

# BAWAG GROUP PUBLISHES Q1 2024 RESULTS: NET PROFIT € 167 MILLION AND ROTCE 23.7%

- ▶ Q1 '24 net profit of € 167 million, EPS of € 2.11 and RoTCE of 23.7%
- ▶ Average customer deposits +1% and average customer loans flat versus prior quarter
- ▶ Pre-provision profit of € 258 million (+4% vPY) and CIR at 32.9%
- ▶ Risk-cost ratio of 28 basis points ... NPL ratio at 1.0%
- ▶ CET1 ratio of 15.6% post-deduction of dividend accrual of € 92 million for Q1 '24
- ▶ Targets for 2024 reconfirmed: Profit before tax > €920 million, RoTCE >20%, and CIR < 34%

**VIENNA, Austria – April 29, 2024** – Today, BAWAG Group released its results for the first quarter 2024, reporting a net profit of € 167 million, earnings per share of € 2.11, and a RoTCE of 23.7%. The operating performance of our business was strong with pre-provision profits of € 257.6 million and a cost-income ratio of 32.9%.

**Anas Abuzaakouk**, CEO, commented: *“In the first quarter we delivered a strong set of results with net profit of € 167 million and an RoTCE of 24%. We generated a significant amount of capital during the quarter, increasing our CET1 ratio by 90 basis points to 15.6% and continuing to build up our excess capital of € 623 million, after deducting the first quarter dividend accrual of € 92 million. We have earmarked our excess capital for the acquisition of Knab bank, which we signed earlier this year, in addition to other M&A at an advanced stage. These strategic opportunities will be highly accretive to the Group in both earnings as well as allowing us to grow our Retail & SME franchise and overall footprint in the DACH/NL region. Today, I am more excited about our future growth opportunities than I have ever been.”*

## Delivering strong Q1 2024 results

in € million	Q1 2024	Q1 2023	Change versus prior year (in %)
Core revenues	392.8	366.3	7%
Net interest income	311.8	290.0	8%
Net commission income	81.0	76.2	6%
Operating income	383.8	366.9	5%
Operating expenses	(126.2)	(119.4)	6%
<b>Pre-provision profit</b>	<b>257.6</b>	<b>247.5</b>	<b>4%</b>
Regulatory charges	(5.2)	(41.0)	(87%)
Risk costs	(29.9)	(20.6)	45%
<b>Profit before tax</b>	<b>222.8</b>	<b>186.4</b>	<b>20%</b>
<b>Net profit</b>	<b>166.9</b>	<b>139.6</b>	<b>20%</b>
RoTCE	23.7%	21.2%	2.5pts
CIR	32.9%	32.5%	0.4pts
Earnings per share (€)	2.11	1.69	24.9%
Liquidity Coverage Ratio (LCR)	217%	215%	2pts

**Core revenues** increased by 7% to € 392.8 million in Q1 2024 versus the prior year. **Net interest income** increased by € 21.8 million, or 8%, to € 311.8 million. **Net fee and commission income** increased by € 4.8 million, or 6%, to € 81.0 million.

**Operating expenses** increased by 6% to €126.2 million in Q1 2024 versus the prior year. The significant inflationary pressure was partially offset by several operational measures launched over the last two years.

The **cost-income ratio** slightly increased by 0.4 points to 32.9%. This resulted in a pre-provision profit of € 257.6 million, up 4% versus prior year.

**Regulatory charges** were € 5.2 million in Q1 2024, compared to € 41.0 million in the prior year.

**Risk costs** were € 29.9 million in Q1 2024, an increase of € 9.3 million, or 45%, compared to the previous year. The management overlay, which are provisions to address the uncertain macroeconomic outlook and any potential headwinds, stands at € 80 million. The NPL ratio was 1.0% at the end of March 2024.

**Average customer loans** were flat and **average interest-bearing assets** were up 1% versus the prior quarter. **Average customer deposits** and **average customer funding** were both up 1% versus the prior quarter.

At the end of March 2024, the **CET1 ratio** was at 15.6%. The CET1 ratio considers the deduction of € 92 million dividend accrual for Q1 2024. The dividend for the financial year 2023 of € 5.0 per share, or € 393 million in total, was paid out on April 15, 2024.

Our goal is, and will always be, maintaining a strong balance sheet, solid capitalization levels, low balance sheet leverage and conservative underwriting, a cornerstone of how we run the Bank.

### Outlook and targets

Our outlook for 2024 is unchanged, and we confirm all our 2024 financial targets (which excludes M&A):

**Profit before tax > € 920 million, RoTCE >20%, and CIR < 34%.**

### Earnings presentation

BAWAG Group will host the earnings call with our CEO Anas Abuzaakouk and our CFO Enver Sirucic at 10 a.m. CEST on 29 April 2024. The webcast details are available on our website under [Financial Results | BAWAG Group](#).

### About BAWAG Group

BAWAG Group AG is a publicly listed holding company headquartered in Vienna, Austria, serving 2.1 million retail, small business, corporate, real estate and public sector customers across Austria, Germany, Switzerland, Netherlands, Western Europe and the United States. The Group operates under various brands and across multiple channels offering comprehensive savings, payment, lending, leasing, investment, building society, factoring and insurance products and services. Our goal is to deliver simple, transparent, and affordable financial products and services that our customers need.

BAWAG Group's Investor Relations website <https://www.bawaggroup.com/ir> contains further information, including financial and other information for investors.

## Forward looking statement

This release contains “forward-looking statements” regarding the financial condition, results of operations, business plans and future performance of BAWAG Group. Words such as “anticipates,” “believes,” “estimates,” “expects,” “forecasts,” “intends,” “plans,” “projects,” “may,” “will,” “should,” “would,” “could” and other similar expressions are intended to identify these forward-looking statements. These forward-looking statements reflect management’s expectations as of the date hereof and are subject to risks and uncertainties that may cause actual results to differ materially from those projected. These risks and uncertainties include, but are not limited to, economic conditions, the regulatory environment, loan concentrations, vendors, employees, technology, competition, and interest rates. Readers are cautioned not to place undue reliance on the forward-looking statements as actual results may differ materially from the results predicted. Neither BAWAG Group nor any of its affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this report or its content or otherwise arising in connection with this document. This report does not constitute an offer or invitation to purchase or subscribe for any securities and neither it nor any part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. This statement is included for the express purpose of invoking “safe harbor provisions”.

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