

Interim Report to Shareholders
as at 31 March 2012

Success needs
growth

2012

150 branches in five European countries.
Oberbank – more than just a bank.

Oberbank
3 Banken Gruppe

OBERBANK AT A GLANCE

Income statement in €m	Q1 2012	+/-	Q1 2011
Net interest income	77.0	(5.7%)	81.6
Charges for losses on loans and advances	(19.4)	(21.1%)	(24.6)
Net commission income	27.7	1.9%	27.2
Administrative expenses	(57.6)	3.9%	(55.4)
Profit from operating activities	59.9	4.1%	57.5
Profit for the period before tax	40.5	23.0%	32.9
Consolidated net profit for the period	33.2	18.5%	28.1

Balance sheet in €m	31/3/2012	+/-	31/12/2011
Assets	17,617.8	0.8%	17,483.7
Loans and advances to customers after provisioning charge	10,560.0	0.0%	10,563.9
Primary funds	11,453.6	1.2%	11,315.2
of which savings deposits	3,490.9	2.4%	3,407.6
of which securitised liabilities including subordinated capital	2,185.0	(2.9%)	2,250.9
Equity	1,289.1	5.5%	1,222.0
Customer funds under management	20,361.4	3.0%	19,764.5

Own funds within the meaning of BWG in €m	31/3/2012	+/-	31/12/2011
Assessment basis	10,351.7	2.0%	10,146.2
Own funds	1,656.1	(1.0%)	1,673.1
of which core capital (Tier 1)	1,167.1	0.0%	1,167.6
Surplus of own funds	765.1	(3.8%)	798.0
Core capital ratio in%	11.27	(0.24ppt)	11.51
Total capital ratio in%	16.0	(0.49ppt)	16.49

Performance in%	Q1 2012	+/-	Q1 2011
Return on equity before tax	12.99	1.72ppt	11.27
Return on equity after tax	10.66	1.06ppt	9.60
Cost/income ratio	49.0	(0.04ppt)	49.04
Risk/earnings ratio (credit risk in% of net interest income)	25.23	(4.95ppt)	30.18

Resources	Q1 2012	+/-	FY 2011
Average number of staff (weighted)	2,030	(24)	2,054
Number of branches at the end of quarter/year	149	(1)	150

THE OBERBANK GROUP IN THE FIRST QUARTER OF 2012



Dear Readers,

Having once again achieved particularly good results in 2011, developments in the first quarter of 2012 continued in the same highly positive vein: the Oberbank Group outperformed the results of the first quarter of 2011 in terms of operating profit both before and after taxes.

Profit from operating activities € 59.9 million (+4.1% / € 2.3 million)

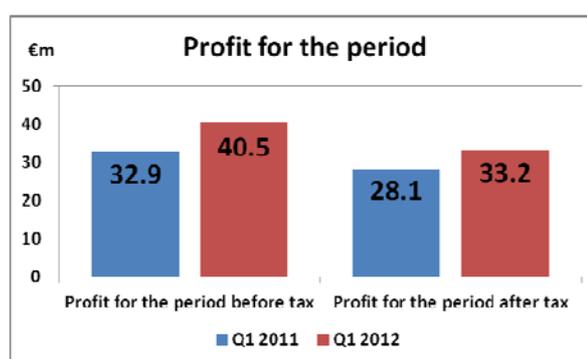
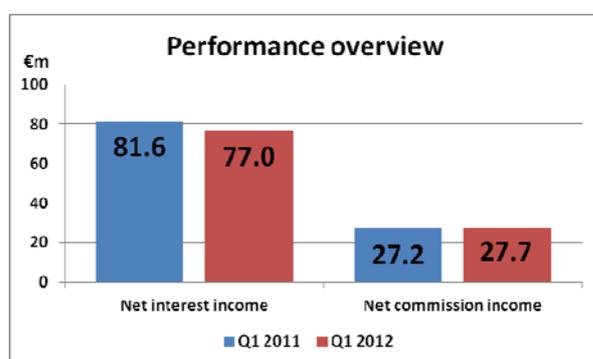
- Higher earnings from financial investments
- Decline in income from equity participations
- Net commission income fuelled by payments; expansion impacted on administrative expenses.

An important share of total earnings growth in the first quarter of 2012 came from financial investments: gains from fair value measurement of own investments in a special investment fund increased by € 5.4 million.

At € 77.0 million, net interest income decreased by 5.6% or € 4.6 million year on year. Interest income from operating activities rose by 3.9% or € 2.6 million to € 69.9 million, whereas income from equity investments declined to € 7.1 million owing to lower profit contributions from portfolio companies.

Net commission income increased by 1.8% or € 0.5 million to € 27.7 million, mainly due to higher income from payments as well as foreign exchange and notes and coins, whereas commission income from credit and securities transactions decreased slightly. Against the backdrop of continued expansion activities, administrative expenses rose by 4.0% or € 2.2 million to € 57.6 million.

On balance, operating profit improved by 4.2% or € 2.4 million to € 59.9 million.



Persistently cautious approach to risk

Given that credit risk had eased for several months in a row, we were able to reduce allocations to loan loss provisions as compared to the first quarter of 2011. With an allocation of € 19.4 million we nevertheless continued our cautious risk policy course.

Thanks to the fact that we have consistently used only a low volume of our loan loss provisions over the past few years, our risk buffer has, in the meantime, increased to € 485.9 million or 4.45% of the lending volume.

Pronounced increase in profit before and after taxes

Notwithstanding cautious provisioning for risks, we generated €40.5 million (+23.0% or €7.6 million) in profit before taxes and €33.2 million (+18.5% or €5.2 million) in profit after taxes in the first quarter of 2012.

Further business volume growth; commercial and personal lending continued to widen

- **Total assets increased by 4.1% to €17.6 billion**
- **Lending volume rose to €10.9 billion (+3.3%), primary deposits to €11.5 billion (+2.8%)**

Total assets increased by 4.1% or €695.5 million to €17,617.8 million year on year.

Lending volume growth continued unbroken: Loans and advances to customers rose by 3.3% or €349.0 million to €10,918.0 million. Both commercial lending (+3.2% to €8.9 billion) and personal lending (+3.9% to €2.0 billion) posted gratifying growth.

Primary deposits also continued to expand, rising by 2.8% or €314.9 million to €11,453.6 million including subordinated capital. The total volume of assets entrusted to us by our customers increased by 2.0% or €408.1 million to €20,361.4 million.

Excellent liquidity position

- **Refinancing funds exceeded lending volume by €1.5 billion**
- **Loan/deposit ratio at 87.8%**

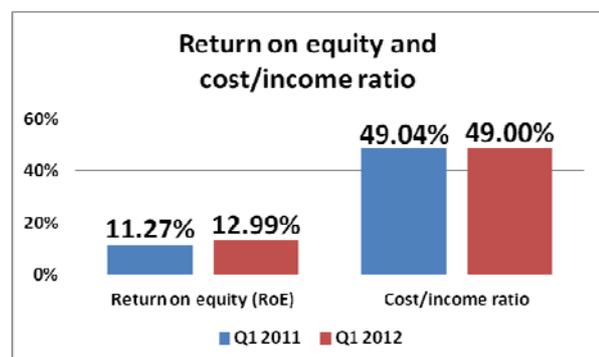
Oberbank's outstanding liquidity situation is the result of well-balanced growth in lending and customer deposits. Total refinancing funds (primary deposits plus refinancing funds available from OeKB, LfA and KfW) amounted to €12.4 billion; the lending volume was €10.9 billion. The refinancing funds thus exceeded our total lending volume by more than €1.5 billion at the end of the first quarter of 2012. Our loan/deposit ratio is at the excellent level of 87.8%.

Excellent performance indicators

- **RoE improved further to 12.99%**
- **Very good cost/income ratio of 49.0%**
- **Outstanding total capital and core capital ratios**

Owing to the excellent earnings development, the return on equity (RoE) rose to 12.99% before taxes and 10.66% after taxes. At 49.0%, our cost/income ratio mirrors a very healthy relationship between expenses and earnings.

At 31 March, the total capital ratio had edged up another 0.20 percentage points year on year to 16.00%; concurrently, the core capital ratio had risen 1.08 percentage points to 11.27%.



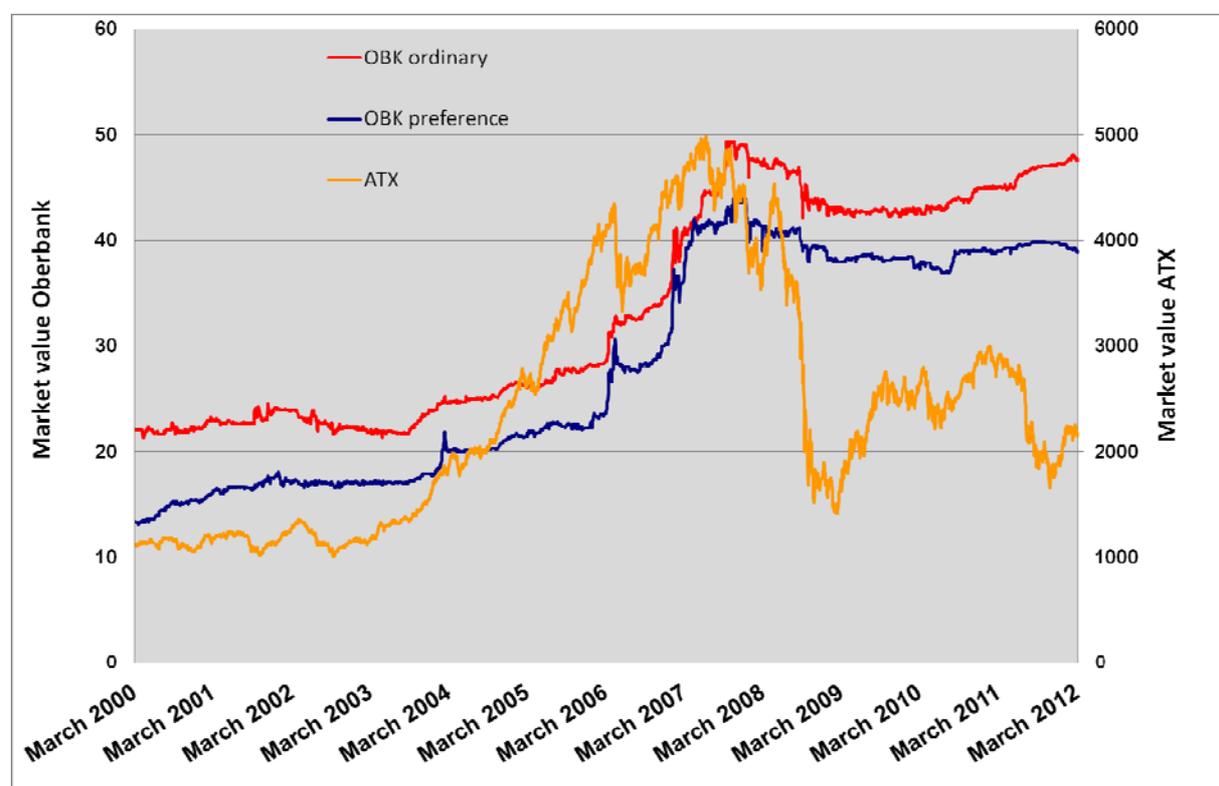
CEO Franz Gasselsberger

THE OBERBANK SHARES

The stable price development of the Oberbank share continued in the first quarter of 2012.

Oberbank stock – key figures	Q1 2012	Q1 2011
Number of ordinary no-par shares	25,783,125	25,783,125
Number of no-par preference shares	3,000,000	3,000,000
High (ordinary/preference share) in €	48.10/39.75	45.20/39.25
Low (ordinary/preference share) in €	47.15/38.90	44.85/38.80
Close (ordinary/preference share) in €	47.75/38.90	45.00/39.00
Market capitalisation in €m	1,331.4	1,277.2
IFRS earnings per share in €, annualised	4.62	3.90
P/E ratio (ordinary share)	10.34	11.54
P/E ratio (preference share)	8.42	10.00

Oberbank ordinary and preference shares compared with the ATX



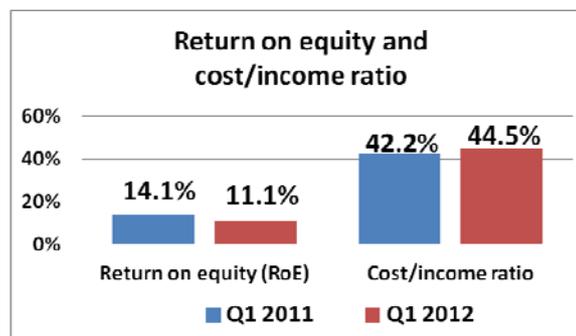
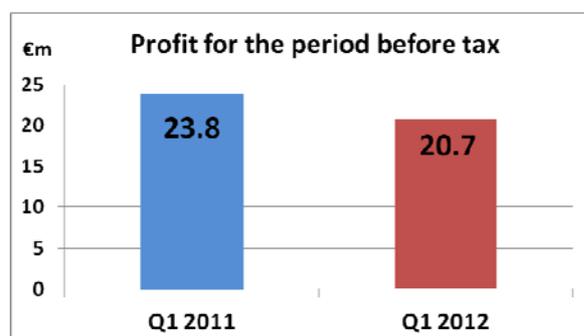
THE BUSINESS SEGMENTS IN THE FIRST QUARTER OF 2012

CORPORATE AND BUSINESS BANKING SEGMENT

€m	Q1 2012	Q1 2011	+/- in absolute terms	+/-%
Net interest income	48.4	45.5	2.9	6.4
Charges for losses on loans and advances	(15.7)	(11.7)	(4.0)	34.1
Net commission income	14.5	14.3	0.3	1.4
Net trading income	(0.3)	(0.6)	0.3	(50.0)
Administrative expenses	(29.1)	(26.0)	(3.2)	12.2
Other operating profit	2.9	2.4	0.5	20.8
Extraordinary profit	0.0	0.0	0.0	
Profit for the period before tax	20.7	23.8	(2.8)	(11.8)
Average credit and market risk equivalent (BWG)	7,741.7	7,676.0	65.7	0.9
Average allocated equity	745.2	678.5	66.7	9.8
Return on equity (RoE)	11.1%	14.1%	(3.0ppt)	
Cost/income ratio	44.5%	42.2%	2.3ppt	

Decline of earnings in Corporate and Business Banking

Net interest income improved by 6.4% or €2.9 million to €48.4 million. Charges for losses on loans and advances increased by 34.1% or €4.0 million to €15.7 million. Net commission income widened by 1.4% or €0.3 million to €14.5 million.



Administrative expenses rose by 12.2% or €3.2 million to €29.1 million; other operating profit increased by 20.8% or €0.5 million to €2.9 million.

On balance, the profit for the period before tax thus decreased by 11.8% or €2.8 million to €20.7 million.

The return on equity decreased by 3.0 percentage points to 11.1% and the cost/income ratio increased by 2.3 percentage points to 44.5%.

More than 39.900 corporate and business banking customers

The positive trend in new customer acquisition continued in the first quarter of 2012, with Oberbank gaining 1,543 new corporate and business banking customers in this period. Currently, Oberbank services 39,930 corporate and business banking customers.

Commercial lending

The Bank's total portfolio of loans to corporate and business banking customers increased by the gratifying rate of 3.2% or € 272.6 million to € 8,879.0 million.

Commercial loans		YoY growth	
as at 31/3/2012	as at 31/3/2011	in absolute terms	in%
€ 8,879.0 m	€ 8,606.4 m	€ 272.6 m	3.2%

Investment finance

The total volume of investment finance loans mounted by 4.2% or € 242.6 million to € 6,077.7.

Investment finance		YoY growth	
as at 31/3/2012	as at 31/3/2011	in absolute terms	in%
€ 6,077.7 m	€ 5,835.1 m	€ 242.6 m	4.2%

In the first three months of 2012, the number of applications for subsidised loans for investment projects and innovation projects came to 126, i.e. a number slightly below the average of the past few years. It should be noted, however, that the number of subsidised projects in Austria in 2010 and 2011 had been exceptionally high, due, above all, to a backlog of projects shelved in the preceding crisis years.

The subsidy amounts applied for increased by a notable 34% in the first quarter of 2012, which is reflected by the volume development of promotional loan commitments. As at 31 March 2012, total loan exposure in this segment had increased by 6.2% to € 506 million year on year.

Leasing

Leasing receivables from customers increased by 8.1% or € 112.1 million to € 1,500.3 million.

Leasing receivables from customers		YoY growth	
Q1 2012	Q1 2011	in absolute terms	in%
€ 1,500.3 m	€ 1,388.2 m	€ 112.1 m	8.1%

With new business totalling € 132.9 million in the first quarter of 2012, the Leasing segment made a good start into the year. The key growth drivers were the Bank's core and growth markets Austria and Bavaria. Moreover, the expansion markets, namely the Czech Republic, Slovakia and Hungary, outperformed expectations, even though developments varied from region to region.

Focus on foreign markets

The focus of activities of the Financial Institutions group in the first quarter of 2012 was on enhancing support services for export customers. Contacts to the Oberbank's network banks in Central and Eastern Europe as well as in

the Middle East and in India were extended and strengthened. Besides enhanced assumption of banking risks for the Bank's customers, a central objective of these measures was to generate additional commission income and exploiting cross-selling potentials.

Moreover, the management of payment flows in key transaction currencies used by the Bank's customers in transacting international business was concentrated and optimised in the first quarter of 2012, a measure that aimed at enhancing the Bank's traditionally high data quality even further.

Trade finance

In the field of trade finance, Oberbank further strengthened and expanded its position as leading regional bank in documentary business, which includes import/export letters of credit, collections and bank guarantees to support export trade. Given 81% growth in terms of volume and an increase of 12% in terms of numbers, the previous year's excellent development was topped in the first three months of 2012. Commission income from documentary credit and collection business increased by 16.3%, commission income from bank guarantees to support export trade rose by 5.6%.

Export finance and export promotion

In the first quarter of 2012, Oberbank's market share in SME-relevant export finance under Exportfonds procedures increased to 11.7%. The other lines of export finance (foreign investment, KRR credit facilities) also developed along very positive lines, posting 11.53% growth year on year. According to forecasts, this excellent development is set to continue in the current year.

International lending

The development of Oberbank's syndicated and international lending business was highly satisfactory in the first quarter of the current financial year, as results in terms of loan volume as well as in terms of the number of transactions rose slightly compared with both the end-of-year level of 2011 and the figures for first quarter of the previous year.

This growth was, to a large part, due to the Oberbank's participation in the placement of numerous borrowers' note loans issued by major Austrian and German companies.

Special finance

The growth trend in special finance continued in the first quarter of 2012. Demand for acquisition finance increased by 20% year on year as numerous large-scale enterprises sought to secure corporate growth by means of strategic acquisitions. Liquidity enhancing measures such as receivables management encountered brisk demand. As regards classical investment activities, companies generally continued to exhibit some restraint; however, project activities are expected to pick up considerably in the further course of the year.

Oberbank Opportunity Funds

The Oberbank Opportunity Funds received 34 new applications for financing solutions in the reporting period. Apart from expansion finance, current applications above all relate to the various forms of change of ownership such as management buy-in, management buyout and partner buyout. Buyouts by private equity funds are a special strength of the Oberbank Opportunity Funds, as the latter benefits from its network of friendly financial investors and its position as a reliable partner. For many customers of the Oberbank Opportunity Funds, an important objective is to strengthen their ratios of liable equity and maintain a healthy balance sheet structure in phases of corporate change.

The financial crisis undoubtedly helped to raise awareness in this respect. Being a financing partner backed by a strong regional bank, the Oberbank Opportunity Fonds features as the instrument of choice in such matters. Since the launch of the Oberbank Opportunity Fonds, the Bank has facilitated a total of 32 transactions by providing equity and/or mezzanine capital support. As at 31 March 2012, the committed fund volume amounted to approximately €73.5 million (of a total of €150 million).

Payment services

Rising by 6.6%, earnings from payment services were clearly headed upward in the first quarter of 2012. The volume of payments transferred via CS.A (Clearingservice Austria) continued to rise steadily. By mid-2012, the major part of domestic payments will be transacted through CS.A.

	Corporate customers	Personal customers	Total
Electronic payment orders	5,413,407	1,078,135	6,491,542
Paper-based payment orders	187,244	245,215	432,459
Total	5,600,651	1,323,350	6,924,001
Percentage of electronic payment orders	96.7%	81.5%	93.7%
Percentage of paper-based payment orders	3.3%	18.5%	6.3%

Management of interest rate risk and currency risk

Customer demand for interest-rate hedging instruments was somewhat subdued in the first three months of 2012. The low level of interest rates, statements by the ECB and market forecasts anticipating that a rise of interest rates by the European Central Bank was not to be expected in the immediate future prompted many customers to wait for further developments. In the first half of the reporting period, positive signals were seen in the foreign exchange business, as customers – against the backdrop of pronounced market volatility – took advantage of fluctuations to hedge their overseas deals against foreign currency risks.

Direct customer services

A conspicuous feature in the first quarter of 2012 was the high level of liquidity of corporations and institutions. Oberbank – even against the headwind of stiff competition – succeeded in raising the volume of assets invested with the Bank in the short-term segment by more than 10% year on year.

Primary funds

Although banks competed even more fiercely for savings deposits, Oberbank achieved 1.2% growth in customer deposits year on year – a development that evidences the trust customers place in Oberbank as well as the quality of its attractive portfolio of investment products. An anchor product in this field is the Cash Garant series, which again enjoyed a very positive market response. More than €100 million in customer funds were invested in new Cash Garant issues in the first quarter.

Interest rates for sight deposits were lowered in tandem with interbank market rates. This category of customer funds constitutes a mainstay of the Bank's primary deposits. As regards fixed-term deposits, corporate customers exhibited a preference for money market instruments with medium-term maturities; the lion's share of these deposits has maturities between three and six months.

PERSONAL BANKING SEGMENT

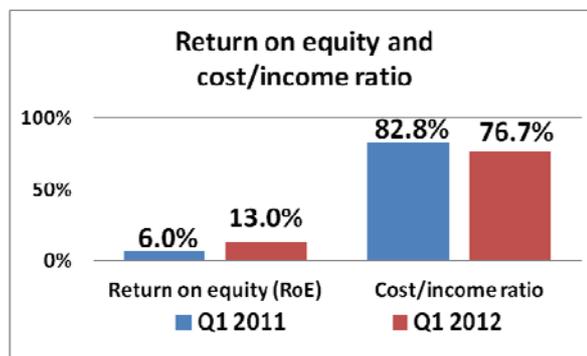
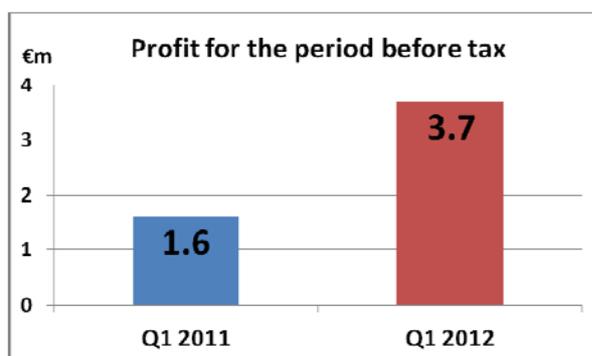
€m	Q1 2012	Q1 2011	+/- in absolute terms	+/-%
Net interest income	14.0	13.4	0.6	5.1
Charges for losses on loans and advances	(2.7)	(3.0)	0.3	(10.0)
Net commission income	13.2	12.9	0.3	1.9
Net trading income	0.0	0.0	0.0	
Administrative expenses	(21.3)	(22.2)	1.0	(3.9)
Other operating profit	0.5	0.5	0.0	18.0
Extraordinary profit	0.0	0.0	0.0	
Profit for the period before tax	3.7	1.6	2.2	139.0
Average credit and market risk equivalent (BWG)	1,197.9	1,181.1	16.9	1.4
Average allocated equity	115.3	104.4	10.9	10.5
Return on equity (RoE)	13.0%	6.0%	7.0ppt	
Cost/income ratio	76.7%	82.8%	(6.1ppt)	

Satisfactory increase in net interest income

Improved earnings in the Personal Banking segment are due to a rise of net interest income by 5.1% or €0.6 million to €14.0 million. Net commission income widened by 1.9% or €0.3 million to €13.2 million

Charges for losses on loans and advances declined by 10.0% or €0.3 million to €2.7 million. Administrative expenses decreased by 3.9% or €1.0 million to €21.3 million. At €0.5 million, other operating profit remained more or less unchanged.

The return on equity rose by 7.0 percentage points to 13.0%; the cost/income ratio declined by 6.1 percentage points to 76.7%.



More personal banking customers year on year

Developments in the Personal Banking segment reflected Oberbank's growth strategy. As at 31 March 2012, across all lines of business in Austria and abroad, Oberbank was servicing a total of 307,061 personal banking customers,

8,395 of which were newly acquired in the first quarter of 2012. This growth was primarily due to the Bank's growth and expansion markets Vienna, Bavaria and Hungary.

Personal banking customers		YoY growth	
as at 31/3/2012*	as at 31/3/2011	in absolute terms	in%
307,061	298,655	8,406	2.8%

* From 1 January 2011 this number includes personal banking customers and joint proprietors.

1,219 new personal accounts

Oberbank's portfolio of personal accounts has grown by 1,219 to 172,175 since the beginning of the year. The number of personal accounts increased by 5,428 or 3.3% year on year.

This encouraging first-quarter growth was primarily due to the opening of new accounts in the Bank's Vienna growth market but also to the positive development of the number of private accounts in Hungary.

Number of personal accounts		YoY growth	
as at 31/3/2012	as at 31/3/2011	in absolute terms	in%
172,175	166,747	5,428	3.3%

Personal loans

The volume of personal loans widened by 3.9% or €76.4 million to €2,039.0 million year on year. New lending increased notably, namely by 22% from €108 million in the first quarter of 2011 to €132 million in the first quarter of 2012. This growth was primarily attributable to the Bank's strong position as a partner in residential construction and a very positive development in its foreign markets. Apart from high demand for personal loans, a conspicuous feature in the first quarter of 2012 was the high rate of early repayments of loans in the Bank's core market. General uncertainty and the low level of interest rates prompted many customers to repay their loans ahead of time.

The Bank's foreign markets, most of all the Hungarian market, continued to show a very positive trend. In Hungary, Oberbank benefitted from a law passed in 2011 providing for early repayment of foreign currency loans at below market rates. The new law led to a rush on Oberbank branches in Hungary as customers sought to cover their foreign currency loans at other banks with new forint-denominated loans. On balance, Oberbank thus extended approximately 500 new forint-denominated residential loans in a volume of €19.5 million.

Personal loans		YoY growth	
as at 31/3/2012	as at 31/3/2011	in absolute terms	in%
€2,039.0 m	€1,962.6 m	€76.4 m	3.9%

Savings deposits

The volume of customer deposits with Oberbank widened by 2.2% or €75.1 million to €3,490.9 million. In Austria, the savings rate has generally dropped to a record low level and competition for customer deposits has become truly fierce. As a result, the sharp drop in interest rates cannot be passed on to customers in full.

Savings deposits		YoY growth	
as at 31/3/2012	as at 31/3/2011	in absolute terms	in%
€3,490.9 m	€3,415.7 m	€75.1 m	2.2%

Securities business

Two key factors dominated the securities business in the first quarter of 2012, one of these being the debate about the rescheduling of Greece's debt, which lasted into the second half of March, the other the surprising strength of the stock markets. Yields of government bonds showed an even wider disparity, sinking to a record low in Germany and rising strongly in the European problem countries.

In the meantime, investors continue to sit on the sidelines, waiting for cues before abandoning their cautious approach. For the time being there is no sign of a broadly based return of investors to stock markets.

The market value of customer securities deposited at Oberbank increased further; at €8.9 billion they are just about 2% below the record value of July 2011. Commission income in the securities business declined by 5.1% or €0.45 million to €8.4 million year on year.

The new tax on price gains from securities transactions has now become fully effective. The computer project for the calculation and filing of tax due has been completed.

Own issues of securities

Owing to the persistently low level of interest rates across all maturity segments, demand for Oberbank issues has been shifting further towards short-term products. Overall, Oberbank's new issuing volume amounted to €193 million in the first quarter. The Cash Garant series issues saw particularly strong investor demand, accounting for a sales volume of €106 million. The balance of repayments and the seven new issues in the reporting period was slightly negative. The balance sheet position "Securitised liabilities including subordinated capital", however, increased to €2,185.0 million.

Within the context of the issuance of the Miba corporate bond, Oberbank assumed the role of senior co-lead manager in the underwriting syndicate and provided proof of its placement power.

Private Banking

In Private Banking, a focus of activities was placed on enhancing the range of services offered in the branch offices by promoting services such as asset management, support for stock traders and foundation services. The value of funds held in Private Banking customer portfolios increased slightly year on year – a notable development insofar as the domestic stock market posted a loss of some 25% in the same period, and a clear sign that new asset growth in this line of business is continuing at healthy rates.

Investment funds: Above-market growth for 3 Banken-Generali Investment GmbH

The volume of funds managed by 3 Banken-Generali Investment-Gesellschaft increased by €389 million or 7.8% to €5.4 billion in the first quarter of 2012. The fund management company thus again clearly outperformed the Austrian market in general, which reported 2.4% growth.

The key drivers of this robust development were a generally friendly capital market environment and a robust net inflow of funds from institutional investors.

The first quarter of 2012 witnessed first signs of an easing of the tension created by the European sovereign debt crisis, followed by friendly weather on stock markets as well as falling yields and rising prices for corporate bonds. For the time being, the general environment is still wrought with too many insecurities to say with any degree of certainty that this development may be expected to continue. The fund management company therefore continues to favour a combination of solid corporate bonds and high-quality stocks.

In the Morningstar Fund Awards 2012, the 3 Banken Österreich-Fonds and the 3 Banken Staatsanleihen-Fonds were distinguished as the best products in the respective categories. This is to say that 3 Banken-Generali was awarded

two out of a total of 14 awards, making it the only fund management company to take home first prize in two categories.

Building and loan association saving

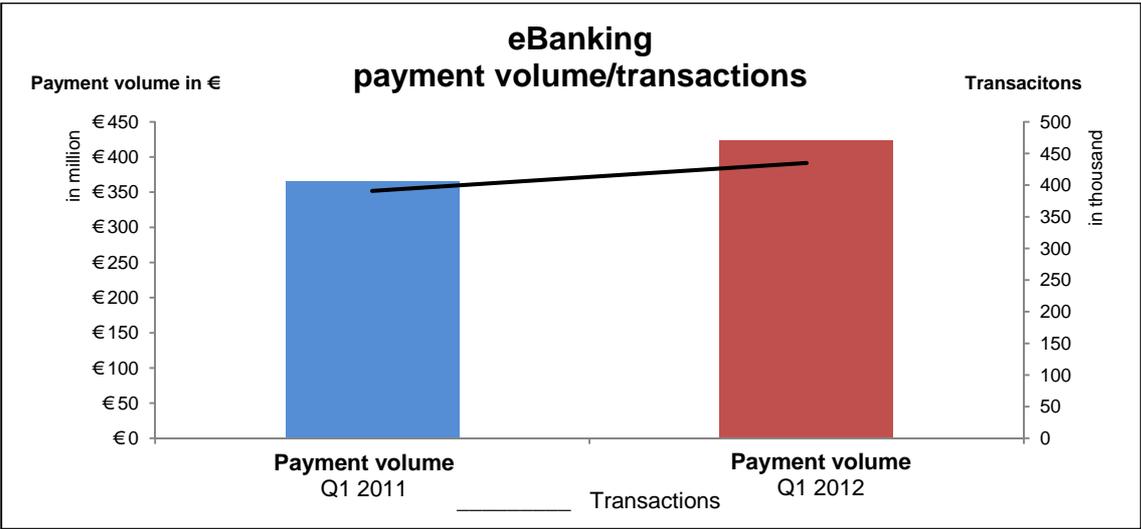
In the first quarter of 2012, the number of building and loan association contracts brokered by Oberbank for the Bausparkasse Wüstenrot building and loan association decreased to 3,143 contracts or by 10.3% year on year. This development was due to the discussion about cutting the government premium to half its previous amount in the run-up to the passage of austerity package the Austrian government finally introduced with effect of 1 April 2012. Overall, the Wüstenrot partner banks reported a decline of 11.8% in the first quarter of 2012.

Insurance services

First-quarter results in this line of business were generally satisfactory as measured by the planned premium volume. Market conditions and investor behaviour still failed to ease much in the first quarter, so that demand for long-term savings products continued to be subdued. In the category of endowment life insurance contracts, the Bank nevertheless attained the targets set in terms of additional provision products for 31 March 2012. In the second quarter of 2012, Oberbank plans to implement a number of measures to counteract the adverse effects of these difficult market conditions.

eBanking

Both the number of e-banking transactions (+11% to 435,000) and the transaction volume (+16% to € 423 million) rose strongly in the first quarter of 2012 as compared with the same period of 2011.



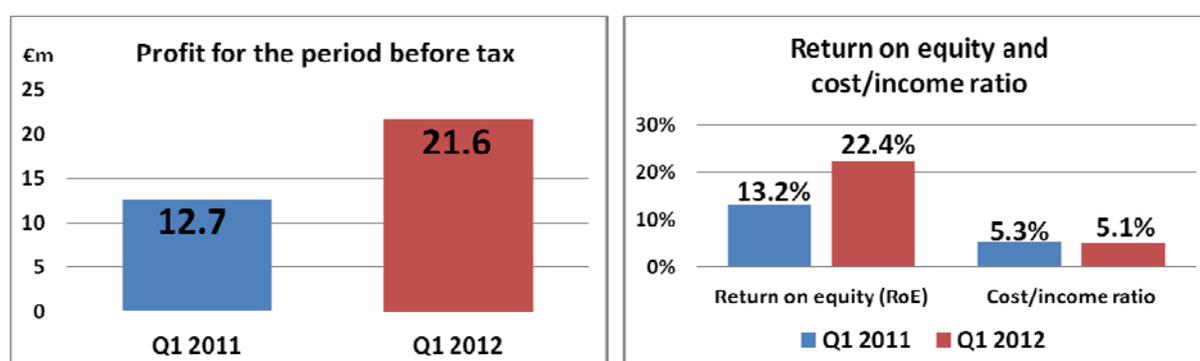
FINANCIAL MARKETS SEGMENT

The Financial Markets segment covers earnings from equity investments and trading activities as well as interest earnings on the surplus of non-interest-bearing liabilities and income from maturity transformation.

€m	Q1 2012	Q1 2011	+/- in absolute terms	+/-%
Net interest incomes	14.6	22.8	(8.2)	(36.0)
Charges for losses on loans and advances	(1.0)	(9.9)	8.9	(89.6)
Net commission income	0.0	0.0	0.0	
Net trading income	2.0	1.9	0.1	5.3
Administrative expenses	(1.2)	(1.3)	0.1	(5.2)
Other operating profit	7.2	(0.8)	8.0	>100
Extraordinary profit	0.0	0.0	0.0	
Profit for the period before tax	21.6	12.7	8.9	69.7
Average credit and market risk equivalent (BWG)	4,009.8	4,367.0	(357.2)	(8.2)
Average allocated equity	386.0	386.0	0.0	0.0
Return on equity (RoE)	22.4%	13.2%	9.2ppt	
Cost/income ratio	5.1%	5.3%	(0.2ppt)	

In the Financial Markets segment, the profit for the period increased by 69.7% or € 8.9 million to € 21.6 million year on year. This increase was primarily due to lower charges for losses on loans and advances and higher other operating profit. The net trading income rose by 5.3% or € 0.1 million to € 2.0 million.

The return on equity increased by 9.2 percentage points to 22.4%; the cost/income ratio dropped by 0.2 percentage points to 5.1%.



Liquidity

In February, the ECB took action to inject new liquidity into banks by means of its second long-term capital tender. All in all, banks have now taken up € 1,000 billion from the ECB and in return reinvested € 800 billion with the ECB. With this measure the market was flooded with even more excess refinancing funds.

This oversupply of liquidity has given rise to further pressure on short-term interest rates, pushing overnight rates down to about 0.25% and causing the 3-months Euribor to drop to 0.78%.

Oberbank AG did not participate in the second tender, as the Bank's liquidity position is very good thanks to customer deposits. In fact, Oberbank holds an ample liquidity buffer in the amount of more than € 1 billion with the National Bank.

Consequences of the financial crisis

The debt cut for Greece had been expected for quite some time and therefore had no major impacts on the markets. However, Spain and Italy have now moved to the centre of attention of investors. Spain was forced to revise its deficits for both 2011 and 2012 upwards. As a countermeasure, the government passed massive savings and austerity packages. Investors now expect the Spanish economy to weaken further, leading to lower government revenues and, in consequence, an even higher government deficit. In conjunction with concern regarding the creditworthiness of banks, this has prompted investors to adopt a cautious attitude, which, in turn, has caused interest on government bonds to rise. Oberbank AG was not affected by the haircut for Greece and its exposure to the other problem countries is very low.

In the face of the persistent insecurity, the financial markets did not establish a clear trend; both the currency markets and the stock markets tended sideways. Only bonds rates, and here in particular those for German government bonds, have been moving from one low to the next.

Earnings from proprietary trading

The lateral movement on the markets in the first quarter was anything but supportive for proprietary trading. Oberbank nevertheless clearly outperformed both the previous year's result and the prorated budget value. The Bank's forex trading contributed a substantial amount to earnings, but the other trading sections also did their share.

OWN FUNDS

The core capital increased by 13.5% or €139.1 million to €1,167.1 million as compared to the end of the first quarter of 2011. The core capital ratio thus improved by 1.08% percentage points from 10.19% to 11.27%.

Consolidated own funds within the meaning of Section 24 of the Austrian Banking Act (Bankwesengesetz, BWG) amounted to €1,656.1 million as at 31 March 2012, which is 3.9% above the level of the same date in the previous year.

The own funds requirement as at 31 March 2012 amounted to €891.0 million, bringing the Group's surplus of own funds to €765.1 million, which corresponds to a 5.5% increase over the previous year's level.

At 16.00%, the Bank's total capital ratio was almost double the relevant regulatory rate.

RISK

The risk policy of Oberbank accommodates all kinds of risks existing in the different lines of business including the Bank's new markets. The Bank's risk management primarily focuses on guaranteeing the safety of the customer assets entrusted to Oberbank, on compliance with own funds requirements and on securing liquidity.

Credit risk constitutes the most important risk category. Oberbank mitigates this risk by recognising adequate allowances and provisions in the balance sheet. As regards customer ratings and collateralisation policy, Oberbank boasts long years of experience and know-how. Additionally, the Bank's regional business model, professional credit management, and a well-balanced distribution of the overall exposure across the individual customer segments all ensure that the possible impact of this risk component on Oberbank's overall performance is always kept within manageable bounds.

We therefore do not expect any extraordinary credit risks to occur in 2012 as a whole.

Further risk components are the equity risk (risk of potential losses of value and/or earnings in the Bank's equity portfolio), the market risk (possible losses due to changes in interest rates, exchange rates or stock prices), operational risk and liquidity risk.

In line with the principle of prudence, these risks are also backed by appropriate levels of capital. In terms of liquidity risk, Oberbank is in an excellent position insofar as the entire lending volume (€10.9 billion as at 31 March 2012) can be refinanced from customers' primary deposits (€11.5 billion as at 31 March 2012). In addition, Oberbank has a permanent risk controlling system, stringent process management and other efficient control and monitoring instruments in place.

For 2012 as a whole, Oberbank therefore does not expect any extraordinary risk to arise from these risk components.

OUTLOOK FOR 2012

The environment remains challenging.

- **Renewed escalation of the sovereign debt crisis; signs of recovery of the real economy**
- **Consistently high credit demand by corporate customers; favourable risk situation**
- **Strong pressure on interest margins; fierce competition for primary deposits**

The sovereign debt crisis has been escalating again of late, which is primarily due to recent developments in Greece and Spain. On the other hand, there are numerous indications that the real economy continues to exhibit robust growth.

Businesses seem to have become more optimistic since the beginning of the year.

Consistently high credit demand in particular for investment finance has primarily been fuelled by large companies. What is more, customers are exhibiting active demand for export consultancy services and an increased readiness to invest and make acquisitions abroad.

Oberbank customers have reported excellent order situations; the credit risk declined to an all-time low in the first quarter of 2012.

At the same time, pressure on interest margins has become enormous.

In Austria, especially, interest rates for newly extended loans are well below the euro area average; this is having negative effects on the earnings situation of banks. In addition, primary deposits are subject to fierce competition as numerous banks are in dire need of liquidity.

Overall, Oberbank's management expects economic growth in 2012 to be closer to 1% than to 0.5%, i.e. the level anticipated by the forecasting institutes.

In this challenging environment, we will do everything possible to ensure that we will be able to match the excellent result generated in 2011.

3 BANKEN GROUP IN THE FIRST QUARTER OF 2012

The 3 Banken Group showed highly satisfactory development in the first quarter of 2012.

Joint total assets of the three banks within the 3 Banken Group increased by 4.0% to €33.5 billion year on year. Lending in terms of total volume (after charges for losses on loans and advances) widened by 4.2% to €21.2 billion. Primary deposits rose by 3.3% to €22.1 billion.

Joint net profit for the period widened by 12.3% to €58.3 million.

As at 31 March 2012 the three banks were operating a total of 243 branches; they had an average of 3,755 employees on their payrolls in the first quarter of 2012.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Prepared in accordance with IFRS

Consolidated statement of comprehensive income
for the period 1 January to 31 March 2012

Consolidated income statement for the first quarter of 2012		01/01- 31/3/2012 in €m	01/01- 31/3/2011 in €m	Change in €m	Change in%
1. Interest and similar income	(1)	129.4	118.4	11.0	9.3
2. Interest and similar expenses	(1)	(59.5)	(51.1)	(8.4)	16.5
3. Interest from entities accounted for using the equity method	(1)	7.1	14.3	(7.2)	(50.3)
NET INTEREST INCOME	(1)	77.0	81.6	(4.6)	(5.7)
4. Charges for losses on loans and advances	(2)	(19.4)	(24.6)	5.2	(21.1)
5. Commission income	(3)	30.7	30.4	0.3	0.8
6. Commission expenses	(3)	(2.9)	(3.2)	0.3	(8.6)
NET COMMISSION INCOME	(3)	27.7	27.2	0.5	1.9
7. Net trading income	(4)	1.7	1.3	0.4	29.2
8. Administrative expenses	(5)	(57.6)	(55.4)	(2.2)	3.9
9. Other operating profit (loss)	(6)	11.1	2.8	8.2	>100.0
a) Net income from financial assets – FV through P or L	(6)	8.1	1.4	6.7	>100.0
b) Net income from financial assets – AFS	(6)	0.9	(0.5)	1.4	>(100.0)
c) Net income from financial assets – HtM	(6)	0.0	0.0	0.0	
d) Other operating profit (loss)	(6)	2.1	1.9	0.2	8.2
PROFIT FOR THE PERIOD BEFORE TAX		40.5	32.9	7.6	23.0
10. Income tax	(7)	(7.2)	(4.9)	(2.4)	48.7
PROFIT FOR THE PERIOD AFTER TAX		33.2	28.1	5.2	18.5
of which attributable to the owners of the parent company		33.2	28.0	5.2	18.5
of which attributable to minority interests		0.0	0.0	0.0	-

INCOME AND EXPENSES RECOGNISED DIRECTLY IN EQUITY (€m)	01/01-31/3/2012	01/01-31/3/2011
Profit for the period after tax	33.2	28.1
+/- Unrealised gains and losses not recognised in the income statement under IAS 39	31.3	0.5
+/- Deferred taxes on items recognised directly in equity under IAS 39	(7.8)	(0.1)
+/- Exchange differences	(1.2)	(0.8)
+/- Other changes recognised directly in equity of which changes in equity of associates	7.0	2.5
Total income and expenses recognised directly in equity	29.3	2.1
Total comprehensive income for the period of the net profit for the period and income and expenses recognised directly in equity	62.5	30.2
of which attributable to the owners of the parent company	62.5	30.2
of which attributable to minority interests	0.0	0.0

PERFORMANCE INDICATORS	Q1 2012	Q1 2011
Cost/income ratio in %	49.00%	49.04%
Return on equity before tax in %	12.99%	11.27%
Return on equity after tax in %	10.66%	9.60%
Risk/earnings ratio (credit risk/net interest income in %)	25.23%	30.18%
Earnings per share in € (annualised)	4.62%	3.90%

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2012

		31/3/2012	31/12/2011	Change	Change
ASSETS		in €m	in €m	in €m	in%
1. Cash and balances at central banks	(9)	199.9	300.2	(100.2)	(33.4)
2. Loans and advances to credit institutions	(10)	2,012.5	1,566.2	446.4	28.5
3. Loans and advances to customers	(11)	10,918.0	10,914.2	3.8	0.0
4. Impairment provisions	(12)	(358.0)	(350.3)	(7.7)	2.2
5. Trading assets	(13)	52.2	50.4	1.8	3.6
6. Financial investments	(14)	4,228.9	4,392.2	(163.3)	(3.7)
a) Financial assets – FV through P or L	(14)	299.8	288.5	11.2	3.9
b) Financial assets – AfS	(14)	1,081.8	1,075.5	6.3	0.6
c) Financial assets – HtM	(14)	2,310.2	2,506.8	(196.7)	(7.8)
d) Interest in entities accounted for using the equity method	(14)	537.2	521.4	15.8	3.0
7. Intangible assets	(15)	4.1	4.6	(0.5)	(10.2)
8. Property, plant and equipment	(16)	225.8	220.1	5.7	2.6
a) Investment property	(16)	79.9	76.3	3.5	4.6
b) Other property, plant and equipment	(16)	145.9	143.8	2.1	1.5
9. Other assets	(17)	334.4	386.2	(51.8)	(13.4)
a) Deferred tax assets	(17)	32.4	39.9	(7.5)	(18.8)
b) Other	(17)	302.0	346.3	(44.3)	(12.8)
TOTAL ASSETS		17,617.8	17,483.7	134.1	0.8

		31/3/2012	31/12/2011	Change	Change
EQUITY AND LIABILITIES		in €m	in €m	in €m	in%
1. Amounts owed to credit institutions	(18)	4,226.0	4,278.6	(52.5)	(1.2)
2. Amounts owed to customers	(19)	9,268.6	9,064.2	204.4	2.3
3. Securitised liabilities	(20)	1,517.5	1,506.6	11.0	0.7
4. Provisions for liabilities and charges	(21)	404.8	402.6	2.1	0.5
5. Other liabilities	(22)	244.3	265.3	(21.0)	(7.9)
a) Trading liabilities	(22)	8.2	36.4	(28.1)	(77.4)
b) Tax liabilities	(22)	17.5	12.6	4.9	39.1
c) Other	(22)	218.6	216.3	2.2	1.0
6. Subordinated debt capital	(23)	667.5	744.4	(76.9)	(10.3)
7. Equity	(24)	1,289.1	1,222.0	67.0	5.5
a) Equity after minorities	(24)	1,287.7	1,220.6	67.0	5.5
b) Minority interests in equity	(24)	1.4	1.4	0.0	(0.2)
TOTAL EQUITY AND LIABILITIES		17,617.8	17,483.7	134.1	0.8

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

as at 31 March 2012

	Subscribed capital	Capital reserves	Retained earnings	Translation reserve	Gains (losses) recognised in equity acc.to. IAS 39	Associated companies	Equity after minorities	Minorities	Equity
In €m									
As at 01/01/2011	86.3	194.6	561.8	0.4	45.0	271.5	1,159.5	1.4	1,160.9
Consolidated net profit for the year	-	-	16.6	(0.8)	0.4	14.0	30.2	0.0	30.2
Dividend distribution	-	-	-	-	-	-	-	-	-
Capital increase	-	-	-	-	-	-	-	-	-
Reacquired Oberbank shares	(0.2)	(0.5)	-	-	-	-	(0.7)	-	(0.7)
)Unrealised gains and losses not recognised in the income statement	-	-	-	-	-	4.3	4.3	-	4.3
AS AT 31/03/2011	86.1	194.1	578.5	(0.5)	45.4	289.7	1,193.3	1.4	1,194.7
As at 01/01/2012									
As at 01/01/2012	86.2	194.5	609.3	0.4	15.1	315.1	1,220.6	1.4	1,222.0
Consolidated net profit for the period	-	-	29.5	(1.2)	23.5	10.7	62.5	0.0	62.5
Dividend distribution	-	-	-	-	-	-	-	-	-
Capital increase	-	-	-	-	-	-	-	-	-
Reacquired Oberbank shares	(0.1)	(0.4)	-	-	-	-	(0.5)	-	(0.5)
Unrealised gains and losses not recognised in the income statement	-	-	(0.1)	-	-	5.1	5.0	-	5.0
As at 31/3/2012	86.1	194.1	638.7	(0.7)	38.5	330.9	1,287.7	1.4	1,289.1

CASH FLOW STATEMENT (€m)	01/01-31/3/2012	01/01-31/3/2011
Cash and cash equivalents at the end of the previous period	300.2	226.9
Cash flows from operating activities	(224.1)	186.6
Cash flows from investing activities	182.1	(99.7)
Cash flows from financing activities	(92.6)	(43.4)
Effects of changes in the scope of consolidation and valuations	35.5	7.3
Effects of exchange rate changes	(1.2)	(0.8)
Cash and cash equivalents at the end of the period	199.9	276.8

NOTES

to the consolidated interim financial statements

as at 31 March 2012

SUMMARY OF ACCOUNTING POLICIES

This Interim Report of Oberbank AG has been prepared in accordance with the International Financial Reporting Standards (IFRS) and the International Accounting Standards (IAS) published by the International Accounting Standards Board (IASB) as adopted by and in force within the EU and the interpretations thereof by the International Financial Reporting Interpretations Committee (IFRIC).

This Interim Report covers the first quarter of 2012 (1 January 2012 to 31 March 2012) and compares this period with the same period of the previous year.

These consolidated interim financial statements for the first quarter of 2012 have been drawn up in compliance with IAS 34 ("Interim Financial Reporting").

CHANGES IN ACCOUNTING POLICIES IN 2012

This Interim Report of Oberbank AG has been drawn up using the same recognition and measurement policies applied as at 31 December 2011.

THE OBERBANK GROUP OF CONSOLIDATED COMPANIES

Besides Oberbank AG, the group of consolidated companies as at 31 March 2012 included 24 domestic and 20 foreign subsidiaries. In the period under review, the consolidated group remained unchanged as compared to 31 December 2011.

DETAILS OF THE INCOME STATEMENT (in €m)

1. NET INTEREST INCOME	01/01- 31/3/2012	01/01- 31/3/2011
Interest income from credit and money-market business	99.8	93.2
Shares and other variable-yield securities	1.3	0.5
Other equity investments	0.3	0.4
Subsidiaries	0.9	0.9
Fixed-interest securities and bonds	27.1	23.4
INTEREST AND SIMILAR INCOME	129.4	118.4
Interest expenses on deposits	(42.3)	(34.4)
Interest expenses on securitised liabilities	(11.1)	(10.2)
Interest expenses on subordinated liabilities	(6.1)	(6.4)
INTEREST AND SIMILAR EXPENSES	(59.5)	(51.1)
INTEREST FROM ENTITIES ACCOUNTED FOR USING THE EQUITY METHOD	7.1	14.3
NET INTEREST INCOME	77.0	81.6
2. CHARGES FOR LOSSES ON LOANS AND ADVANCES	01/01- 31/3/2012	01/01- 31/3/2011
Allocated to loan loss provisions	26.4	28.7
Direct write-offs	1.2	0.3
Reversals of loan loss provisions	(7.1)	(3.9)
Recoveries of written-off receivables	(1.0)	(0.5)
CHARGES FOR LOSSES ON LOANS AND ADVANCES	19.4	24.6
3. NET COMMISSION INCOME	01/01- 31/3/2012	01/01- 31/3/2011
Payment services	9.8	9.1
Securities business	8.4	8.9
Foreign exchange, foreign bank note and precious metals business	3.5	2.8
Credit operations	4.8	5.3
Other services and advisory business	1.2	1.2
NET COMMISSION INCOME	27.7	27.2
4. NET TRADING INCOME	01/01- 31/3/2012	01/01- 31/3/2011
Gains (losses) on interest rate contracts	0.7	0.7
Gains (losses) on foreign exchange, foreign bank note and numismatic business	1.1	0.2
Gains (losses) on derivatives	(0.1)	0.4
NET TRADING INCOME	1.7	1.3

5. ADMINISTRATIVE EXPENSES	01/01- 31/3/2012	01/01- 31/3/2011
Staff costs	33.4	32.1
Other administrative expenses	18.6	17.8
Write-offs and valuation allowances	5.6	5.5
ADMINISTRATIVE EXPENSES	57.6	55.4
6. OTHER OPERATING PROFIT (LOSS)	01/01- 31/3/2012	01/01- 31/3/2011
a) Net income from financial assets – FV through P or L	8.1	1.4
b) Net income from financial assets – AfS	0.9	(0.5)
c) Net income from financial assets – HtM	0.0	0.0
d) Other operating profit (loss)	2.1	1.9
OTHER OPERATING PROFIT (LOSS)	11.1	2.8
7. INCOME TAXES	01/01- 31/3/2012	01/01- 31/3/2011
Current income tax expense	7.6	6.2
Deferred income tax expense (income)	(0.3)	(1.3)
INCOME TAXES	7.2	4.9
8. EARNINGS PER SHARE	01/01- 31/3/2012	01/01- 31/3/2011
Number of shares in issue at 31 March	28,783,125	28,783,125
Average number of shares in issue	28,764,991	28,770,164
Consolidated net profit for the period	33.2	28.1
EARNINGS PER SHARE IN €	1.16	0.97
ANNUALISED FIGURES IN €	4.62	3.90

Since no financial instruments with diluting effect were issued, diluted earnings per share were identical with undiluted earnings per share. Earnings per share were the same for both ordinary and preference shares.

DETAILS OF THE BALANCE SHEET (in €m)

9. CASH AND BALANCES AT CENTRAL BANKS	31/3/2012	31/12/2011
Cash in hand	55.8	72.3
Credit balances with central banks of issue	144.2	227.8
CASH AND BALANCES AT CENTRAL BANKS	199.9	300.2

10. LOANS AND ADVANCES TO CREDIT INSTITUTIONS	31/3/2012	31/12/2011
Loans and advances to Austrian banks	930.4	830.3
Loans and advances to foreign banks	1,082.2	735.9
LOANS AND ADVANCES TO CREDIT INSTITUTIONS	2,012.5	1,566.2

11. LOANS AND ADVANCES TO CUSTOMERS	31/3/2012	31/12/2011
Loans and advances to Austrian customers	6,694.4	6,851.5
Loans and advances to foreign customers	4,223.6	4,062.7
LOANS AND ADVANCES TO CUSTOMERS	10,918.0	10,914.2

12. IMPAIRMENT PROVISIONS

€m	As at 1/1/2012	Exchange rate changes	Added	Used	Reversed	As at 31/3/2012
Specific impairment provisions	221.8	(0.1)	10.2	(10.4)	(4.6)	217.0
Country risks	0.0	-	-	-	-	0.0
Portfolio impairment provisions under IAS 39	128.4	-	12.6	-	-	141.0
Charges for losses on loans and advances ¹⁾	350.3	(0.1)	22.8	(10.4)	(4.6)	358.0
Loan loss provisions	131.0	1.4	3.0	-	(2.5)	132.9
TOTAL IMPAIRMENT PROVISIONS	481.3	1.3	25.8	(10.4)	(7.1)	490.9

1) Loan loss provisions are recognised in line item 4 on the asset side of the balance sheet

13. TRADING ASSETS	31/3/2012	31/12/2011
Bonds and other fixed-interest securities		
Listed	10.1	10.4
Stocks and other variable-yield securities		
Listed	4.2	4.3
Positive fair values of derivative financial instruments		
Currency contracts	1.0	1.7
Interest rate contracts	36.8	34.0
Other contracts	0.0	0.0
TRADING ASSETS	52.2	50.4

14. FINANCIAL INVESTMENTS	31/3/2012	31/12/2011
Bonds and other fixed-interest securities	3,074.0	3,286.2
Stocks and other variable-yield securities	329.6	297.8
Equity investments/shares		
Subsidiaries	229.3	226.5
Entities accounted for using the equity method		
- Banks	220.9	213.1
- Non-banks	316.4	308.3
Other equity investments		
- Banks	10.8	10.8
- Non-banks	48.0	49.5
FINANCIAL INVESTMENTS	4,228.9	4,392.2
a) Financial assets – FV through P or L	299.8	288.5
b) Financial assets – AfS	1,081.8	1,075.5
c) Financial assets – HtM	2,310.2	2,506.8
d) Interest in entities accounted for using the equity method	537.2	521.4
FINANCIAL INVESTMENTS	4,228.9	4,392.2
15. INTANGIBLE ASSETS	31/3/2012	31/12/2011
Other intangible assets	3.4	3.8
Customer base	0.7	0.8
INTANGIBLE ASSETS	4.1	4.6
16. PROPERTY, PLANT AND EQUIPMENT	31/3/2012	31/12/2011
Investment property	79.9	76.3
Land and buildings	67.0	65.9
Business equipment and furnishings	65.8	61.9
Other property, plant and equipment	13.1	16.0
PROPERTY, PLANT AND EQUIPMENT	225.8	220.1
17. OTHER ASSETS	31/3/2012	31/12/2011
Deferred tax assets	32.4	39.9
Other items	299.2	344.3
Other deferrals	2.8	2.0
OTHER ASSETS	334.4	386.2

18. AMOUNTS OWED TO CREDIT INSTITUTIONS	31/3/2012	31/12/2011
Amounts owed to		
- Austrian banks	1,833.3	1,823.2
- Foreign banks	2,392.7	2,455.4
AMOUNTS OWED TO CREDIT INSTITUTIONS	4,226.0	4,278.6
19. AMOUNTS OWED TO CUSTOMERS	31/3/2012	31/12/2011
Savings deposits	3,490.9	3,407.6
Other	5,777.7	5,656.6
AMOUNTS OWED TO CUSTOMERS	9,268.6	9,064.2
20. SECURITISED LIABILITIES	31/3/2012	31/12/2011
Issued bonds	1,434.2	1,370.4
Other securitised liabilities	83.3	136.2
SECURITISED LIABILITIES	1,517.5	1,506.6
21. PROVISIONS FOR LIABILITIES AND CHARGES	31/3/2012	31/12/2011
Provisions for severance and pensions	207.5	207.7
Provisions for anniversary bonuses	8.6	8.6
Loan loss provisions	132.9	131.0
Other provisions	55.8	55.4
PROVISIONS FOR LIABILITIES AND CHARGES	404.8	402.6
22. OTHER LIABILITIES	31/3/2012	31/12/2011
Trading liabilities	8.2	36.4
Tax liabilities	17.5	12.6
Other liabilities	168.2	171.9
Deferred items	50.4	44.5
OTHER LIABILITIES	244.3	265.3
OTHER LIABILITIES (TRADING LIABILITIES))	31/3/2012	31/12/2011
Currency contracts	1.1	1.2
Interest rate contracts	7.1	34.7
Other contracts	0.0	0.4
TRADING LIABILITIES	8.2	36.4
23. SUBORDINATED DEBT CAPITAL	31/3/2012	31/12/2011
Issued subordinated bonds	6.4	6.6
Supplementary capital	580.9	658.4
Hybrid capital	80.2	79.4
SUBORDINATED DEBT CAPITAL	667.5	744.4

24. EQUITY	31/3/2012	31/12/2011
Subscribed capital	86.1	86.2
Capital reserves	194.1	194.5
Retained earnings (including net profit)	982.9	915.3
Untaxed reserves	22.7	22.7
Negative goodwill	1.9	1.9
Minorities	1.4	1.4
EQUITY	1,289.1	1,222.0

25. CONTINGENT LIABILITIES AND COMMITMENTS	31/3/2012	31/12/2011
Other contingent liabilities (guarantees and letters of credit)	1,299.2	1,341.3
CONTINGENT LIABILITIES	1,299.2	1,341.3
Liabilities arising from non-genuine repos	0.0	0.0
Other commitments (irrevocable loan commitments)	1,986.9	1,927.6
COMMITMENTS	1,986.9	1,927.6

26. SEGMENT REPORT – CORE BUSINESS SEGMENTS

	Personal Banking	Corporate	Financial Markets	Other	Consolidated income statement Q1 2012
Net interest income	14.0	48.4	14.6	0.0	77.0
Charges for losses on loans and advances	(2.7)	(15.7)	(1.0)	0.0	(19.4)
Net commission income	13.2	14.5	0.0	0.0	27.7
Net trading income	0.0	(0.3)	2.0	0.0	1.7
Administrative expenses	(21.3)	(29.1)	(1.2)	(5.9)	(57.6)
Other operating profit	0.5	2.9	7.2	0.4	11.1
Extraordinary profit	0.0	0.0	0.0	0.0	0.0
Profit for the period before tax	3.7	20.7	21.6	(5.6)	40.5
Average credit and market risk equivalent	1,197.9	7,741.7	4,009.8	0.0	12,949.4
Average allocated equity	115.3	745.2	386.0	0.0	1,246.6
Return on Equity (RoE)	13.0%	11.1%	22.4%		13.0%
Cost/income ratio	76.7%	44.5%	5.1%		49.0%

DISCLOSURES REQUIRED BY AUSTRIAN LAW

27. HUMAN RESOURCES	Q1 2012	FY 2011
Salaried	2,030	2,054
Blue-collar	21	21
TOTAL RESOURCES	2,051	2,075

28. CONSOLIDATED OWN FUNDS AND REGULATORY OWN FUNDS REQUIREMENT			
Eligible own funds pursuant to Section 24 Austrian Banking Act (BWG) in €m			
Composition	31/3/2012	31/12/2011	31/3/2011
1. Core capital			
Share capital	86.3	86.3	86.3
Holdings of Oberbank AG shares	(0.9)	(0.4)	(0.9)
Disclosed reserves	886.5	886.5	821.2
Minorities	1.5	1.5	1.4
Goodwill arising due to capital consolidation	4.3	4.3	(2.6)
Goodwill arising due to the use of the equity method	114.1	114.1	48.8
Hybrid capital	79.0	79.0	79.0
Deductions of intangible assets	(3.8)	(3.8)	(5.3)
TOTAL CORE CAPITAL (TIER I)	1,167.1	1,167.6	1,028.0
CORE CAPITAL RATIO	11.27%	11.51%	10.19%
2. Supplementary own funds (TIER II)			
Eligible supplementary capital bonds	391.5	467.7	451.4
Revaluation reserves (already 45% of undisclosed reserves)	150.4	85.2	151.3
Subordinated bonds (suppl. capital below 3Y maturity)	28.4	33.1	42.7
TOTAL SUPPLEMENTARY OWN FUNDS (TIER II)	570.3	586.1	645.4
3. TIER III			
Addition of an amount not exceeding subordinated bonds eligible for Tier II	1.2	1.8	3.3
TOTAL TIER III CAPITAL	1.2	1.8	3.3
4. Deductions			
Deductions of interests in banks/other FI of over 10%	(82.4)	(82.4)	(82.3)
Deductions of interests in banks/other FI of up to 10%	0.0	0.0	0.0
TOTAL OWN FUNDS	1,656.1	1,673.1	1,594.4
Of which: own funds pursuant to Section 23 (14) no. 7 Austrian Banking Act (BWG)	1.2	1.8	3.3
OWN FUNDS RATIO	16.00%	16.49%	15.80%

Own funds requirement	31/3/2012	31/12/2011	31/3/2011
Credit risk pursuant to Section 22 (2) BWG	827.6	811.2	806.7
Trading book purs. to Section 22 o (2) BWG	1.2	1.8	3.3
Operational risk purs. to Section 22 k BWG	62.2	62.2	59.2
Qualified investments purs. to Section 29 (4) BWG	0.0	0.0	0.0
TOTAL OWN FUNDS REQUIREMENT	891.0	875.1	869.3
UNAPPROPRIATED OWN FUNDS	765.1	798.0	725.2
Basis for the calculation of the reserve ratios			
Assessment basis for the credit risk - Section 22 (2) BWG	10,345.4	10,139.8	10,084.1
Specific position risk of the trading book pursuant to Section 22 o nos. 1,3,6 BWG	6.3	6.4	5.3
TOTAL BASIS OF ASSESSMENT	10,351.7	10,146.2	10,089.3

Financial calendar 2012

25 May 2012	quarterly results for Q1 2012
24 August 2012	quarterly results for Q1-Q2 2012
30 Nov. 2012	quarterly results for Q1-Q3 2012

All information is electronically available under Investor Relations at www.oberbank.at.

STATEMENT BY THE MANAGEMENT BOARD PURSUANT TO SECTION 87 OF THE AUSTRIAN STOCK EXCHANGE ACT

The Management Board confirms that

- the present condensed Interim Report to the Shareholders of Oberbank AG has been prepared in accordance with the International Financial Reporting Standards (IFRS) and the International Accounting Standards (IAS) published by the International Accounting Standards Board (IASB) as adopted by and in force within the EU and the interpretations thereof by the International Financial Reporting Interpretations Committee (IFRIC) and gives a true and fair view of the assets, liabilities, financial position and the profit or loss of the Oberbank Group.
- these consolidated interim financial statements cover the first quarter of 2012 (1 January 2012 to 31 March 2012) and that they give a true and fair view of the assets, liabilities, financial position and profit or loss of the Oberbank Group in compliance with the IFRS standards governing interim financial reporting.

As at 30 June 2011, major transactions with individuals and companies considered to be related parties amounted to:

- associated companies €k 0
- subsidiaries €k 0
- other related parties €k 0

Linz, 25 May 2012

The Management Board

Franz Gasselsberger, Chairman
Josef Weissl
Florian Hagenauer

Notes

This report contains forward-looking statements relating to the future performance of Oberbank AG. These statements reflect estimates which have been made on the basis of all information available to us on the reporting date. Should the assumptions underlying such forward-looking statements prove incorrect, or should risks materialise to an extent not anticipated, actual results may vary from those expected at present. Market share data are based on the most recent information available at the editorial close of this report.

In adding up rounded figures and calculating percentage rates of changes, slight differences may result compared with totals and rates arrived at by adding up component figures which have not been rounded off.

Disclaimer

This Interim Report to Shareholders is prepared for the convenience of English-speaking readers. It is based on the German original; only the German text is binding.

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The Interim Report to Shareholders of Oberbank is published three times annually.

3 BANKEN GROUP AT A GLANCE

Income statement €m	Oberbank Group		BKS Bank Group		BTV Group	
	Q1 2012	Q1 2011	Q1 2012	Q1 2011	Q1 2012	Q1 2011
Net interest income	77.0	81.6	34.5	33.8	38.3	37.2
Charges for losses on loans and advances	(19.4)	(24.6)	(8.9)	(12.4)	(9.8)	(9.8)
Net commission income	27.7	27.2	11.2	10.9	11.2	11.5
Administrative expenses	(57.6)	(55.4)	(24.4)	(22.8)	(23.4)	(23.1)
Profit for the period before tax	40.5	32.9	11.8	12.6	19.0	16.5
Consolidated net profit for the period	33.2	28.1	10.1	10.7	15.0	13.1

Balance sheet in €m	31/3/2012	31/12/2011	31/3/2012	31/12/2011	31/3/2012	31/12/2011
Total assets	17,617.8	17,483.7	6,624.9	6,456.0	9,278.6	9,214.7
Loans and advances to customers after charges for losses on loans and advances	10,560.0	10,563.9	4,676.7	4,647.8	6,010.2	6,030.1
Primary funds	11,453.6	11,315.2	4,288.9	4,251.4	6,317.2	6,627.8
of which savings deposits	3,490.9	3,407.6	1,838.0	1,786.3	1,262.9	1,260.0
of which securitised liabilities including subordinated debt capital	2,185.0	2,250.9	727.5	715.7	1,159.4	1,255.0
Equity	1,289.1	1,222.0	655.3	644.9	791.6	767.4
Customer funds under management	20,361.4	19,764.5	10,292.1	10,025.5	10,813.9	10,970.6

Own funds within the meaning of the Austrian Banking Act (BWG) in €m	31/3/2012	31/12/2011	31/3/2012	31/12/2011	31/3/2012	31/12/2011
Assessment basis	10,351.7	10,146.2	4,460.9	4,415.2	6,297.0	6,077.9
Own funds	1,656.1	1,673.1	679.7	681.9	958.2	934.7
of which core capital (Tier 1)	1,167.1	1,167.6	599.4	599.5	776.2	776.1
Surplus own funds	765.1	798.0	295.7	301.9	429.6	423.8
Core capital ratio in %	11.27	11.51	12.34	12.46	12.33	12.77
Total capital ratio in %	16.00	16.49	15.24	15.44	15.22	15.38

Performance in %	Q1 2012	FY 2011	Q1 2012	FY 2011	Q1 2012	FY 2011
Return on equity before tax	12.99	10.56	8.38	6.07	9.79	8.96
Return on equity after tax	10.66	9.32	7.19	5.73	7.74	7.42
Cost/income ratio	49.00	50.64	53.02	46.71	46.51	45.65
Risk/earnings ratio (credit risk in percent of net interest income)	25.23	28.58	25.97	22.07	25.62	22.54

Resources	Q1 2012	FY 2011	Q1 2012	FY 2011	Q1 2012	FY 2011
Average number of staff (weighted)	2,030	2,054	939	901	786	790
Branches as at the end of the quarter/year	149	150	55	55	39	40