

PRE-EARNINGS CALL Q2 2025

July 07, 2025

NOTE

This document provides excerpts of different public disclosure of BAWAG Group. The source of the excerpt is noted at each respective excerpt. Except where noted, the excerpts were prepared at the time of the Q1 2025 disclosure, are based on the Q1 2025 financial reporting as well as information released during the Q1 2025 earnings call and were provided to you at such time. BAWAG Group has not and expressly disclaims any obligation to update or alter any statements therein, including without limitations any forward-looking statements, whether as a result of new information, future events, or otherwise.

The information in this document is to be read together with the Q1 2025 earnings presentation as well as all releases published since then.

Documents can be found on our website under <https://www.bawaggroup.com/BAWAGGROUP/IR/EN/Financial-Results> unless stated otherwise.

2025 OUTLOOK AND TARGETS reconfirmed

P&L OUTLOOK

Net interest income FY '24: €1,312m	>€1,800m
Core revenues FY '24: €1,622m	>€2,150m
Operating expenses FY '24: €(545)m	~€(800)m
Regulatory charges FY '24: €(15)m	~€(40)m
Risk costs FY '24: 19bps	~40bps

2025 FINANCIAL TARGETS

Net profit FY '24: €760m	>€800m
Earnings per share FY '24: €9.60	>€10.00
Capital Distribution Target	13.0%

2025 & BEYOND RETURN TARGETS

Return on tangible common equity	>20%
CET 1 Ratio	12.5%

Source: Q1 2025 earnings presentation



P&L AND CAPITAL ITEMS

STATEMENTS DURING Q1 EARNINGS CALL AND EXTERNAL REFERENCES

2025 Outlook

Core revenues

- > €1,800m NII
- > €2,150m Core revenues

Operating expenses

~€(800)m

Regulatory charges

~(40)m

Risk cost ratio

~40bps

Balance sheet / capital

Run-rate

For the rest of the year, we expect a quarterly:

- Net interest income: above €450 million
- Net commission income of above €85 million

Operating expenses to increase ~€800 million with a quarterly pro-forma run-rate of €200 million including integration

Regulatory charges of €10 million per quarter including higher bank tax.

Risk cost ratio of ~40bps in 2025 including Barclays Day 1 ECL and securitization costs

At the end of the first quarter, our CET1 ratio was 13.8%, after closing of Barclays Consumer Bank Europe, the return to standardized approach for the Retail & SME business, the impacts of Basel IV, the execution of a mortgage securitization, and after considering the first quarter dividend accrual of €111 million, and we paid the dividend for the year 2024 of €5.50 per share on 11 April.

Q2'25 developments

- One extra month of Barclays contribution
- Lower rates: average 3m Euribor of ~2.5% in Q1 / ~2.0% in Q2'25

- One extra month of Barclays contribution
- Wage inflation ... collective agreement in Austria +3.15% for financial sector

Regulatory charges of €10 million in Q2'25.

DEFINITIONS

Common Equity Tier 1 capital (CET1)

Including interim profit and deducting earmarked dividends and buyback of €175m (1.1.2023)

Common Equity Tier 1 ratio

Common Equity Tier 1 capital (CET1)/risk-weighted assets

Core revenues

The total of net interest income and net fee and commission income

Cost-income ratio

Operating expenses (OPEX)/operating income

Customer Deposits (average)

Deposits to customers including own issues sold through retail network and private placement, average based on daily figures

Customer Funding

Deposits to customers, covered bonds (public sector and mortgage) and senior bonds sold through the retail network and private placement, average based on daily figures

Customer Loans

Loans to customers measured at amortized cost

Common equity

Equity attributable to the owners of the parent; excluding minorities, AT1 and deducted dividend accrual and buyback of €175m (1.1.2023)

Earnings per share (EPS)

Net profit/weighted average number of shares outstanding (diluted)

FL ... Fully-loaded

Leverage ratio

Tier 1 capital (including interim profit, dividend accruals, buyback of €175m (1.1.2023))/total exposure (CRR definition)

Net interest margin (NIM)

Net interest income (NII)/average interest-bearing assets

NPL cash coverage

(Stage 3 Loan Loss Provisions plus Reserves plus Prudential Filter) / Non-Performing Loans IFRS Exposure

Pre-provision profit

Operating income less operating expenses (excluding regulatory charges)

Return on common equity (RoCE)

Net profit/average IFRS common equity and deducted dividend accruals and buyback of €175m (1.1.2023)

Return on tangible common equity (RoTCE)

Net profit/average IFRS tangible common equity and deducted dividend accruals and buyback of €175m (1.1.2023)

Risk cost ratio

Provisions and loan-loss provisions, impairment losses and operational risk (risk costs)/average interest-bearing assets

Tangible common equity

Common equity reduced by the carrying amount of intangible assets

Total capital ratio

Total capital/risk-weighted assets

Total reserve ratio

Total reserves (including prudential filter)/asset volume of customer segments excluding public sector lending



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