

BAWAG GROUP AND SPOTCAP ANNOUNCE STRATEGIC PARTNERSHIP TO BOOST SMALL BUSINESS LENDING IN AUSTRIA

VIENNA, Austria – January 22, 2018 – BAWAG Group and the online lender Spotcap announce a market-leading strategic partnership to offer online loans and credit lines to give Austrian small and medium-sized enterprises (SMEs) access to same-day financing. BAWAG P.S.K.'s new lending service will be powered by Spotcap and its cutting edge platform, with a targeted launch in the first quarter 2018.

SMEs comprise more than 99% of all businesses in Austria, many of them financially underserved and digitally savvy. This represents a unique opportunity to generate value and capture market share through more efficient products, processes and technologies. Recognizing the many complications that SMEs face, BAWAG P.S.K. plans to enhance its SME offering as the Bank seeks to reinvigorate its small business strategy through significant investment in customer service, advisory and products.

The partnership with Spotcap will begin with a focused launch for existing BAWAG P.S.K. customers, before becoming available to all Austrian SMEs. The collaboration with BAWAG P.S.K. will be the first partnership for Spotcap in the DACH region, and is the first time Austrian SMEs will be offered a fully digital and automated solution to access same-day financing. The platform further underpins BAWAG P.S.K.'s commitment to enhancing its SME offering and positioning in the market.

David O'Leary, Member of the Managing Board and Head of Retail for BAWAG P.S.K.: *“Our strategic partnership with Spotcap is another step forward in BAWAG P.S.K.'s digital roadmap, and commitment to continually optimize digital channels and offer best-in-class products, whether through in-house development or strategic partnerships. After an intensive review of the global alternative lending market, we selected Spotcap, on the strength of its technology and analytics. We have made it our aim not only to make banking easier, but also better for our customers. With this in mind, our new offering will be a leap forward for our SME customers and SME owners in Austria, as they can focus on managing and growing their businesses rather than spending significant time securing financing.*”

Although Austria remains our foundation, the collaboration with Spotcap and this market-leading product offer is aligned with our DACH strategy of focusing on core markets and running technology that is scalable and transformative. As the partnership evolves, both parties will consider ways to offer additional value-add financial services to SMEs in the greater DACH region.”

Jens Woloszczak, Founder and CEO of Spotcap: *“We are thrilled to enter into a strategic partnership with BAWAG Group to power its SME lending offering in Austria. We continuously invest in our lending platform as well as our state-of-the-art analytics to provide SMEs with the financing needed to run their businesses in the most efficient way. The partnership is a testament to what we have achieved developing and operating a direct lending platform across multiple countries.*”

BAWAG Group's strong motivation to improve its digital offering and further focus on supporting SMEs, coupled with its commitment to partner with best-in-class fintechs, makes the Bank an ideal partner to work with under our Lending-as-a-Service proposition.”

Product and process

Credit Line Facility – “ExpressFinanzierung” – is one of a number of options BAWAG P.S.K. will offer to SMEs to help them manage cash flow including overdrafts, equipment finance, and term loans. This product will provide Austrian SMEs with the financial flexibility needed to run a business. SMEs can apply for the facility online – in as little as a few minutes – using BAWAG P.S.K.’s fully digital platform powered by Spotcap, and could have access to same-day financing.

To ensure credit decisions are made in a robust and timely manner, BAWAG P.S.K. leverages Spotcap’s digital application flow and analytics, which is supported by its experiences in other markets. The risk models have been tailored to the Austrian market, and the risk policy requirements of BAWAG P.S.K., with the support of the Bank’s credit experts. Among others, the joint platform will utilize multiple external data sources including the SME’s bank account transaction history to allow for highly-automated decisions, and same-day financing.

About BAWAG Group

BAWAG Group AG is the holding company of BAWAG P.S.K., which is headquartered in Vienna, Austria, with banking subsidiaries *easybank* and *start:bausparkasse* in Austria and *Südwestbank* in Germany. With more than 2.5 million customers, BAWAG P.S.K. is one of Austria’s largest banks operating under a well-recognized national brand. The Bank applies a low-risk, efficient, simple and transparent business model focused on Austria, Germany, and developed markets. The Bank serves retail, small business and corporate customers offering comprehensive savings, payment, lending, leasing, investment, building society and insurance products and services through various online and offline channels.

About Spotcap

Spotcap empowers SMEs with tailored finance, allowing them to focus on what really matters – their business. The company has developed a unique proprietary lending platform and credit algorithm, which offers a fast and superior assessment of the real-time performance of SMEs. Led by Founder and CEO Jens Woloszczak, Spotcap is headquartered in Berlin, Germany, and operates as a direct lender to SMEs in the United Kingdom, the Netherlands, Spain, Australia and New Zealand. The company will now offer its proprietary technologies and models to major institutions, financial or otherwise, under its Lending-as-a-Service proposition. Spotcap has raised 100 million euros in funding and is backed by a number of high profile investors including Rocket Internet, Finstar Financial Group, Access Industries, Holtzbrinck Ventures and Heartland Bank. The growing team currently consists of more than 120 employees globally.

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