

Quarterly Report as per 2002-03-31

BUSINESS DEVELOPMENT OF BTV GROUP DURING THE 1. QUARTER OF 2002

Balance sheet total at EUR 5 130 mn – Considerable increase in primary resources

The balance sheet total increased to EUR 5 130 mn, which was by EUR 172.4 mn or 3.5 % higher than on 31 March, 2001. Within the assets of the balance sheet the item loans and advances to credit institutions dropped by EUR 227 mn to EUR 194 mn by clearly reducing the volume of interbank trading. Loans and advances to customers rose to EUR 3 840 mn within the first quarter of 2002, which was 6.5 % or EUR 234 mn more than last year. Business with private customers - especially financing for housing - was expanded. Business with corporate customers increased considerably within industry and traffic. The securities portfolio was shifted from shares to fixed-interest securities due to the stock exchange situation. The fully consolidated BTV Leasing achieved an increase of EUR 211 mn to EUR 216 mn in present value stock within the period under review.

The liabilities side was characterized by a strong increase in primary resources. Intensified trading with customers' money was the main reason for the increase in other loans and advances to customers by EUR 482 mn or 24.6 % up to EUR 2 440 mn compared to the previous year whereas liabilities to banks were reduced by EUR 394 mn. Savings deposits were at EUR 938 mn slightly less than in March 2001, securitized liabilities increased slightly to EUR 622 mn. BTV also increased the supplementary capital by EUR 30 mn to EUR 170 mn compared to the previous year in order to back up the capital resources.

Operating result only 5.7 % below last year's excellent result

The operating result was only 5.7 % less than last year, which is still positive if the continuing unfavourable environment is taken into consideration. The net interest income increased by EUR 2 mn or 9.9 % to EUR 22.1 mn compared to the previous year. Commission earned from securities business was by EUR 0.6 mn or 9.2 % less than last year due to the negative development of the market and our customers' cautious reaction to this situation. Additional earnings of EUR 0.5 mn or 17.5 % were achieved by payment transactions. Foreign exchange and foreign currency business was by EUR 0.8 less than last year as expected due to the introduction of EUR cash. Profits from credit business increased EUR 0.1 mn or 9.6 % due to an increased guaranty volume. Profits from other service activities were slightly below last year's figures. The operating income grew by EUR 0.4 mn or 1.0 % to EUR 37.5 mn.

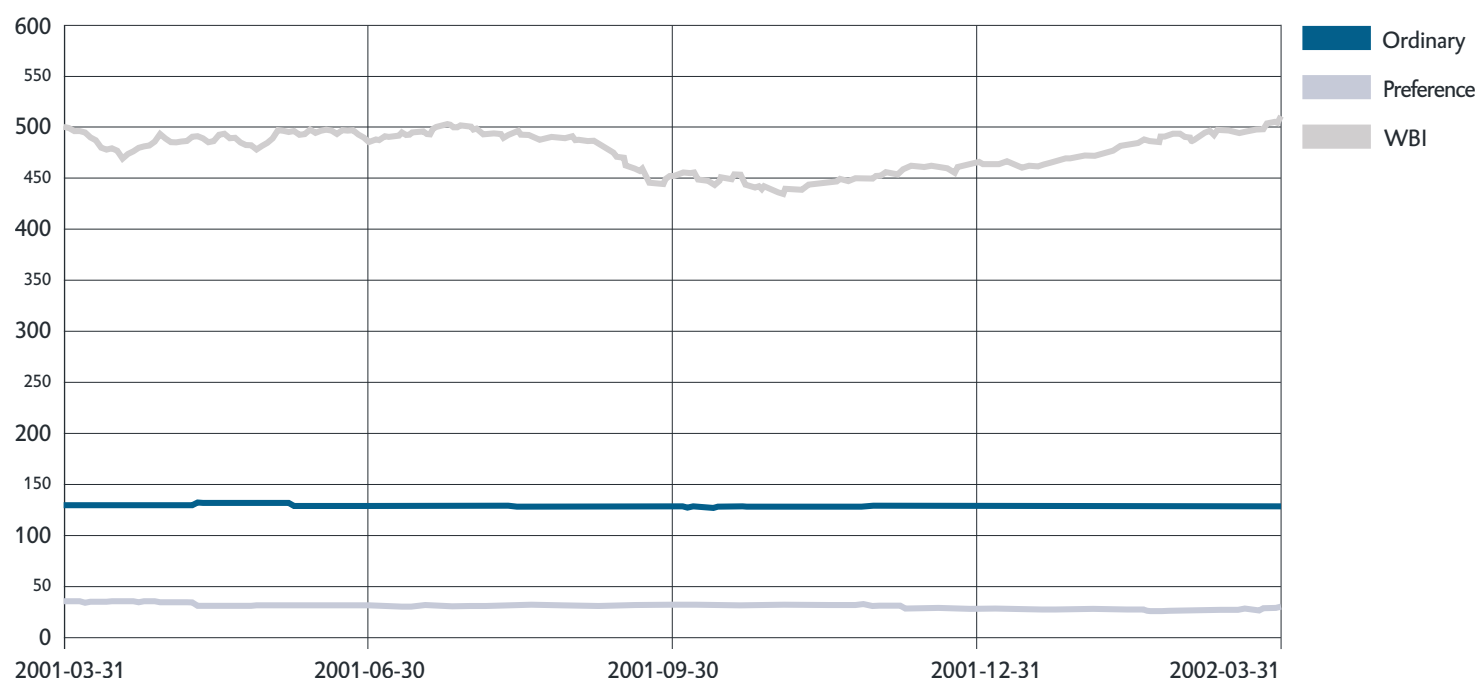
Operating expenses increased by 7.2 % to EUR 20.9 mn in total. The staff expenses increased by 7.7 % this year because more people were employed in order to intensify sales. Material costs rose by 13.6 % due to higher EDP investments. Other operating expenses rose by 14.4 %. Depreciation was by 9.8 % below March 2001. The operating result as per 31 March, 2002 was by EUR 1 mn or 5.7 % below last year's figure amounting up to EUR 16.6 mn.

Results reflect difficult economic environment

The key figures of the first quarter 2002 were lower than the figures of last year. For the next quarters we still expect a curbed development due to the expected interest development and seasonal fluctuation as well as the difficult underlying conditions.

ASSETS	2002-03-31 mn EUR	2001-03-31 mn EUR	Change mn EUR	Change %
1. Cash in hand, balances with central banks and post office banks	59.7	81.8	-22.1	-27.0 %
2. Treasury bills and other bills eligible for refinancing with the central bank	330.6	347.7	-17.1	-4.9 %
3. Loans and advances to credit institutions	194.2	421.2	-227.0	-53.9 %
4. Loans and advances to customers	3 841.0	3 606.7	234.3	-6.5 %
5. Debt securities and other fixed-interest securities	401.4	207.5	193.9	93.4 %
6. Shares and other non-fixed interest securities	27.6	40.6	-13.0	-32.0 %
7. Equity shares	59.0	58.9	0.1	0.2 %
8. Interest in associated companies	45.6	44.7	0.9	2.0 %
9. Other assets	171.9	149.4	22.5	15.1 %
TOTAL	5 131.0	4 958.5	172.5	3.5 %

DEVELOPMENT OF BTV-SHARES UNTIL 2002-03-31



After a considerable recovery within the 4th quarter of 2001 the stock markets came under pressure again at the beginning of the first quarter of 2002 despite an economic upswing. At the end of the quarter they slightly recovered again. The main reasons were turbulences around the accounting policies in the U.S. and still cautious corporate planning during the period under review. Furthermore the future economic development cannot be anticipated. From the political point of view the crisis in the Near East and the rise in oil prices reinforced the negative tendency at the stock market. For the next weeks we expect even more volatile prices due to the approaching publications of the companies'

first quarter figures. The Austrian Stock Market remained surprisingly steady in this difficult environment leading the performance of the European stock exchange this year. The ATX (Austrian Traded Index) increased by 13 % up to 1 289.16 points within the first quarter 2002, the more diversified WB-Index (Vienna stock exchange index) increased by 10.6 % up to 499.87 points.

The price of BTV ordinary shares was at EUR 130.00 on 31 March, 2002 (the same as on 31 December, 2001), whereas the price of BTV preference shares was by 4 % weaker than at the beginning of the year.

LIABILITIES	2002-03-31 mn EUR	2001-03-31 mn EUR	Change mn EUR	Change %
1. Deposits by credit institutions	544.7	938.9	-394.2	-42.0 %
2. Customers accounts	3 381.3	2 859.5	521.8	18.2 %
of which a) savings deposits	937.6	897.6	40.0	4.5 %
of which b) other liabilities	2 443.7	1 961.9	481.8	24.6 %
3. Liabilities evidenced by certificates	622.3	619.2	3.1	0.5 %
4. Provisions	49.2	60.1	-10.9	-18.1 %
5. Supplementary capital	170.2	140.4	29.8	21.2 %
6. Subscribed capital	36.4	36.4	0.0	0.0 %
7. Reserves	144.0	117.9	26.1	22.1 %
8. Liability reserve according to §23 (6) Bank Act	85.6	81.6	4.0	4.9 %
9. Other liabilities	97.3	104.5	-7.2	-6.9 %
TOTAL	5 131.0	4 958.5	172.5	3.5 %

CONSOLIDATED STATEMENT OF INCOME

as per 2002-03-31

	2002-03-31 mn EUR	2001-03-31 mn EUR	Changes mn EUR	Changes %
1. Interest receivable and similar income	61.8	69.2	-7.4	-10.7 %
2. Interest payable and similar expenses	-39.7	-49.1	9.4	-19.1 %
I. NET INTEREST INCOME	22.1	20.1	2.0	9.9 %
3. Income from shares, other equity rights and variable-yield securities	0.2	0.5	-0.3	-65.2 %
4. Earnings from participating interests and shares in affiliates	0.9	1.0	-0.1	-5.4 %
5. Commissions	12.2	13.1	-0.9	-6.9 %
6. Earnings/expenses from financial transactions	0.8	0.9	-0.1	-13.2 %
7. Other operating income	1.3	1.5	-0.2	-12.9 %
II. OPERATING INCOME	37.5	37.1	0.4	1.0 %
8. Staff costs	-12.7	-11.8	0.9	7.7 %
9. Other administrative expenses (material costs)	-5.1	-4.5	0.6	13.6 %
10. Value adjustments on assets included in asset item no. 9	-2.0	-2.2	-0.2	-9.8 %
11. Other operating expenses	-1.1	-1.0	0.1	14.4 %
III. OPERATING EXPENSES	-20.9	-19.5	1.4	7.2 %
IV. OPERATING RESULT	16.6	17.6	-1.0	-5.7 %

IMPORTANT FIGURES OF 3 BANKEN GRUPPE (CONSOLIDATED)*

	2002-03-31 mn EUR	2001-03-31 mn EUR	Change mn EUR	Change %
Balance Sheet				
Balance-sheet total	18 437	17 018	+1 419	+8.3 %
Loan and advances to customers	12 032	11 145	+887	+8.0 %
Fixed-interest securities	2 254	1 861	+393	+21.1 %
Primary funds (including supplementary capital)	12 154	10 911	+1 243	+11.4 %
of which savings deposits	4 123	3 886	+237	+6.1 %
Volume of customers securities deposits	15 893	15 112	+781	+5.2 %
Income Statement				
Interest income (including income from participating interests)	78.6	75.1	+3.5	+4.7 %
Commission receivable (including other earnings)	47.3	50.6	-3.3	-6.5 %
Earnings/expenses from financial transactions	2.5	3.4	-0.9	-26.5 %
Staff costs	46.8	44.1	+2.7	+6.1 %
Cost of materials, depreciation, other expenditure	29.5	29.8	-0.3	-1.0 %
Operating result	52.1	55.2	-3.1	-5.6 %
Capital resources				
Capital resources (without Tier 3)	1 415	1 292	+123	+9.5 %
Surplus of capital resources	370	312	+58	+18.6 %
Resources				
Average number of persons employed	3 191	3 079	+112	+3.6 %
Branches	173	171	+2	+1.2 %

*) consisting of Bank für Kärnten und Steiermark AG, Oberbank AG, Bank für Tirol und Vorarlberg AG

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