

ACQUISITION OF SÜDWESTBANK BY BAWAG P.S.K. SUCCESSFULLY COMPLETED

VIENNA / STUTTGART, December 7, 2017 – BAWAG Group and Südwestbank announce the successful completion of the acquisition of Südwestbank by BAWAG P.S.K.

Südwestbank AG, headquartered in Stuttgart, is a medium-sized regional bank that has been offering commercial banking services in Baden-Württemberg since 1922.

Anas Abuzaakouk, CEO of BAWAG Group, outlines: *“The expertise and long-standing tradition of Südwestbank, which operates in a region with very strong macroeconomic fundamentals, make the bank an ideal partner to help us expand our footprint and customer base in Germany. This transaction is part of our larger DACH regional strategy and will provide us access to excellent customers in a highly attractive market. We are focused on pursuing the many growth opportunities, both organic and inorganic, across Germany. I am excited to welcome our new Südwestbank colleagues into BAWAG Group and am confident that they will be a great partner enabling us to collectively succeed in the German market.”*

Andreas Strüngmann, one of the former shareholders of Südwestbank, comments: *“Südwestbank remains in good hands. The fact that the bank is considered as the right partner in Germany is ultimately a confirmation of our solid work in the past few years. I am convinced that Südwestbank will continue its positive development under the new ownership of BAWAG P.S.K.”*

Wolfgang Kuhn, CEO of Südwestbank, adds: *“We are confident that BAWAG P.S.K.’s capital strength, financial industry experience and digital know-how will be a great benefit for Südwestbank and its customers. Particularly on the digitization front, the successfully concluded change of ownership will provide great opportunities for Südwestbank. Being part of BAWAG Group further strengthens our foundation and makes us well prepared to capitalize on the many opportunities ahead of us.”*

About BAWAG Group

BAWAG Group AG is the holding company of BAWAG P.S.K., with its headquarters in Vienna.

About BAWAG P.S.K.

With more than 2.2 million customers, BAWAG P.S.K. AG is one of Austria’s largest and best capitalized banks operating under a well-recognized national brand. BAWAG P.S.K. applies a low-risk, efficient, simple and transparent business model focused on Austria and other developed markets. BAWAG P.S.K. serves Austrian retail, small business and corporate customers across the country, offering comprehensive savings, payment, lending, leasing, investment, building society and insurance products and services. BAWAG P.S.K.’s Austrian business is complemented by international activities focused on retail, corporate, commercial real estate and portfolio lending in developed countries within Western Europe.

About Südwestbank

Südwestbank AG is a Stuttgart-based medium-sized regional bank founded in 1922 as Württembergische Landwirtschaftsbank. It has been operating under its present name since 1970 and serves approximately 100,000 retail and business customers in Baden-Württemberg. As of year-end 2016, Südwestbank reported total assets of over EUR 7 billion.

Südwestbank's strategy is based on building long-term, trusting relationships with its clients and often serves families over generations. The bank provides an individualized and needs-oriented range of products and a high level of advisory quality. Its strong regional base and decades of experience make Südwestbank one of the most important regional banks in Germany.

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