

BAWAG GROUP ACQUIRES DEPFA BANK FROM FMS WERTMANAGEMENT AÖR

VIENNA, February 15, 2021 - Today, BAWAG Group signed a definitive agreement to acquire DEPFA BANK plc, and its subsidiary DEPFA ACS Bank DAC, from Germany's FMS Wertmanagement AöR ("FMS-WM"). DEPFA Group, headquartered in Dublin Ireland, was part of the Hypo Real Estate Holding AG, which was nationalized in 2009. Prior to nationalization, DEPFA Group primarily focused on issuing public sector covered bonds. DEPFA Group was acquired by FMS-WM in 2014 and has been in the process of winding down its banking operations. BAWAG Group will continue to ensure an orderly wind-down drawing on the infrastructure and operational capabilities of the broader group.

Anas Abuzaakouk, CEO of BAWAG Group: *"The acquisition of DEPFA represents an attractive and capital accretive investment opportunity. This allows us to acquire high-quality low-risk assets, leverage our balance sheet, and draw upon on our existing infrastructure and operational capabilities."*

The transaction is subject to customary closing conditions and regulatory approvals. The parties involved have agreed not to disclose the purchase price or any details of the agreement. DEPFA Group plans to publish year-end financials on March 29th, 2021.

About DEPFA BANK

DEPFA's name is derived from *Deutsche Pfandbriefbank* and since the 1990's was an issuer of Irish Public Sector Covered Bonds via its subsidiary DEPFA ACS Bank DAC. After a bailout the German government ended up with 100% ownership of DEPFA's parent company HRE Group in 2009. Since the bailout by the government the focus of the DEPFA Group management and employees has been to manage and rundown its public sector finance asset base. On 19th December 2014 DEPFA Group became a wholly owned subsidiary of the German state agency FMS Wertmanagement AöR (FMS-WM) which was established in 2010 as the Federal Republic of Germany's winding up institution for the nationalised HRE Group. FMS-WM is under the direct ownership of the German Financial Markets Stabilisation Fund ("FMS"), which is managed by the Federal Agency for Financial Market Stabilisation ("FMSA"). DEPFA Group does not undertake new business commitments as part of the conditions agreed during the state aid approval process between the European Commission and the Federal Republic of Germany. DEPFA Group continues to preserve capital and wind down its portfolio in a manner designed to maintain value and is regulated by the Central Bank of Ireland.

About BAWAG Group

BAWAG Group AG is a publicly listed holding company headquartered in Vienna, Austria, serving 2.3 million retail, small business, corporate and public sector customers across Austria, Germany, Switzerland, Netherlands and other developed markets. 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. Delivering simple, transparent, and reliable financial products and services that address our customers' needs is our strategy across the Group.

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

Contact us:

Financial Community:

Jutta Wimmer (Head of Investor Relations)
Phone: +43 (0) 5 99 05-22474
IR-Hotline: +43 (0) 5 99 05-34444
e-mail: investor.relations@bawaggroup.com

Media:

Manfred Rapolter (Head of Corporate & Commercial Communications, Spokesman)
Phone: +43 (0) 5 99 05-31210
e-mail: communications@bawaggroup.com