	-21	-4	+21 %
<b>Net profit before PPA<sup>3)</sup></b>	<b>700</b>	<b>593</b>	<b>+106</b>	<b>+18 %</b>
Purchase Price Allocation effect <sup>4)</sup>	-7	-4	-4	+95 %
Goodwill impairment	-53	-167	+115	-69 %
<b>NET PROFIT<sup>3)</sup></b>	<b>640</b>	<b>422</b>	<b>+218</b>	<b>+52 %</b>

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) Restated: comparative figures adjusted to the consolidation perimeter and the business structure in 2011. / 3) Attributable to the owners of Bank Austria. 4) PPA effects for Kazakhstan, Ukraine, Russia and Aton.

# Segment reporting of the Bank Austria Group

1–6 2011/1–6 2010

(€ m)

		FAMILY & SME BANKING DIVISION	PRIVATE BANKING DIVISION	CORPORATE & INVESTMENT BANKING DIVISION	CENTRAL EASTERN EUROPE DIVISION	CORPORATE CENTER	BANK AUSTRIA GROUP RESTATE <sup>1)</sup>
Net interest	1–6 2011	359	25	396	1,627	–158	2,248
	1–6 2010	360	20	394	1,613	–192	2,196
Dividends and other income from equity investments	1–6 2011	3	–	29	12	58	102
	1–6 2010	1	–	26	4	51	83
Net fees and commissions	1–6 2011	221	44	107	586	–36	922
	1–6 2010	229	49	122	575	9	985
Net trading, hedging and fair value income/loss	1–6 2011	1	–	7	73	86	168
	1–6 2010	–	1	–24	34	140	151
Net other expenses/income	1–6 2011	3	–	5	37	59	105
	1–6 2010	2	–	10	16	57	86
<b>OPERATING INCOME</b>	<b>1–6 2011</b>	<b>586</b>	<b>70</b>	<b>544</b>	<b>2,335</b>	<b>9</b>	<b>3,545</b>
	<b>1–6 2010</b>	<b>592</b>	<b>71</b>	<b>528</b>	<b>2,243</b>	<b>66</b>	<b>3,501</b>
<b>OPERATING COSTS</b>	<b>1–6 2011</b>	<b>–441</b>	<b>–51</b>	<b>–188</b>	<b>–1,086</b>	<b>–175</b>	<b>–1,941</b>
	<b>1–6 2010</b>	<b>–419</b>	<b>–49</b>	<b>–178</b>	<b>–1,033</b>	<b>–146</b>	<b>–1,825</b>
<b>OPERATING PROFIT</b>	<b>1–6 2011</b>	<b>145</b>	<b>20</b>	<b>356</b>	<b>1,249</b>	<b>–166</b>	<b>1,605</b>
	<b>1–6 2010</b>	<b>174</b>	<b>22</b>	<b>350</b>	<b>1,210</b>	<b>–80</b>	<b>1,676</b>
Net write-downs of loans and provisions for guarantees and commitments	1–6 2011	–103	–2	–79	–520	–	–705
	1–6 2010	–139	–	–115	–641	–1	–896
<b>NET OPERATING PROFIT</b>	<b>1–6 2011</b>	<b>43</b>	<b>17</b>	<b>277</b>	<b>729</b>	<b>–166</b>	<b>900</b>
	<b>1–6 2010</b>	<b>34</b>	<b>22</b>	<b>236</b>	<b>569</b>	<b>–81</b>	<b>780</b>
Provisions for risks and charges	1–6 2011	10	2	1	–10	–34	–31
	1–6 2010	–1	–	–	–17	–72	–90
Integration costs	1–6 2011	–	–	–	–2	–	–2
	1–6 2010	–	–	–	–2	–	–2
Net income from investments	1–6 2011	2	–	7	45	–83	–29
	1–6 2010	11	–	1	19	6	38
<b>PROFIT BEFORE TAX</b>	<b>1–6 2011</b>	<b>54</b>	<b>19</b>	<b>285</b>	<b>762</b>	<b>–283</b>	<b>838</b>
	<b>1–6 2010</b>	<b>45</b>	<b>22</b>	<b>237</b>	<b>570</b>	<b>–147</b>	<b>726</b>
Income tax for the period	1–6 2011	–12	–5	–63	–98	66	–113
	1–6 2010	–10	–6	–29	–114	47	–112
<b>PROFIT (LOSS) FOR THE PERIOD</b>	<b>1–6 2011</b>	<b>41</b>	<b>14</b>	<b>222</b>	<b>664</b>	<b>–217</b>	<b>725</b>
	<b>1–6 2010</b>	<b>34</b>	<b>16</b>	<b>208</b>	<b>456</b>	<b>–100</b>	<b>614</b>
Non-controlling interests	1–6 2011	–3	–	–	–32	10	–25
	1–6 2010	–7	–	–1	–29	16	–21
<b>NET PROFIT ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY BEFORE PPA</b>	<b>1–6 2011</b>	<b>38</b>	<b>14</b>	<b>222</b>	<b>632</b>	<b>–206</b>	<b>700</b>
	<b>1–6 2010</b>	<b>27</b>	<b>16</b>	<b>206</b>	<b>427</b>	<b>–84</b>	<b>593</b>
Purchase Price Allocation effect	1–6 2011	–	–	–	–	–7	–7
	1–6 2010	–	–	–	–	–4	–4
Goodwill impairment	1–6 2011	–	–	–	–	–53	–53
	1–6 2010	–	–	–	–	–167	–167
<b>NET PROFIT ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY</b>	<b>1–6 2011</b>	<b>38</b>	<b>14</b>	<b>222</b>	<b>632</b>	<b>–266</b>	<b>640</b>
	<b>1–6 2010</b>	<b>27</b>	<b>16</b>	<b>206</b>	<b>427</b>	<b>–254</b>	<b>422</b>
<b>Risk-weighted assets (RWA) (avg.)</b>	<b>1–6 2011</b>	<b>13,850</b>	<b>514</b>	<b>25,789</b>	<b>80,123</b>	<b>4,771</b>	<b>125,046</b>
	<b>1–6 2010</b>	<b>11,850</b>	<b>520</b>	<b>28,085</b>	<b>73,156</b>	<b>5,247</b>	<b>118,858</b>
Equity (avg.) <sup>2)</sup>	1–6 2011	1,269	128	2,332	11,805	2,062	17,595
	1–6 2010	750	123	1,976	10,867	2,760	16,475
Cost/income ratio in %	1–6 2011	75.2	72.1	34.5	46.5	n.m.	54.7
	1–6 2010	70.7	68.8	33.7	46.1	n.m.	52.1
Risk/earnings ratio in % <sup>3)</sup>	1–6 2011	28.4	n.m.	18.7	31.7	n.m.	30.0
	1–6 2010	38.6	n.m.	27.2	39.6	n.m.	39.3

1) The segment results for 2010 have been restated; this mainly relates to the sale of UniCredit CAIB AG.

2) Total IFRS capital for the subsidiaries allocated to the respective Division together with standardised capital 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. Starting 2011 capital allocation is based on actual RWAs (until 2010 based on budget RWAs).

3) Risk/earnings ratio: net writedowns 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 30 June 2011

## Assets

(€ m)

	30 JUNE 2011	31 DEC. 2010
Cash and cash balances	2,387	3,030
Financial assets held for trading	3,238	4,304
Financial assets at fair value through profit or loss	217	304
Available-for-sale financial assets	20,155	17,544
Held-to-maturity investments	3,759	4,446
Loans and receivables with banks	19,365	19,749
Loans and receivables with customers	131,617	130,093
Hedging derivatives	2,072	2,449
Changes in fair value of portfolio hedged items (+/-)	20	44
Investments in associates and joint ventures	2,519	2,518
Insurance reserves attributable to reinsurers	1	–
Property, plant and equipment	2,601	2,553
<i>of which held for investment</i>	775	479
Intangible assets	3,545	3,751
<i>of which goodwill</i>	3,063	3,225
Tax assets	1,280	1,254
a) current tax assets	259	248
b) deferred tax assets	1,021	1,006
Non-current assets and disposal groups classified as held for sale	42	2
Other assets	1,026	1,008
<b>TOTAL ASSETS</b>	<b>193,844</b>	<b>193,049</b>

## Liabilities and equity

(€ m)

	30 JUNE 2011	31 DEC. 2010
Deposits from banks	33,332	33,130
Deposits from customers	98,224	100,284
Debt securities in issue	30,497	27,555
Financial liabilities held for trading	2,056	2,448
Financial liabilities at fair value through profit or loss	1,468	1,651
Hedging derivatives	2,302	2,909
Changes in fair value of portfolio hedged items (+/-)	–	–
Tax liabilities	532	543
a) current tax liabilities	121	126
b) deferred tax liabilities	411	417
Liabilities included in disposal groups classified as held for sale	–	–
Other liabilities	3,006	2,573
Provisions for risks and charges	4,261	4,297
a) post-retirement benefit obligations	3,800	3,791
b) other provisions	461	506
Insurance reserves	167	183
Equity	17,998	17,476
<i>of which non-controlling interests (+/-)</i>	544	546
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>193,844</b>	<b>193,049</b>