Member of UniCredit Group

Bank Austria Creditanstalt

Banking for success.

Interim Report at 31 March 2006

Bank Austria Creditanstalt at a Glance

Bank Austria Creditanstalt shares – key data	Q1 2006	2005	Change
Share price at end of period	€ 106.00	€ 93.99	12.8 %
High/low (intraday)	€ 113.84/€ 91.50	€ 104.25/€ 62.01	
Earnings per share in accordance with IFRSs (annualised)	€ 8.37	€ 6.56	27.5 %
Price/earnings ratio (end of period)	12.7	14.3	
Total shareholder return	12.8 %	43.6 %	
Market capitalisation (end of period)	€ 15.6 bn	€ 13.8 bn	12.8 %
Average daily turnover in Bank Austria Creditanstalt shares on the Vienna Stock Exchange (single counting)	43,000 shares	221,000 shares	

Income statement figures (in € m)	Q1 2006	Q1 2005	Change
Net interest income after losses on loans and advances	533	486	9.7 %
Net fee and commission income	416	330	26.1 %
Net trading result	152	79	92.8 %
General administrative expenses	–693	–634	9.3 %
Operating profit	405	245	65.1 %
Net income before taxes	421	280	50.3 %
Consolidated net income	308	207	48.6 %

Volume figures (in € m)	31 March 2006	31 Dec. 2005	Change
Total assets	163,846	158,879	3.1 %
Loans and advances to customers	86,774	86,404	0.4 %
Primary funds	92,560	89,965	2.9 %
Shareholders' equity (excluding minority interests)	7,116	6,871	3.6 %
Risk-weighted assets (banking book)	76,102	75,263	1.1 %

Key performance indicators (in %)	Q1 2006	2005	Q1 2005
Return on equity after taxes (ROE)	17.9	14.3	12.7
Return on assets (ROA)	0.76	0.63	0.56
CEE contribution to net income before taxes	41.8	54.1	40.7
Cost/income ratio	57.3	61.6	64.1
Net interest income/avg. risk-weighted assets (banking book)	3.40	3.53	3.32
Risk/earnings ratio	17.1	18.9	18.5
Provisioning charge/avg. risk-weighted assets (banking book)	0.58	0.67	0.61
Total capital ratio (end of period)	11.8	12.2	12.3
Tier 1 capital ratio (end of period)	8.2	8.3	7.9

Staff	31 March 2006	31 March 2005	Change
Bank Austria Creditanstalt (full-time equivalent)	32,825	29,374	11.7 %
Austria (BA-CA AG and subsidiaries supporting core banking business)	9,869	10,499	–6.0 %
CEE and other subsidiaries	22,956	18,876	21.6 %
of which: Poland	10,259	9,964	3.0 %

Offices	31 March 2006	31 March 2005	Change
Bank Austria Creditanstalt	1,656	1,338	23.8 %
Austria	394	397	–0.8 %
CEE countries and rest of world	1,262	941	34.1 %
of which: Poland	511	495	3.2 %

To our shareholders,
customers and business partners

***Erich Hampel,** Chairman of the Managing Board of Bank Austria Creditanstalt AG*

Ladies and Gentlemen,

Having entered 2006 with a strong momentum carried over from 2005, Bank Austria Creditanstalt achieved record results for the first quarter of 2006. Net income before taxes was € 421 m, up by 50 % on the previous year. Consolidated net income amounted to € 308 m (+49 %), giving a return on equity after taxes of 17.9 %.

Results have improved steadily over the past quarters, reflecting a continued increase in net interest income and net fee and commission income, the "sustainable" income components. Contributions to this growth came from the banking subsidiaries in CEE and from the three Austrian customer business segments. The substantial improvement in results for the first quarter was mainly due to the exceptionally strong net trading result, which reached € 152 m for the first three months of 2006, two-thirds of the figure for 2005 as a whole. While the first-quarter performance should not be used for projections of results for 2006 as a whole, the high quality of the interim results is evidence that we are moving in the right direction. The bank is expanding in profitable areas, while keeping costs and risks under control.

In the integration process of the new UniCredit Group, we have taken important steps over the past weeks. An agreement signed in March between Bank Austria Creditanstalt's principal shareholders and registered shareholders has created the conditions required for BA-CA to perform its important function in the new Group.

We will act as holding company for UniCredit Group's CEE business and take over the banking subsidiaries of UniCredit and HypoVereinsbank in this region (with the exception of Poland). Our geographical reach is expanding from 12 to 24 countries with great potential for growth; in some of these countries, an operating presence is yet to be established. Operations will be transferred at market values. As a result, business volume will grow and shareholders' equity for our future expansion will increase, too.

We will also strengthen our market position in Austria and further enhance our efficiency. Asset management and investment banking operations will be bundled on a Group-wide basis. This will enable us to use our expertise in serving a much larger customer base while benefiting from the standing of one of the five largest banks in the euro area.

The improvements in operating performance achieved in the past quarters, and the tasks which we will perform within UniCredit Group using our wealth of experience gained in integration projects, provide the basis for a sustained upward trend in our two core markets.

Yours sincerely,

Erich Hampel

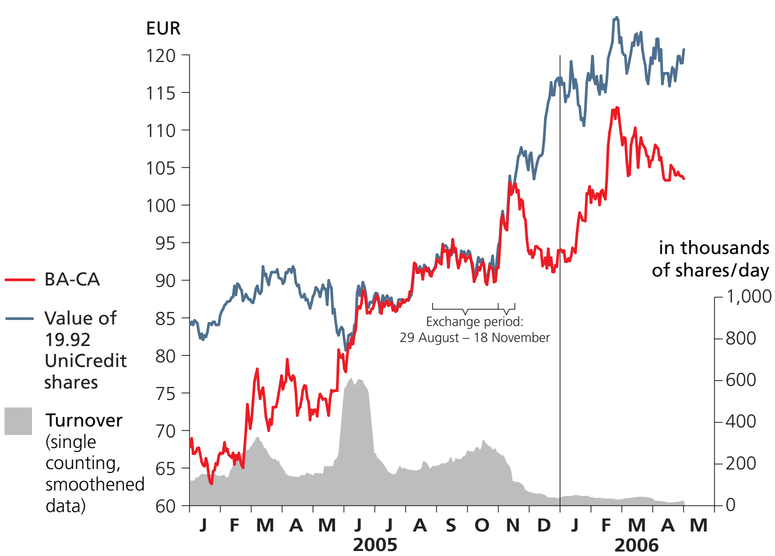
Performance of the BA-CA Share

As was to be expected, the Bank Austria Creditanstalt share tracked the price movements of UniCredit shares. After the end of the acceptance period for the exchange offer, the BA-CA share detached itself from the UniCredit share price and saw a downward adjustment in November and December, with the spread between 19.92 times the UniCredit share price and the BA-CA share price peaking at 25 % during that period. In the course of 2006 to date, the gap has narrowed again, reducing the spread to between 12 % and 14 %. The BA-CA share price then maintained this gap – at considerably lower turnover – and moved roughly in line with UniCredit shares. BA-CA's share price reached an all-time high of € 113.84 (intraday) on 21 February 2006 before declining to a level between € 104 and € 105.

At the end of March, the BA-CA share price was € 106, corresponding to a market capitalisation of € 15.6 bn. In the first three months of 2006, the BA-CA share price recorded a further gain of 12.8 % in line with the 12.9 % improvement in the ATX index. Since the issue in July 2003, the share price has more than tripled (+266 %). With a free float factor of 0.1, the BA-CA weighting in the ATX index is about 2.5 %; daily turnover has declined to 43,000 shares per trading day (2005: 221,000 shares).

The price/earnings ratio, based on BA-CA's profits for Q1 2006, is 12.7 (price/book value: 2.19).

BA-CA shares and UniCredit shares



Banking Environment in the First Quarter of 2006

In the first quarter of 2006 the economic environment and financial markets had a favourable influence on banking business: following a strong rebound in the US after the weak fourth quarter of 2005, and supported by strong growth in South-East Asia, the world economy gathered momentum although oil prices remained very high (at 63 USD/bl on a quarterly average; most recently over 70 USD/bl). Surveys conducted in Europe's industrial sector indicated that sentiment was good, with output growing strongly. This was due to exports, while growth in domestic demand was restrained.

In the CEE countries growth continued to accelerate in the first quarter of 2006, probably reaching a level of 5.3 % in real terms in the CEE-11 area, after 5.2 % in the preceding quarter and 3.8 % a year ago. Most countries saw stronger domestic demand. Initial impetus provided by growth in exports (especially to countries exporting commodities, but also in connection with the delivery and assembly networks in the European automotive industry) was followed by stronger investment in equipment, which is now growing at real rates of 10 %. Consumption stabilised but was still expanding at below-average rates. We expect growth in 2006 to average 5.1 %.

Economic growth in Austria may have accelerated further in the first quarter of 2006 (3.3 % over the preceding quarter, on an annualised basis). Industry is the engine of growth in Austria, too. The favourable development of exports in the past months is increasingly stimulating domestic demand. For this reason we have raised the growth forecast for 2006 to 2.5 %, the highest level in six years. While consumption should benefit from low inflation (average rate for 2006: 1.3 %) and rising employment (+0.9 %), we expect the savings ratio to continue to rise.

Financial markets were characterised by rising interest rates. In the US, the Fed continued to tighten its policy, raising its key rate in two steps to 4.75 %. The ECB also increased its key interest rate for the second time by 25 basis points at the beginning of March (to 2.50 % p.a.). Long-term yields in US dollar and euro rose by 46 basis points in the first quarter; most recently they exceeded the 5 % mark (10-year US Treasuries) and the 4 % level (euro benchmarks). This means that euro yields rose across all maturities. Stock markets in Europe achieved significantly stronger gains (Eurostoxx: +10.3 %) than in the US (S&P: +3.7 %) in the first quarter of 2006. Emerging markets bonds continued to be attractive (apart from temporary uncertainty in the first half of March). Spreads in the high-yield segment remained very narrow.

- Record results for the first quarter of 2006: net income before taxes was € 421 m, up by 50 % on the previous year, reflecting a steady improvement in operating performance over the past quarters.
- Consolidated net income amounted to € 308 m (+ 49 %), annualised earnings per share reached € 8.37 (annualised Q1 2005 figure: € 5.63). ROE after taxes rose to 17.9 % (Q1 2005: 12.7 %).
- Exceptionally strong net trading result: € 152 m – two-thirds of the figure for 2005 as a whole. Sustainable income components also higher than in the preceding quarter and in the same period of the previous year.
- Costs and risks remained under control despite strong expansion in CEE. The cost/income ratio declined to a level below 60 % (57.3 %). The provisioning charge in Austria (after one-off effects in Q4 2005) matched the previous year's level; moderate increase in CEE. Risk/earnings ratio down to 17.1 % from 18.5 % a year ago.
- Well-balanced structure of business: CEE accounted for 42 % of net income before taxes (an increase of 55 %), Austrian customer business contributed 37 % (up by 14 %). Measures to improve profitability in the SMEs segment are being implemented.
- Growth (RWA) and additional capital allocation mainly in CEE (+ 32 %) and Private Customers Austria segment (+ 8 %). Improvement in capital efficiency in the Large Corporates and Real Estate segment and in International Markets.

Financial Review

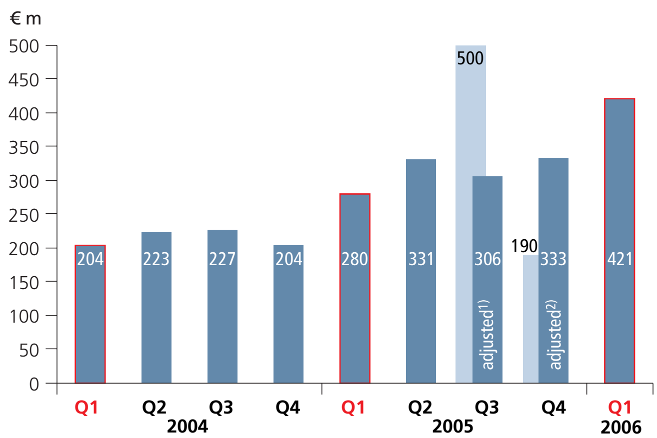
Bank Austria Creditanstalt has entered 2006 with a strong momentum carried over from 2005: by pursuing further expansion in its core business, the bank achieved a net income before taxes of € 421 m in the first quarter. This reflects steady growth in results for the past quarters: a comparison with the figure for Q4 2005, adjusted for special/one-off effects in that quarter, shows an increase of 26 % (on a non-adjusted basis, over 100 %); the year-on-year increase (over Q1 2005) was 50 %.

Consolidated net income for the first quarter of 2006 was € 308 m, 49 % higher than in the previous year. Earnings per share rose to € 8.37 (on an annualised basis) after € 6.76 in the preceding quarter (adjusted) and € 5.63 in Q1 2005. The ROE after taxes improved to 17.9 % (preceding quarter: 14.3 %, Q1 2005: 12.7 %).

The improvement in results was based on steady revenue growth while costs grew at a lower rate and the net charge for losses on loans and advances remained stable. Operating revenues after the provisioning charge were 8 % higher (on an adjusted basis) than in the preceding quarter and exceeded the previous year's figure by 25 %. Within the total figure, net interest income and net fee and commission income – the "sustainable" income components – rose from quarter to quarter. The main factor contributing to the strong performance in Q1 2006 was an exceptionally good net trading result of € 152 m; the figure for the first three months of 2006 was about two-thirds of the total for 2005.

All business segments contributed to the improvement in results compared with the previous year. A very strong contribution came from International Markets, which generated most of the net trading result, and also from the Corporate Center segment, which includes income from our unit in the Cayman Islands. The CEE banking subsidiaries continued to expand vigorously. The CEE business segment contributed € 176 m to the bank's net income before taxes, thus accounting for 42 % of the total (an increase of 55 % over the previous year). Accelerated economic growth and rapid progress in financial intermediation supported expansion in lending and deposits business; the modernisation of the financial services sector led to a strong increase in fee and commission income from fee-based services and securities business. The contribution from the three Austrian customer business segments to overall net income before taxes was € 157 m or 37 %. Business developments were characterised by the initial phase of the interest rate cycle, with margins reflecting a stronger squeeze on the assets side and a slight improvement on the liabilities side. On the other hand, net fee and commission income in the Austrian business segments rose significantly, with BA-CA's own issues, mutual funds and structured products benefiting from the boom in securities investments; these business segments also further expanded their market position in the area of derivatives. The net charge for losses on loans and advances returned to a normal level following the one-off adjustments made in the preceding quarter.

Net income before taxes by quarter



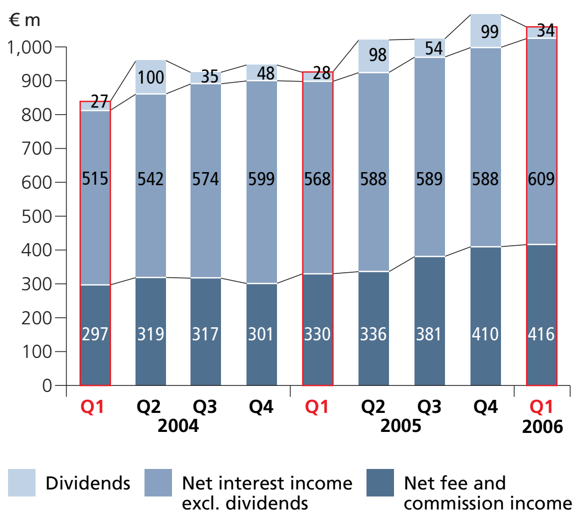
1) **One-off effects in Q3:** Investkredit: € 130 m, Banca Tiriac: € 123 m, provisions for restructuring costs: – € 60 m
2) **One-off effects in Q4:** provisioning charge: – € 70 m, general administrative expenses: – € 25 m, provisions for restructuring costs: – € 48 m

Details of the Income Statement

Core net interest income (€ 609 m) continued to improve from the fourth quarter of 2005 to the first quarter of 2006 and was 7 % higher than in the previous year. A significant contribution to this increase came from the CEE business segment, with growth recorded in all country groups. Core net interest income in Austria remained steady; in view of persistent pressure on margins in lending business (intense competition on terms, rising funding rates), this was due to higher lending volume and a strong increase in deposits as well as a more favourable trend in margins on the deposits side. Overall, net interest income – including dividend income, which is not evenly distributed over the year – was lower than in the preceding quarter, exclusively as a result of this seasonal factor, but 8 % higher than the previous year's figure.

The net charge for losses on loans and advances for the fourth quarter of 2005 (€ 179 m) had included one-effects of € 70 m which related to a refined methodology and Group-internal adjustments to flat-rate specific provisions in low-volume lending business. In the first quarter of 2006, the net charge for losses on loans and advances returned to a normal level as planned. The increase in the provisioning charge in CEE was moderate when seen against the background of business expansion and revenue growth: the risk/earnings ratio and the provisioning charge expressed as a percentage of average risk-weighted assets declined and remained below the levels for the bank as a whole. In the Large Corporates and Real Estate business segment, we significantly reduced risk-weighted assets and the provisioning charge. Overall, at € 110 m, the net charge for losses on loans and advances matched the Q1 2005 level. The risk/earnings ratio was 17.1 %, after 26.0 % in the fourth quarter of 2005 (which reflected special effects) and 18.5 % a year ago. Following the one-off adjustments in the fourth quarter of 2005, the provisioning charge expressed as a percentage of risk-weighted assets (banking book) declined from 0.92 % (Q4 2005) to 0.58 %.

Continued revenue growth



As in the previous year, BA-CA achieved a strong increase in net fee and commission income. At € 416 m, the figure exceeded the very good performance of the fourth quarter of 2005 and was € 86 m or 26 % higher than a year ago. Contributions to the increase came from both CEE and the Austrian business segments. Growth in net fee and commission income in Austria was mainly supported by securities business and the market success of our guaranteed products and theme funds of AMG and Capital Invest, which ideally met investors' expectations regarding investment strategy and risk/return considerations. Custodian business also improved. Another success factor was business in derivatives used by companies, and increasingly also by municipalities, to protect themselves against liquidity, interest rate and currency risks. In this area we further expanded our undisputed market leadership position. Fee-based business accounts for a growing proportion of operating revenues also in the CEE countries: most recently 35 %, compared with 41 % in the three Austrian customer business segments. In CEE, too, strong impetus is provided by securities and custodian business (though for structural rather than economic reasons), by customer-driven derivatives transactions and by the growing use of electronic banking services; in addition, operations in South-East Europe record growth in loan commissions and fee income from payment transactions.

Despite the volatility inherent in trading operations, the net trading result has been a reliable source of income for the bank in the past years, ranging between € 220 m and € 260 m annually. The net trading result for the first quarter of 2006 was almost double the high Q1 2005 figure. This success was mainly achieved by the Vienna-based trading units; BA-CA's offshore subsidiary in the Cayman Islands, which invests in hedge funds, also performed well. Trading activities in mainstream markets benefited from the turnaround in interest rates and from competence, built up over the past years, as a hub linking international investors and CEE countries (including Turkey). Efforts to further expand customer business were also very successful, especially in primary market business, in trading activities with institutional customers and in risk management for corporate customers.

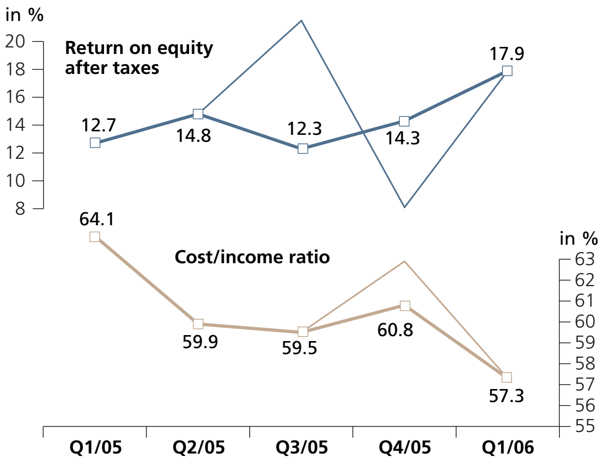
Operating revenues after the provisioning charge totalled € 1,098 m, an increase of 8 % over the high Q4 2005 level and 25 % higher than in the first quarter of 2005.

General administrative expenses amounted to € 693 m, a figure which was slightly higher (by 2 %) than the adjusted figure for the preceding quarter and which exceeded the previous year's level by 9 %. Thus costs grew at a significantly lower rate than revenues. The increase compared with the previous year related to CEE countries and resulted mainly from the larger group of consolidated companies and exchange rate movements. The cost/income ratio of 57.3 % for the first quarter of 2006 (figure for 2005 as a whole: 61.6 %) reflects the good results and the low increase in costs against the background of business expansion.

Operating profit amounted to € 405 m (up by 65 % over the previous year). Net income from investments reached € 17 m and was mainly generated by the International Markets business segment. After deduction of taxes and minority interests, consolidated net income was € 308 m, an increase of € 101 m or 49 % over the previous year.

Average risk-weighted assets (RWA) of BA-CA grew by 5 % compared with the first quarter of 2005. While RWA in the three Austrian customer business segments rose only slightly, by 1 %, mainly as a result of a reduction in the Large Corporates and Real Estate segment and active management of the portfolio (– 8 %), risk-weighted assets in the CEE business segment increased by 32 % compared with the previous year. International Markets continued to reduce risk-weighted assets and thus also equity allocated to this business segment.

Key performance data by quarter



Thick lines: adjusted for one-off effects in Q3 and Q4 2005
Thin lines: published figures

Development of Business Segments in the First Quarter of 2006

Private Customers Austria

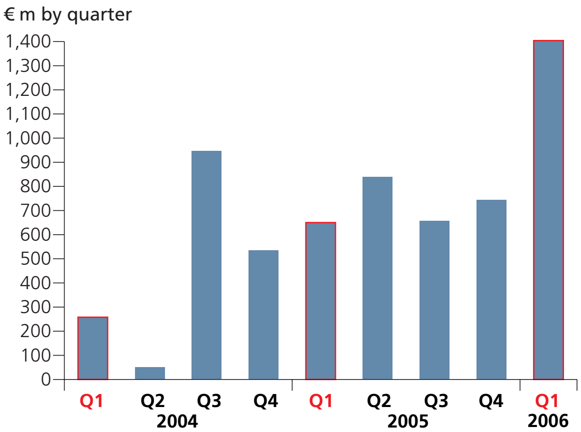
€ m	Q1 2006	Q1 2005	Change	
Operating revenues[1]	310	296	14	5 %
… after net charge for losses on loans and advances	285	273	12	4 %
General administrative expenses	– 236	– 225	– 11	5 %
Operating profit	49	47	2	3 %
Net income before taxes	50	49	1	2 %
Net income	39	38	1	2 %
… share of Group total	11 %	17 %		
Equity – share of Group total	13 %	13 %		
ROE before taxes	20.9 %	22.1 %		
ROE after taxes[2]	16.4 %	17.3 %		

1) net interest income, net fee and commission income, net trading result, other operating income and expenses
2) net income (annualised)/average allocated equity
The footnotes apply to all tables in this section of the interim report.

Operating revenues in the Private Customers Austria business segment rose by 1 % compared with the preceding quarter and were 5 % higher than a year ago. Net interest income exceeded the Q4 2005 figure and came close to the level achieved in the previous year. As in the initial phase of every interest rate cycle, economic and margin developments had different effects on business on the two sides of the balance sheet. On the liabilities side, margins recovered, with net interest income being supported mainly by developments in demand deposits and savings deposits with variable interest rates. Given the highly competitive environment in the lending business, it was not possible to fully pass on the increase in market interest rates, and thus funding rates, to customers. Margins fell to the lowest level in three years. Successful sales initiatives and the resulting substantial increase in business volume (+ 11 % in BA-CA AG) more or less offset the narrowing of margins. "ErfolgsKredit", a new loan product, should have a favourable impact: a streamlined lending process enables customers to obtain a loan of up to € 50,000 very quickly, during a single appointment with the bank. An advertising campaign supporting the new loan product has been launched.

In the first quarter of 2006, a very favourable trend was seen in securities business. Net inflows of funds (€ 468 m) were double the quarterly average for 2005; in March alone, a net volume of over € 1 bn was placed. The guarantee products of BA-CA's subsidiaries AMG and Capital Invest, with record sales of € 744 m (in addition to various types of Wohnbaubank convertible bonds), were particularly successful, especially Rohstoffindex-GarantieAnleihe and Capital Invest R.I.CH. Garantie (a mixed fund investing in Russia, India and China). At the end of March 2006, BA-CA's asset management operations (including BANK*PRIVAT*) had € 35.6 bn in assets under management, of which € 2.5 bn was with Capital Invest's local subsidiaries in CEE. Boosted by growth in securities and custodian business, net fee and commission income rose significantly compared with the preceding quarter and in a year-on-year comparison (+14 %). The net charge for losses on loans and advances amounted to € 25 m as planned; in the fourth quarter of 2005, the provisioning charge reflected one-off adjustments of € 138 m. General administrative expenses rose by about 5 % to € 236 m, the cost/income ratio matched the previous year's level. Net income before taxes was slightly higher than in the first quarter of 2005. The ROE before taxes reached almost 21 %.

Net inflows at BA-CA asset management companies
Purchases less sales minus redemptions;
mutual funds and capital guarantees



SMEs Austria

€ m	Q1 2006	Q1 2005	Change	
Operating revenues	154	143	11	7 %
… after net charge for losses on loans and advances	111	107	5	4 %
General administrative expenses	–88	–91	4	–4 %
Operating profit	23	15	8	54 %
Net income before taxes	24	15	9	59 %
Net income	18	11	7	59 %
… share of Group total	5 %	5 %		
Equity – share of Group total	13 %	13 %		
ROE before taxes	10.0 %	6.8 %		
ROE after taxes	7.5 %	5.1 %		

Significantly improved segment result through reduction of general administrative expenses

Results in the SMEs Austria business segment reflected the initial success of restructuring measures and sales initiatives. At € 24 m, net income before taxes was still unsatisfactory but substantially higher than in the previous year (up by 59 %). Operating revenues exceeded the Q1 2005 figure by over 7 %. Net interest income was adversely affected by margin developments in working capital loans (and to a lesser extent in investment loans); this effect was offset by higher volume and a slight improvement in margins on the liabilities side. Net fee and commission income was considerably higher than in the previous year. The volume of (and revenues from) securities business rose by more than half, in line with the strategy and market developments. Income from services also increased, both in sales of derivatives and electronic banking, reflecting strong cross-selling efforts. An important contribution to improving the SMEs segment result came from the 4 % reduction of general administrative expenses compared with the previous year's level. This helped to reduce the cost/income ratio from 64 % to 57 %. The net charge for losses on loans and advances amounted to € 43 m in the first quarter of 2006, after the favourable one-off effect in the preceding quarter; the provisioning charge still absorbs about 47 % of net interest income.

Restructuring of SMEs business segment making good headway

The implementation phase of the SMEs restructuring programme started in the first quarter of 2006. In the medium term, we aim to improve profitability in this segment to a sustainable level exceeding the cost of capital. The measures taken under the programme relate to sales, processes and risk management. Automation in day-to-day business, a telephone-based customer service approach and intensive use of BusinessNet, our Internet/online portal, are to reduce the high level of costs in the SMEs business segment. At the same time, we want to enhance profitability through intensive cross selling; we use "FinanzCheck", a service provided free of charge, to support our efforts in this regard.

Systems adjustments are being made to include a pre-approved limit (based on automated balance sheet analysis) and the "SMEs Instant Loan", which enables the bank to produce working capital loans, investment loans and guarantee facilities (including major items of collateral) automatically at the point of sale.

Large Corporates and Real Estate

€ m	Q1 2006	Q1 2005	Change	
Operating revenues	155	138	16	12 %
… after net charge for losses on loans and advances	152	124	27	22 %
General administrative expenses	–71	–67	–4	5 %
Operating profit	81	57	24	42 %
Net income before taxes	84	74	10	13 %
Net income	65	58	7	12 %
… share of Group total	19 %	26 %		
Equity – share of Group total	19 %	22 %		
ROE before taxes	23.7 %	19.4 %		
ROE after taxes	18.5 %	15.2 %		

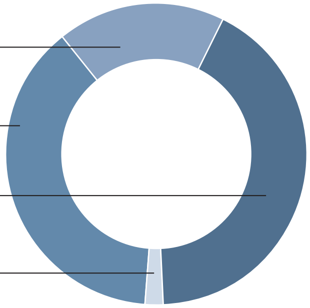
The Large Corporates and Real Estate business segment further increased its operating revenues (adjusted for the seasonally lower dividend income). Operating revenues after the provisioning charge were 22 % higher than a year ago. The quality of the segment result reflected in the income statement further improved as efforts to shift risk exposures in favour of capital market solutions for corporates (and increasingly also for municipalities) continued. This development is reflected in the lower volume of risk-weighted assets and in the declining net charge for losses on loans and advances, which amounted to € 3 m compared with an exposure of € 20 bn.

Excess liquidity puts pressure on pricing in business with large corporates

We placed emphasis on high value-added advisory services. These efforts are reflected in the increase in primary business and in the market success of Treasury products including the use of derivatives for liquidity/interest-rate/foreign-exchange risk management. As a result, net fee and commission income was 38 % higher than in the preceding quarter and 65 % up on the previous year.

In the first quarter of 2006, net interest income – still the main income component – amounted to € 110 m, a figure that was slightly lower than in the previous year. This was mainly due to reductions of risk-weighted assets in the fourth quarter of 2005 through the secondary market (CDS, securitisation transaction of BA-CA Leasing). On the liabilities side, the initial phase of the interest rate cycle was reflected in shifts, characterised by monthly fluctuations, from time deposits to demand deposits, which led to a narrowing of margins on call money. In business with real estate customers, volume in the core area of investment finance grew and derivatives business was buoyant (in addition to growth in investments and securities transactions). The Public Sector unit recorded growth in Treasury products, which offset a weaker trend in lending business reflecting the economic environment; the "FinanzCheck" product was a focus of marketing activities targeted at municipalities. The Financial Institutions unit generated higher fee and commission income from payment services and achieved growth in derivatives business with outside investment management companies. As general administrative expenses rose at a considerably lower rate than revenues, the cost/income ratio in this business segment improved to 45.8 %. At 18.5 %, the ROE after taxes significantly exceeded the previous year's figure, not least on account of the reduction of equity allocated to the business segment.

Net income before taxes in Q1 2006 by segment



International Markets (INM)

€ m	Q1 2006	Q1 2005	Change	
Operating revenues	122	84	39	46 %
… after net charge for losses on loans and advances	122	84	39	46 %
General administrative expenses	–55	–47	–8	17 %
Operating profit	68	37	31	84 %
Net income before taxes	77	43	34	79 %
Net income	61	34	26	76 %
… share of Group total	18 %	15 %		
Equity – share of Group total	2 %	3 %		
ROE before taxes	197.4 %	71.1 %		
ROE after taxes	154.7 %	56.6 %		

The International Markets (INM) business segment achieved a record performance in the first quarter of 2006: operating revenues – including net income from investments, which represents income from operating activities in this segment – totalled € 132 m, an increase of almost 50 % over the Q1 2005 figure, which itself had constituted a record. Based on good positioning and wide diversification of the trading portfolio, INM generated an excellent net trading result. Net fee and commission income also significantly exceeded the previous year's level.

Net income before taxes was € 77 m, 79 % higher than a year ago. Equity allocated to the INM segment was again significantly reduced in the first quarter of 2006: RWA and the capital allocation were 35 % lower than in the first quarter of 2005. The ROE before taxes thus reached 197 % (after taxes: 155 %), boosted by the movements in the numerator and denominator of this profitability ratio. Equity allocated to INM was 2 % of the total figure for the bank; on this basis, the business segment generated 18 % of the bank's net income (before and after taxes) in the first quarter of 2006.

Record results, ROE after taxes reaching 155 %

INM performed strongly in the first three months of 2006, not only in terms of results reflected in the income statement but also with regard to total return. As mentioned above, this development was due to various factors: the business structure is well balanced among market segments; proprietary trading is closely integrated with customer business, which is being strongly intensified. Another success factor is INM's function as a hub linking Western investors and EEMEA markets. In the first quarter of 2006, a successful positioning in foreign exchange trading, in the high-yield sector and in interest rate markets combined with a top performance in equity trading.

Central and Eastern Europe (CEE)

€ m	Q1 2006	Q1 2005	Change	
Operating revenues	458	342	116	34 %
… after net charge for losses on loans and advances	418	306	113	37 %
General administrative expenses	– 238	– 192	– 46	24 %
Operating profit	181	114	67	59 %
Net income before taxes	176	114	62	55 %
Net income	139	90	49	55 %
… share of Group total	41 %	40 %		
Equity – share of Group total	33 %	28 %		
ROE before taxes	28.0 %	23.7 %		
ROE after taxes	22.2 %	18.7 %		

In the first quarter of 2006, the CEE business segment continued the impressive performance achieved in the past years. Risk-weighted assets increased by 6 % over the fourth quarter of 2005 and were up by 32 % on the previous year's level. Net interest income and net fee and commission income were higher than in the preceding quarter and in the previous year (up by 37 % and 38 %, respectively, on Q1 2005). The net trading result of the business segment included rate hedging costs of € 5.5 m. Operating revenues for the first quarter of 2006 were € 458 m, an increase of € 116 m or 34 % over the previous year. This growth resulted from a favourable business development and also from first-time consolidation of Hebros Bank, Banca Tiriac, Eksimbanka, Nova banjalucka banka and BPH TFI/Poland.

General administrative expenses were 24 % higher than in the previous year, reflecting consolidation effects and exchange rate movements. However, the increase was significantly lower than that in operating revenues. As a result, the cost/income ratio was 51.9 %, an over four percentage point improvement over the previous year. The CEE business segment achieved a net income (before and after taxes) which exceeded the previous year's figure by more than 50 %. Accounting for 33 % of total equity allocated to the bank's business segments, CEE generated 42 % of net income before taxes. Based on net income (€ 139 m, up by 55 %), the ROE after taxes was 22 %.

The combined net income before taxes generated by the consolidated banking subsidiaries rose by 47 % to € 204 m. The strongest contributions to this favourable trend came from the SEE region (up by 79 % on the previous year) and Poland (up by 49 %). Combined net interest income and net fee and commission income rose by one-third. The newly acquired subsidiary Nova banjalucka banka in Bosnia was included in the group of consolidated companies in the first quarter of 2006.

Balance Sheet

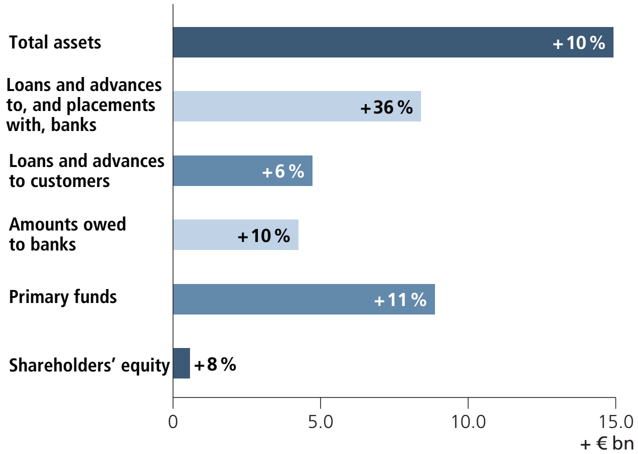
From year-end 2005 to 31 March 2006, total assets increased by € 5.0 bn or 3 % to € 163.8 bn. Thus they were € 15.0 bn or 10 % higher than at the end of March 2005.

On the assets side, the increase resulted mainly from interbank business: in connection with brisk money market trading, loans and advances to, and placements with, banks rose by 19 % (quarter-on-quarter) or 36 % (compared with the previous year). Loans and advances to customers matched the year-end 2005 level, exceeding the figure at the end of the first quarter of the previous year by 6 %. At € 86.8 bn, they accounted for 53 % of total assets. Trading assets expanded slightly (+ 4 % to € 18.3 bn) after declining in the previous year. The reduction of investments continued (– 3 % to € 17.5 bn).

Interbank business increased also on the liabilities side, though at a lower rate (+ € 1.4 bn/+ 3 %). The main contribution to growth on the liabilities side came from primary funds (+ € 2.6 bn or 3 % over year-end 2005/+ € 8.9 bn or 11 % over the previous year). Liabilities evidenced by certificates accounted for the largest part of the increase.

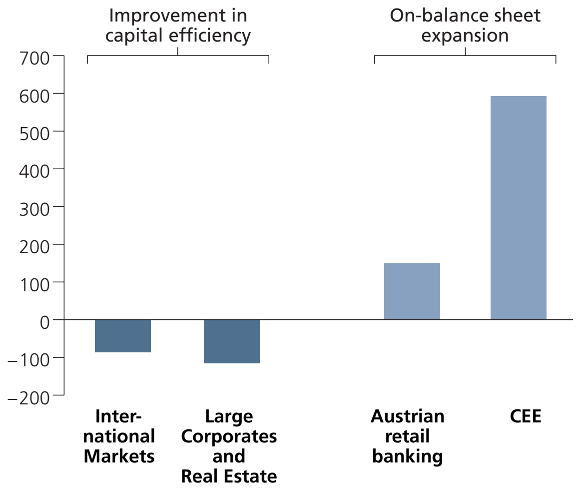
At the end of March 2006, shareholders' equity amounted to € 7.8 bn, an increase of 4 % over the year-end 2005 level; most of this increase was due to profit retention. Shareholders' equity was 8 % higher than a year ago.

Changes in balance sheet data
(31 March 2006 compared with 31 March 2005)
Changes in € bn and in %



In the balance sheets at 31 December 2005 and at 31 March 2006, HVB Splitska banka was included in the balance sheet items "Non-current assets classified as held for sale" and "Liabilities directly associated with non-current assets classified as held for sale". The agreement on the sale of HVB Splitska banka was signed on 20 April 2006; the closing and deconsolidation will probably take place in the middle of 2006.

Changes in capital allocation
+/– € m, Q1 2006 compared with Q1 2005



Capital Resources

The assessment basis pursuant to the Austrian Banking Act (banking book) rose by € 0.8 bn (+1.1 %) to € 76.1 bn compared with the year-end 2005 figure. Most of the increase was due to an expansion of business volume at CEE banking subsidiaries. Growth was partly offset by declining exchange rates in some CEE countries. Net capital resources decreased from € 9.2 bn to € 9.0 bn (–1.7 %). The decline was mainly due to lower supplementary elements. This resulted in a Tier 1 capital ratio of 8.17 % as at 31 March 2006 (year-end 2005: 8.29 %) and a total capital ratio of 11.82 % (year-end 2005: 12.16 %).

Outlook for BA-CA's Performance

In the rest of the year, operating activities will be influenced by improved economic trends, rising interest rates and increasing financial market risks: early indicators and surveys suggest that the European economy will grow more strongly. Growth rates in Central and Eastern Europe will be similar to those achieved in the first quarter. Interest rates have been rising significantly across all maturities. On the other hand, the business sector enjoys ample liquidity. Stock markets have already seen significant gains and in the high-yield segments of the bond market, spreads have reached a low level. Currency markets are already characterised by higher volatility. On the basis of all these factors, we expect economic trends to support business in the coming months, a development which has not been seen for a long time. However, the good results for the first quarter – including especially the excellent net trading result – should not be projected into the future.

Stronger economic growth, higher interest rates, stronger financial market volatility

A significant factor for Bank Austria Creditanstalt's performance in the next few quarters will be the process of integration into UniCredit Group. Pursuant to an agreement concluded between the bank's principal shareholders and registered shareholders, BA-CA will perform the function assigned to it as holding company for UniCredit Group's CEE business; BA-CA will take over the networks of UniCredit and HVB in this region, with the exception of operations in Poland, which are directly managed by UniCredit. We will sell Bank BPH to UniCredit at the fair value. Under the shareholders' agreement, the bank's geographical reach is expanding from 12 to 24 countries including Russia; in some of these countries, an operating presence is yet to be established. As a result of the forthcoming transfers of operations, Bank Austria Creditanstalt's total assets will increase (on a pro-forma basis) despite the transfer of responsibility for business in Poland. The transfers will take place at arm's length, i.e. at market prices. The bank's equity capital base, and thus the basis for further expansion, will increase considerably. In Croatia, parallel to the sale of HVB Splitska banka, UniCredit will assign to us responsibility for Zagrebačka banka, which has total assets of about € 9 bn and a market share of 24 %, making it the clear number 1 bank in Croatia, a candidate for EU membership. The shareholders' agreement also provides for the bundling of asset management and investment banking operations; details of legal aspects and organisational arrangements have not yet been defined. The integration steps outlined above are reflected in the development of operating activities. In the medium to long term, they will substantially enhance the bank's potential for growth and value creation.

Integration into UniCredit Group enhances growth potential

Consolidated Financial Statements

Income statement of the Bank Austria Creditanstalt Group for the first three months of 2006 compared with the first three months of 2005

	(Notes)	1 Jan. – 31 March 2006 € m	1 Jan. – 31 March 2005 € m	Change in € m	Change in %
Interest income		1,426	1,312	114	8.7
Interest expenses		– 784	– 716	– 67	9.4
Net interest income	(4)	643	596	47	7.9
Losses on loans and advances	(5)	– 110	– 110	–	0.1
Net interest income after losses on loans and advances		**533**	**486**	**47**	**9.7**
Fee and commission income		503	408	95	23.2
Fee and commission expenses		– 86	– 78	– 8	10.7
Net fee and commission income	(6)	416	330	86	26.1
Net trading result	(7)	152	79	73	92.8
General administrative expenses	(8)	– 693	– 634	– 59	9.3
Balance of other operating income and expenses	(9)	– 3	– 15	12	– 80.7
Operating profit		**405**	**245**	**160**	**65.1**
Net income from investments		17	35	– 18	– 52.5
Amortisation of goodwill		–	–	–	
Allocation to provisions for restructuring costs		–	–	–	
Balance of other income and expenses		– 1	–	–	> 100
Profit from ordinary activities / Net income before taxes		**421**	**280**	**141**	**50.3**
Taxes on income		– 80	– 53	– 27	50.6
Net income		**341**	**227**	**114**	**50.2**
Minority interests		– 34	– 20	– 14	66.9
Consolidated net income		**308**	**207**	**101**	**48.6**

Key data

	1 Jan. – 31 March 2006	1 Jan. – 31 March 2005
Earnings per share (in €)	2.09	1.41
Return on equity before taxes	22.3 %	16.1 %
Return on equity after taxes	17.9 %	12.7 %
Cost/income ratio	57.3 %	64.1 %
Risk/earnings ratio	17.1 %	18.5 %

Income statement of the Bank Austria Creditanstalt Group by quarter

€ m	Q1 2006	Q4 2005	Q3 2005	Q2 2005	Q1 2005
Interest income	1,426	1,226	1,417	1,436	1,312
Interest expenses	– 784	– 540	– 774	– 750	– 716
Net interest income	643	686	644	686	596
Losses on loans and advances	– 110	– 179	– 108	– 98	– 110
Net interest income after losses on loans and advances	**533**	**507**	**536**	**588**	**486**
Fee and commission income	503	490	443	421	408
Fee and commission expenses	– 86	– 80	– 62	– 85	– 78
Net fee and commission income	416	410	381	336	330
Net trading result	152	51	68	39	79
General administrative expenses	– 693	– 705	– 646	– 637	– 634
Balance of other operating income and expenses	– 3	– 27	– 7	1	– 15
Operating profit	**405**	**237**	**332**	**328**	**245**
Net income from investments	17	13	229	5	35
Amortisation of goodwill	–	– 4	–	–	–
Allocation to provisions for restructuring costs	–	– 48	– 60	–	–
Balance of other income and expenses	– 1	– 8	– 1	– 2	–
Profit from ordinary activities / Net income before taxes	**421**	**190**	**500**	**331**	**280**
Taxes on income	– 80	– 18	– 92	– 63	– 53
Net income	**341**	**172**	**409**	**268**	**227**
Minority interests	– 34	– 32	– 38	– 21	– 20
Consolidated net income	**308**	**140**	**371**	**246**	**207**

Key data

	Q1 2006	Q4 2005	Q3 2005	Q2 2005	Q1 2005
Earnings per share (in €)	2.09	0.95	2.53	1.68	1.41
Return on equity before taxes	22.3 %	10.1 %	26.8 %	18.5 %	16.1 %
Return on equity after taxes	17.9 %	8.1 %	21.5 %	14.8 %	12.7 %
Cost/income ratio	57.3 %	62.9 %	59.5 %	59.9 %	64.1 %
Risk/earnings ratio	17.1 %	26.0 %	16.7 %	14.3 %	18.5 %

Balance sheet of the Bank Austria Creditanstalt Group at 31 March 2006 compared with the balance sheets at 31 December 2005 and at 31 March 2005

Assets

	(Notes)	31 March 2006 € m	31 Dec. 2005 € m	Change in € m	Change in %	31 March 2005 € m	Change in € m	Change in %
Cash and balances with central banks	(10)	3,151	3,855	–703	–18.2	3,883	–732	–18.8
Trading assets	(11)	18,305	17,665	641	3.6	18,660	–354	–1.9
Loans and advances to, and placements with, banks	(12)	31,495	26,384	5,111	19.4	23,087	8,409	36.4
Loans and advances to customers	(13)	86,774	86,404	370	0.4	82,028	4,746	5.8
– Loan loss provisions	(14)	–3,156	–3,232	76	–2.4	–3,256	100	–3.1
Investments	(15)	17,545	18,172	–627	–3.5	18,509	–964	–5.2
Property and equipment	(16)	1,084	1,097	–13	–1.2	1,104	–20	–1.8
Intangible assets	(17)	1,373	1,358	15	1.1	1,119	254	22.7
Other assets	(18)	3,901	3,956	–56	–1.4	3,753	148	3.9
Non-current assets classified as held for sale	(19)	3,373	3,221	153	4.7			
TOTAL ASSETS		**163,846**	**158,879**	**4,967**	**3.1**	**148,886**	**14,961**	**10.0**

Liabilities and shareholders' equity

	(Notes)	31 March 2006 € m	31 Dec. 2005 € m	Change in € m	Change in %	31 March 2005 € m	Change in € m	Change in %
Amounts owed to banks	(20)	45,645	44,279	1,366	3.1	41,404	4,241	10.2
Amounts owed to customers	(21)	61,176	61,863	–687	–1.1	59,367	1,810	3.0
Liabilities evidenced by certificates	(22)	26,068	22,703	3,366	14.8	18,912	7,156	37.8
Trading liabilities	(23)	7,314	6,807	507	7.5	8,605	–1,291	–15.0
Provisions	(24)	4,812	4,753	59	1.2	4,041	771	19.1
Other liabilities	(25)	3,710	3,671	40	1.1	3,942	–232	–5.9
Subordinated capital	(26)	5,316	5,400	–84	–1.6	5,379	–63	–1.2
Liabilities directly associated with non-current assets classified as held for sale	(27)	2,006	1,884	122	6.5			
Shareholders' equity		7,799	7,521	278	3.7	7,236	563	7.8
of which: minority interests		683	650	33	5.0	467	216	46.3
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**163,846**	**158,879**	**4,967**	**3.1**	**148,886**	**14,961**	**10.0**

Cash flow statement

€ m	1 Jan. – 31 March 2006	1 Jan. – 31 March 2005
CASH AND CASH EQUIVALENTS AT END OF PREVIOUS PERIOD	**4,453**	**2,724**
Cash flows from operating activities	–928	1,868
Cash flows from investing activities	331	–838
Cash flows from financing activities	–22	125
Effects of exchange rate changes	4	4
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**3,838**	**3,883**

The amount of cash and cash equivalents stated in the cash flow statement includes the cash holdings of non-current assets classified as held for sale.

Statement of changes in shareholders' equity of the Bank Austria Creditanstalt Group

€ m	Subscribed capital	Capital reserves[1]	Retained earnings	Foreign currency translation	Reserves in accordance with IAS 39[2]	Obligations similar to retirement benefits IAS 19	Shareholders' equity excl. minority interests	Minority interests	Shareholders' equity
As at 1 January 2005	**1,069**	**2,749[1]**	**3,197**	**–409**	**36**	**–183**	**6,460**	**440**	**6,899**
First-time application effects			–17		17		–	1	1
As at 1 January 2005 after first-time application effects	**1,069**	**2,749**	**3,180**	**–409**	**53**	**–183**	**6,460**	**441**	**6,900**
Capital increase							–		–
Shares in the controlling company		1					1		1
Business combinations									–
Recognised income and expenses			207	28	75		310	26	336
Dividend paid							–		–
Other changes			–2				–2		–2
As at 31 March 2005	**1,069**	**2,751[1]**	**3,385**	**–381**	**129**	**–183**	**6,769**	**467**	**7,236**

€ m	Subscribed capital	Capital reserves[1]	Retained earnings	Foreign currency translation	Reserves in accordance with IAS 39[2]	Obligations similar to retirement benefits IAS 19	Shareholders' equity excl. minority interests	Minority interests	Shareholders' equity
As at 1 January 2006	**1,069**	**2,751**	**3,954**	**–293**	**125**	**–734**	**6,871**	**650**	**7,521**
Capital increase							–		–
Shares in the controlling company		–1					–1	2	1
Business combinations									–
Recognised income and expenses			308	–34	–25		249	31	280
Dividend paid							–		–
Other changes			–3				–3		–3
As at 31 March 2006	**1,069**	**2,750[1]**	**4,258**	**–327**	**100**	**–734**	**7,116**	**683**	**7,799**

1) Capital reserve in the separate financial statements of Bank Austria Creditanstalt AG: € 2,154 m

2) Reserves in accordance with IAS 39 (incl. first-time application)	1 Jan. 2006	31 March 2006
Cash flow hedge reserve	–111	–132
Available-for-sale reserve	236	232
Total	**125**	**100**

Statement of recognised income and expense

€ m	2006	2005
Gains on assets classified as held for sale (available-for-sale reserve)	2	68
Gains on cash flow hedges (cash flow hedge reserve)	–32	34
Foreign currency translation differences	–39	26
Foreign currency translation relating to assets classified as held for sale	1	2
Actuarial losses on defined-benefit plans	–	–
Taxes on items directly recognised in or derecognised from equity	6	–20
Recognised directly in equity	**–62**	**109**
Net income	**341**	**227**
Total of income and expenses recognised in the reporting year	**280**	**336**
Shareholders' equity excl. minority interests	249	310
Minority interests	31	26

Notes to the Consolidated Financial Statements of Bank Austria Creditanstalt

(1) Significant accounting principles

The interim report of the Bank Austria Creditanstalt Group has been prepared in accordance with International Financial Reporting Standards (IFRSs). The interim report covers the first three months of 2006 (1 January 2006 to 31 March 2006) and compares this period with the same period of the previous year.

(2) Earnings per share

No financial instruments are outstanding which could have a dilutive effect. Therefore basic earnings per share equal diluted earnings per share. For the first three months of 2006, earnings per share – based on 147,031,740 shares – are € 2.09 (comparative figure for the same period of the previous year: € 1.41). The annualised figures are € 8.37 for the reporting period and € 5.63 for the same period of the previous year (figure for the whole of 2005: € 6.56).

(3) Changes in the group of consolidated companies in 2006

On 1 January 2006, the following subsidiaries were included in the group of consolidated companies:

- CA IB Securities S. A., Warsaw
- BPH Towarzystwo Funduszy Inwestycyjnych S. A., Warsaw
- BPH PBK Zarzadzanie Funduszami Sp. z. o. o., Warsaw
- CA IB Polska S. A., Warsaw
- CA IB Corporate Finance Beratungs Ges. m. b. H., Vienna
- CA IB International Markets AG, Vienna
- CA IB International Markets Ltd., London

On 30 December 2005, Bank Austria Creditanstalt AG acquired 83.27 % (19,987 shares) of Nova banjalucka banka A. D., Banja Luka, a bank in Bosnia and Herzegovina, which was included in the group of consolidated companies as from 1 January 2006. The purchase price of € 31.3 m was paid in cash. The acquisition resulted in preliminary goodwill of € 24.5 m in the Bank Austria Creditanstalt Group.

In the first quarter of 2006, Bank Austria Creditanstalt carried out a BAM 16 m capital increase; Bank Austria Creditanstalt's equity interest thereby rose to 90.9 %.

Notes to the Income Statement

(4) Net interest income

€ m	1 Jan.– 31 March 2006	1 Jan.– 31 March 2005
Interest income from loans and advances and money market transactions	1,141	1,029
bonds and other fixed-income securities	163	166
shares and other variable-yield securities	7	1
subsidiaries	2	8
companies accounted for under the equity method	19	18
investments in other companies	6	1
investment property	4	6
Interest expenses for deposits	–484	–462
liabilities evidenced by certificates	–185	–142
subordinated capital	–66	–66
Results from leasing transactions	36	37
NET INTEREST INCOME	**643**	**596**

(5) Losses on loans and advances

€ m	1 Jan.– 31 March 2006	1 Jan.– 31 March 2005
Allocations to	208	198
provisions for loans and advances	*201*	*189*
provisions for contingent liabilities	*7*	*9*
Releases from	–92	–88
provisions for loans and advances	*–72*	*–81*
provisions for contingent liabilities	*–20*	*–6*
Recoveries of loans and advances previously written off	–13	–8
Direct write-offs of loans and advances	7	8
NET CHARGE FOR LOSSES ON LOANS AND ADVANCES	**110**	**110**

(6) Net fee and commission income

€ m	1 Jan.– 31 March 2006	1 Jan.– 31 March 2005
Securities and custodian business	121	82
Foreign trade/payment transactions	234	193
Lending business	35	39
Other services and advisory business	26	16
NET FEE AND COMMISSION INCOME	**416**	**330**

(7) Net trading result

€ m	1 Jan.– 31 March 2006	1 Jan.– 31 March 2005
Equity-related transactions	73	12
Interest-rate and currency-related transactions	79	67
NET TRADING RESULT	**152**	**79**

(8) General administrative expenses

€ m	1 Jan.– 31 March 2006	1 Jan.– 31 March 2005
Staff costs	395	355
Wages and salaries	*284*	*233*
Social-security contributions	*60*	*60*
Expenses for retirement benefits and other benefits	*51*	*61*
Other administrative expenses	235	220
Depreciation and amortisation	63	59
on property and equipment	*32*	*34*
on intangible assets excluding goodwill	*31*	*25*
GENERAL ADMINISTRATIVE EXPENSES	**693**	**634**

(9) Balance of other operating income and expenses

€ m	1 Jan.– 31 March 2006	1 Jan.– 31 March 2005
Other operating income	15	17
Other operating expenses	–18	–32
BALANCE OF OTHER OPERATING INCOME AND EXPENSES	**–3**	**–15**

Notes to the Balance Sheet

(10) Cash and balances with central banks

€ m	31 March 2006	31 Dec. 2005
Cash and balances with central banks	2,818	3,524
Debt instruments issued by public borrowers and bills eligible for discounting at central banks	333	331
CASH AND BALANCES WITH CENTRAL BANKS	**3,151**	**3,855**

(11) Trading assets

€ m	31 March 2006	31 Dec. 2005
Bonds and other fixed-income securities	**9,531**	**9,403**
Money market paper	160	77
Debt securities	9,371	9,325
issued by public borrowers	*1,473*	*1,056*
issued by other borrowers	*7,898*	*8,270*
Shares and other variable-yield securities	**1,159**	**1,034**
Shares	435	371
Investment certificates	722	660
Other	1	3
Positive market values of derivative financial instruments	**7,610**	**7,223**
Other trading assets	**5**	**5**
TRADING ASSETS	**18,305**	**17,665**

(12) Loans and advances to, and placements with, banks – breakdown by product

€ m	31 March 2006	31 Dec. 2005
Loans and advances	7,294	6,560
Money market placements	24,202	19,824
LOANS AND ADVANCES TO, AND PLACEMENTS WITH, BANKS	**31,495**	**26,384**

(13) Loans and advances to customers – breakdown by product

€ m	31 March 2006	31 Dec. 2005
Loans to local authorities	3,445	3,482
Real estate finance	10,035	9,809
Current account credits	17,354	17,067
Loans	43,955	44,173
Money market placements	720	504
Other loans and advances	5,287	5,434
Finance lease receivables	5,978	5,934
LOANS AND ADVANCES TO CUSTOMERS	**86,774**	**86,404**

(14) Loan loss provisions

€ m	for loans and advances to, and placements with, banks		for loans and advances to customers		Total	
	31 March 2006	31 March 2005	31 March 2006	31 March 2005	31 March 2006	31 March 2005
At beginning of reporting period after first-time application effects	**26**	**26**	**3,205**	**3,283**	**3,231**	**3,309**
Allocation	–	–	201	197	201	197
Release	–	–	–72	–81	–72	–81
Use	–5	–2	–149	–157	–154	–159
Exchange differences and other adjustments not reflected in the income statement	–	6	–50	–16	–50	–9
AT END OF REPORTING PERIOD	**21**	**30**	**3,135**	**3,226**	**3,156**	**3,256**

(15) Investments

€ m	31 March 2006	31 Dec. 2005
Held-to-maturity investments – debt securities	**6,393**	**6,847**
Available-for-sale investments	**8,513**	**8,160**
Shares in unconsolidated subsidiaries	693	748
Shares in other companies	180	162
Other fixed-income securities	4,361	3,913
Shares and other variable-yield securities	3,279	3,337
Fair value option – investments	**1,420**	**1,963**
Bonds and other fixed-income securities	1,196	1,738
Shares and other variable-yield securities	224	226
Investments in companies accounted for under the equity method	**1,006**	**987**
of which: goodwill	*99*	*99*
Investment property	**212**	**214**
INVESTMENTS	**17,545**	**18,172**

In the first three months of 2006, the overall positive effect in the Bank Austria Creditanstalt Group's income statement of using the fair value option for investments was € 10 m.

(16) Property and equipment

€ m	31 March 2006	31 Dec. 2005
Land and buildings used for banking operations	688	691
Other land and buildings	55	58
Other property and equipment*)	341	348
PROPERTY AND EQUIPMENT	**1,084**	**1,097**

*) including leased assets

(17) Intangible assets

€ m	31 March 2006	31 Dec. 2005
Goodwill	1,122	1,091
Other intangible assets	251	266
INTANGIBLE ASSETS	**1,373**	**1,358**

(18) Other assets

€ m	31 March 2006	31 Dec. 2005
Tax claims	1,022	1,010
Current taxes	*53*	*53*
Deferred taxes	*970*	*957*
Positive market values of derivative hedging instruments	1,863	2,075
Other assets	817	762
Prepaid expenses	198	110
OTHER ASSETS	**3,901**	**3,956**

(19) Non-current assets classified as held for sale

€ m	31 March 2006	31 Dec. 2005
Cash and balances with central banks	687	598
Trading assets	219	223
Loans and advances to, and placements with, banks	162	171
Loans and advances to customers	2,018	1,913
– Loan loss provisions	–56	–59
Investments	239	267
Property and equipment	31	32
Intangible assets	49	50
Other assets	26	26
TOTAL ASSETS	**3,373**	**3,221**

(20) Amounts owed to banks – breakdown by product

€ m	31 March 2006	31 Dec. 2005
Repayable on demand	5,528	6,069
With agreed maturity dates or periods of notice	40,117	38,210
Money market deposits by banks	*27,444*	*25,333*
Other amounts owed to banks	*12,673*	*12,877*
AMOUNTS OWED TO BANKS	**45,645**	**44,279**

(21) Amounts owed to customers – breakdown by product

€ m	31 March 2006	31 Dec. 2005
Savings deposits	17,949	18,102
Other amounts owed to customers	43,228	43,762
Repayable on demand	*23,241*	*23,173*
With agreed maturity dates or periods of notice	*19,987*	*20,589*
AMOUNTS OWED TO CUSTOMERS	**61,176**	**61,863**

(22) Liabilities evidenced by certificates – breakdown by product

€ m	31 March 2006	31 Dec. 2005
Debt securities issued	**23,833**	**21,203**
Mortgage bonds and local-authority bonds	2,393	2,690
Other debt securities issued	21,440	18,514
of which: at fair value through profit or loss	*1,358*	*1,129*
Other liabilities evidenced by certificates	**2,235**	**1,499**
LIABILITIES EVIDENCED BY CERTIFICATES	**26,068**	**22,703**

Debt securities issued are liabilities evidenced by listed certificates. Other liabilities evidenced by certificates are securities issues of the Bank Austria Creditanstalt Group which are not listed, and certificates of deposit amounting to € 2,235 m. Given the complex structure of embedded derivatives, the Group used the fair value option. A positive revaluation result totalling € 16 m was recognised in the income statement resulting from other debt securities issued with a total volume of € 1,358 m. In the first quarter of 2006, changes in fair values resulting from changes in our own credit rating were – € 5 m.

(23) Trading liabilities

€ m	31 March 2006	31 Dec. 2005
Negative fair values of derivative financial instruments	7,005	6,470
Other trading liabilities	309	337
TRADING LIABILITIES	**7,314**	**6,807**

(24) Provisions

€ m	31 March 2006	31 Dec. 2005
Provisions for retirement benefits and similar obligations	3,639	3,654
Provisions for taxes	633	603
Current taxes	*61*	*62*
Deferred taxes	*571*	*541*
Provisions for restructuring costs	112	112
Provisions for contingent liabilities	185	153
Other provisions for impending losses	243	230
PROVISIONS	**4,812**	**4,753**

(25) Other liabilities

€ m	31 March 2006	31 Dec. 2005
Negative market values of derivative hedging instruments	1,914	1,990
Other amounts payable	1,617	1,537
Deferred income	180	144
OTHER LIABILITIES	**3,710**	**3,671**

(26) Subordinated capital

€ m	31 March 2006	31 Dec. 2005
Subordinated liabilities	3,846	3,893
Supplementary capital	1,073	1,103
Subordinated capital eligible as Tier 1 capital	397	404
SUBORDINATED CAPITAL	**5,316**	**5,400**

(27) Liabilities directly associated with non-current assets classified as held for sale

€ m	31 March 2006	31 Dec. 2005
Amounts owed to banks	571	454
Amounts owed to customers	1,351	1,360
Liabilities evidenced by certificates	–	–
Trading liabilities	–	–
Provisions	27	26
Other liabilities	57	43
Subordinated capital	–	–
Shareholders' equity	–	–
of which: minority interests	–	–
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**2,006**	**1,884**

Excluding Group-internal funding of € 1,057 m.

Additional IAS Disclosures

(28) Employees

Full-time equivalents	31 March 2006	31 March 2005
Bank Austria Creditanstalt Group	**32,825**	**29,374**
Bank Austria Creditanstalt AG and its Austrian subsidiaries that support its core banking business 1)	9,869	10,499
CEE and other subsidiaries 2)	22,956	18,876
of which: Poland	*10,259*	*9,964*

1) Including a non-consolidated subsidiary (as at 31 March 2006).

2) Including the consolidated companies Asset Management GmbH, BA Cayman Islands Ltd., Bank Austria Creditanstalt Leasing Group, Bank Austria Creditanstalt Real Invest GmbH, Capital Invest die KAG der BA-CA Gruppe GmbH, Schoellerbank AG, VISA-SERVICE Kreditkarten AG, CA IB Securities Warsaw, CA IB Corporate Finance Beratungs Ges. mbH, CA IB International Markets AG, Banking Transaction Services s. r. o.

(29) Events after the date of the interim financial statements

In April 2006, representatives of the Polish government and representatives of UniCredit reached agreement on the future structure of UniCredit Group in Poland. Also in April 2006, the Polish central bank issued a notice lifting the suspension of Bank Austria Creditanstalt AG's voting rights in Bank BPH S.A., Kraków, which had been effective since 17 November 2005. The voting rights had been suspended because the required approval of the Polish central bank for UniCredit's indirect acquisition of voting rights in Bank BPH S.A., Kraków, was not yet available. As part of the changes in the structure of UniCredit Group it is intended to transfer all of the shares held by Bank Austria Creditanstalt AG in Bank BPH S.A., Kraków, to the UniCredit holding company, which will then take further restructuring measures in Poland.

An agreement on the sale of HVB Splitska banka d.d., Split, was also signed in April 2006. In the interim financial statements of the Bank Austria Creditanstalt Group as at 31 March 2006, HVB Splitska banka d.d., Split, has been included in the balance sheet items "Non-current assets classified as held for sale" and "Liabilities directly associated with non-current assets classified as held for sale". The results of HVB Splitska banka d.d., Split, are included in the individual items of the income statement. HVB Splitska banka d.d., Split, will be deconsolidated as from the closing of the transaction, which will probably take place in the middle of 2006.

In its meeting on 4 May 2006, the Supervisory Board passed a resolution regarding the appointment of two additional members to the Managing Board of Bank Austria Creditanstalt AG. Within the Managing Board, Andrea MONETA assumes responsibility for the Central and Eastern Europe business segment. Werner KRETSCHMER is responsible for Private Banking and Asset Management operations in the Austrian business. Regina PREHOFER, who hands over responsibility for the Central and Eastern Europe business segment to Mr Moneta, is in charge of corporate banking and will additionally assume responsibility for UniCredit Group's entire leasing business.

Subject to the required board approvals and after various questions have been clarified, Bank Austria Creditanstalt and other companies in the Austrian financial services industry will together provide € 450 m to strengthen BAWAG P.S.K. Negotiations are currently being held on the distribution of the total amount among the individual market participants and on details of the procedure.

(30) Segment reporting

Q1 2006 / Q4 2005 / Q3 2005 / Q2 2005 / Q1 2005

€ m		Private Customers Austria	SMEs Austria	Large Corporates and Real Estate	Central and Eastern Europe (CEE)	International Markets	Corporate Center	BA-CA Group
Net interest income	Q1/2006	165	91	110	290	1	–15	643
	Q4/2005	160	92	147	277	18	–7	686
	Q3/2005	172	92	108	251	9	12	643
	Q2/2005	170	97	114	236	32	36	686
	Q1/2005	167	88	114	212	30	–17	596
Losses on loans and advances	Q1/2006	–25	–43	–3	–40	–	–	–110
	Q4/2005	–164	17	–12	–20	1	–	–179
	Q3/2005	–23	–47	–8	–33	–	2	–108
	Q2/2005	–24	–54	–1	–28	9	–	–98
	Q1/2005	–24	–37	–14	–36	–	–	–110
Net fee and commission income	Q1/2006	146	64	44	160	9	–7	416
	Q4/2005	144	64	32	149	22	–1	410
	Q3/2005	146	57	40	136	6	–4	381
	Q2/2005	118	61	33	118	7	–	336
	Q1/2005	128	55	27	116	6	–1	330
Net trading result	Q1/2006	–	–	1	13	110	28	152
	Q4/2005	2	1	–1	18	25	7	51
	Q3/2005	–	–	–	2	58	7	68
	Q2/2005	1	–	–	10	33	–4	39
	Q1/2005	1	–	–	17	61	–	79
General administrative expenses	Q1/2006	–236	–88	–71	–238	–55	–6	–693
	Q4/2005	–210	–121	–88	–235	–40	–11	–705
	Q3/2005	–224	–94	–70	–205	–35	–18	–646
	Q2/2005	–228	–96	–67	–192	–37	–17	–637
	Q1/2005	–225	–91	–67	–192	–47	–11	–634
Balance of other operating income and expenses	Q1/2006	–2	–1	–	–5	2	3	–3
	Q4/2005	1	6	7	–10	–3	–28	–27
	Q3/2005	–	1	4	–6	–10	3	–7
	Q2/2005	–	–	4	1	–5	–	1
	Q1/2005	–	–	–3	–3	–14	5	–15
Operating profit	**Q1/2006**	**49**	**23**	**81**	**181**	**68**	**4**	**405**
	Q4/2005	**–68**	**58**	**84**	**180**	**23**	**–40**	**237**
	Q3/2005	**72**	**11**	**74**	**145**	**28**	**2**	**332**
	Q2/2005	**37**	**7**	**84**	**145**	**40**	**15**	**328**
	Q1/2005	**47**	**15**	**57**	**114**	**37**	**–25**	**245**
Net income from investments	Q1/2006	1	1	3	–4	10	6	17
	Q4/2005	3	–	23	6	–	–19	13
	Q3/2005	9	–	102	126	11	–19	229
	Q2/2005	1	–	–4	–4	2	10	5
	Q1/2005	1	–	17	–	7	10	35
Amortisation of goodwill	Q1/2006	–	–	–	–	–	–	–
	Q4/2005	–4	–	–	–	–	–	–4
	Q3/2005	–	–	–	–	–	–	–
	Q2/2005	–	–	–	–	–	–	–
	Q1/2005	–	–	–	–	–	–	–
Allocation to provisions for restructuring costs	Q1/2006	–	–	–	–	–	–	–
	Q4/2005	–2	–30	–	–7	–	–9	–48
	Q3/2005	–	–60	–	–	–	–	–60
	Q2/2005	–	–	–	–	–	–	–
	Q1/2005	–	–	–	–	–	–	–

€ m		Private Customers Austria	SMEs Austria	Large Corporates and Real Estate	Central and Eastern Europe (CEE)	International Markets	Corporate Center	BA-CA Group
Balance of other income and expenses	Q1/2006	–	–	–	–	–	–	–1
	Q4/2005	–2	–	–6	–	–	–	–8
	Q3/2005	–	–	–1	–	–	–	–1
	Q2/2005	–	–	–1	–	–	–	–2
	Q1/2005	–	–	–	–	–	–	–
Net income before taxes	**Q1/2006**	**50**	**24**	**84**	**176**	**77**	**10**	**421**
	Q4/2005	**–72**	**28**	**101**	**178**	**23**	**–68**	**190**
	Q3/2005	**81**	**–49**	**176**	**271**	**39**	**–17**	**500**
	Q2/2005	**37**	**7**	**78**	**141**	**42**	**24**	**331**
	Q1/2005	**49**	**15**	**74**	**114**	**43**	**–15**	**280**
Taxes on income	Q1/2006	–11	–6	–18	–37	–17	9	–80
	Q4/2005	16	–7	–22	–32	5	21	–18
	Q3/2005	–19	12	–60	–31	–8	14	–92
	Q2/2005	–8	–2	–17	–29	–9	3	–63
	Q1/2005	–11	–4	–16	–24	–9	10	–53
Net income	**Q1/2006**	**39**	**18**	**65**	**139**	**61**	**19**	**341**
	Q4/2005	**–56**	**21**	**80**	**146**	**28**	**–47**	**172**
	Q3/2005	**62**	**–37**	**116**	**240**	**30**	**–3**	**409**
	Q2/2005	**29**	**5**	**61**	**112**	**33**	**27**	**268**
	Q1/2005	**38**	**11**	**58**	**90**	**34**	**–5**	**227**
Risk-weighted assets (average, Austrian Banking Act)	Q1/2006	13,623	13,739	20,136	25,633	2,243	1,765	77,140
	Q4/2005	13,864	15,057	19,058	24,250	2,340	2,779	77,347
	Q3/2005	13,683	14,274	20,234	21,519	2,846	3,384	75,940
	Q2/2005	13,033	13,951	20,443	20,177	3,664	3,461	74,730
	Q1/2005	12,566	12,668	21,796	19,453	3,477	3,512	73,472
Equity allocated (average)	Q1/2006	954	962	1,410	2,515	157	1,551	7,548
	Q4/2005	970	1,054	1,334	2,379	164	1,660	7,561
	Q3/2005	958	999	1,416	2,127	199	1,764	7,465
	Q2/2005	912	977	1,431	1,997	257	1,582	7,156
	Q1/2005	880	887	1,526	1,923	243	1,518	6,976
Return on equity before taxes in %	*Q1/2006*	*20.9*	*10.0*	*23.7*	*28.0*	*197.4*	*n.m.*)*	*22.3*
	Q4/2005	*–29.8*	*10.7*	*30.4*	*29.9*	*56.4*	*n.m.*)*	*10.1*
	Q3/2005	*33.7*	*–19.8*	*49.7*	*51.0*	*77.4*	*n.m.*)*	*26.8*
	Q2/2005	*16.4*	*3.0*	*21.9*	*28.3*	*65.3*	*n.m.*)*	*18.5*
	Q1/2005	*22.1*	*6.8*	*19.4*	*23.7*	*71.1*	*n.m.*)*	*16.1*
Return on equity after taxes before deduction of minority interests in %	*Q1/2006*	*16.4*	*7.5*	*18.5*	*22.2*	*154.7*	*n.m.*)*	*18.1*
	Q4/2005	*–23.1*	*8.0*	*23.9*	*24.6*	*69.1*	*n.m.*)*	*9.1*
	Q3/2005	*25.7*	*–14.9*	*32.7*	*45.2*	*60.9*	*n.m.*)*	*21.9*
	Q2/2005	*12.9*	*2.2*	*17.2*	*22.4*	*51.3*	*n.m.*)*	*15.0*
	Q1/2005	*17.3*	*5.1*	*15.2*	*18.7*	*56.6*	*n.m.*)*	*13.0*
Cost/income ratio in %	*Q1/2006*	*76.2*	*57.1*	*45.8*	*51.9*	*44.6*	*n.m.*)*	*57.3*
	Q4/2005	*68.7*	*74.7*	*47.5*	*54.0*	*64.2*	*n.m.*)*	*62.9*
	Q3/2005	*70.3*	*62.2*	*46.0*	*53.5*	*55.4*	*n.m.*)*	*59.5*
	Q2/2005	*79.0*	*60.9*	*44.1*	*52.5*	*54.5*	*n.m.*)*	*59.9*
	Q1/2005	*76.1*	*63.9*	*48.5*	*56.2*	*56.0*	*n.m.*)*	*64.1*
Risk/earnings ratio in %	*Q1/2006*	*15.2*	*46.7*	*2.6*	*13.7*	*–*	*n.m.*)*	*17.1*
	Q4/2005	*102.7*	*18.6*	*8.4*	*7.1*	*4.9*	*n.m.*)*	*26.0*
	Q3/2005	*13.1*	*50.5*	*7.1*	*13.2*	*2.0*	*n.m.*)*	*16.7*
	Q2/2005	*13.9*	*56.0*	*1.0*	*12.0*	*28.7*	*n.m.*)*	*14.3*
	Q1/2005	*14.1*	*41.6*	*12.4*	*16.8*	*–*	*n.m.*)*	*18.5*

*) not meaningful

Capital allocation is based on Austrian supervisory guidelines. Capital allocated to the Austrian business segments amounts to 7 % of the risk positions (credit and market risk equivalents). In line with international capital market practices, capital allocated to foreign units in the CEE business segment amounts to 10 % of the respective risk equivalents. The difference to the equity capital actually available is transferred to the Corporate Center segment. The interest rate applied to allocated equity capital on a uniform Group-wide basis is 5 %.

Information pursuant to the Austrian Banking Act

(31) Consolidated capital resources and regulatory capital requirements

Capital resources and capital requirements of the Bank Austria Creditanstalt group of credit institutions

€ m	31 March 2006	31 Dec. 2005
Core capital (Tier 1)	**6,219**	**6,236**
Paid-in capital	*1,069*	*1,069*
Capital reserve	*2,154*	*2,154*
Revenue reserve	*785*	*786*
Reserve pursuant to Section 23 (6) of the Austrian Banking Act	*2,072*	*2,072*
Untaxed reserves	*87*	*87*
Differences on consolidation pursuant to Section 24 (2) of the Austrian Banking Act	*412*	*455*
Fund for general banking risks	*61*	*61*
Less intangible assets	*– 421*	*– 448*
Supplementary elements (Tier 2)	**3,512**	**3,646**
Undisclosed reserves	*–*	*–*
Supplementary capital	*1,054*	*1,093*
Participation capital	*–*	*–*
Revaluation reserve	*96*	*139*
Subordinated capital	*2,362*	*2,414*
Deductions	**– 735**	**– 730**
Net capital resources (Tier 1 plus Tier 2 minus deductions)	**8,996**	**9,152**
Requirement for the banking book	**6,088**	**6,021**
Assessment basis (banking book – risk-weighted amounts)	**76,102**	**75,263**
Tier 1 capital ratio	8.17 %	8.29 %
Total capital ratio	11.82 %	12.16 %
Available Tier 3	**351**	**286**
Requirement for the trading book and for open foreign exchange positions	242	252
Requirement covered by Tier 3	**242**	**252**

Capital requirements of the Bank Austria Creditanstalt group of credit institutions pursuant to the Austrian Banking Act as at 31 March 2006

€ m Risk weightings	Assets and off-balance sheet positions	Weighted amounts	Capital requirement
0 %	35,946	0	–
10 %	1,170	117	9
20 %	7,888	1,578	126
50 %	16,569	8,285	663
100 %	57,188	57,188	4,575
Investment certificates	1,330	455	37
ASSETS	**120,091**	**67,623**	**5,410**
Off-balance sheet positions	42,848	8,425	674
Special off-balance sheet positions	12,114	54	4
BANKING BOOK	**175,053**	**76,102**	**6,088**

Other Information

(32) Contingent liabilities and commitments

€ m	31 March 2006	31 Dec. 2005
Guarantees	12,300	12,540
Acceptances and endorsements	14	21
CONTINGENT LIABILITIES	**12,314**	**12,562**
Liabilities arising from sales with an option to repurchase	21	449
Other commitments	10,506	10,738
COMMITMENTS	**10,527**	**11,187**

End of notes to the consolidated financial statements.

Income Statement of our Consolidated Banking Subsidiaries in CEE

in € m

	Poland		Hungary		Czech Rep.[1]		Slovakia	
	Q1 2006	Q1 2005	Q1 2006	Q1 2005	Q1 2006	Q1 2005	Q1 2006	Q1 2005
Net interest income	133.2	116.9	30.8	24.2	34.3	21.7	8.0	7.6
Losses on loans and advances	–18.2	–19.8	–3.3	–3.0	–4.2	–2.9	–1.1	–1.1
Net fee and commission income	81.8	57.0	14.9	14.9	19.5	16.6	3.6	2.9
Net trading result	2.3	10.9	3.2	6.4	2.8	2.5	1.7	3.5
General administrative expenses	–105.4	–99.9	–23.1	–22.4	–20.9	–21.0	–6.6	–5.4
Balance of other operating income and expenses	–1.4	1.0	–	–0.1	–1.0	–0.7	–	–
Operating profit	**92.3**	**66.0**	**22.6**	**20.0**	**30.5**	**16.1**	**5.7**	**7.5**
Net income from investments	2.2	–1.1	–	–	–5.2	0.1	1.2	0.1
Amortisation of goodwill	–	–1.3	–	–	–	–	–	–
Balance of other income and expenses	–0.3	–0.3	–	–	–	–	–	–
Provisions for restructuring costs	–	–	–	–	–	–	–	–
Net income before taxes	**94.2**	**63.4**	**22.6**	**20.0**	**25.3**	**16.2**	**6.9**	**7.6**
Average risk-weighted assets	8,951	6,966	3,021	2,748	4,125	3,353	848	943
Average shareholders' equity	1,712	1,489	474	416	554	450	214	196
Cost/income ratio (in %)	**48.8**	**53.8**	**47.1**	**49.3**	**37.6**	**52.6**	**49.1**	**38.4**
Return on equity before taxes (in %)[5]	**22.3**	**17.3**	**19.4**	**19.6**	**18.5**	**14.6**	**13.1**	**15.8**
Exchange rate (units of local currency per euro)	**3.857**	**4.038**	**256.138**	**245.153**	**28.581**	**30.076**	**37.497**	**38.365**
Appreciation/depreciation against the euro	**+5%**		**–4%**		**+5%**		**+2%**	

in local currency

	Poland (PLN m)		Hungary (HUF m)		Czech Rep.[1] (CZK m)		Slovakia (SKK m)	
	Q1 2006	Q1 2005	Q1 2006	Q1 2005	Q1 2006	Q1 2005	Q1 2006	Q1 2005
Net interest income	514	472	7,901	5,942	979	653	300	292
Losses on loans and advances	–70	–80	–845	–737	–121	–88	–41	–43
Net fee and commission income	316	230	3,826	3,641	558	500	137	113
Net trading result	9	44	826	1,570	80	74	64	133
General administrative expenses	–407	–404	–5,911	–5,493	–596	–633	–246	–207
Balance of other operating income and expenses	–6	4	–1	–16	–29	–22	–	–
Operating profit	**356**	**267**	**5,796**	**4,907**	**871**	**483**	**214**	**289**
Net income from investments	8	–4	–	–	–149	4	45	4
Amortisation of goodwill	–	–5	–	–	–	–	–	–
Balance of other income and expenses	–1	–1	–	–	–	–	–	–
Provisions for restructuring costs	–	–	–	–	–	–	–	–
Net income before taxes	**363**	**256**	**5,796**	**4,907**	**722**	**487**	**260**	**292**
Average risk-weighted assets	34,523	28,128	773,890	673,616	117,893	100,846	31,800	36,189
Average shareholders' equity	6,602	6,014	121,286	101,962	15,835	13,545	8,012	7,524

1) Q1 2006 incl. Hypo stavebni sporitelna / 2) Q1 2006 incl. Banca Tiriac / 3) Q1 2006 incl. Hebros Bank /
4) HVB Bank Serbia and Montenegro (incl. Eksimbanka) consolidated as from Q4 2005 / 5) Based on actual average equity

Slovenia		Croatia		Romania[2)]		Bulgaria[3)]		Bosnia		Serbia[4)]	CEE total	
Q1 2006	Q1 2005	Q1 2006	Q1 2005	Q1 2006	Q1 2005	Q1 2006	Q1 2005	Q1 2006	Q1 2005	Q1 2006	Q1 2006	Q1 2005
7.8	6.5	22.5	20.6	23.0	10.5	17.4	10.3	7.5	3.9	6.4	291.0	222.2
−1.0	−0.7	2.4	−2.5	−5.3	−1.7	−3.4	−2.0	−1.8	−0.8	−2.3	−38.2	−34.6
3.7	2.6	7.9	6.3	11.1	5.4	6.8	5.0	4.0	2.1	2.7	156.3	112.8
−0.5	−0.2	1.5	1.7	1.9	2.3	3.4	1.0	–	0.1	1.6	18.0	28.1
−6.3	−5.0	−16.7	−14.9	−15.6	−4.7	−14.8	−9.4	−8.2	−4.6	−6.0	−223.5	−187.3
–	0.1	−0.8	−0.8	−0.4	−0.4	0.2	−0.4	0.8	–	−0.1	−2.8	−1.3
3.7	**3.3**	**16.9**	**10.3**	**14.8**	**11.5**	**9.7**	**4.5**	**2.4**	**0.8**	**2.3**	**200.8**	**140.0**
0.2	0.1	–	–	−0.2	0.5	5.3	0.8	–	–	–	3.4	0.5
–	–	–	–	–	–	–	–	–	–	–	–	−1.3
–	–	–	–	–	–	–	–	–	–	–	−0.3	−0.3
–	–	–	–	−0.4	–	–	–	–	–	–	−0.4	–
3.9	**3.4**	**16.9**	**10.3**	**14.2**	**11.9**	**15.0**	**5.3**	**2.4**	**0.8**	**2.3**	**203.6**	**138.9**
1,014	807	2,094	1,769	1,939	809	1,076	639	564	250	680	24,312	18,283
140	105	269	218	242	63	119	89	65	36	51	3,840	3,062
57.5	**55.6**	**53.7**	**53.9**	**43.7**	**26.0**	**53.0**	**58.9**	**66.5**	**74.8**	**56.6**	**48.3**	**51.8**
11.2	**13.1**	**25.4**	**19.2**	**23.8**	**77.2**	**51.1**	**24.4**	**14.7**	**8.8**	**18.2**	**21.5**	**18.4**
239.505	**239.740**	**7.342**	**7.474**	**3.574**	**3.753**	**1.956**	**1.956**	**1.956**	**1.956**	**87.045**		
0 %		**+2 %**		**+5 %**		**0 %**		**0 %**				

Slovenia (SIT m)		Croatia (HRK m)		Romania[2)] (RON m)		Bulgaria[3)] (BGN m)		Bosnia (BAM m)		Serbia[4)] (CSD m)
Q1 2006	Q1 2005	Q1 2006	Q1 2005	Q1 2006	Q1 2005	Q1 2006	Q1 2005	Q1 2006	Q1 2005	Q1 2006
1,874	1,547	165	154	82	40	34	20	15	8	555
−237	−163	18	−19	−19	−7	−7	−4	−3	−2	−198
896	630	58	47	40	20	13	10	8	4	233
−129	−51	11	13	7	9	7	2	–	–	138
−1,515	−1,196	−123	−112	−56	−17	−29	−18	−16	−9	−520
−6	25	−6	−6	−1	−1	–	−1	1	–	−9
884	**792**	**124**	**77**	**53**	**43**	**19**	**9**	**5**	**2**	**200**
42	20	–	–	−1	2	10	2	–	–	1
–	–	–	–	–	–	–	–	–	–	–
−1	–	–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–
925	**812**	**124**	**77**	**51**	**45**	**29**	**10**	**5**	**2**	**200**
242,830	193,404	15,374	13,221	6,932	3,035	2,104	1,249	1,104	489	59,172
33,558	25,223	1,977	1,629	865	236	232	174	128	70	4,465

Financial information relating to subsidiaries corresponds to the financial statements prepared in accordance with IFRSs as used for the consolidated financial statements of the Bank Austria Creditanstalt Group. Rounding differences may occur.

Balance Sheets of our Consolidated Banking Subsidiaries in CEE

in € m

	Poland			Hungary			Czech Rep. 1)			Slovakia			Slovenia		
	31 March 2006	+/–	31 Dec. 2005	31 March 2006	+/–	31 Dec. 2005	31 March 2006	+/–	31 Dec. 2005	31 March 2006	+/–	31 Dec. 2005	31 March 2006	+/–	31 Dec. 2005
Loans to non-banks	8,641	–1 %	8,725	2,641	–4 %	2,744	3,520	8 %	3,264	1,110	11 %	1,004	1,066	2 %	1,049
Loans and advances to, and placements with, banks	4,311	41 %	3,049	626	17 %	533	1,110	–9 %	1,222	134	–21 %	171	353	7 %	331
Loan loss provisions	–389	–16 %	–464	–37	–10 %	–41	–46	18 %	–39	–19	7 %	–17	–16	6 %	–15
Investments	1,674	–14 %	1,949	426	–6 %	454	1,759	81 %	972	213	–10 %	238	127	25 %	102
Other assets	1,672	–4 %	1,736	538	34 %	402	281	–4 %	292	562	–9 %	615	413	–1 %	416
Total assets	**15,908**	**6 %**	**14,995**	**4,193**	**3 %**	**4,091**	**6,625**	**16 %**	**5,711**	**2,001**	**0 %**	**2,010**	**1,945**	**3 %**	**1,884**
Deposits from non-banks	9,622	0 %	9,664	2,276	3 %	2,211	4,338	31 %	3,312	821	5 %	781	565	–10 %	628
Deposits from banks	1,554	8 %	1,445	1,008	3 %	977	807	–18 %	987	853	–10 %	946	1,217	10 %	1,103
Liabilities evidenced by certificates	2,095	46 %	1,438	217	–4 %	227	644	–2 %	655	54	2 %	53	–		–
Other liabilities	948	19 %	800	232	11 %	209	280	19 %	236	58	175 %	21	22	49 %	15
Shareholders' equity	1,690	3 %	1,648	460	–2 %	467	556	6 %	522	214	2 %	209	141	2 %	138
Total liabilities and shareholders' equity	**15,908**	**6 %**	**14,995**	**4,193**	**3 %**	**4,091**	**6,625**	**16 %**	**5,711**	**2,001**	**0 %**	**2,010**	**1,945**	**3 %**	**1,884**
Loan/deposit ratio (customers)	90 %		90 %	116 %		124 %	81 %		99 %	135 %		129 %	189 %		167 %
Loan/deposit ratio (total)	116 %		106 %	99 %		103 %	90 %		104 %	74 %		68 %	80 %		80 %
Employees (full-time equivalent)	10,259	1 %	10,181	1,354	–1 %	1,366	1,188	8 %	1,101	434	–2 %	443	392	0 %	391
Offices	509	1 %	503	58	7 %	54	35	46 %	24	27	0 %	27	13	0 %	13
Exchange rate (units of local currency per euro)	3.943		3.860	265.740		252.870	28.595		29.000	37.630		37.880	239.560		239.500
Appreciation/depreciation against the euro	–2 %			–5 %			+1 %			+1 %			0 %		

in local currency

	Poland (PLN m)			Hungary (HUF m)			Czech Rep. 1) (CZK m)			Slovakia (SKK m)			Slovenia (SIT m)		
	31 March 2006	+/–	31 Dec. 2005	31 March 2006	+/–	31 Dec. 2005	31 March 2006	+/–	31 Dec. 2005	31 March 2006	+/–	31 Dec. 2005	31 March 2006	+/–	31 Dec. 2005
Loans to non-banks	34,067	1 %	33,680	701,729	1 %	693,798	100,663	6 %	94,646	41,751	10 %	38,023	255,478	2 %	251,236
Loans and advances to, and placements with, banks	16,995	44 %	11,770	166,275	23 %	134,666	31,747	–10 %	35,440	5,051	–22 %	6,464	84,643	7 %	79,312
Loan loss provisions	–1,533	–14 %	–1,792	–9,888	–6 %	–10,493	–1,311	16 %	–1,128	–699	6 %	–660	–3,767	6 %	–3,554
Investments	6,598	–12 %	7,522	113,137	–2 %	114,909	50,311	79 %	28,180	8,023	–11 %	9,016	30,500	25 %	24,394
Other assets	6,591	–2 %	6,700	143,018	41 %	101,550	8,030	–5 %	8,475	21,159	–9 %	23,292	99,032	–1 %	99,715
Total assets	**62,719**	**8 %**	**57,880**	**1,114,272**	**8 %**	**1,034,430**	**189,439**	**14 %**	**165,614**	**75,285**	**–1 %**	**76,134**	**465,886**	**3 %**	**451,103**
Deposits from non-banks	37,933	2 %	37,305	604,736	8 %	559,087	124,039	29 %	96,034	30,909	4 %	29,585	135,368	–10 %	150,294
Deposits from banks	6,126	10 %	5,579	267,736	8 %	246,930	23,068	–19 %	28,617	32,115	–10 %	35,820	291,635	10 %	264,183
Liabilities evidenced by certificates	8,258	49 %	5,549	57,748	1 %	57,433	18,423	–3 %	18,987	2,042	1 %	2,023	–		–
Other liabilities	3,739	21 %	3,087	61,772	17 %	52,770	8,021	17 %	6,831	2,170	174 %	793	5,195	49 %	3,492
Shareholders' equity	6,663	5 %	6,361	122,280	3 %	118,210	15,888	5 %	15,145	8,049	2 %	7,913	33,689	2 %	33,135
Total liabilities and shareholders' equity	**62,719**	**8 %**	**57,880**	**1,114,272**	**8 %**	**1,034,430**	**189,439**	**14 %**	**165,614**	**75,285**	**–1 %**	**76,134**	**465,886**	**3 %**	**451,103**

1) Incl. Hypo stavebni sporitelna from 2006
2) Incl. Nova banjalucka banka as from 1 January 2006

Croatia			Romania			Bulgaria			Bosnia and Herzegovina 2)			Serbia			CEE total		
31 March 2006	+/–	31 Dec. 2005	31 March 2006	+/–	31 Dec. 2005	31 March 2006	+/–	31 Dec. 2005	31 March 2006	+/–	31 Dec. 2005	31 March 2006	+/–	31 Dec. 2005	31 March 2006	+/–	31 Dec. 2005
2,018	5 %	1,913	1,445	5 %	1,376	1,002	−7 %	1,074	406	28 %	317	351	16 %	304	22,201	2 %	21,769
162	−6 %	173	329	262 %	91	191	−13 %	221	315	47 %	214	135	142 %	56	7,666	27 %	6,059
−56	−5 %	−59	−26	25 %	−21	−42	−7 %	−45	−12	172 %	−4	−16	14 %	−14	−659	−9 %	−721
239	−11 %	267	77	−85 %	510	151	0 %	150	1	576 %	–	9	50 %	6	4,675	1 %	4,648
980	9 %	899	624	−1 %	633	248	−12 %	281	54	69 %	32	203	13 %	179	5,576	2 %	5,484
3,343	**5 %**	**3,193**	**2,449**	**−5 %**	**2,588**	**1,550**	**−8 %**	**1,680**	**765**	**37 %**	**559**	**681**	**29 %**	**529**	**39,459**	**6 %**	**37,239**
1,351	−1 %	1,360	1,105	−13 %	1,278	910	−3 %	942	490	46 %	335	215	−4 %	224	21,693	5 %	20,735
1,627	9 %	1,490	1,014	2 %	998	403	−22 %	516	183	17 %	157	399	67 %	239	9,066	2 %	8,861
–		–	–		–	–		–	–		–	–		–	3,010	27 %	2,373
92	10 %	84	81	−5 %	85	83	−33 %	124	21	41 %	15	16	23 %	13	1,833	15 %	1,601
273	6 %	258	249	10 %	227	154	58 %	98	70	37 %	51	52	−3 %	53	3,858	5 %	3,669
3,343	**5 %**	**3,193**	**2,449**	**−5 %**	**2,588**	**1,550**	**−8 %**	**1,680**	**765**	**37 %**	**559**	**681**	**29 %**	**529**	**39,459**	**6 %**	**37,239**
149 %		141 %	131 %		108 %	110 %		114 %	83 %		94 %	164 %		135 %	102 %		105 %
73 %		73 %	84 %		64 %	91 %		89 %	107 %		108 %	79 %		78 %	97 %		94 %
1,234	1 %	1,225	1,572	0 %	1,577	2,378	−1 %	2,401	1,035	130 %	450	535	2 %	527	20,381	4 %	19,663
114	2 %	112	80	0 %	80	211	−3 %	217	97	162 %	37	42	0 %	42	1,186	7 %	1,109
7.342		7.372	3.520		3.680	1.956		1.956	1.956		1.956	87.220		85.870			
0 %			+5 %			0 %			0 %			−2 %					

Croatia (HRK m)			Romania (RON m)			Bulgaria (BGN m)			Bosnia and Herzegovina 2) (BAM m)			Serbia (CSD m)			
31 March 2006	+/–	31 Dec. 2005	31 March 2006	+/–	31 Dec. 2005	31 March 2006	+/–	31 Dec. 2005	31 March 2006	+/–	31 Dec. 2005	31 March 2006	+/–	31 Dec. 2005	
14,817	5 %	14,103	5,087	0 %	5,065	1,960	−7 %	2,100	794	28 %	620	30,653	18 %	26,062	
1,191	−6 %	1,272	1,157	247 %	334	374	−13 %	432	617	47 %	419	11,737	146 %	4,770	
−410	−6 %	−435	−93	19 %	−78	−83	−7 %	−89	−23	172 %	−8	−1,424	16 %	−1,226	
1,751	−11 %	1,970	273	−85 %	1,875	295	0 %	294	1	576 %	–	762	53 %	499	
7,192	9 %	6,624	2,198	−6 %	2,328	486	−12 %	549	106	69 %	63	17,676	15 %	15,350	
24,541	**4 %**	**23,534**	**8,621**	**−9 %**	**9,524**	**3,031**	**−8 %**	**3,286**	**1,496**	**37 %**	**1,094**	**59,405**	**31%**	**45,456**	
9,919	−1 %	10,028	3,891	−17 %	4,702	1,780	−3 %	1,843	958	46 %	656	18,726	−3 %	19,259	
11,948	9 %	10,987	3,570	−3 %	3,675	788	−22 %	1,009	359	17 %	308	34,775	70%	20,493	
–		–	–		–	–		–	–		–	–		–	
672	9 %	616	284	−9 %	313	162	−33 %	243	41	41 %	30	1,393	25 %	1,118	
2,003	5 %	1,902	876	5 %	834	301	58 %	191	137	37 %	100	4,511	−2 %	4,586	
24,541	**4 %**	**23,534**	**8,621**	**−9 %**	**9,524**	**3,031**	**−8 %**	**3,286**	**1,496**	**37 %**	**1,094**	**59,405**	**31%**	**45,456**	

Financial information relating to subsidiaries corresponds to the financial statements prepared in accordance with IFRSs as used for the consolidated financial statements of the Bank Austria Creditanstalt Group. Rounding differences may occur.

Investor Relations, Ratings, Financial Calendar

Bank Austria Creditanstalt

Schottengasse 6 – 8, A-1010 Vienna, Austria	
Telephone from abroad: + 43 5 05 05-588 53	Telephone within Austria: 05 05 05-588 53
Fax from abroad: + 43 5 05 05-588 08	Fax within Austria: 05 05 05-588 08
e-mail: IR@ba-ca.com	Internet: http://ir.ba-ca.com
Gerhard Smoley Tel.: (+ 43) (0)5 05 05-588 03	e-mail: Gerhard.Smoley@ba-ca.com
Michael Bauer Tel.: (+ 43) (0)5 05 05-588 09	e-mail: Michael.Bauer@ba-ca.com

Information on the BA-CA share

ISIN	**AT0000995006**
Number of shares issued	**147,031,740**
Free float	**5.02 %**

	Vienna Stock Exchange	Warsaw Stock Exchange
Trading symbol	**BACA**	**BCA**
Reuters RIC	**BACA.VI**	**BACA.WA**
Bloomberg Ticker Code	**BACA AV**	**BCA PW**

Ratings

Ratings	Long-term	Subordinated liabilities	Short-term
Moody's	**A2** 1)	**A3**	**P-1**
Standard & Poor's	**A** 2)	**A–**	**A-1** 2)

1) Confirmed, outlook stable (4 Nov. 2005)
2) Upgrade, outlook negative (28 Oct. 2005)

Financial calendar

12 May 2006	**Dividend payment date**
4 August 2006	**Results for the first six months of 2006**
14 November 2006	**Results for the first nine months of 2006**

Information provided by IR

Annual Report
Online Annual Report: http://annualreport2005.ba-ca.com
Interim reports
Sustainability Report
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Bank Austria Creditanstalt AG
A-1010 Vienna, Am Hof 2
A-1030 Vienna, Vordere Zollamtsstrasse 13
Telephone within Austria: 05 05 05-0
Telephone from abroad: +43 5 05 05-0
Fax within Austria: 05 05 05-56149
Fax from abroad: +43 5 05 05-56149
Internet: www.ba-ca.com
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Editors
Investor Relations

Photographs
Ursula Künstler and Franz Artmann (Managing Board)

Graphics
Horvath, Leobendorf

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The Interim Report is available from
Bank Austria Creditanstalt AG
Public Relations
P.O. Box 22.000
A-1011 Vienna, Austria
Telephone within Austria: 05 05 05-56148
(telephone answering machine)
Telephone from abroad: +43 5 05 05-56148
(telephone answering machine)
Fax within Austria: 05 05 05-56945
Fax from abroad: +43 5 05 05-56945
e-mail: pub@ba-ca.com

24h ServiceLine
Telephone within Austria: 05 05 05-25
Telephone from abroad: +43 5 05 05-25

Notes

This report contains forward-looking statements relating to the future performance of Bank Austria Creditanstalt. These statements reflect estimates which we have made on the basis of all information available to us at present. Should the assumptions underlying forward-looking statements prove incorrect, or should risks materialise to an extent not anticipated, actual results may vary from those expected at present.

"Bank Austria Creditanstalt" (BA-CA) as used in this report refers to the group of consolidated companies. "Bank Austria Creditanstalt AG" as used in this report refers to the parent company.

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

Disclaimer

This edition of our Interim Report is prepared for the convenience of our English-speaking readers. It is based on the German original, which is the authentic version and takes precedence in all legal aspects.

Editorial close of this Interim Report

8 May 2006