

# **INTERIM REPORT**

**3<sup>rd</sup> QUARTER**

# **2010**

**INVESTKREDIT GROUP**

# KEY FIGURES OF INVESTKREDIT GROUP

In euro million	30 Sep 2010	31 Dec 2009	31 Dec 2008
<b>Statement of financial position</b>			
<b>Total assets</b>	<b>11,491</b>	<b>12,644</b>	<b>14,335</b>
Loans and advances to customers	9,376	9,583	10,548
Amounts owed to customers	981	1,104	1,621
Debts evidenced by certificates	3,090	3,353	2,541
Subordinated liabilities	787	675	683
<b>Own funds</b>			
Core capital (tier I) after deductions	702	782	730
Supplementary capital (tier II, tier III) after deductions	502	577	479
Eligible qualifying capital	1,205	1,358	1,209
Assessment base credit risk	10,694	10,438	11,131
Capital requirement operational risk	36	38	34
Surplus capital	313	486	284
<b>Core capital ratio in % <sup>1)</sup></b>	<b>6.6</b>	<b>7.5</b>	<b>6.6</b>
<b>Equity ratio in % <sup>2)</sup></b>	<b>10.8</b>	<b>12.5</b>	<b>10.5</b>
	<b>1-9/2010</b>	<b>1-9/2009</b>	<b>1-9/2008</b>
<b>Income statement</b>			
Net interest income	154.1	169.6	165.4
Risk provisions	-55.6	-321.5	-16.0
Net fee and commission income	6.1	9.0	16.0
Net trading income	-1.5	-1.2	1.5
General administrative expenses	-58.9	-58.6	-73.7
Other operating result	-0.7	-1.3	-3.4
Income from financial investments	-0.7	17.7	-33.6
<b>Result before taxes</b>	<b>42.8</b>	<b>-186.3</b>	<b>56.2</b>
Income taxes	-12.1	51.6	-9.2
<b>Result after taxes</b>	<b>30.7</b>	<b>-134.7</b>	<b>47.0</b>
Non-controlling interest	-0.5	-2.2	-4.5
<b>Consolidated net income</b>	<b>30.3</b>	<b>-137.0</b>	<b>42.5</b>
<b>Key ratios</b>			
Cost-income-ratio <sup>3)</sup>	37.6 %	29.4 %	48.5 %
ROE before taxes	8.0 %	-37.4 %	9.9 %
ROE after taxes	5.7 %	-27.1 %	8.2 %
ROE consolidated net income	6.0 %	-30.2 %	8.1 %
ROE before taxes (regulatory)	6.7 %	-27.0 %	7.8 %
<b>Resources</b>			
Staff average	481	537	562
of which domestic	434	473	490
of which foreign	47	64	72
	<b>30 Sep 2010</b>	<b>31 Dec 2009</b>	<b>31 Dec 2008</b>
Staff at end of period	475	495	576
of which domestic	430	445	510
of which foreign	45	50	66

<sup>1)</sup> In relation to credit risk

<sup>2)</sup> In relation to total risk

<sup>3)</sup> The cost-income-ratio was calculated without taking into account impairment of financial investments and of goodwill but including revaluation of investment properties.

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Any role descriptions in this interim report that are used only in the masculine form apply analogously to the feminine form.

# MANAGEMENT REPORT

## Report on business development and the economic situation

### Economic environment

The economy in the **euro zone**, which had growth by 1 % quarter-on-quarter in the second quarter of this year, lost momentum during the third quarter and achieved a growth rate of 0.4 % q/q or 1.9 % y/y in this period (Eurostat flash estimate). This slower upturn was extremely uneven. Greek GDP continued to decline compared with the previous quarter and was 4.5 % lower than in the same period of the previous year. Germany again proved to be the growth engine within the euro zone in the third quarter thanks to an upturn in the industrial landscape that only tailed off slightly towards the end of the quarter. Year-on-year GDP growth of 3.9 % was recorded in both the second and third quarters. In **Austria**, economic growth amounted to 2.2 % q/q and 2.5 % y/y. As in the previous quarter, growth was primarily supported by industry and exports, while investments in equipment also increased. The construction sector remained weak, with net economic output declining by 0.3 % compared with the previous quarter.

The unemployment rate in the monetary union was unchanged, at 10.1 %, in the months from July to September. The aggregate figure covered a range from 4.5 % at last in Austria to 20.8 % in Spain. The **annual inflation rate**, which was still around 1 % at the beginning of the year, rose steadily in the first half of the year. During the second quarter, it averaged 1.5 %, before reaching 1.8 % in September. With respect to the annual inflation rate the variation in national data was enormous as well – in September, the inflation rate ranged from -1 % in Ireland to 5.7 % in Greece.

The Czech Republic, Slovakia and – with certain restrictions – Hungary also reported economic dynamism, comparable to the "core euro zone" in the third quarter, albeit at very different levels. In the third quarter, annual growth was 3 % in the Czech Republic, 4.1 % in Slovakia and 2.1 % in Hungary, with exports as the key driver of growth. Ukraine, Serbia and Bosnia-Herzegovina also benefited from the upturn in the industrial landscape. By contrast, Romania remained mired in recession. In the third quarter, Romanian GDP was 2.3 % down on the comparable quarter in the previous year. Croatia, whose GDP data for the third quarter was not yet available when this interim report went to press, also started the quarter in a recession phase that is unlikely to have ended in the third quarter.

Sentiment on **financial markets** remains dominated by uncertainties concerning Greece and other euro countries battling with high government debt and weak economic growth. The euro 750 billion rescue package concluded in mid-May only relieved the pressure on markets briefly. From the second half of June, risk premiums on Greek government bonds once again returned to levels in excess of 1,000 basis points compared with German government bonds. As a result of the publication of the positive effects of the Greek austerity measures, risk premiums had fallen back to levels between 600 and 800 basis points in the third quarter. In the first nine months of 2010, new Greek debt was reduced by some 30 % compared with the same period in 2009. However, in contrast to this, concerns about other countries, in particular Ireland, increased following the announcement that the state-owned Anglo Irish Bank required more capital than had been expected. The euro had depreciated by about 15 % against the US dollar and 11 % against the Swiss franc during the first half of the year. While the euro regained almost all the ground lost against the dollar in the third quarter, it only stabilised against the franc and closed the third quarter some 10 % down on its value at the end of the previous year. Stock markets performed more or less parallel to the external value of the euro and were mainly dependent on investors' attitude to risk. In the first half of 2010, the ATX lost around 9 % but its performance improved in the third quarter, the ATX closed the quarter 2 % up on the end of the previous year. In Central and South Eastern Europe, risk premiums on government bonds remained stable over the summer. With the exception of the Serbian dinar and the Croatian kuna, all currencies in this region appreciated somewhat in the second quarter and exchange rates only changed a little in the third quarter.

## Business development

The turnaround initiated in the first half of 2010 was reinforced in the third quarter. The result before taxes amounted to euro 43 million, while consolidated net income amounted to euro 30 million. This positive result was driven in particular by lower loan loss provisions.

### Income statement

At euro 154 million, net interest income was lower than in the previous period. This was primarily due to the reduction in loans and advances to customers.

Thanks to the adjustments to the loan portfolio carried out last year, loan loss provisions were further reduced to euro 56 million, down significantly by euro 266 million on the comparative figure for the previous year.

Net fee and commission income declined further year-on-year, amounting to euro 6 million for the period under review. This was primarily due to the reduction in net fee and commission income from the lending business. As Investkredit has not held a trading book since 2009, the trading result now only contains the valuation result of an open foreign exchange position (euro -1 million).

General administrative expenses remained stable year-on-year, amounting to euro -59 million for the first three quarters of 2010. The number of employees fell as against 31 December 2009, amounting to 475 as at 30 September 2010. The average number of employees (full-time equivalents) in the period under review was 481. The cost-income-ratio as at 30 September 2010 was 37.6 %.

Developments on the financial markets led to write-downs on derivatives in the investment book in particular. This meant that the result from financial investments amounted to euro -1 million in the first three quarters of 2010, euro 18 million lower than the positive figure for the same period of the previous year.

The significant reduction in loan loss provisions in particular led to a positive result before taxes of euro 43 million. After a tax result of euro -12 million and minority interests of euro 0.5 million, consolidated net income amounted to euro 30 million.

### Statement of financial position and own funds

Total assets declined further compared with 31 December 2009, amounting to euro 11.5 billion as at 30 September 2010. Loans and advances to customers totalled euro 9.4 billion as at the balance sheet date. The restructuring of the debt refinancing of Europolis resulted in an increase in loans and advances to customers, which partially offset the decline in existing loans. Debts evidenced by certificates fell to euro 3.1 billion as a result of repayments.

As at 30 September 2010, Investkredit Group had eligible own funds of euro 1.2 billion. Risk-weighted assets increased by euro 0.3 billion compared to 31 December 2009, totalling euro 10.7 billion as at 30 September 2010. The Tier I ratio (ratio of core capital to the assessment base for credit risk) was 6.6 %, while the equity ratio in relation to total risk stood at 10.8 %. Own funds exceeded the regulatory requirements by euro 313 million at the reporting date.

## Outlook

### Economic environment

Due to the slowdown in growth in the US economy in the third quarter and weaker leading indicators such as incoming orders and purchasing managers' indices it is anticipated that the euro zone economy will lose further momentum in the second half of the year. Economic activity continues to grow in Austria, Germany and most CEE countries without generating inflationary pressures. Interest rates will therefore only move upwards from their current low very slowly. The environment remains fragile overall and financial markets are still very susceptible to setbacks.

### Investkredit Group

The outlook for 2010 is considerably more optimistic than it was in 2009, with the turnaround reflected in the results for the first three quarters of 2010. For this reason, Investkredit expects to again record a consolidated net profit in 2010.

To strengthen the VBAG business model, a comprehensive process has been established with the aim of focusing on core areas; this also includes Investkredit.

In order to further optimise the group's structure, the supervisory board of VBAG decided in June 2010 to combine Österreichische Volksbanken-AG with Investkredit Bank AG. A first step in this direction is the change of the managing board of Investkredit which was resolved by the supervisory board of Investkredit in September 2010. From this date, the managing board team of VBAG has been responsible for both companies. Further steps in this consolidation process should be completed by mid 2011.

## CORPORATES SEGMENT

Corporate customers of Investkredit Group are offered a comprehensive range of products and services through Investkredit Bank AG, Investkredit Investmentbank AG, Invest Mezzanine Capital Management GmbH and Investkredit International Bank plc.

The supervisory board of Investkredit Bank AG reached a fundamental decision on 14 September 2010: en route to the combination of Österreichische Volksbanken-AG (VBAG) and Investkredit Bank AG, a joint managing board team has been responsible for both banks. Previously four managing board members had been responsible for VBAG and four managing members for Investkredit (with one overlap), now four managing board members are responsible for the combined bank. In addition to the chairman of the managing board, Gerald Wenzel, this managing board team consists of Michael Mendel, Martin Fuchsbauer and Wolfgang Perdich. As one bank with one brand, one objective, one strategy and one managing board, VBAG Group will continue its strong commitment to commercial banking activities. The Corporates segment and Investkredit's real estate financing business are operating under the brand name of Volksbank AG – Investkredit as of now.

In Austria, the focus of Volksbank AG – Investkredit, as a bank for corporates and entrepreneurs, is concentrated on medium-sized companies. Here, the bank aspires to be its customers' main bank. Volksbank AG – Investkredit offers to its customers long and short-term financing, the comprehensive management of subsidies, export and trade finance, cash management products, interest and exchange rate hedges and factoring. For years, Volksbank AG – Investkredit has been supporting its customers successfully in their capital market activities, in the purchase and sale of companies and in the implementation of succession strategies for family owned companies. Volksbank AG – Investkredit also acts as a partner to the Austrian Volksbank sector in the provision of corporate finance. In Germany, Poland, Slovakia and the Czech Republic, corporate customers benefit from the bank's expertise in corporate finance.

### Segment results

The Corporates segment reported a marked improvement in results, which is attributable in particular to a decisive fall in loan loss provisions. The result before taxes for the first three quarters of 2010 amounted to euro 33.8 million. Due to the reduction in the volume of business, net interest income and net fee and commission income are down on the figures for the previous year.

### Loans

Due to the improvement of the economic environment, the demand for loans for the financing of investment projects in Austria and abroad is increasing. Credit lines for working capital are now used by the customers primarily to secure liquidity and no longer to fund emergency measures resulting from the financial crisis. Volksbank AG – Investkredit will further increase its emphasis on the long-term viability of the business models of its customers, which is the basis for prompt lending decisions for providing sufficient liquidity to its corporate customers.

### Syndication and subsidies

Syndicated loan business with Austrian Volksbanks remained stable in the third quarter. A slight decrease in the number of syndicated loans was apparent but was offset by rising transaction volumes. The revenue generated by this business field could be increased. Volksbank AG – Investkredit will further expand its successful cooperation with the primary banks.

Volksbank AG – Investkredit is noting increasing demand for subsidies for investment projects in connection with the development and production of innovative products. By contrast, demand for guarantees from the government for measures to secure liquidity is falling, which is due to the fact that companies are being supplied with sufficient liquidity through the banking system.

### Export finance

In the period under review, Volksbank AG – Investkredit again structured a soft loan and provided a tailor-made guarantee line to an Austrian customer active in China. Three additional soft loans for China amounting to over euro 13 million will be implemented at the beginning of the fourth quarter.

### Cash management

Cash management business remained stable in all product areas in the third quarter of 2010. Preparatory work on the adoption of a new settlement system for foreign transfers also started, which will increase efficiency and improve quality.

### Treasury sales

The completion of measures to optimise processes in Corporate Treasury consultancy services led to more deals in the areas of interest rate and exchange rate management. Customer retention was further intensified through strategies to optimise risk, which led to increased flow and margin business for Investkredit Group.

### Structured finance

Following the difficulties of the economic crisis, the Leveraged Finance Austria/CEE division recorded a further increase and thus a normalisation in operating activities in the third quarter of 2010. While the number of transactions in Austria continues to lag behind previous levels, many financing transactions are already being implemented in CEE. The German market has picked up significantly, which has led to a sustained increase in the deal flow. The focus of the branch in Frankfurt remained on medium sized companies as well as professional financial investors in the third quarter.

### Project finance

In recent months, the bank has carried out structured transactions, in particular to finance photovoltaic systems in the Czech Republic, where a reduction in the feed-in tariff is expected by the end of the year. By and large, fears that dramatic tariff reductions – triggered by budgetary pressures – would be adopted in various European countries have not come true.

### Finance for international schools

At the end of September, a global loan to finance German international schools abroad of euro 60 million was signed with KfW Bankengruppe. As a result, long-term investment projects (e.g. new builds and extensions, sports facilities and science buildings) at more than 130 German schools abroad can be financed at subsidised interest rates. Volksbank AG – Investkredit is the only bank to have received a global loan of this kind from KfW which is a confirmation of the path it has adopted of increased involvement in issues for the future such as youth and education.

### Investkredit Investmentbank (IKIB)

In the third quarter of 2010, IKIB worked on implementing existing consulting contracts with medium-sized corporate customers of Volksbank AG – Investkredit. New consulting projects are in the acquisition stage.

## Outlook

In line with the trend in economic activity, the vast majority of the 2009 annual financial statements of Volksbank AG – Investkredit's corporate customers report weaker results. However, the interim results for the current financial year indicate that the companies' performance is improving once again. This positive trend gives grounds for hoping that demand for loans will rise over the rest of the year. At present, the bank's attention is increasingly focused on the provision of financial services. These products and services are supplementing the existing product range, therefore they are to be offered more frequently.

The Corporate Treasury sales' strategy of reinforcing the bank's positioning as "THE risk manager" for corporate customers on the capital market is to be continued consistently.

A continuous and sustained improvement in the general conditions in Leveraged Finance is expected in the course of the next few quarters. Improvements in the functionality of the market for acquisitions will allow the number of transactions to increase.

Preparations for financing renewable energy projects in Slovakia and in Poland will dominate activities in project financing up to the end of the year. In 2011, attention will be focused firstly on developments in the tariff structures for renewable energy and secondly on the major investments projects in the area of traditional energy sources in Europe.



## REAL ESTATE SEGMENT

Under the corporate slogan “excellence in real estate” Investkredit Group offers its customers and real estate partners the following commercial property-related services: customised project financing from Investkredit Bank AG, lease financing from Immoconsult Leasinggesellschaft m.b.H. and property development through Premiumred Real Estate Development GmbH. Investkredit’s real estate financing business is operating under the brand name of Volksbank AG – Investkredit as of now. The Real Estate segment’s core markets are Austria and Central and Eastern Europe.

### Segment results

The segment result for the first three quarters of 2010 shows a noticeable year-on-year improvement. This is due to lower loan loss provisions. Net interest income declined as against the previous period due to a downturn in business. The increase in loans and advances to customers is attributable to the restructuring of the debt refinancing of Europolis in the first half of the year and is not yet reflected in net interest income. Net fee and commission income increased, while general administrative expenses declined slightly. The result before taxes for the period under review amounted to euro 9 million.

### Volksbank AG – Investkredit

Both net interest income and operational result in real estate financing are slightly above plan. Compared with the previous year, result before taxes shows a noticeable improvement, which is attributable to lower loans loss provisions. There is still uncertainty regarding future economic trends and consequently the risk to which the company is exposed. New financing was concluded for an office project by the Ablon Group in Warsaw and for the WED’s DC Tower 1 in Vienna.

### Immoconsult

As the specialist in real estate leasing, Immoconsult will continue to concentrate on business in Austria. Its financing activities in cooperation with the Austrian Volksbanks are being continuously strengthened. In the Central and Eastern European core markets, the focus is concentrated on major international customers, who are serviced both from Vienna and by local subsidiaries. Leasing transactions with a total volume of euro 31 million were concluded in the first three quarters of 2010.

### Premiumred

As the specialist in international project development of real estate within Investkredit Group, Premiumred holds in its portfolio office buildings completed or renovated in 2008 and 2009 in Warsaw, Budapest and Bucharest. The total usable space of approximately 57,000 m<sup>2</sup> is – despite the challenging economic conditions – approximately 86 % let. Valid planning permission was recently received for the “Horizon Offices” project in Prague (rentable space around 23,000 m<sup>2</sup>) and it should be granted for the “Salomea Business Park” in Warsaw (rentable space around 28,000 m<sup>2</sup>) shortly.

## Outlook

There are signs of the situation easing on real estate markets in Central and Eastern Europe. Market action is concentrated on real estate of high quality. However, even if transaction volume is increasing somewhat, the market environment in Central and Eastern Europe is expected to remain volatile.

### Volksbank AG – Investkredit

Volksbank AG – Investkredit expects that in the next few months the impact of the more stringent capital and liquidity requirements imposed by central banks and the regulatory authorities (Basel III) will be felt.

### Immoconsult

Immoconsult continues to expect lower levels of investing activities and – given strong competition – a reduction in margins achievable in 2010.

### Premiumred

Apart from project development, Premiumred will concentrate increasingly on its role as VBAG’s workout unit for impaired real estate financing.

## Income Statement

	<b>1-9/2010</b>	<b>1-9/2009</b>	<b>Changes</b>	
	<b>in euro</b>	<b>in euro</b>	<b>in euro</b>	<b>%</b>
	<b>thousand</b>	<b>thousand</b>	<b>thousand</b>	
Interest and similar income and expenses	153,135	168,712	-15,577	-9.23 %
Income from companies measured at equity	978	930	48	5.12 %
Net interest income	154,113	169,643	-15,529	-9.15 %
Risk provisions	-55,605	-321,513	265,908	-82.71 %
Net fee and commission income	6,109	9,029	-2,919	-32.33 %
Net trading income	-1,496	-1,167	-328	28.15 %
General administrative expenses	-58,901	-58,636	-265	0.45 %
Other operating result	-705	-1,319	614	-46.54 %
Income from financial investments	-727	17,694	-18,421	-104.11 %
<b>Result for the period before taxes</b>	<b>42,789</b>	<b>-186,269</b>	<b>229,058</b>	<b>-122.97 %</b>
Income taxes	-12,085	51,551	-63,636	-123.44 %
<b>Result for the period after taxes</b>	<b>30,703</b>	<b>-134,718</b>	<b>165,422</b>	<b>-122.79 %</b>
Result attributable to shareholders of the parent company (Consolidated net income/loss)	30,252	-136,950	167,203	-122.09 %
Result attributable to non-controlling interest (Non-controlling interest)	451	2,232	-1,781	-79.80 %

## Statement of financial position

	<b>30 Sep 2010</b> in euro thousand	31 Dec 2009 in euro thousand	Changes	
			in euro thousand	%
<b>Assets</b>				
Liquid funds	51	254	-202	-79.72 %
Loans and advances to credit institutions (gross)	492,926	935,916	-442,990	-47.33 %
Loans and advances to customers (gross)	9,375,661	9,583,093	-207,431	-2.16 %
Risk provisions (-)	-693,542	-667,664	-25,879	3.88 %
Financial investments	1,506,339	1,679,838	-173,499	-10.33 %
Assets for operating lease	184,803	185,095	-292	-0.16 %
Companies measured at equity	20,587	25,966	-5,379	-20.71 %
Participations	213,847	211,197	2,650	1.25 %
Intangible assets	1,649	1,781	-131	-7.37 %
Tangible fixed assets	51,075	51,988	-914	-1.76 %
Tax assets	22,278	20,057	2,221	11.07 %
Other assets	315,122	616,306	-301,184	-48.87 %
<b>TOTAL ASSETS</b>	<b>11,490,797</b>	<b>12,643,826</b>	<b>-1,153,029</b>	<b>-9.12 %</b>
<b>Liabilities and equity</b>				
Amounts owed to credit institutions	5,457,801	6,431,702	-973,901	-15.14 %
Amounts owed to customers	981,142	1,103,523	-122,381	-11.09 %
Debts evidenced by certificates	3,089,525	3,353,488	-263,964	-7.87 %
Provisions	64,465	66,731	-2,266	-3.40 %
Tax liabilities	27,055	23,034	4,021	17.46 %
Other liabilities	394,722	275,247	119,475	43.41 %
Subordinated liabilities	787,362	674,523	112,840	16.73 %
Equity	688,724	715,577	-26,854	-3.75 %
Shareholders' equity	687,832	657,564	30,269	4.60 %
Non-controlling interest	891	58,014	-57,122	-98.46 %
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>11,490,797</b>	<b>12,643,826</b>	<b>-1,153,029</b>	<b>-9.12 %</b>

## Changes in the Group's equity

Euro thousand	Subscribed capital <sup>1)</sup>	Capital reserve	Retained earnings	Currency reserve	IAS 39 valuation reserves <sup>2)</sup>		Shareholders' equity	Non-controlling interest	Equity
					Available for sale reserve	Hedging reserve			
As at 1 January 2009	46,000	336,142	283,449	1,863	0	4,567	672,020	58,470	730,490
Comprehensive income *			-136,950	693		552	-135,705	2,236	-133,469
As at 30 September 2009	46,000	336,142	146,498	2,556	0	5,119	536,316	60,706	597,021
As at 1 January 2010	46,000	336,142	275,260	162	0	0	657,564	58,014	715,577
Comprehensive income *			30,252	371	155		30,778	451	31,229
Dividends paid / Transfer of result							0	-3,868	-3,868
Change due to reclassifications shown under non-controlling interest and capital increases			-509				-509	-53,705	-54,214
<b>As at 30 September 2010</b>	<b>46,000</b>	<b>336,142</b>	<b>305,002</b>	<b>533</b>	<b>155</b>	<b>0</b>	<b>687,832</b>	<b>891</b>	<b>688,724</b>

\* Comprehensive income (Income and changes in reserves)

	1-9/2010			1-9/2009		
	Shareholders' equity	Non-controlling interest	Equity	Shareholders' equity	Non-controlling interest	Equity
Consolidated net income	30,252	451	30,703	-136,950	2,232	-134,718
Currency reserve	371	0	370	693	4	697
thereof from application of the average rates of exchange in income statement	10	0	10	0	0	0
Available for sale reserve (including deferred taxes)	155	0	155	0	0	0
Hedging reserve (including deferred taxes) <sup>3)</sup>	0	0	0	552	0	552
<b>Comprehensive income</b>	<b>30,778</b>	<b>451</b>	<b>31,229</b>	<b>-135,705</b>	<b>2,236</b>	<b>-133,469</b>

<sup>1)</sup> Subscribed capital corresponds to the figures reported in the financial statements of Investkredit Bank AG.

<sup>2)</sup> As at 30 September 2009 the hedging reserve contained deferred taxes in the amount of euro -1,706 thousand.

<sup>3)</sup> In the first three quarters of 2009 changes in value in the hedging reserve amounting to euro 1.087 thousand were recognised in income.

## Cash flow statement

Euro thousand	1-9/2010	1-9/2009
<b>Cash and cash equivalents at the end of previous period (= liquid funds)</b>	<b>254</b>	<b>43,293</b>
Cash flow from operating activities	-172,924	-121,352
Cash flow from investing activities	68,181	147,809
Cash flow from financing activities	104,540	-10,877
<b>Cash and cash equivalents at the end of period (= liquid funds)</b>	<b>51</b>	<b>58,873</b>

## NOTES

Interim Financial Statements as at 30 September 2010

### 1) General

The interim report as at 30 September 2010 of Investkredit Bank AG (Investkredit) has been prepared in accordance with all IFRS/IAS published by the International Accounting Standards Board (IASB) as well as all interpretations (IFRIC/SIC) issued by the International Financial Reporting Interpretations Committee and the Standing Interpretations Committee respectively as adapted for use in the European Union. These interim financial statements comply with IAS 34 Interim financial reporting. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at 31 December 2009.

These condensed consolidated interim financial statements have not been audited or reviewed.

In preparing this interim report the estimates and assumptions were the same as those applied to the consolidated financial statements as at 31 December 2009.

In the first half of 2010, there were no events or changes in circumstances for the goodwill that would indicate an impairment, therefore no impairment tests were carried out for these goodwill.

Investkredit's interim consolidated financial statements have been drawn up in euro as this is the Group's functional currency. All figures are indicated in thousands of euros, unless specified otherwise. The following tables may contain rounding differences.

### 2) Changes in the Group structure

In segment real estate two new companies were included in the scope of consolidation, as they are now no longer immaterial for the presentation of the Group. The takeover of results from previous years was recognised directly in equity.

On 12 July 2010, a framework agreement for the repurchase of stock of Investkredit International Bank p.l.c. with a face value of euro 53 million was concluded. From this time on, these shares are no longer shown as non-controlling interest in equity but as debt capital.

### 3) Subsequent events

To strengthen the VBAG business model, a comprehensive process has been established with the aim of focusing on core areas; this also includes Investkredit.

In order to further optimise the group's structure, the supervisory board of VBAG decided in June 2010 to combine Österreichische Volksbanken-AG with Investkredit Bank AG. A first step in this direction is the change of the managing board of Investkredit which was resolved by the supervisory board of Investkredit in September 2010. From this date, the managing board team of VBAG has been responsible for both companies. Further steps in this consolidation process should be completed by mid 2011.

No other events took place during the period of the interim report that had any significant effect on the interim financial statements as at 30 September 2010.

## 4) Notes to the income statement

### Net interest income

Euro thousand	1-9/2010	1-9/2009
Interest and similar income	336,093	478,146
Interest and similar income from	320,072	455,884
liquid funds	206	561
credit and money market transactions with credit institutions	8,648	24,991
credit and money market transactions with customers	230,735	316,155
debt securities	37,143	51,997
derivatives in the investment book	43,339	62,180
Current income from	3,910	7,736
equities and other variable-yield securities	65	1,506
other affiliates	2,494	2,856
companies measured at equity	978	930
investments in other companies	374	2,444
Operating lease operations (including investment property)	12,111	14,526
rental income	12,413	11,233
unrealised income/expenses from investment property	-300	3,293
depreciation of operating lease assets	-1	0
Interest and similar expenses of	-181,980	-308,503
deposits from credit institutions (including central banks)	-62,486	-135,163
deposits from customers	-17,245	-31,774
debts evidenced by certificates	-44,441	-55,697
subordinated liabilities	-11,632	-20,482
derivatives in the investment book	-46,177	-65,387
<b>Net interest income</b>	<b>154,113</b>	<b>169,643</b>

### Net interest income according to IAS 39 categories

Euro thousand	1-9/2010	1-9/2009
Interest receivable and similar income	336,093	478,146
Interest receivable and similar income from	320,072	455,884
financial investments at fair value through profit or loss	11,135	24,297
derivatives in the investment book	43,339	62,180
financial investments at amortised cost	239,589	341,707
of which financial lease	13,646	20,387
financial investments held to maturity	26,009	27,700
Current income from	3,910	7,736
financial investments at fair value through profit or loss	65	1,506
financial investments available for sale	2,868	5,300
companies measured at equity	978	930
Operating lease operations (including investment property)	12,111	14,526
Interest and similar expenses of	-181,980	-308,503
derivatives in the investment book	-46,177	-65,387
financial investments at amortised cost	-135,803	-243,117
<b>Net interest income</b>	<b>154,113</b>	<b>169,643</b>

### Risk provisions

Euro thousand	1-9/2010	1-9/2009
Allocation to risk provisions	-97,782	-300,454
Release of risk provisions	45,680	54
Allocation to provisions for risks	-6,753	-9,151
Release of provisions for risks	6,193	0
Direct write-offs of loans and advances	-2,988	-12,828
Income from loans and advances previously written off	45	865
<b>Risk provisions</b>	<b>-55,605</b>	<b>-321,513</b>

#### Net fee and commission income

<b>Euro thousand</b>	<b>1-9/2010</b>	<b>1-9/2009</b>
Fee and commission income from	11,410	15,131
lending operations	7,105	9,591
securities businesses	436	255
payment transactions	1,031	907
other banking services	2,838	4,379
Fee and commission expenses from	-5,300	-6,103
lending operations	-4,678	-5,334
securities businesses	-289	-385
payment transactions	-279	-351
other banking services	-54	-32
<b>Net fee and commission income</b>	<b>6,109</b>	<b>9,029</b>

#### Net trading income

<b>Euro thousand</b>	<b>1-9/2010</b>	<b>1-9/2009</b>
Exchange rate related transactions	-1,496	-1,180
Interest rate related transactions	0	13
<b>Net trading income</b>	<b>-1,496</b>	<b>-1,167</b>

#### General administrative expenses

<b>Euro thousand</b>	<b>1-9/2010</b>	<b>1-9/2009</b>
Staff expenses	-39,515	-38,968
Other administrative expenses	-17,016	-16,887
Depreciation of fixed tangible and intangible assets	-2,369	-2,781
<b>General administrative expenses</b>	<b>-58,901</b>	<b>-58,636</b>

#### Income from financial investments

<b>Euro thousand</b>	<b>1-9/2010</b>	<b>1-9/2009</b>
Result from financial investments at fair value through profit or loss	13,124	29,341
Result from fair value hedges	0	-37
Result from revaluation of underlying instruments	12,391	-14,729
Result from revaluation of derivatives	-12,391	14,692
Result from valuation of other derivatives in the investment book	-23,447	-4,989
Exchange rate related transactions	68	-125
Interest rate related transactions	-23,515	-7,157
Credit related transactions	0	2,293
Result from loans & receivables financial investments	2,733	0
Realised gains/losses	1,058	0
Income from revaluation	1,675	0
Result from held to maturity financial investments	1,913	-6,134
Realised gains/losses	2,014	2,097
Impairments	-102	-8,231
Result from participations, assets for operating lease and other financial investments	4,951	-487
Realised gains/losses	5,429	-327
Impairments	-478	-160
<b>Income from financial investments</b>	<b>-727</b>	<b>17,694</b>



## 5) Notes to the consolidated statement of financial position

### Loans and advances to credit institutions and customers

Euro thousand	30 Sep 2010	31 Dec 2009
Loans and advances to credit institutions	492,926	935,916
Loans and advances to customers	9,375,661	9,583,093
<b>Loans and advances to credit institutions and customers</b>	<b>9,868,587</b>	<b>10,519,009</b>

Loans and advances to credit institutions and customers are measured at amortised cost.

### Risk provisions

Euro thousand	Individual impairment customers	Portfolio based allowance	Total
As at 1 Jan 2009	195,938	0	195,938
Currency translation	-109	0	-109
Reclassification	2,347	0	2,347
Utilisation	-23,892	0	-23,892
Release	-54	0	-54
Addition	300,454	0	300,454
As at 30 Sep 2009	474,684	0	474,684
As at 1 Jan 2010	632,664	35,000	667,664
Currency translation	3,009	0	3,009
Reclassification	17,307	0	17,307
Utilisation	-46,539	0	-46,539
Release	-45,680	0	-45,680
Addition	97,782	0	97,782
<b>As at 30 Sep 2010</b>	<b>658,542</b>	<b>35,000</b>	<b>693,542</b>

Loans and advances to credit institutions and customers include non-interest-bearing receivables amounting to euro 92,020 thousand (31 December 2009: euro 59,856 thousand). The reclassification item reflects the regrouping of other assets. The sale of loans and advances to customers of Europolis AG to Investkredit Bank AG in the first half of 2010 also included the transfer of the corresponding risk provisions. This transfer is shown in line reclassification with the amount of euro 8,677 thousand.

### Financial investments

Euro thousand	30 Sep 2010	31 Dec 2009
Financial investments at fair value through profit or loss	658,951	788,720
Debt securities	607,796	744,380
Equity and other variable-yield securities	51,156	44,340
Financial investments available for sale	26,052	0
Debt securities	26,052	0
Financial investments loans & receivables	149,305	159,173
Financial investments held to maturity	672,031	731,945
<b>Financial investments</b>	<b>1,506,339</b>	<b>1,679,838</b>

## Participations

<b>Euro thousand</b>	<b>30 Sep 2010</b>	<b>31 Dec 2009</b>
Investments in unconsolidated affiliates	163,009	160,332
Participating interests	11,016	11,056
Investments in other companies	39,822	39,809
<b>Participations</b>	<b>213,847</b>	<b>211,197</b>

All participations are measured at amortised cost. None of the Group's participations are listed on a stock exchange.

## Other assets

<b>Euro thousand</b>	<b>30 Sep 2010</b>	<b>31 Dec 2009</b>
Deferred items	32,685	7,889
Other receivables and assets	196,809	462,127
Positive fair value from derivatives in the investment book	85,628	146,290
<b>Other assets</b>	<b>315,122</b>	<b>616,306</b>

## Amounts owed to credit institutions

Amounts owed to credit institutions amounting to euro 5,457,801 thousand (31 December 2009: euro 6,431,702 thousand) are measured at amortised cost.

## Amounts owed to customers

Amounts owed to customers amounting to euro 981,142 thousand (31 December 2009: euro 1,103,523 thousand) are measured at amortised cost.

## Debts evidenced by certificates

Debts evidenced by certificates amounting to euro 3,089,525 thousand (31 December 2009: euro 3,353,488 thousand) are measured at amortised cost.

## Other liabilities

<b>Euro thousand</b>	<b>30 Sep 2010</b>	<b>31 Dec 2009</b>
Deferred items	47,265	6,314
Other liabilities	231,230	134,500
Negative fair value from derivatives in the investment book	116,227	134,433
<b>Other liabilities</b>	<b>394,722</b>	<b>275,247</b>

## Subordinated liabilities

<b>Euro thousand</b>	<b>30 Sep 2010</b>	<b>31 Dec 2009</b>
Subordinated liabilities	293,287	286,417
Supplementary capital	494,075	388,105
<b>Subordinated liabilities</b>	<b>787,362</b>	<b>674,523</b>

Subordinated liabilities are all measured at amortised cost.

Subordinated liabilities comprise hybrid tier I capital in the amount of euro 111,576 thousand (31 December 2009: euro 103,123 thousand).

## 6) Own funds

The Investkredit Group is a member of the VBAG Group of credit institutions as defined in the Austrian Banking Act.

The own funds of the Investkredit Group calculated in accordance with the Austrian Banking Act can be broken down as follows

Euro thousand	30 Sep 2010	31 Dec 2009
Subscribed capital (less treasury stocks)	46,000	46,000
Open reserves (including differential amounts and minority interest)	722,646	752,584
Intangible assets	-871	-1,003
Net loss	-3,647	-11,845
<b>Core capital (tier I capital) before deductions</b>	<b>764,128</b>	<b>785,736</b>
Deductions from core capital (50 % deduction pursuant to section 23 (13) Austrian Banking Act)	-61,632	-4,086
<b>Core capital (tier I capital) after deductions</b>	<b>702,496</b>	<b>781,651</b>
Supplementary capital	415,820	367,915
Eligible subordinated liabilities	148,095	158,576
IRB risk provision surplus	0	54,279
<b>Supplementary capital (tier II capital) before deductions</b>	<b>563,915</b>	<b>580,770</b>
Deductions from supplementary capital (50 % deduction pursuant to section 23 (13) Austrian Banking Act)	-61,632	-4,086
<b>Supplementary capital (tier II capital) after deductions</b>	<b>502,282</b>	<b>576,684</b>
<b>Eligible qualifying capital</b>	<b>1,204,778</b>	<b>1,358,335</b>
Capital requirement	891,951	872,797
<b>Surplus capital</b>	<b>312,827</b>	<b>485,538</b>
Core capital ratio (tier I) (in relation to the assessment base pursuant to section 22 Austrian Banking Act – credit risk)	6.57 %	7.49 %
Equity ratio (solvency ratio) (in relation to credit risk after deduction of capital requirements for market and operational risk)	10.93 %	12.65 %
Core capital ratio (in relation to the risks pursuant to section 22 (1) no. 1-5 Austrian Banking Act)	6.30 %	7.16 %
Equity ratio (in relation to the risks pursuant to section 22 (1) no. 1-5 Austrian Banking Act)	10.81 %	12.45 %

The item open reserves includes the hybrid tier I capital totalling euro 111,576 thousand (31 December 2009: euro 103,123 thousand).

The risk-weighted assessment base as defined in the Austrian Banking Act and the ensuing equity requirement show the following changes

Euro thousand	30 Sep 2010	31 Dec 2009
Risk-weighted assessment base pursuant to section 22 Austrian Banking Act - credit risk	10,694,186	10,437,772
Of which 8 % minimum capital requirement for credit risk	855,535	835,022
Capital requirement for operational risk	36,416	37,775
<b>Total capital requirement</b>	<b>891,951</b>	<b>872,797</b>

In accordance with IFRS reporting, the scope of consolidation differs from the group of consolidated companies under the Austrian Banking Act as the IFRS provides for the inclusion of other entities not belonging to the banking sector. According to the Austrian Banking Act, credit institutions, financial institutions and subsidiaries providing banking-related auxiliary services that are under the control of the parent are fully consolidated. The carrying amount of financial institutions that are controlled by the parent but that are not significant for the presentation of the group of credit institutions according to section 24 (3a) of the Austrian Banking Act is deducted from own funds. Subsidiaries providing banking-related auxiliary services that are controlled by the parent but that are not consolidated in accordance with section 24 (3a) of the Austrian Banking Act are included in the assessment base at their carrying amounts. Subsidiaries which are managed jointly with non-Group companies are proportionately consolidated. Investments in credit and financial institutions with a share of between 10 % and 50 % that are not jointly managed are also deducted from own funds unless they are voluntarily consolidated on a pro rata basis. Investments in credit and financial institutions of less than 10 % are deducted from own funds only if the exemption threshold is exceeded. All other participating interests are included in the assessment base at their carrying amounts.

All credit institutions under control are considered in the scope of consolidation according to the Austrian Banking Act.

In the first nine months of 2010, no substantial, practical or legal obstacles existed which would have prevented the transfer of equity or the repayment of liabilities between the senior institution and institutions subordinated to the former.

## 7) Financial assets and liabilities

The table below shows a classification of financial assets and liabilities in accordance with their individual categories and their fair values.

Euro thousand	Held for trading	At fair value through profit or loss	Held to maturity	Available for sale	Amortised cost	Carrying amount - total	Fair value
<b>30 Sep 2010</b>							
Liquid funds	0	0	0	0	51	51	51
Loans and advances to credit institutions	0	0	0	0	492,926	492,926	492,926
Loans and advances to customers	0	0	0	0	9,375,661	9,375,661	8,717,119
Financial investments	0	658,951	672,031	26,052	149,305	1,506,339	1,532,056
Assets for operating lease	0	0	0	0	184,803	184,803	184,803
Companies measured at equity and participations	0	0	0	0	234,434	234,434	234,434
Derivatives in the investment book	85,628	0	0	0	0	85,628	85,628
<b>Financial assets – total</b>	<b>85,628</b>	<b>658,951</b>	<b>672,031</b>	<b>26,052</b>	<b>10,437,180</b>	<b>11,879,843</b>	<b>11,247,017</b>
Amounts owed to credit institutions	0	0	0	0	5,457,801	5,457,801	5,457,801
Amounts owed to customers	0	0	0	0	981,142	981,142	981,142
Debts evidenced by certificates	0	0	0	0	3,089,525	3,089,525	2,978,013
Derivatives in the investment book	116,227	0	0	0	0	116,227	116,227
Subordinated liabilities	0	0	0	0	787,362	787,362	767,041
<b>Financial liabilities – total</b>	<b>116,227</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,315,831</b>	<b>10,432,057</b>	<b>10,300,224</b>
<b>31 Dec 2009</b>							
Liquid funds	0	0	0	0	254	254	254
Loans and advances to credit institutions	0	0	0	0	935,916	935,916	935,916
Loans and advances to customers	0	0	0	0	9,583,093	9,583,093	8,985,429
Financial investments	0	788,720	731,945	0	159,173	1,679,838	1,696,088
Assets for operating lease	0	0	0	0	185,095	185,095	185,095
Companies measured at equity and participations	0	0	0	0	237,163	237,163	237,163
Derivatives in the investment book	146,290	0	0	0	0	146,290	146,290
<b>Financial assets – total</b>	<b>146,290</b>	<b>788,720</b>	<b>731,945</b>	<b>0</b>	<b>11,100,693</b>	<b>12,767,648</b>	<b>12,186,235</b>
Amounts owed to credit institutions	0	0	0	0	6,431,702	6,431,702	6,431,702
Amounts owed to customers	0	0	0	0	1,103,523	1,103,523	1,103,526
Debts evidenced by certificates	0	0	0	0	3,353,488	3,353,488	3,311,768
Derivatives in the investment book	134,433	0	0	0	0	134,433	134,433
Subordinated liabilities	0	0	0	0	674,523	674,523	627,724
<b>Financial liabilities – total</b>	<b>134,433</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,563,236</b>	<b>11,697,670</b>	<b>11,609,154</b>

The table below shows all assets and liabilities which are measured at fair value classified according to their fair value hierarchy.

Euro thousand	Level 1	Level 2	Total
<b>30 Sep 2010</b>			
<b>Financial assets</b>			
Financial investments	509,463	175,541	685,003
at fair value through profit or loss	483,411	175,541	658,951
available for sale	26,052	0	26,052
Derivatives in the investment book	0	85,628	85,628
<b>Total</b>	<b>509,463</b>	<b>261,169</b>	<b>770,631</b>
<b>Financial liabilities</b>			
Derivatives in the investment book	0	116,227	116,227
<b>Total</b>	<b>0</b>	<b>116,227</b>	<b>116,227</b>
<b>31 Dec 2009</b>			
<b>Financial assets</b>			
Financial investments at fair value through profit or loss	588,783	199,937	788,720
Derivatives in the investment book	0	146,290	146,290
<b>Total</b>	<b>588,783</b>	<b>346,228</b>	<b>935,011</b>
<b>Financial liabilities</b>			
Derivatives in the investment book	0	134,433	134,433
<b>Total</b>	<b>0</b>	<b>134,433</b>	<b>134,433</b>

In 2010 and 2009 there have not been any reclassifications between the levels.

Investkredit only uses market data which are from observable markets. If the system delivers prices for inactive traded positions, these prices are checked with prices based on secondary available market data, like credit spreads or transactions which are done on active markets in similar products. If necessary, the prices of the system are adapted.

## 8) Number of staff

Number of staff employed during the business year

	Average number of staff		Number of staff at end of period	
	1-9/2010	1-9/2009	30 Sep 2010	31 Dec 2009
Domestic	434	473	430	445
Foreign	47	64	45	50
<b>Total</b>	<b>481</b>	<b>537</b>	<b>475</b>	<b>495</b>

## 9) Segment reporting

### Segment reporting by business segments

Euro thousand	Corporates		Real Estate		Total	
	1-9/2010	1-9/2009	1-9/2010	1-9/2009	1-9/2010	1-9/2009
Net interest income	99,904	104,858	54,209	64,785	154,113	169,643
Risk provisions	-20,296	-231,088	-35,309	-90,425	-55,605	-321,513
Net fee and commission income	3,831	12,504	2,279	-3,475	6,109	9,029
Net trading income	-923	-272	-572	-895	-1,496	-1,167
General administrative expenses	-41,566	-39,237	-17,335	-19,399	-58,901	-58,636
Other operating result	-1,477	827	772	-2,145	-705	-1,319
Income from financial investments	-5,645	14,582	4,918	3,112	-727	17,694
<b>Result for the period before taxes</b>	<b>33,827</b>	<b>-137,826</b>	<b>8,961</b>	<b>-48,444</b>	<b>42,789</b>	<b>-186,269</b>
Income taxes	-10,656	50,307	-1,429	1,245	-12,085	51,551
<b>Result for the period after taxes</b>	<b>23,171</b>	<b>-87,519</b>	<b>7,532</b>	<b>-47,199</b>	<b>30,703</b>	<b>-134,718</b>
Non-controlling interest	-307	-2,029	-144	-203	-451	-2,232
<b>Consolidated net income/loss</b>	<b>22,865</b>	<b>-89,548</b>	<b>7,388</b>	<b>-47,402</b>	<b>30,252</b>	<b>-136,950</b>
Cost-income-ratio	44.0 %	27.5 %	28.1 %	33.9 %	37.6 %	29.2 %
Interest margin Ø Total assets	2.0 %	1.6 %	1.4 %	1.7 %	1.7 %	1.6 %
	<b>30 Sep 2010</b>	<b>31 Dec 2009</b>	<b>30 Sep 2010</b>	<b>31 Dec 2009</b>	<b>30 Sep 2010</b>	<b>31 Dec 2009</b>
Total assets	5,933,731	7,699,873	5,557,065	4,943,953	11,490,797	12,643,826
Loans and advances to customers	4,585,186	5,338,142	4,790,475	4,244,951	9,375,661	9,583,093
Amounts owed to customers	478,003	486,757	503,140	616,767	981,142	1,103,523
RWA (credit risk)	6,454,955	6,723,811	4,239,231	3,713,962	10,694,186	10,437,772
Number of employees as at ultimo	310	341	165	154	475	495

### Segment reporting by geographical markets

Euro thousand	Austria	Major foreign markets		Other foreign markets	Total
Net interest income					
<b>1-9/2010</b>	<b>121,142</b>	<b>6,724</b>	<b>26,247</b>		<b>154,113</b>
1-9/2009	132,945	10,932	25,766		169,643
Risk provisions					
<b>1-9/2010</b>	<b>-48,042</b>	<b>0</b>	<b>-7,563</b>		<b>-55,605</b>
1-9/2009	-293,095	0	-28,418		-321,513
Net fee and commission income					
<b>1-9/2010</b>	<b>4,830</b>	<b>-5</b>	<b>1,284</b>		<b>6,109</b>
1-9/2009	18,727	738	-10,436		9,029
Net trading income					
<b>1-9/2010</b>	<b>-1,208</b>	<b>-119</b>	<b>-168</b>		<b>-1,496</b>
1-9/2009	-601	-6	-560		-1,167
General administrative expenses					
<b>1-9/2010</b>	<b>-50,393</b>	<b>-1,940</b>	<b>-6,568</b>		<b>-58,901</b>
1-9/2009	-51,397	-2,755	-4,484		-58,636
Other operating result					
<b>1-9/2010</b>	<b>-2,663</b>	<b>1,957</b>	<b>0</b>		<b>-705</b>
1-9/2009	927	-3,160	914		-1,319
Income from financial investments					
<b>1-9/2010</b>	<b>-2,605</b>	<b>0</b>	<b>1,878</b>		<b>-727</b>
1-9/2009	11,144	0	6,550		17,694
<b>Result for the period before taxes</b>					
<b>1-9/2010</b>	<b>21,060</b>	<b>6,618</b>	<b>15,111</b>		<b>42,789</b>
<b>1-9/2009</b>	<b>-181,350</b>	<b>5,748</b>	<b>-10,667</b>		<b>-186,269</b>

## 10) Quarterly financial data

Euro thousand	7-9/2010	4-6/2010	1-3/2010	10-12/2009	7-9/2009
Net interest income	52,517	52,268	49,328	50,778	66,949
Risk provisions	-11,683	-6,403	-37,519	-218,392	-222,691
Net fee and commission income	1,585	2,490	2,035	1,695	2,062
Net trading income	-1,932	1,047	-611	-639	170
General administrative expenses	-17,862	-21,134	-19,904	-16,980	-20,752
Other operating result	-799	-1,270	1,364	4,941	-873
Income from financial investments	7,451	-13,083	4,904	-30,268	7,718
<b>Result for the period before taxes</b>	<b>29,277</b>	<b>13,914</b>	<b>-403</b>	<b>-208,864</b>	<b>-167,418</b>
Income taxes	-8,581	-5,004	1,499	47,770	40,691
<b>Result for the period after taxes</b>	<b>20,697</b>	<b>8,910</b>	<b>1,096</b>	<b>-161,094</b>	<b>-126,728</b>
Result attributable to shareholders of the parent company	20,608	8,858	787	-158,515	-127,542
Result attributable to non-controlling interest	89	53	310	-2,579	814

# STATEMENT OF ALL LEGAL REPRESENTATIVES

We confirm to the best of our knowledge that the condensed interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the Group management report gives a true and fair view of important events that have occurred during the first nine months of the financial year and their impact on the condensed interim financial statements and of the principal risks and uncertainties for the remaining three months of the financial year.

Vienna, 19 November 2010



**Gerald Wenzel**  
Chairman of the Managing Board  
Finance, Human Resources, Law, Organisation/IT, Marketing



**Michael Mendel**  
Deputy Chairman of the Managing Board  
Risk



**Martin Fuchsbauer**  
Member of the Managing Board  
Treasury



**Wolfgang Perdich**  
Member of the Managing Board  
Market/Overseas