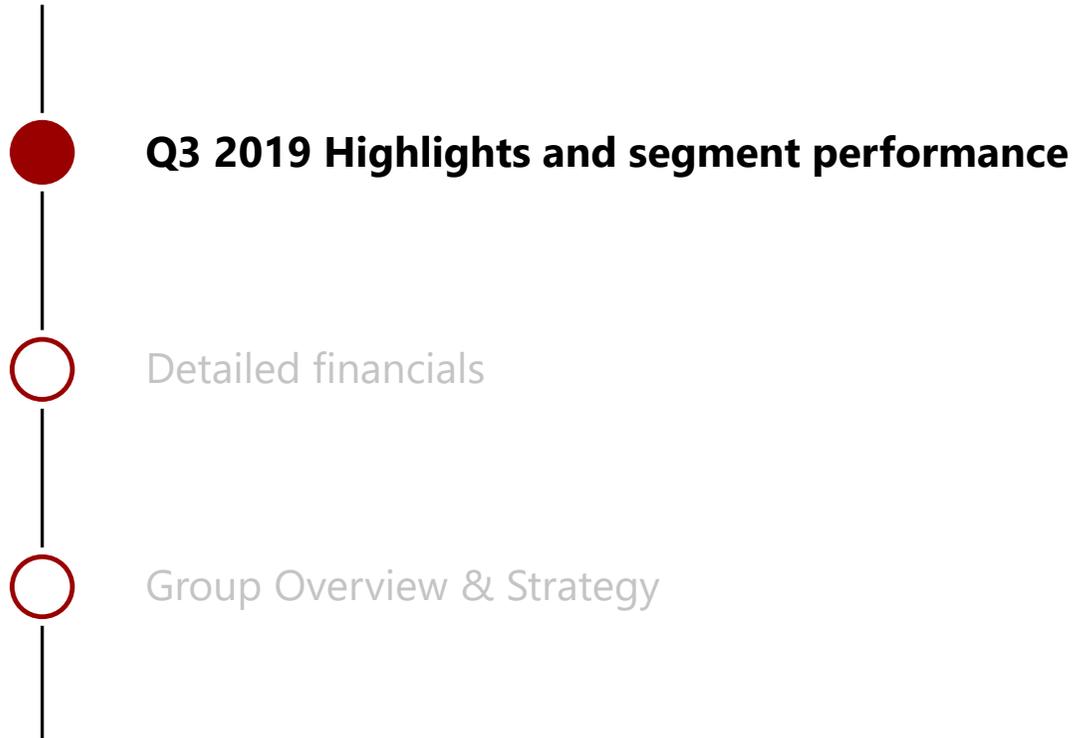


Q3 2019 Earnings

Anas Abuzaakouk, CEO
Enver Sirucic, CFO

29 October 2019



Highlights Q3 2019

Well on track to meet full year targets ... ongoing execution of strategy



Delivered strong earnings ... Q3 '19 Profit before tax (PBT) of €164m (+2%), net profit of €124m, EPS of €1.26 (+1%)... **Sep '19 YTD PBT of €451m (+5%), net profit of €343m (+5%), EPS €3.47 (+6%)**



Capital return underway... ECB approved share-buyback of up to €400m partial tender offer of €400m launched ... completion expected end of November ... all shares acquired will be canceled



Executing on our strategy ... *Concept 21* on track with separation from Austrian Post by year-end 2019 ... ongoing focus in Germany on various integration efforts



Strong capital generation ... CET1 ratio of 15.7% with 60bps capital generation during the quarter

Financial performance

Key highlights



€ millions	Q3 '19	vPY	vPQ	YTD	vPY
Core revenues	291	+ 4%	-	869	+4%
Operating income	315	+ 5%	+1%	926	+5%
Operating expenses	(133)	+5%	(2%)	(396)	+4%
Risk costs	(17)	+53%	+12%	(44)	+39%
Profit before tax	164	+2%	+2%	451	+5%
Net profit	124	-	+2%	343	+5%
Earnings per share	€1.26	+1%	+2%	€3.47	+6%

NORMALIZED

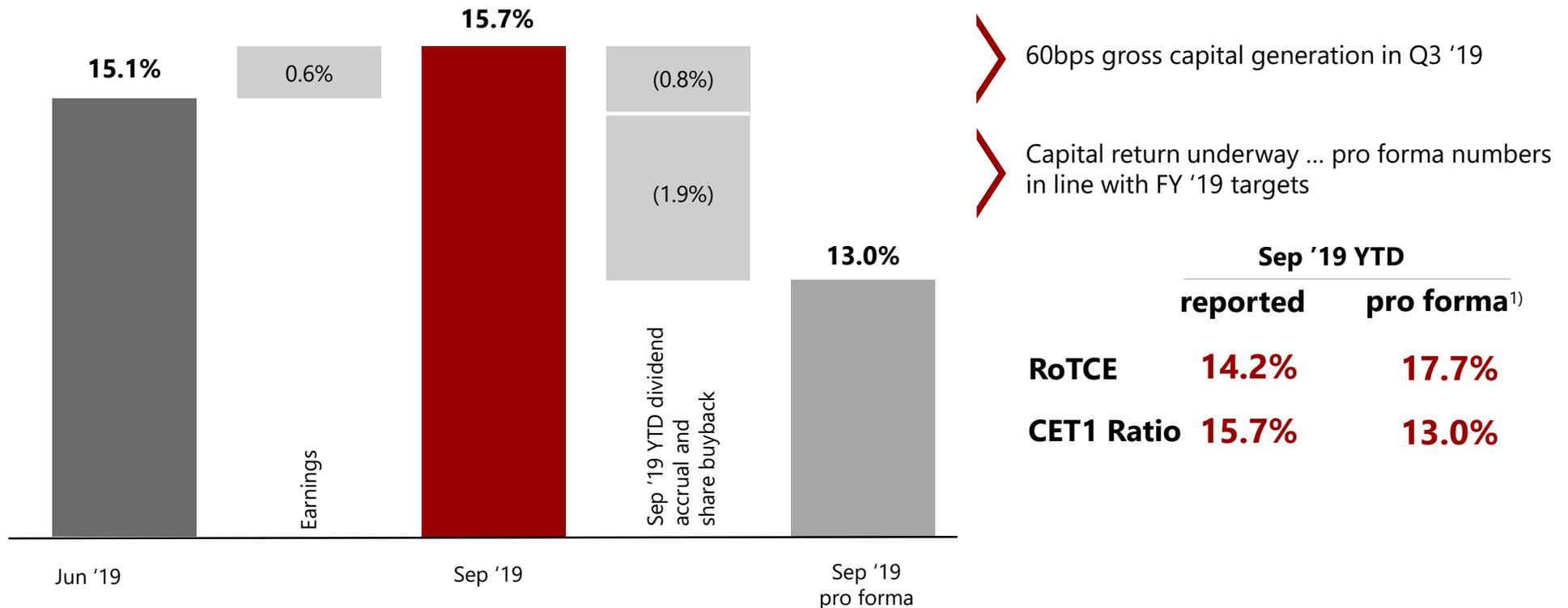
Profit before tax	155	+2%	+2%	459	+4%
Net profit	118	(1%)	+2%	350	+4%
Earnings per share	€1.19	-	+2%	€3.54	+5%

	Sep '19 YTD	2019 Targets
CIR Cost-income-ratio	42.7%	<43%
RoTCE Return on Tangible Common Equity		
Reported	14.2%	15% to 20%
Pro forma ¹⁾	17.7%	
CET1 ratio Common Equity Tier1 ratio		
Reported	15.7%	12% to 13%
Pro forma ¹⁾	13.0%	

1) Considers normalized regulatory costs (85% of FY regulatory charges were booked in Q1), a share buyback of €400m and dividend accrual for Sep '19 YTD

Capital development

Strong cash / capital generating business model



1) Considers normalized regulatory costs (85% of FY regulatory charges were booked in Q1), a share buyback of €400m and dividend accrual for Sep '19 YTD

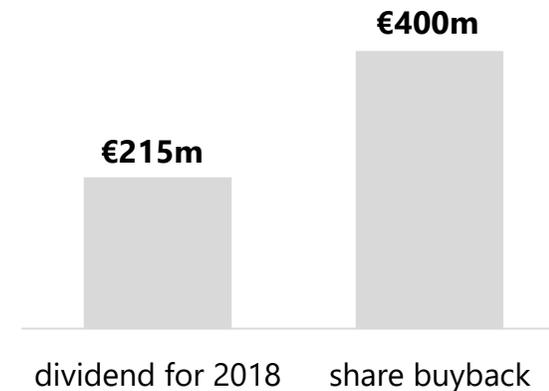
Committed to capital return

Share buyback approval received from ECB

SHARE BUYBACK

- ECB approval received on 18 October ... Austrian Takeover Commission approved on 25 October
- Full amount of €400m offered to buy back ... voluntary partial tender offer
- Buyback launched on 25 October 2019 with ~10.86m shares offered (~11% of shares outstanding) ... offer price €36.84
- Completion expected end of November
- Pro-rata allocation in case of oversubscription

CAPITAL RETURNED TO SHAREHOLDERS



- Dividend policy of **50% payout ratio**
- Committed to returning excess capital to **shareholders**
- ~ **140% Total Payout Ratio** for 2018 paid in 2019

Note: Payout Ratio based on 2018 net profit attributable to shareholders.

Financial performance

€ millions	Q3 '19	Q3 '18	Q2 '19	vPY	vPQ
Net interest income	158.7	143.6	156.8	11%	1%
Net commission income	60.3	55.8	60.5	8%	-
Core revenues	219.1	199.4	217.2	10%	1%
Other income	1.1	0.4	0.3	>100%	>100%
Operating income	220.1	200.0	217.5	10%	1%
Operating expenses	(97.4)	(86.5)	(98.2)	13%	(1%)
Total risk costs	(18.1)	(12.4)	(17.0)	46%	6%
Regulatory charges	(1.4)	(0.9)	(0.8)	56%	75%
Profit before tax	103.2	100.1	101.4	3%	2%
Net profit	77.4	75.1	76.1	3%	2%

RoTCE

22.1%

CIR

44.3%

NPL ratio

2.0%

Note: Ratios shown are for Q3 '19.

Customer development

€ millions	Q3 '19	Q3 '18	Q2 '19	vPY	vPQ
Housing loans	9,200	8,910	9,087	3%	1%
Consumer and SME	4,988	4,240	4,846	18%	3%
Portfolios ¹⁾	3,465	3,861	3,513	(10%)	(1%)
Total assets	17,653	17,011	17,446	4%	1%
Customer deposits	24,018	23,546	24,348	2%	(1%)

1) Portfolios comprised primarily of Swiss Franc, UK and French performing mortgages

Highlights

- Net asset growth driven by growth in core products and closing of acquisitions ... Housing loans up 3% & Consumer & SME up 18% vPY
- Portfolios running off as anticipated
- Focus in Austria on completing *Concept 21* ... in Germany on integrating new acquisitions and driving positive operating leverage
- Retail partnerships running well ... solid pipeline of new deals

Retail & SME - update

Strategic & operational initiatives

Austria



easybank

e@syleasing

start:bausparkasse

PayLife

H1 '19

- MediaMarktSaturn Austria ... launched in Q1 '19; over 50,000 new POS loans to date
- METRO Cash & Carry Austria ... POS access to customers
- 14 new branches with our new design concept by end of June
- jö bonus loyalty program launched ... leading local provider
- Successful launch of new digital banking app "klar"
- Acquisition of 49% stake in Savity, an Austrian roboadvisor to offer easybank customers access to portfolio management

H2 '19

- Continued expansion with retail partnerships
- Private label product bundles (first launch METRO)
- Fully digital SME product launched for new customers
- Own branch network of 90 branches, including 30+ in new design concept, separate from Austrian Post*

*) Over-the-counter services in Post network expected to shut off during Q2 2020

Germany/Switzerland



Qlick

start:bausparkasse

BFL^o

HealthAG

Zahnärztekasse AG

Continued transformation momentum

- Banking platforms ... continued progress in Südwestbank, start:bausparkasse, cost & product strategy optimization
- Factoring ... closed Health Coevo AG in May & Zahnärztekasse AG in March, DACH platform integration concept underway
- Leasing ... BFL Leasing GmbH successfully closed in May, deploying new technology/core system in H2 '19
- De-minimis impact of acquisitions in 2019/2020, target adding €25m+ pre-tax profit in 2021

Retail & SME franchise design focus

- Retail focus on driving partnerships, online distribution platforms, broker and dealer POS distribution channels
- SME franchise design targeting niche sectors & strategic partners, full factoring, leasing, financing product scope
- Driving operating leverage, Group level scale efficiencies

Financial performance

€ millions	Q3 '19	Q3 '18	Q2 '19	vPY	vPQ
Net interest income	61.7	62.4	61.3	(1%)	1%
Net commission income	10.8	11.1	10.1	(3%)	7%
Core revenues	72.5	73.5	71.4	(1%)	2%
Other income	(1.1)	0.6	(0.3)	-	>(100%)
Operating income	71.4	74.1	71.0	(4%)	1%
Operating expenses	(25.0)	(29.0)	(25.7)	(14%)	(3%)
Total risk costs	(0.2)	1.7	3.8	-	-
Regulatory charges	(0.6)	(0.8)	(1.4)	(25%)	(57%)
Profit before tax	45.7	46.0	47.7	(1%)	(4%)
Net profit	34.2	34.5	35.8	(1%)	(4%)

RoTCE

12.6%

CIR

35.0%

NPL ratio

1.6%

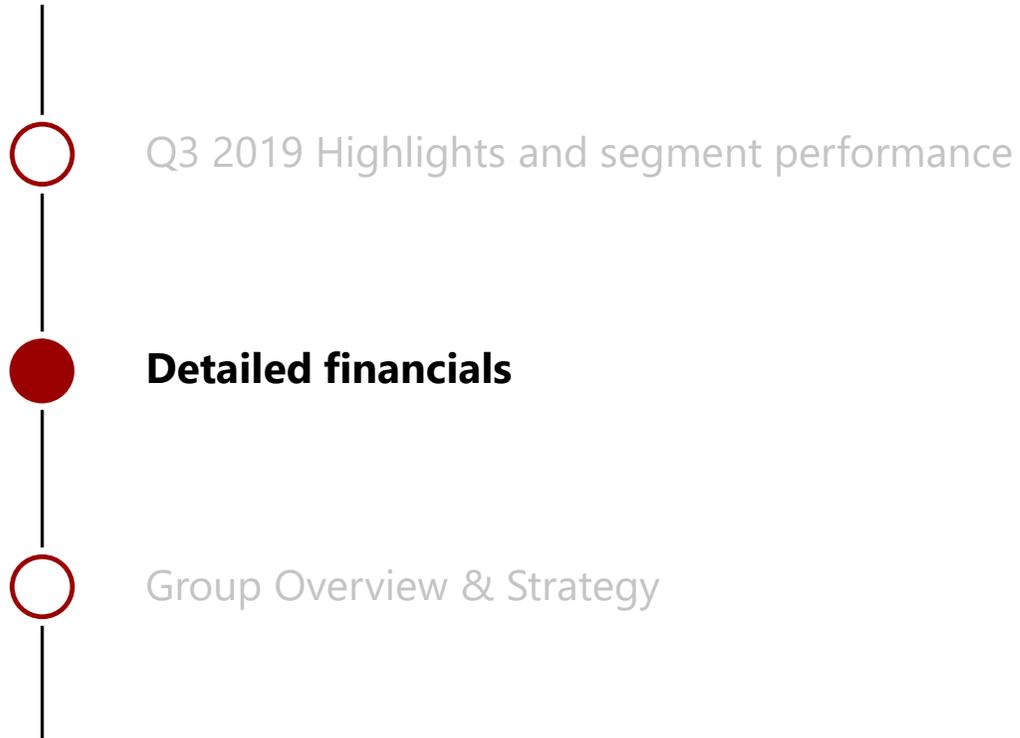
Note: Ratios shown are for Q3 2019.

Customer development

€ millions	Q3 '19	Q3 '18	Q2 '19	vPY	vPQ
Corporate lending	6,566	6,793	6,474	(3%)	1%
Asset backed lending	4,467	3,712	4,520	20%	(1%)
Public clients	3,347	3,576	3,202	(6%)	5%
Total assets	14,380	14,081	14,196	2%	1%
Customer deposits	6,028	6,943	5,459	(13%)	10%

Highlights

- Focused on risk-adjusted returns and not absolute volume growth
- Continued pricing pressure across Corporate lending space ... will remain disciplined and patient
- Solid pipeline in asset backed lending
- Maintaining disciplined underwriting ... senior secured financing, day 1 average LTV < 65%, and interest coverage ratio > 2.0x



P&L & key ratios

P&L € millions	Q3 '19	vPY	vPQ	Q1-3 '19	vPY	Key ratios	Q3 '19	vPY	vPQ	Q1-3 '19	vPY
Net interest income	220.0	3%	-	655.0	5%	Return on Common Equity	13.3%	(0.5pts)	0.3pts	12.2%	(0.1pts)
Net commission income	70.8	6%	1%	213.5	-	Return on Tangible Common Equity	15.6%	(0.4pts)	0.3pts	14.2%	(0.1pts)
Core revenues	290.8	4%	-	868.5	4%	Net interest margin	2.28%	-	(0.02pts)	2.28%	0.09pts
Other revenues	24.1	28%	8%	57.7	31%	Cost-income ratio	42.4%	-	(1.1pts)	42.7%	(0.5pts)
Operating income	314.9	5%	1%	926.2	5%	Risk cost ratio	0.18%	0.06pts	0.02pts	0.15%	0.04pts
Operating expenses	(133.4)	5%	(2%)	(395.8)	4%	Pre-tax earnings per share	€1.65	3%	2%	€4.56	6%
Regulatory charges	(2.1)	(5%)	(28%)	(39.2)	(6%)	After-tax earnings per share	€1.26	1%	2%	€3.47	6%
Risk costs	(17.1)	53%	12%	(44.3)	39%	Tangible book value per share	€32.87	3%	4%	€32.87	3%
Profit before tax	163.5	2%	2%	451	5%						
Income taxes	(39.1)	10%	2%	(107.6)	6%						
Net profit	124.4	-	2%	342.9	5%						

Q3 '19 Profit before Tax of €164m (+2% vPQ) and Net Profit of €124m (+2% vPQ)

Higher Operating income (+1% vPQ) and operating expenses lower by 2% vPQ

All ratios / metrics in line with our FY '19 targets

Balance sheet

Continued focus on balance sheet optimization and growing our customer business

Balance sheet € billions	Q3 '19	Q2'19	Delta	Q4 '18	Delta
Customer loans	30.7	31.1	(1%)	30.5	1%
Securities and bonds	6.1	6.4	(6%)	6.9	(12%)
Credit institutions and cash	6.4	4.4	45%	5.4	19%
Other assets	2.7	2.6	7%	1.9	44%
Total assets	46.0	44.5	3%	44.7	3%
thereof Interest-bearing assets	38.5	38.2	1%	38.0	1%
Customer deposits	30.3	30.1	1%	30.2	-
Own issues	5.2	5.2	(1%)	4.4	17%
Credit institutions	3.4	2.9	16%	4.3	(21%)
Other liabilities	3.1	2.3	35%	1.8	71%
Common equity	3.8	3.7	3%	3.7	3%
AT1 capital	0.3	0.3	-	0.3	-
Total liabilities & equity	46.0	44.5	3%	44.7	3%

Capital & RWA € billions	Q3 '19	Q2'19	Delta	Q4 '18	Delta
Common equity	3.8	3.7	3%	3.7	3%
Tangible common equity	3.2	3.1	4%	3.2	1%
CET1 capital (FL)	3.2	3.1	4%	3.0	9%
Risk-weighted assets	20.6	20.7	(1%)	20.5	1%
CET1 ratio (FL)	15.7%	15.1%	0.6pts	14.5%	1.2pts
Leverage ratio (FL)	7.2%	7.4%	(0.2pts)	7.1%	0.1pts
B/S leverage	12.2x	12.1x	0.1x	12.1x	-

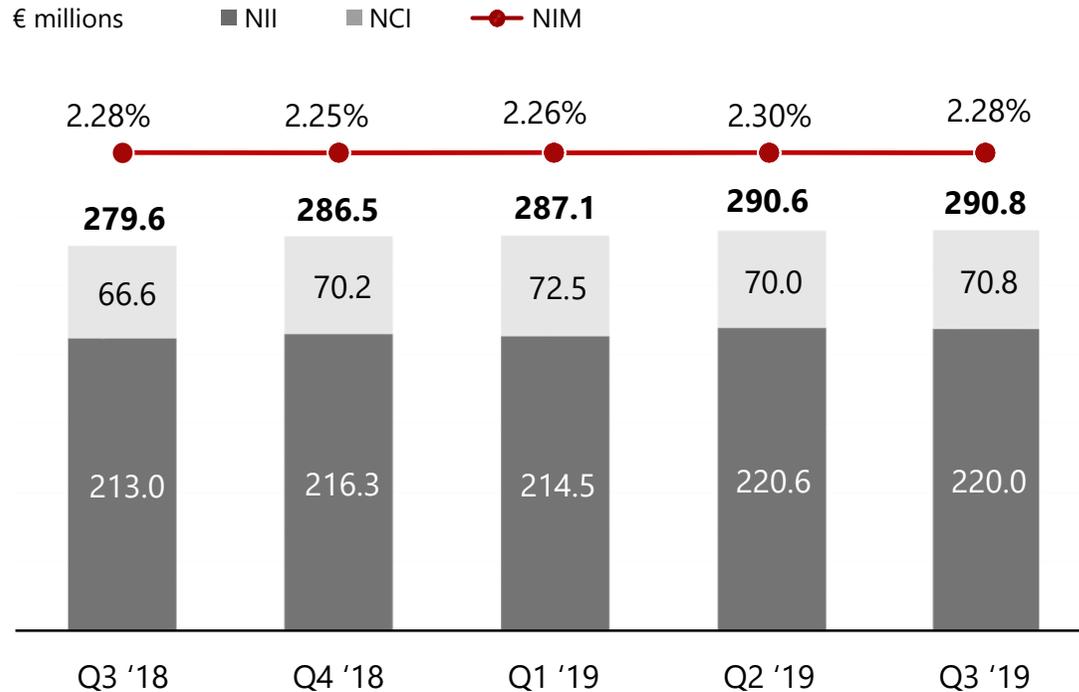
Customer loans (+1%) and Customer deposits flat vYE

New issuances: €500m Senior non preferred notes in Aug '19 and €500m Covered Bond in Sep '19 (settlement in Oct '19)

Securities and bonds decreased reflecting bond sales in Q3 '19

P&L details – core revenues

Stable development despite seasonality



Net interest income (NII) stable vPQ ... net interest margin (NIM) at 2.28%

- Growth in core products in Retail
- Full quarter of latest acquisitions
- Offset by lower interest rates (primarily exposed to 3-Months-Euribor)
- +/-25bps parallel shift in interest rates = +/-€30m NII over 2 years

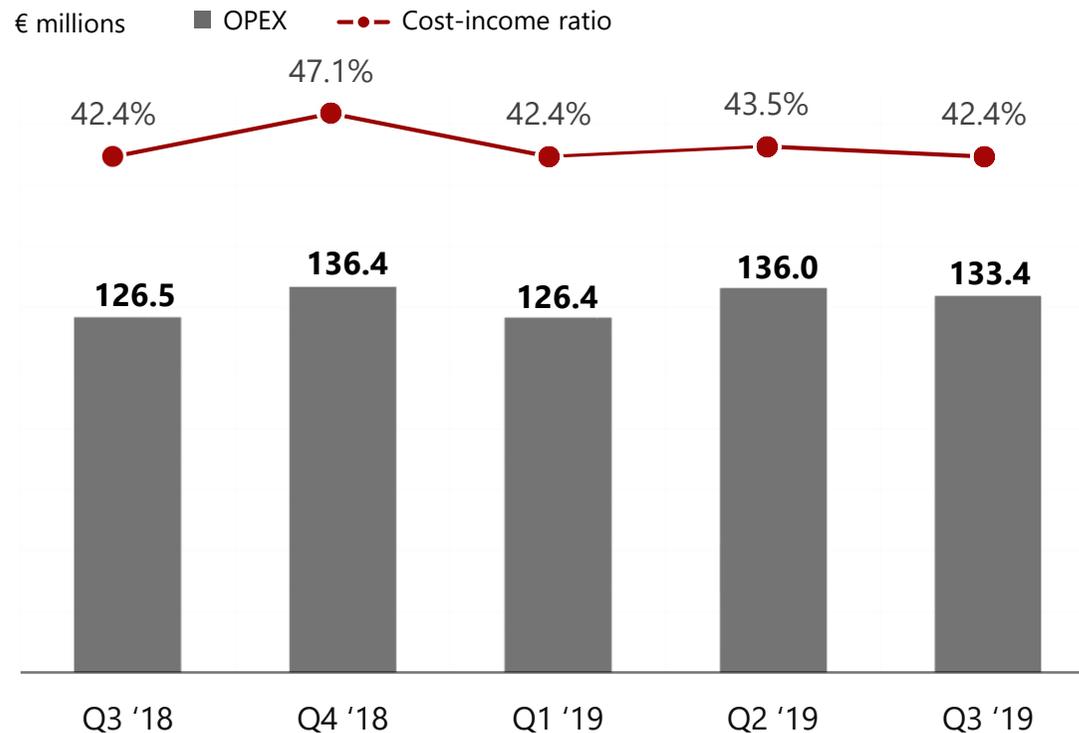
Net commission income (NCI) +1% vPQ

- Stronger NCI in Corporates & Public
- Seasonality in Retail & SME with Q3 typically slower partially compensated by pick-up in core retail fee products

Customer loans | Interest bearing assets | € billions

30.3	30.5	30.2	31.1	30.7
38.0	38.0	37.5	38.2	38.5

P&L details – operating expenses



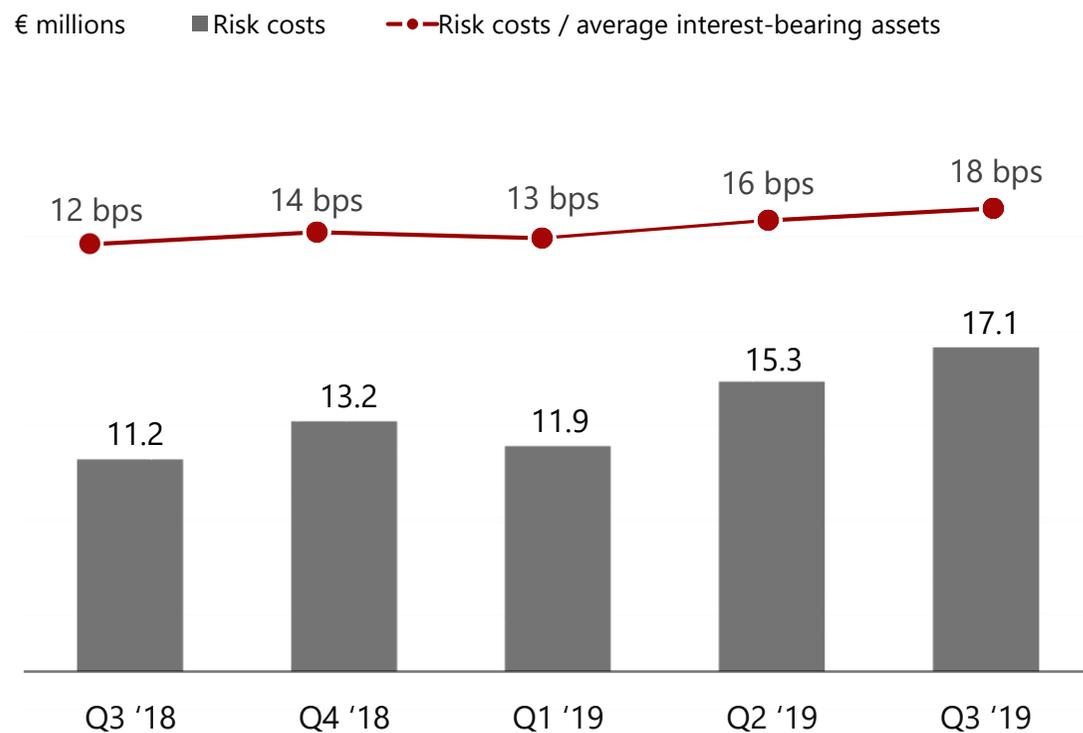
➤ **Q3 '19 cost-income ratio at 42.4% ...
Sep '19 YTD cost-income ratio at 42.7% in
line with FY '19 target of under 43%**

- Gradual expense increase related to new branch network
- Cost base includes full quarter for latest acquisitions (BFL Leasing GmbH and Health Coevo AG)
- Continuous efficiency measures across the Group ... identify opportunities across the front, middle and back-office

➤ **Focus in 2019 remains on integration of
new acquisitions and operating efficiency**

P&L details – risk costs

Proactive risk management to maintain conservative risk profile



NPL ratio (as reported and excluding CoL)

Quarter	Q3 '18	Q4 '18	Q1 '19	Q2 '19	Q3 '19
As reported	1.7%	1.7%	1.8%	1.8%	1.9%
Excluding CoL	1.2%	1.2%	1.2%	1.2%	1.4%

➤ **Q3 '19 risk cost ratio at 18bps** ... business focused on developed markets ... 72% DACH region and 28% Western Europe / United States

➤ **Maintain safe & secure balance sheet & portfolio risk management**

- No relevant exposure to CEE or emerging markets
- No Turkey and Russia exposure
- No operations in countries with elevated AML risk

➤ **Conservative hedging approach** with focus on reducing risk and minimizing income volatility

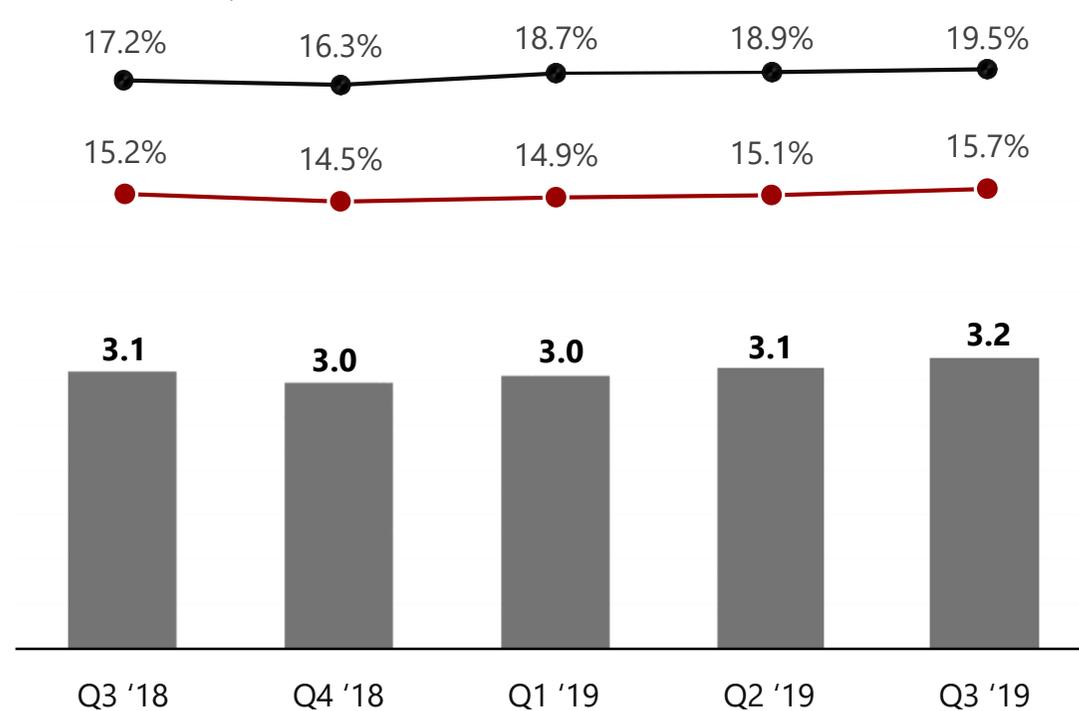
➤ **Benign credit environment and expected through-the-cycle risk costs 15-25bps**

Regulatory Capital

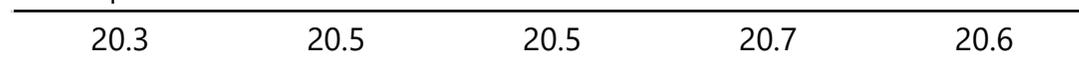
Continued strong capital generation

CET1 Capital (FL)

€ billions ■ CET1 capital (FL) ● CET1 ratio (FL) ● Total capital ratio



RWA | € billions



Note: Quarterly CET1 ratio not considering dividend; CET1 ratio at year-end accounts for dividend deduction

➤ **Earnings generating ~ 60bps in Q3 '19**

➤ **Capital distribution** underway ... €400m share buyback approved by ECB and launched (~190bps CET1 impact)

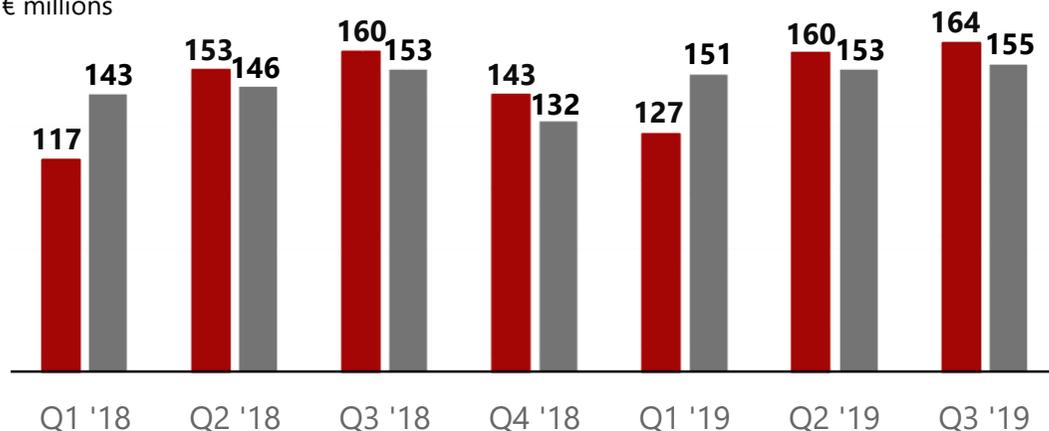
➤ Capital optimization measures completed

- **Tier1 capital ratio** of 17.2% and **total capital ratio** of 19.5% as of Sep '19
- **Maximum Distributable Amount** buffer after pro-forma dividend for Sep '19 YTD at ~€0.9b

Normalized P&L / RoTCE performance

Profit before tax (PBT)

€ millions

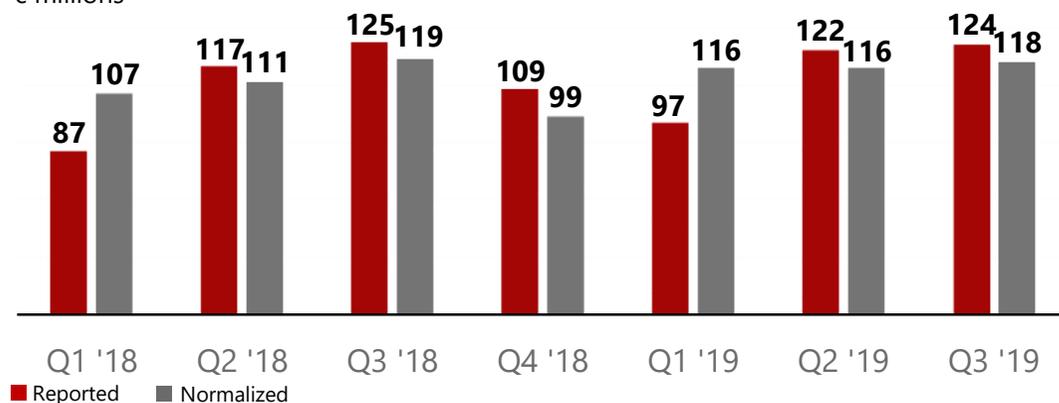


Regulatory charges

- Regulatory charges front-loaded in Q1 ... impact on quarterly profit and return ratios
- €34m regulatory charges included in Q1 profit before tax ... ~85% of total regulatory expenses anticipated for the full year
- Normalized view distributes regulatory expenses pro rata per quarter

Net profit

€ millions



Key ratios Q3 '19

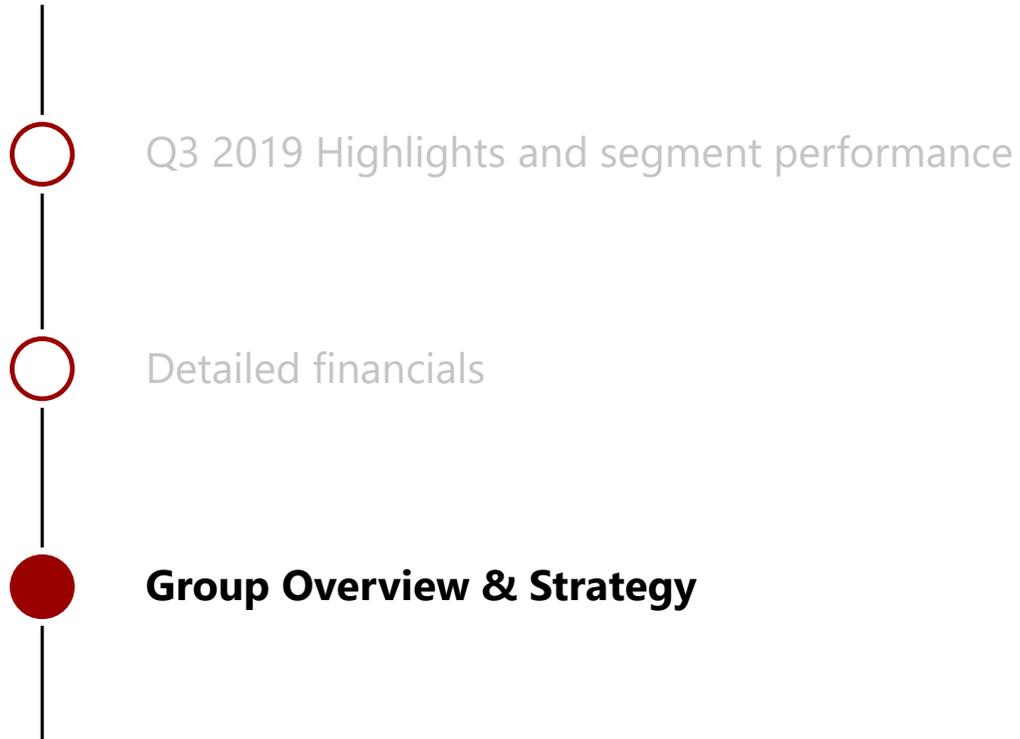
	Reported	Normalized	Pro forma
Return on Common Equity	13.3%	12.6%	14.8%
Return on Tangible Common Equity	15.6%	14.5%	17.9%
Pre-tax earnings per share	€ 1.65	€ 1.57	€ 1.76
After-tax earnings per share ("EPS")	€ 1.26	€ 1.19	€ 1.34

Targets

On track to meet Full Year targets

Metrics		2019	2020
Profit before tax	CAGR	>6%	>6%
	Absolute	>€600m	>€640m
Cost-income ratio		<43%	<40%
Return on Tangible Common Equity		15% to 20%	
CET1 ratio (FL) ¹⁾		12% to 13%	
Earnings per share (EPS) before capital actions	pre tax	>€6.00	>€6.40
	post tax	>€4.50	>€4.80

1) Exceeds regulatory minimum capital requirements for 2019 of 10.3% FL + Pillar 2 guidance (P2G) of 1% CET1 (P2R and P2G remained stable year-over-year)



COMPANY PROFILE

One of Austria's leading retail banks with **2.5 million customers & solid market shares**

FY '18: €573m profit before tax ... €437m net profit ... 14% RoTCE ... CET1 ratio of 14.5% ... CIR 44%

Focused on developed markets (DACH, Western Europe & USA)

Organic & inorganic growth in DACH region

One of the most profitable and efficient banking groups in Europe

Simple & consistent product offering across channels

Fortress balance sheet ... low NPL ratio, solid capital ratios & retail deposit funding

72%
customer loans
in DACH

9
acquisitions
in DACH region

A2
rating
Moody's

CAPITAL MANAGEMENT



Focused on **organic** and **inorganic growth**



Dividend policy of **50% payout ratio**



Committed to returning excess capital to **shareholders**

OUR STRATEGY



TARGETS

Metrics		2019	2020
Profit before tax	CAGR	>6%	>6%
	Absolute	>€600m	>€640m
Cost-income ratio		<43%	<40%
Return on Tangible Common Equity		15% to 20%	
CET1 ratio (FL)		12% to 13%	
EPS (before capital action)	pre-tax	>€6.00	>€6.40
	post-tax	>€4.50	>€4.80

Sep '19 YTD Results

Strong fundamentals across the Group

PROFITABILITY

€451m

Profit before tax (+5% vPY)

14.2%

Return on Tangible
Common Equity

42.7%

Cost-income ratio

CAPITAL

15.7%

CET1 Ratio

17.2%

Tier1 ratio

19.5%

Total capital ratio

RISK

1.9%

NPL ratio

1.4%

NPL ratio excluding City of Linz

0.15%

Risk-cost ratio

PRO FORMA¹⁾

17.7%

Return on Tangible
Common Equity

13.0%

CET1 Ratio

16.7%

Total capital ratio

1) Considers normalized regulatory costs (85% of FY regulatory charges were booked in Q1), a share buyback of €400m and dividend accrual for Sep '19 YTD

Strategy

4 pillars of our growth strategy



Growing in our core markets

- Our foundation is Austria with focus on core developed markets ... DACH region, Western Europe and USA
- DACH region provides solid and stable macroeconomic backdrop
- Grow into our current account market share entitlement of 15-20% for core products in Austria
- Main focus:
 - ... expand strategic partnerships
 - ... establish niche presence in Germany & Switzerland
 - ... pursue inorganic growth with focus on Retail & SME franchise



Making our customers' lives easier

- Execute on *Concept 21*:
 - ... redefined branch network to focus on high-touch advisory
 - ... access to an entire range of products and services when and where you want
- Leverage new and existing technologies to understand our customers' needs, manage their finances and reduce complexity
- Enhance computing and analytical capabilities to improve customer experience



Drive efficiency through operational excellence

- Our DNA is to focus on the things that we control ... "self-help" approach
- Standardizing our online and offline product offerings
- Create frictionless processes as part of digitization drive across the Bank
- Continuously optimize our processes, footprint and technology infrastructure
- Embrace various forms of technological change ... will transform banking



Maintaining a **safe and secure risk profile**

- Our business strategy is based on maintaining a strong capital position, stable retail deposits and a low risk profile
- Focus on mature, developed and sustainable markets
- Applying conservative and disciplined underwriting in markets we understand

Bank transformation

Focusing on things we control and driving operational excellence

KEY METRICS

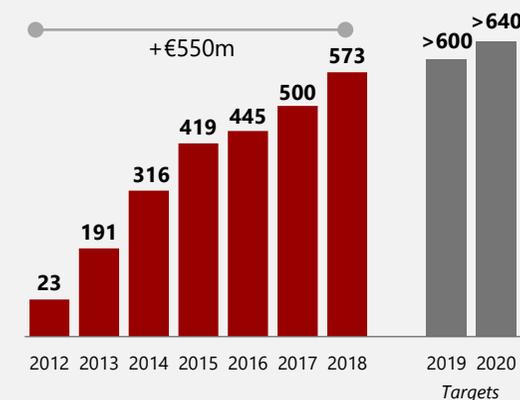
	2012	2013	2014	2015	2016	2017	2018
RoTCE	3%	11%	15%	16%	17%	15%	14%
RoTCE (@12% CET1)	1%	8%	14%	16%	19%	18%	17%
C/I ratio	70%	68%	54%	48%	46%	47%	44%
CET1 (FL) post dividend	6.2%	9.4%	12.2%	12.3%	13.6%	13.5%	14.5%
NPL ratio	3.5%	2.5%	2.0%	1.9%	1.7%	1.8%	1.7%
Assets (€b)	41.5	36.6	34.9	35.7	39.7	46.1	44.7

KEY TOPICS

- ✓ Structurally **fixed cost base**
- ✓ Focus on **simple core products**
- ✓ **Exited CEE** exposure & non-core assets ... focus on core markets Austria & DACH
- ✓ **Discontinued trading activities**
- ✓ **Increased profitability** despite low interest rates
- ✓ More than **doubled CET1** ratio
- ✓ **Distributed €635m in dividends paid between 2016 and 2018**
- ✓ Completed **9 acquisitions** in DACH region since 2015

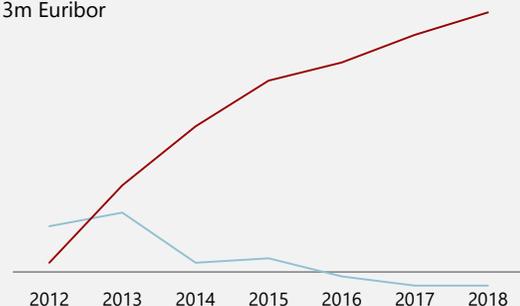
Increased profitability ...

Pre-tax profit (€ millions)



... without relying on interest rates

- Pre-tax profit
- 3m Euribor



Business segments

Developing towards a Retail & SME franchise in the DACH region

Retail & SME Business

2.5 million

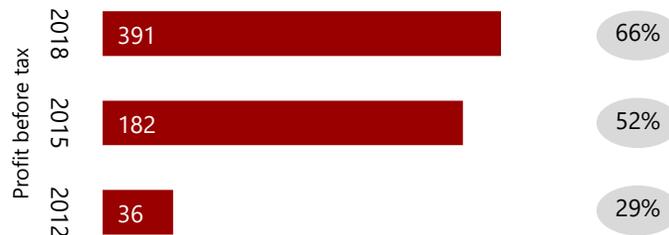
Customers in DACH region with core foundation in Austria and niche player in Germany and Switzerland

Focus on

- current accounts
- credit cards
- mortgages
- consumer loans
- auto and equipment leasing
- factoring
- SME lending

Strategic priorities

- *Concept 21*: Transforming to stand-alone branch network in Austria
- Driving strategic retail partnerships ... customer acquisition channel
- Mid-&-back office digitization as the key enabler for roll-out of simple & easy-to-use digital products across the value chain
- Focus on enhancing data analytics to better serve our customers



Corporates & Public Business

- Focus on developed markets ... DACH region, Western Europe & the United States
- Disciplined & conservative corporate & asset backed lending
- Austrian public sector lending, payments provider for the Republic of Austria

Simplified business focus

- Term loans, payments, and working capital facilities
- Focus on risk-adjusted returns versus volume growth
- Diversified portfolio in regards to asset class and geographies
- Focus on originate-to-sell for public sector assets



Note: % indicates share of segment to customer segments' profit before tax

Proven M&A track record

Experienced with bolt-on acquisitions to build out customer franchise

Acquisition track record

Closed Q2 '19	  Health AG ³⁾	€0.1b assets, €1b factoring new volume 3k customers
Closed Q1 '19	  Zahnärztekasse AG	
Closed Q2 '19	  BFL ²⁾ DIE IT-FINANZIERER	€0.6b assets 50k customers
Closed Q3 '18	  Deutscher Ring ²⁾ Bausparkasse AG	€0.5b assets 85k customers
Closed 2017	  SÜDWESTBANK	€7.4b assets 100k customers
Closed 2017	  PayLife,  rix commercial card issuing business	1.7m cards, >500k customers
Closed 2016	  start  bausparkasse	€2b assets 500k customers
Closed 2016	  IMMO-BANK	€1.6b assets 5k customers
Closed 2015	  VB LEASING ¹⁾ LIKE IT. LEASE IT.	€0.7b assets 50k customers

1) rebranded: easyleasing 2) rebranded: start:bausparkasse 3) rebranded: Health Coevo AG

Recent developments

- ✓ Continued focus on companies within the DACH region, often with Balance Sheets within a range of €1-10b
- ✓ Assessing Banks, specialty finance companies, performing loan portfolios and Fintechs
- ✓ Primary focus: Mortgages, Consumer, Leasing, Factoring, Credit Cards, SMEs and Private Banking
- ✓ Targeting companies with turnaround potential through cost-reduction and simplification strategies

Closing of latest bolt-on acquisitions

- ✓ Expansion into Germany (leasing & factoring) & Switzerland (factoring), healthcare financial services
- ✓ De-minimis impact in 2019 / 2020 ... targeting Group returns >15% RoTCE, adding €25m+ of PBT in 2021

2019 – 2020 Plan

Key business drivers

BASIS FOR >6% PBT GROWTH TARGETS

1

Grow core retail products in Austria ... niche player in Germany and Switzerland



Grow into our current account market share entitlement of 15-20% in e.g. consumer, housing, SME, auto ... through partnerships / digital and growing share of wallet of existing customers

2

Proactive move towards technology company infrastructure



Design open architecture and new distribution channels ... unlock efficiencies and drive new partnerships

3

Drive efficiencies through process & branch network optimization



Execute on *Concept 21* ... deliver on branch network transformation, continue digital platform enhancements

4

Maintain fortress balance sheet and disciplined underwriting approach



Stay disciplined and focus on risk adjusted returns

NOT FACTORED IN TARGETS

5

Pursue M&A growth ... focus on Retail & SME franchise, strategic fit & valuation



Completed nine acquisitions ... active evaluation of new opportunities

6

Interest rate sensitivities ... assuming static rate environment in targets



+/-25bps parallel shift in interest rates = +/-€30m NII over 2 years



IMPORTANT DISCLAIMER: This presentation is prepared solely for the purpose of providing general information about BAWAG Group, Wiedner Gürtel 11, 1100 Wien. The information does not constitute investment or other advice or any solicitation to participate in investment business. This presentation does not constitute an offer or recommendation to purchase any securities or other investments or financial products. In respect of any information provided past performances do not permit reliable conclusion to be drawn as to the future performances. BAWAG Group does not make any representation, express or implied, as to the accuracy, reliability or completeness of the information contained in this presentation. BAWAG Group disclaims all warranties, both express and implied, with regard to the information contained in this presentation. This presentation contains forward-looking statements relating to the business, financial performance and results of BAWAG Group or the industry in which BAWAG Group operates. These statements may be identified by words such as "expectation", "belief", "estimate", "plan", "target" or "forecast" and similar expressions, or by their context. These statements are made on the basis of current knowledge and assumptions and involve risks and uncertainties. Various factors could cause actual future results, performance or events to differ materially from those described in these statements and neither BAWAG Group nor any other person accepts any responsibility for the accuracy of the opinions expressed in this presentation or the underlying assumptions. No obligation is assumed to update any forward-looking statements. In no event shall BAWAG Group be liable for any loss, damages, costs or other expenses of any kind (including, but not limited to, direct, indirect, consequential or special loss or loss of profit) arising out of or in connection with any use of, or any action taken in reliance on, any information contained in this presentation. BAWAG Group assumes no obligation for updating the provided information in this presentation. The content in this presentation are not to be relied upon as a substitute for professional advice. This presentation shall not be forwarded to any third party.

Annex – Definitions and abbreviations

After-tax earnings per share ('EPS')

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

B/S leverage

Total assets / IFRS equity

Common Equity Tier 1 capital (CET1)

including interim profit, excluding any transitional capital (fully loaded), no dividend accruals considered; year-end common equity Tier 1 capital considers dividend deduction

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 Loans

Loans to customers measured at amortized cost

Common equity

Equity attributable to the owners of the parent; excluding minorities and AT1

FL ... fully-loaded

Leverage ratio

Tier 1 capital / total exposure (calculation according to CRR)

Net interest margin (NIM)

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

Normalized ... total of approximately €40m annual regulatory charges distributed pro-rata per quarter vs. 85% upfront in Q1

NPL ratio

Non-performing loans (NPLs) / exposure; as of June 2017, the ratio's denominator was changed from loans and receivables (incl. provisions) to exposure in line with regulatory requirements and applied retroactively

Pre-tax earnings per share

Profit before tax / weighted average number of shares outstanding (diluted)

Pro-forma CET1 ratio ... reflect CET1 capital balance after accounting for share buyback of €400m and Sep '19 YTD dividend accrual as well as normalized regulatory charges

Pro-forma EPS

Net profit (accounting for normalized regulatory charges) / number of shares outstanding post buyback

Pro-forma RoTCE ... reflect average tangible common equity after accounting for share buyback of €400m and Sep '19 YTD dividend accrual as well as normalized regulatory charges

Return on common equity (RoCE)

Net profit / average IFRS equity excl. AT1 capital – average equity based on 1 January 2018 due to IFRS 9 implementation

Return on tangible common equity (RoTCE)

Net profit / average IFRS tangible equity excl. AT1 capital – average equity based on 1 January 2018 due to IFRS 9 implementation

Risk cost ratio

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

RWA density

RWA / total assets

Tangible book value / share

IFRS tangible equity (excl. AT1 capital) / number of shares outstanding

Tangible common equity

IFRS equity reduced by the carrying amount of intangible assets; excl. AT1

vPY ... versus prior year period

vYE ... versus year-end

vPQ ... versus prior quarter period