

BAWAG GROUP

Q1 2023 CREDIT UPDATE

April 25, 2023

HIGHLIGHTS Q1 2023

EARNINGS

Q1 '23: Net profit of €140m, RoTCE of 20.5% and EPS of €1.69

Normalized RoTCE of 23.5% (pro-rating front-loaded regulatory charges)

Pre-provision profit of €248m (+21% vPY) and CIR at 32.5%

Risk cost ratio of 19bps ... ECL management overlay remains at €100m

Regulatory charges: €41m in Q1, which account for ~80% of expected FY '23 charges (~€51m)

BALANCE SHEET & CAPITAL

Average customer loans (3%) vPQ and +1% vPY ...
Average interest-bearing assets (2%) vPQ and +3% vPY

Average customer deposits (2%) vPQ and (6%) vPY ...
Average customer funding +2% vPQ and +6% vPY

CET1 ratio at 14.1% after deducting €77m dividend accrual ... 2022 DPS €3.70 paid out April 06, 2023

Excess capital of €365m versus CET1 target of 12.25%

Fortress balance sheet ... excess capital, €8.5 billion cash excluding TLTRO with 215% LCR, and strong credit profile with NPL ratio of 0.9%

OUTLOOK

Buyback up to 100bps CET1% planned in 2023 (subject to regulatory approval)

Excess capital (post buyback) provides dry powder for potential organic or inorganic opportunities

Reconfirming 2023 financial targets:

Profit before tax > €825m, EPS > €7.50, DPS > €4.10 ... excluding any potential buyback

Return targets 2023 & beyond:

RoTCE >20% and CIR < 34%

- **RoTCE of 20.5% ... including frontloaded regulatory charges**
- **Normalized RoTCE 23.5%**

- **CET1 ratio at 14.1% ... Excess capital of €365m**
- **Strong asset quality with 0.9% NPL ratio and liquidity profile with LCR at 215%**

- **Reconfirmed 2023 financials targets**
- **Return targets: RoTCE >20% & CIR <34%**

FINANCIAL PERFORMANCE

P&L € millions	Q1 '23	Q1 '22	vPY	Q4 '22	vPQ
Core revenues	366.3	323.4	13.3%	344.7	6.3%
Net interest income	290.0	242.0	19.8%	269.7	7.5%
Net commission income	76.2	81.4	(6.4%)	75.0	1.6%
Operating income	366.9	325.4	12.8%	330.9	10.9%
Operating expenses	(119.4)	(120.4)	(0.8%)	(118.1)	1.1%
Pre-provision profit	247.5	205.0	20.7%	212.8	16.3%
Regulatory charges	(41.0)	(38.4)	6.8%	0.1	NM
Risk costs	(20.6)	(20.3)	1.5%	(36.2)	(43.1%)
Profit before tax	186.4	146.3	27.4%	177.3	5.1%
Net profit	139.6	110.9	25.9%	131.9	5.8%

Ratios	Q1 '23	Q1 '22	vPY	Q4 '22	vPQ
RoCE	17.2%	13.3%	3.9pts	16.4%	0.8pts
RoTCE	20.5%	15.9%	4.6pts	19.6%	0.9pts
Net interest margin	2.72%	2.33%	0.39pts	2.43%	0.30pts
CIR	32.5%	37.0%	(4.5pts)	35.7%	(3.2pts)
Risk cost ratio	0.19%	0.19%	-	0.33%	(0.14pts)

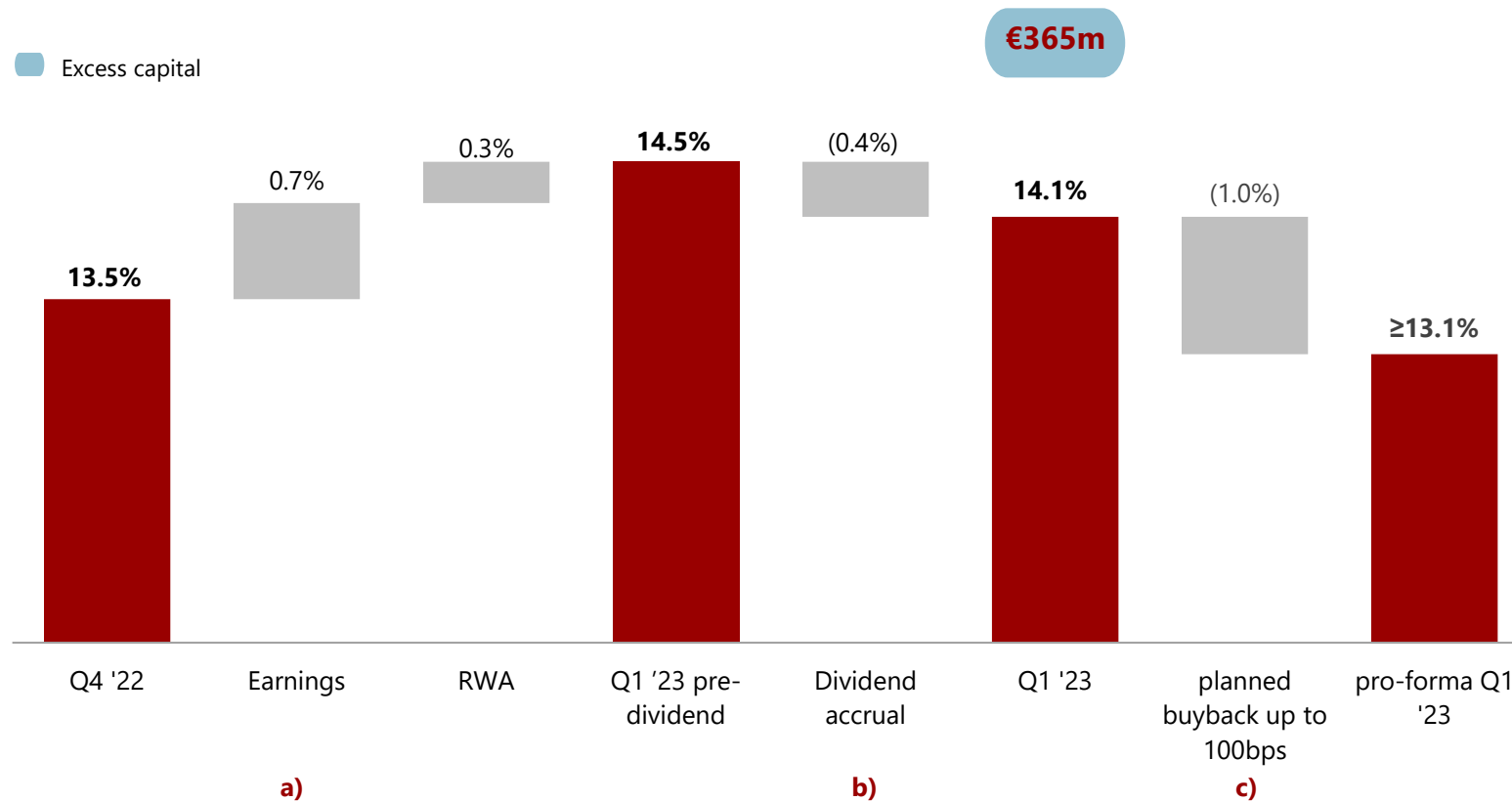
Balance Sheet & Capital € millions	Q1 '23	Q4 '22	vPQ	Q1 '22	vPY
Total assets	54 513	56 523	(4%)	54 475	-
Cash & Cash Equivalent excluding TLTRO	8 528	7 792	9%	5 639	51%
Interest-bearing assets (average)	43 290	44 046	(2%)	42 099	3%
Customer funding (average)	43 565	42 802	2%	41 126	6%
Customer loans (average)	35 481	36 417	(3%)	34 982	1%
Customer deposits (average)	32 249	32 883	(2%)	34 150	(6%)
Common Equity	3 279	3 215	2%	3 665	(11%)
Tangible Common Equity	2 761	2 693	3%	3 133	(12%)
CET1 Capital	2 845	2 793	2%	2 695	6%
Risk-weighted assets	20 247	20 664	(2%)	20 527	(1%)
CET1 Ratio (post dividend)	14.1%	13.5%	0.6pts	13.1%	1.0pts

Per share data	Q1 '23	Q4 '22	vPQ	Q1 '22	vPY
Book value (€)	39.84	39.14	2%	37.53	6%
Tangible book value (€)	33.55	32.78	2%	31.55	6%
Shares outstanding (€ m)	82.30	82.15	-	89.00	(8%)
Earnings per share (€)	1.69	1.51	12%	1.24	36%

Note: All equity, capital, ratios and per share data reflect deduction of €77m dividend accrual.

CAPITAL DEVELOPMENT

QUARTERLY CAPITAL DEVELOPMENT



CAPITAL DEVELOPMENT

- a) Gross capital generation ~+70bps in Q1 '23 through earnings

CAPITAL DISTRIBUTION

- b) Q1 '23 Dividend accrual of €77m based on dividend policy (55% of net profit)
- c) Share buyback of up to 100bps CET1% planned in 2023 (subject to regulatory approval)

EXCESS CAPITAL

- CET1 ratio 14.1% post dividend accrual of €77m and ≥13.1% after planned share buyback
- Excess capital above management target of 12.25% of €365m before planned share buyback
- Peak Bancorp (Idaho First Bank) ... CET1 impact 25-30bps¹⁾
- Maintaining dry powder for potential M&A

1) Shareholder approved, pending regulatory approval

RETAIL & SME

FINANCIAL PERFORMANCE

€ millions	Q1'23	Q1'22	vPY	Q4'22	vPQ
Core revenues	275.9	245.8	12%	271.3	2%
Net interest income	207.7	171.7	21%	204.0	2%
Net commission income	68.1	74.1	(8%)	67.3	1%
Operating income	277.2	246.8	12%	272.4	2%
Operating expenses	(86.5)	(86.7)	-	(85.3)	(1%)
Pre-provision profit	190.7	160.1	19%	187.1	2%
Regulatory charges	(13.9)	(12.5)	11%	1.5	-
Risk costs	(19.7)	(15.0)	31%	(21.8)	(10%)
Profit before tax	157.2	132.6	19%	166.8	(6%)
Net profit	117.9	99.4	19%	125.1	(6%)

RATIOS

in %	Q1'23	Q1'22	vPY	Q4'22	vPQ
RoCE	29.4%	26.5%	2.9pts	32.2%	(2.8pts)
RoTCE	34.6%	31.3%	3.3pts	38.1%	(3.5pts)
CIR	31.2%	35.1%	(3.9pts)	31.3%	(0.1pts)
NPL ratio	1.7%	1.9%	(0.2pts)	1.6%	0.1pts
Risk cost ratio	0.35%	0.28%	0.07pts	0.39%	-

CUSTOMER DEVELOPMENT

€ millions	Q1 '23	Q1 '22	vPY	Q4 '22	vPQ
Housing loans	15 796	15 890	(1%)	15 972	(1%)
Consumer and SME	6 386	5 492	16%	6 403	-
Total assets	22 182	21 382	4%	22 375	(1%)
Total assets (average)	22 281	21 262	5%	22 461	(1%)
Risk-weighted assets	9 453	8 792	8%	9 587	(1%)
Customer deposits	27 075	28 054	(3%)	27 826	(3%)
Customer deposits (average)	26 820	28 181	(5%)	27 292	(2%)
Customer funding	35 813	32 957	9%	35 369	1%
Customer funding (average)	36 465	33 726	8%	35 750	2%

DEVELOPMENTS in Q1 '23

Q1 '23 net profit of €118m, up 19% vPY due to higher pre-provision profits ... average net asset growth +5% vPY driven by consumer loans ... housing loans down reflecting overall subdued market dynamics

Pre-provision profit of €191m for Q1 '23, up 19% vPY ... Core revenues up 12% and operating expenses flat despite inflationary pressure

Risk costs of €(20)m in Q1 '23, up 31% vPY and down 10% vPQ ... reflecting normalized risk costs with no management overlay build or releases

Continuing to execute on various operational and strategic initiatives to drive efficiency and disciplined profitable growth across our Retail & SME franchise

Subdued loan growth and advisory business given overall cautious consumer sentiment and significant movement in rates

CORPORATES, REAL ESTATE & PUBLIC SECTOR

FINANCIAL PERFORMANCE

€ millions	Q1'23	Q1'22	vPY	Q4'22	vPQ
Core revenues	77.3	72.7	6%	74.3	4%
Net interest income	68.6	64.8	6%	66.4	3%
Net commission income	8.7	7.9	10%	7.9	10%
Operating income	76.6	80.5	(5%)	71.2	8%
Operating expenses	(18.4)	(18.1)	2%	(17.1)	8%
Pre-provision profit	58.2	62.4	(7%)	54.1	8%
Regulatory charges	(9.0)	(8.5)	6%	(0.8)	1025%
Risk costs	(0.1)	(3.2)	(97%)	(13.2)	NM
Profit before tax	49.1	50.8	(3%)	40.2	22%
Net profit	36.8	38.1	(3%)	30.2	22%

RATIOS

in %	Q1'23	Q1'22	vPY	Q4'22	vPQ
RoCE	15.3%	14.0%	1.3pts	12.2%	3.1pts
RoTCE	19.0%	17.1%	1.9pts	15.2%	3.8pts
CIR	24.0%	22.5%	1.5pts	24.0%	-
NPL ratio	0.7%	0.9%	(0.2pts)	0.7%	-
Risk cost ratio	-	0.09%	-	0.35%	-

CUSTOMER DEVELOPMENT

€ millions	Q1 '23	Q1 '22	vPY	Q4 '22	vPQ
Corporates	3 838	3 900	(2%)	3 771	2%
Real Estate	5 669	6 089	(7%)	6 067	(7%)
Public Sector	4 311	4 451	(3%)	4 178	3%
Short-term/money market lending	486	344	41%	487	-
Total assets	14 304	14 784	(3%)	14 503	(1%)
Total assets (average)	14 366	14 708	(2%)	15 086	(5%)
Risk-weighted assets	7 325	7 891	(7%)	7 502	(2%)
Customer deposits	5 410	5 656	(4%)	5 907	(8%)
Customer deposits (average)	5 046	5 563	(9%)	5 113	(1%)
Customer funding	7 055	6 822	3%	7 511	(6%)
Customer funding (average)	6 717	6 740	(0%)	6 574	2%

DEVELOPMENTS in Q1 '23

Q1 '23 net profit of €37m, down 3% vPY ... average net assets down (2%) vPY

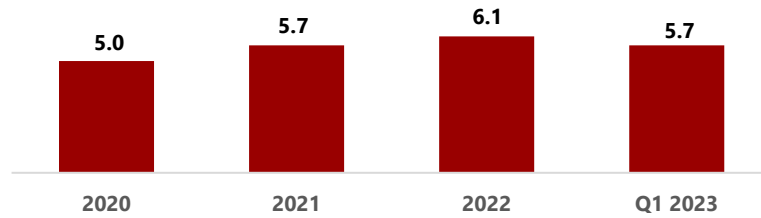
Pre-provision profit of €58m in Q1 '23, down (7%) vPY ... Operating income down (5%)

No risk costs in Q1 '23 with no management overlay build or releases ... solid credit performance across asset classes ... NPL ratio stable at 0.7%

Maintaining disciplined and conservative underwriting with solid pipeline and commitments in 2023 ... will remain patient with focus on risk-adjusted returns

REAL ESTATE LENDING

Total portfolio € b



	2020	2021	2022	Q1 2023
Residential	37%	38%	42%	41%
Industrial / Logistics	11%	17%	22%	24%
Office	29%	23%	22%	21%
Hospitality	6%	12%	7%	7%
Shopping / Retail	12%	8%	5%	5%
Other	4%	3%	2%	2%

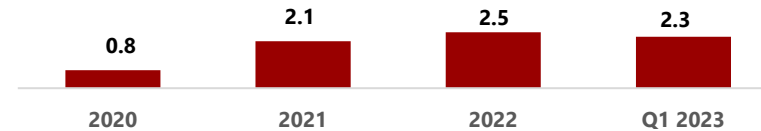
PORTFOLIO DEVELOPMENT

- Residential + Industrial / Logistics make up 65% of total portfolio ... Main drivers of growth in portfolio since 2020 .. Positive macro trends
- Cautious on Office post COVID given secular changes with limited Retail lending as well
- NPL ratio 0.9% ... legacy Retail position provisioned
- EBA stress test (2021) assumed ~30% decline in CRE = 2% loss rate over 3 years with different portfolio mix than today ... conservative stress proxy
- Growth in US portfolio since 2020 from Residential + Industrial / Logistics assets ... ~70% of portfolio
- Average LTV < 60% for entire portfolio since 2020

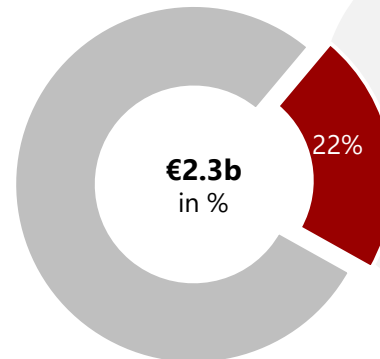
UNDERWRITING PRINCIPLES

- Focus on risk-adjusted returns across all cycles ... be patient lender with business that meets our risk appetite ... no volume targets
- Senior secured lender ... no mezzanine financing
- Focus on structural protections ... cross-collateralized loans, cash-flow sweeps, interest rate hedges, sponsor guarantees etc.
- Portfolio total LTV consistently < 60% with debt yields across Office portfolio > 9%
- Significant amount of the portfolio granular and cross-collateralized

US portfolio € b



	2020	2021	2022	Q1 2023
Residential	33%	39%	41%	41%
Industrial / Logistics	5%	18%	26%	29%
Office	59%	24%	26%	22%
Hospitality	-	17%	7%	7%
Shopping / Retail	3%	2%	0%	1%
Other	-	-	-	-



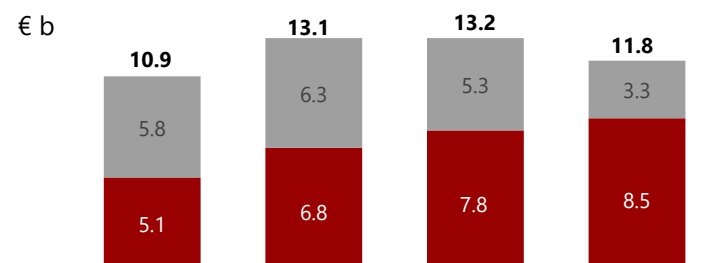
US OFFICE EXPOSURE:

- Geographic footprint solely in major cities and is comprised of Class A buildings
- Average senior debt yield > 9%
- Weighted average lease terms of ~6 years and solid tenants with average occupancy levels ~75%
- LTVs in line with the broader portfolio < 60%

INVESTMENT BOOK AND CASH

CASH & CASH EQUIVALENTS

■ Cash & Cash equivalent ■ TLTRO

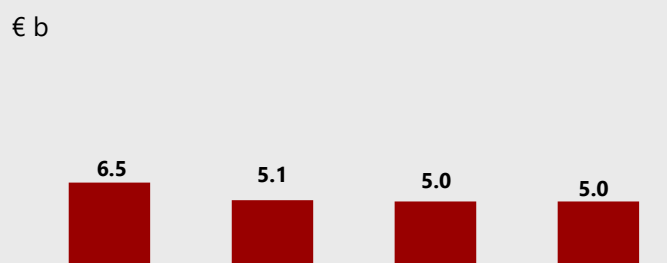


	2020	2021	2022	Q1 2023
LCR	231%	239%	225%	215%
HQLA (€b)	10.6	12.4	12.7	11.0
Cash excl. TLTRO / BS	10%	12%	15%	16%

CASH DEVELOPMENT & TRENDS

- LCR at 215% ... Cash balance €8.5b (excluding TLTRO)
- Redeemed €3.0b TLTRO by Q1 '23 ... Plan to redeem €2.8b in Q2 '23
- Maintained excess liquidity over the years to address market opportunities ... continuing to stay patient and maintain liquid balance sheet

INVESTMENT BOOK

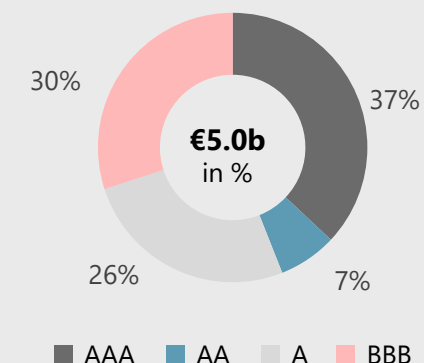


% of interest-bearing assets

16% **12%** **12%** **12%**

PORTFOLIO DEVELOPMENT

- Portfolio increase during COVID period (2020) when market volatility presented very attractive risk-adjusted returns
- Portfolio deleveraging post-2020... a period defined by excess liquidity, negative interest rates and tight credit spreads
- We have been underinvested in our securities portfolio over the past few years ... conscious decision to stay on the sidelines as we did not see attractive risk-adjusted returns



Q1 '23 OVERVIEW

- Portfolio comprised ~300 positions, average size ~€17m, weighted average life (WAL) of ~3.7 years
- 100% portfolio investment grade, with 70% A or higher ... ~90% EUR denominated positions
- Interest-rate risk almost fully hedged (<1% unrealized loss)
- AFS portfolio €2.4b ... Total AOCI (€10)m ... WAL~3.5 years
- HTM portfolio €2.6b ... Total net unrealized loss (€30m) ... WAL~3.8 years

AGENDA

1 Q1 2023 HIGHLIGHTS & SEGMENT PERFORMANCE

2 DETAILED FINANCIALS & OUTLOOK

3 SUPPLEMENTAL INFORMATION

P&L & KEY RATIOS

P&L € millions	Q1'23	Q1'22	vPY	Q4'22	vPQ
Net interest income	290.0	242.0	20%	269.7	8%
Net commission income	76.2	81.4	(6%)	75.0	2%
Core revenues	366.3	323.4	13%	344.7	6%
Other revenues	0.6	2.1	(71%)	(13.8)	(104%)
Operating income	366.9	325.4	13%	330.9	11%
Operating expenses	(119.4)	(120.4)	(1%)	(118.1)	1%
Pre-provision profit	247.5	205.0	21%	212.8	16%
Regulatory charges	(41.0)	(38.4)	7%	0.1	NM
Risk costs	(20.6)	(20.3)	1%	(36.2)	(43%)
Profit before tax	186.4	146.3	27%	177.3	5%
Income taxes	(46.8)	(35.3)	33%	(45.4)	3%
Net profit	139.6	110.9	26%	131.9	6%

Key ratios	Q1'23	Q1'22	vPY	Q4'22	vPQ
Return on Common Equity	17.2%	13.3%	3.9pts	16.4%	0.8pts
Return on Tangible Common Equity	20.5%	15.9%	4.6pts	19.6%	0.9pts
Net interest margin	2.72%	2.33%	0.39pts	2.43%	0.30pts
Cost-income ratio	32.5%	37.0%	(4.5pts)	35.7%	(3.2pts)
Risk cost ratio	0.19%	0.19%	-	0.33%	(0.10pts)
Earnings per share (in €)	1.69	1.24	36%	1.51	12%
Tangible book value per share (in €)	33.55	31.55	6%	32.78	2%

DEVELOPMENTS in Q1 '23

Net interest income up 8% vPQ ... net interest margin (NIM) at 2.72% in Q1 '23, up 39bps vPQ

Net commission income at €76m ... +2% vPQ

Cost-income ratio of 32.5% in Q1 '23 ... ongoing disciplined cost control despite inflationary headwinds

Regulatory charges of €41m reflecting approximately 80% of FY charges (~€51m)

Risk costs of €(21)m in Q1 '23... run-rate in line with strong credit performance, low NPL levels and continued low but normalizing delinquencies ... management overlay remains at €100m

BALANCE SHEET

Balance sheet € millions	Q1 '23	Q1 '22	vPY	Q4 '22	vPQ
Total assets	54,513	54,475	-	56,523	(4%)
<i>thereof average interest-bearing assets</i>	43,290	42,099	3%	44,046	(2%)
Customer loans	35,255	35,132	-	35,763	(1%)
<i>average customer loans</i>	35,481	34,982	1%	36,417	(3%)
Securities and bonds	6,082	5,646	8%	6,066	-
Credit institutions and cash	11,866	11,912	-	13,175	(10%)
Other assets	1,310	1,785	(27%)	1,519	(14%)
Total liabilities & equity	54,513	54,475	-	56,523	(4%)
<i>thereof average customer funding</i>	43,565	41,126	6%	42,802	2%
Customer deposits	32,254	34,071	(5%)	34,293	(6%)
<i>average customer deposits</i>	32,249	34,150	(6%)	32,883	(2%)
Own issues	12,049	6,877	75%	10,236	18%
Credit institutions	4,381	7,273	(40%)	6,344	(31%)
Other liabilities	2,002	2,053	(2%)	1,659	21%
Equity	3,827	4,201	(9%)	3,991	(4%)

Capital & RWA € millions	Q1 '23	Q1 '22	vPY	Q4 '22	vPQ
Common equity	3 279	3 340	(2%)	3 215	2%
Tangible common equity	2 761	2 808	(2%)	2 693	3%
CET1 capital	2 845	2 695	6%	2 793	2%
Risk-weighted assets	20 247	20 527	(1%)	20 664	(2%)
CET1 ratio (post dividend)	14.1%	13.1%	1.0pts	13.5%	0.6pts
Leverage ratio	5.9%	5.6%	0.3pts	5.6%	0.3pts
Liquidity Coverage Ratio	215%	192%	24pts	225%	(10pts)

DEVELOPMENTS in Q1 '23

Average interest-bearing assets and risk-weighted assets down 2% vPQ

Average Customer deposits down 2% in Q1 '23 ... average customer funding up 2% vPQ

TLTRO of €3.3b at end of Q1 '23 ... €2.0b paid back in Jan '23

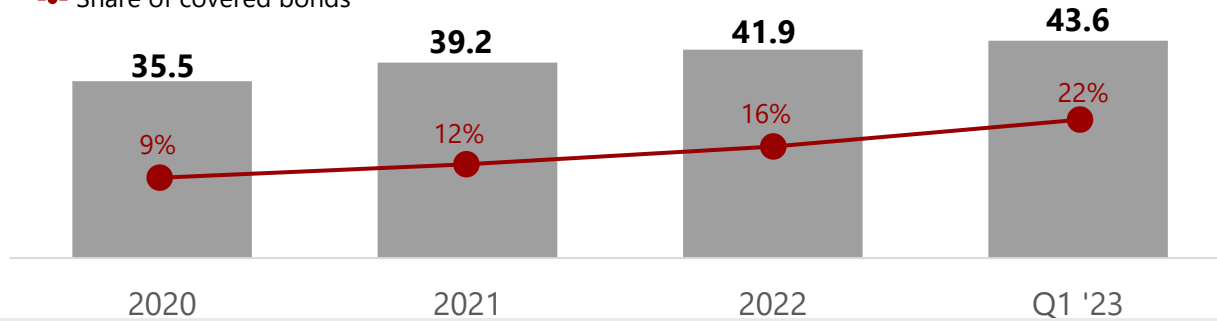
CET1 ratio at 14.1% post deduction of €77m dividend accrual for Q1 '23

FUNDING OVERVIEW

Customer funding ... ~95% total funding

€ billions

—●— Share of covered bonds



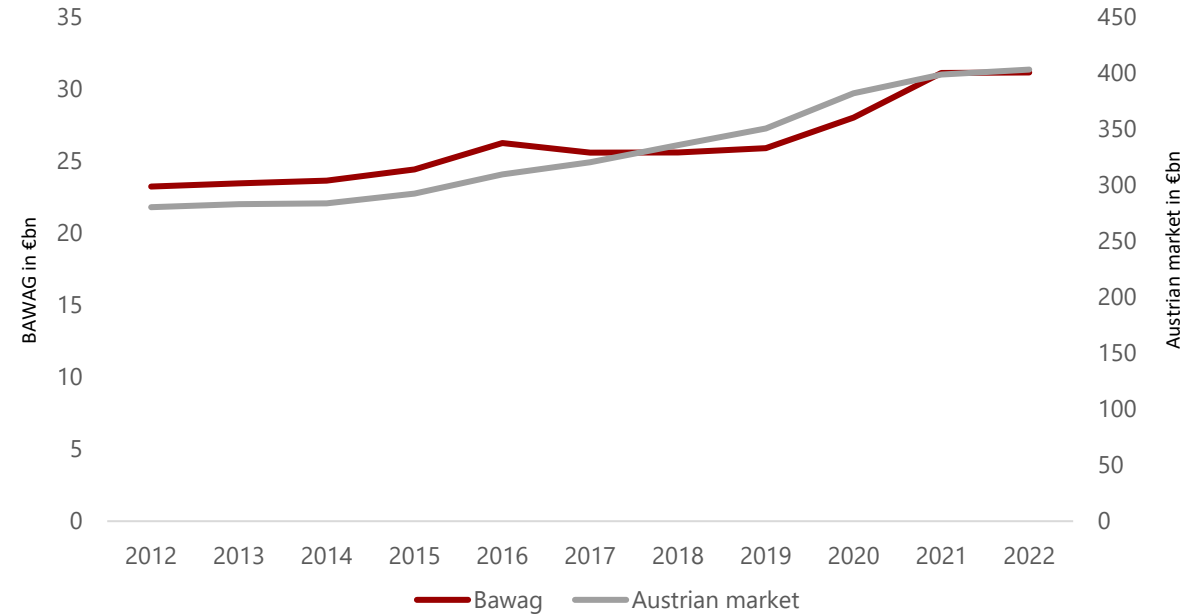
DEPOSITS

- Retail & SME average deposits €26.8b, thereof ~80% insured by deposit guarantee scheme Average deposit size of €12k
- Corporates & Public Sector average deposits €5.1b ... largest share in public sector, which are predominantly transactional current accounts

COVERED BONDS

- Austrian covered bond program with mortgages and public sector loans as collateral
- €10b notional ... Issued >€1b covered bonds in early 2023
- Almost no maturities in the coming years, weighted average life ~ 8 years
- Match-funded against average duration of assets
- Additional funding capacity of a few billion after paying back the TLTRO funds

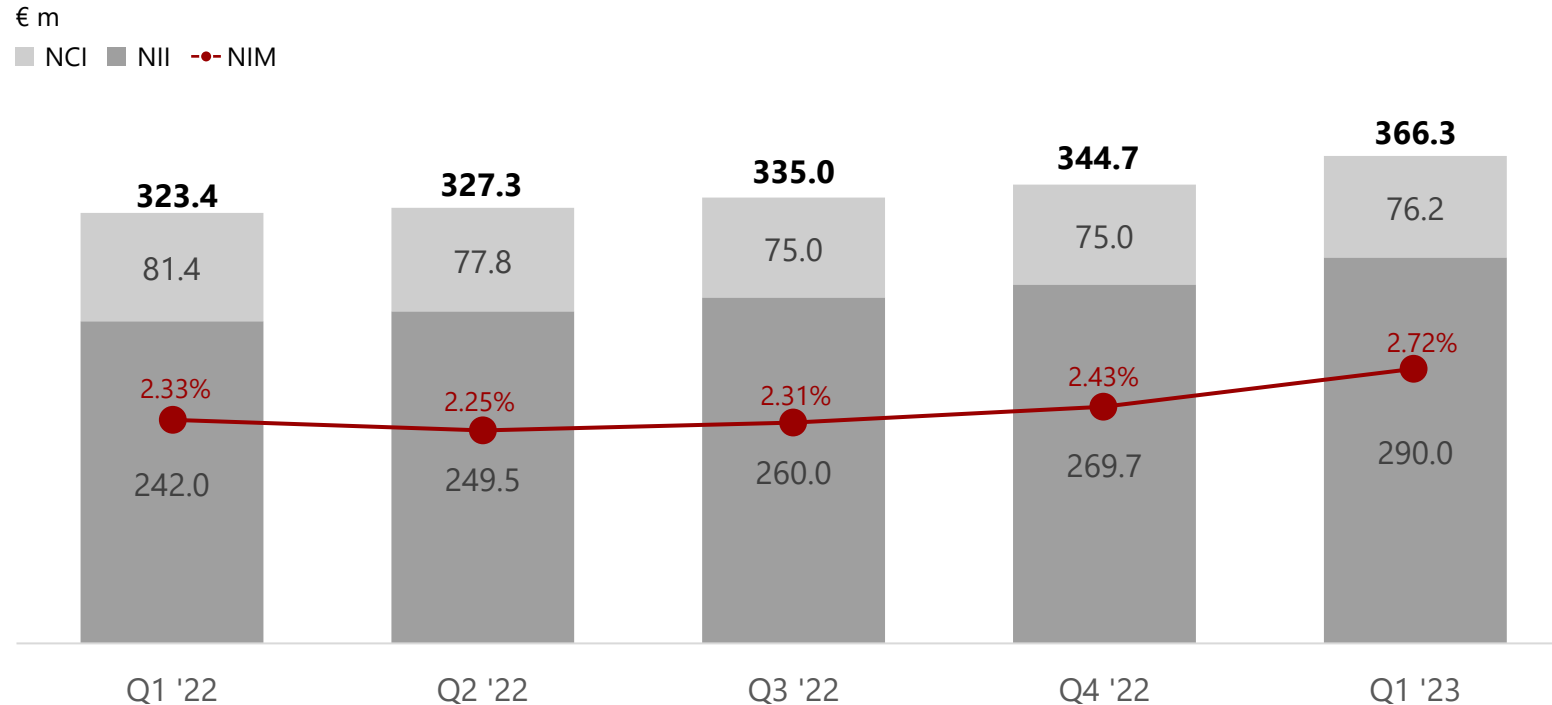
Customer deposit development (Austria)



~8% market share in Austria over past decade

CORE REVENUES

Continued strong NII development ... stable NCI



Average customer loans | Average interest-bearing assets | € b

35.0	36.8	36.8	36.4	35.5
42.1	44.5	44.7	44.0	43.3

Net interest income (NII) up 8% vPQ ... net interest margin (NIM) at 2.72% in Q1'23

- Average customer loans down (2.6%) vPQ and up 1.4% vPY
- Subdued loan growth from cautious consumer sentiment and re-pricing of loans given rising interest rates
- Increase in NII due to interest rate changes will continue gradually in quarters ahead

Net commission income (NCI) up 2% vPQ

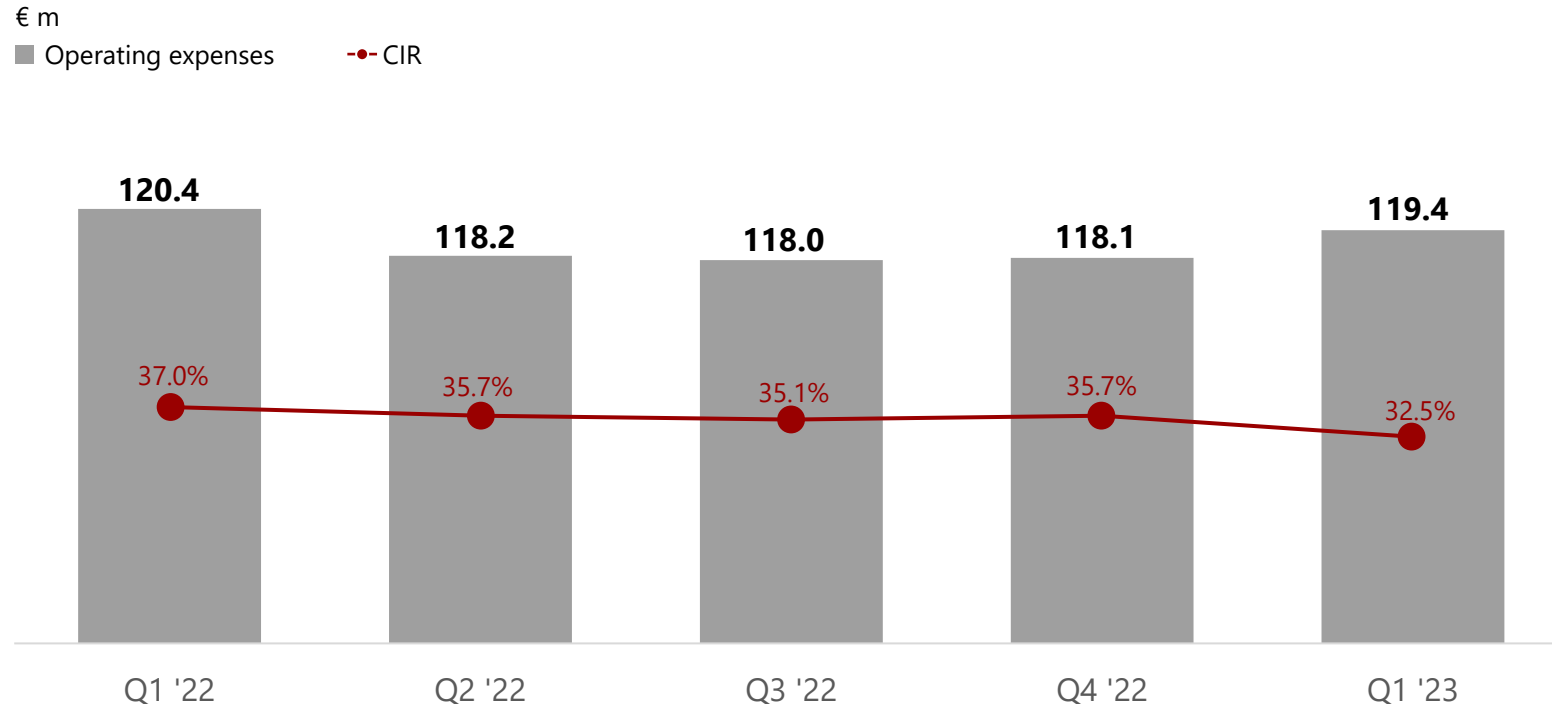
- Overall advisory and payments business largely stable
- Customers shift into fixed income products

Outlook for 2023

- Core revenues growth of >12% in 2023
- Net interest income expected to increase to >€1.2b ... gradual improvement in coming quarters continues
- Expecting customer loans to be static in 2023

OPERATING EXPENSES

Efficiency and simplification initiatives counter inflationary headwinds



CIR at 32.5% in Q1 '23 down (3.2pts) vPQ

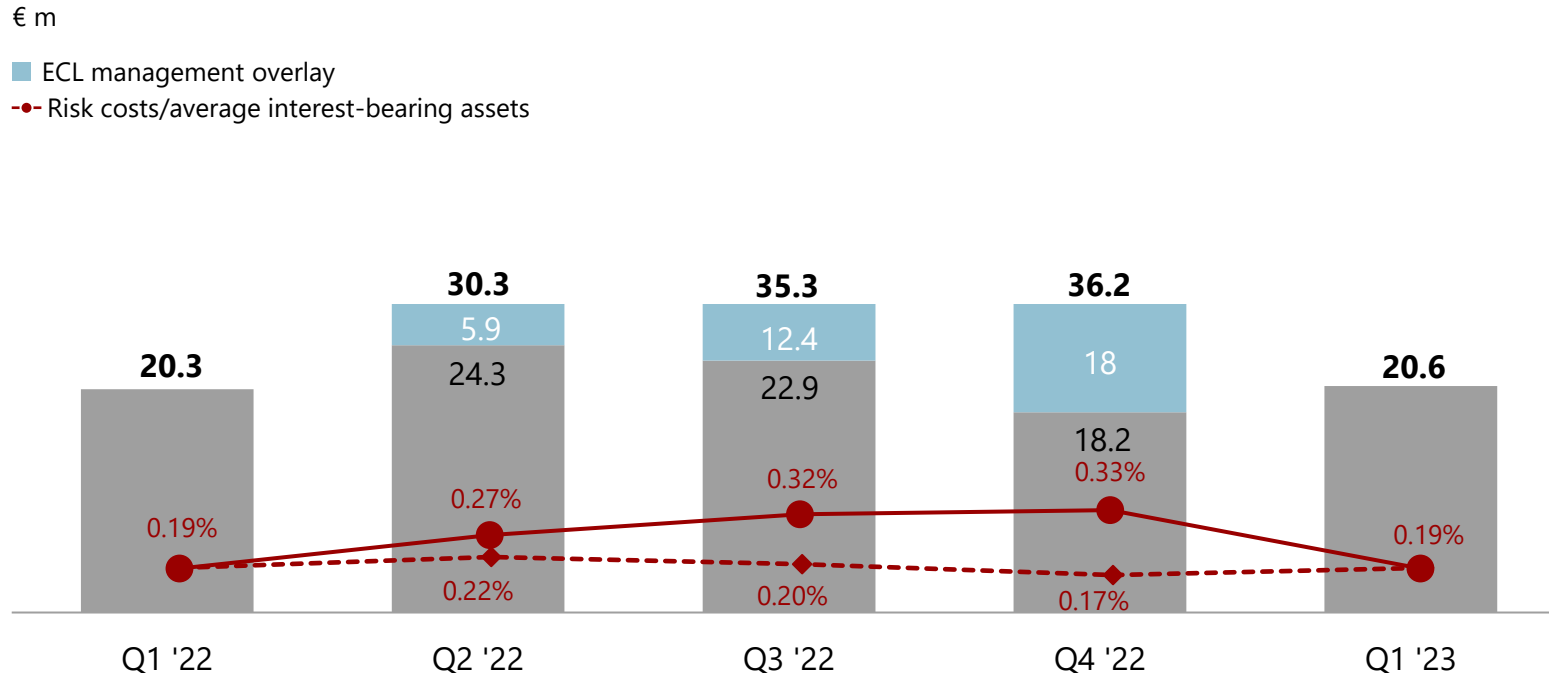
- Significant inflationary pressure offset by several operational initiatives launched over the past two years
- Focused on absolute cost targets and proactive cost management
- Executed multiple initiatives focused on greater scale, greater digital engagement, and continued rollout of simplification roadmap across the Group

Outlook for 2023

- Operating expenses to increase ~2% ... CIR of <34%

RISK COSTS

Applying prudent approach while closely monitoring macro environment



ECL Management overlay (in € m)

64	70	82	100	100
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NPL ratio

1.5%	1.4%	1.0%	0.9%	0.9%
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Q1 '23 risk costs €20.6m ... risk cost ratio 19bps

- Ongoing strong credit performance ... NPL ratio of 0.9%
- ECL management overlay remains at €100m in Q1 '23

Maintain safe & secure balance sheet

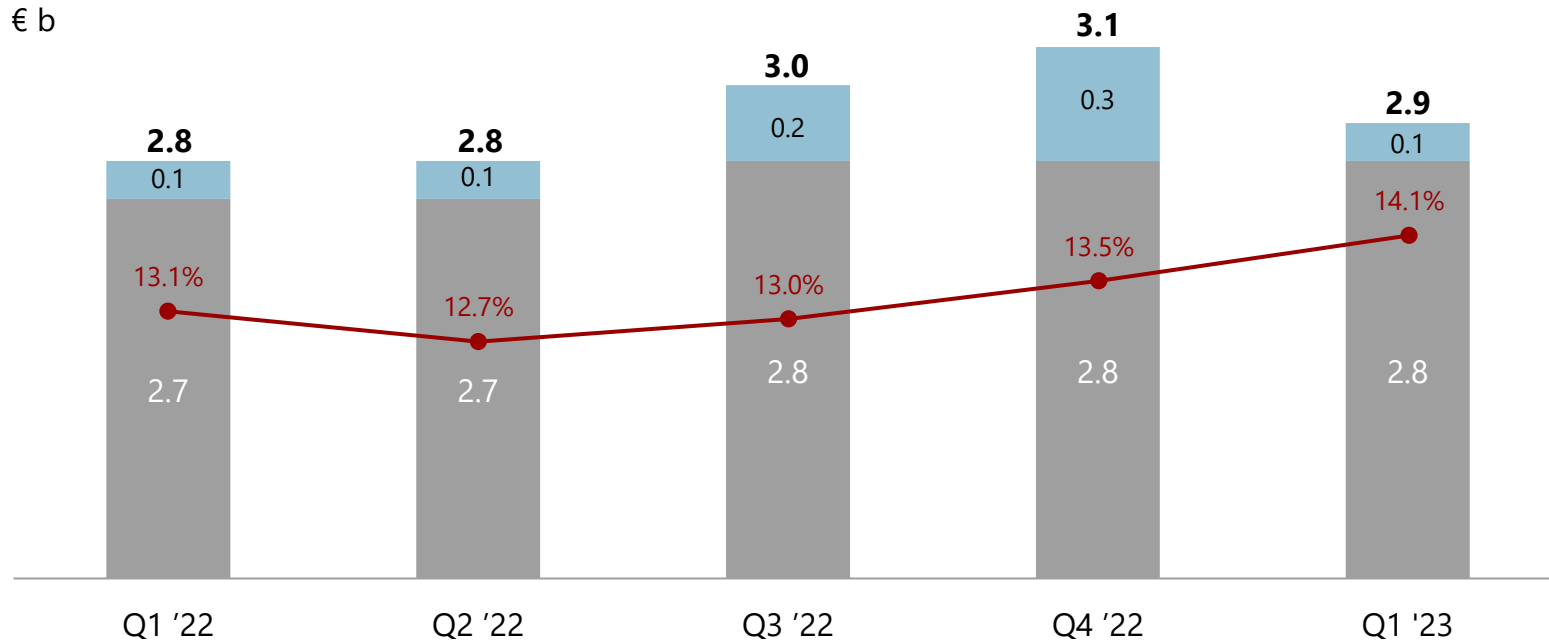
- Focused on developed and mature markets ... 73% DACH/NL region & 27% Western Europe/United States
- Conservative underwriting with a focus on secured lending ... ~80% of customer loans is secured or public sector lending
- No direct exposure to Russia or Ukraine and de minimis secondary exposures

Outlook for 2023

- Expect underlying risk cost ratio of 20-25bps in 2023 ... assumes no release of management overlay

REGULATORY CAPITAL

Strong capital position



RWA | € b | Tier 1 ratio | Total capital ratio | Leverage ratio

20.5	21.3	21.3	20.7	20.2
15.3%	14.8%	15.1%	15.5%	16.1%
18.4%	17.7%	18.0%	18.5%	19.1%
5.6%	5.6%	5.7%	5.6%	5.9%

■ Dividend ■ CET1 capital (post dividend) -●- CET1 ratio (post dividend)

Note: All capital ratios post dividend accrual and deducting €325m buyback in 2022

Capital distribution plans:

€305m dividend payment approved by AGM for FY '22 and paid out on April 6, 2023

€77m dividend accrual for Q1 '23 based on dividend policy

Planned share buyback of up to 100bps CET1%, subject to regulatory approval

Capital development:

Q1 '23 Tier1 capital ratio 16.1% and Total Capital ratio 19.1%

Capital requirement of 9.56% CET1 at Q1 '23 ... P2R of 2.0% and P2G of 0.75%

Target CET1 ratio of 12.25% is 269bps above MDA trigger of 9.56%

Increase in domestic buffers to 1.4% for 2024

MREL

MREL Strategy

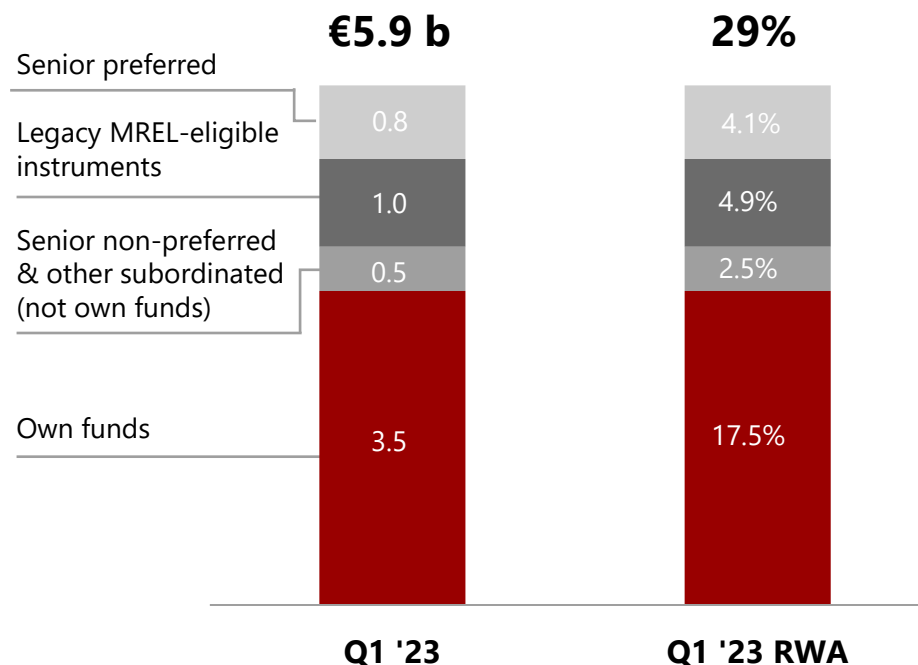
MREL decision received in Feb '23 fully reflecting CRR2/BRRD2 with final requirements from 1 January 2024:

- Requirement applicable at BAWAG P.S.K. level (consolidated) with a single point of entry resolution strategy
- No subordination requirement as no creditor worse off (NCWO) principle is not in breach
- Binding interim requirement of 22.46% as well as end state requirement of 26.49% met

Our MREL issuance plans:

- €500 m SP issued in Q1 2023 and CHF300 m SP issued in Q4 2022
- Further issuance planned in coming years to replace maturities, meet MREL requirement and build buffer

MREL instruments



MREL requirement incl. CBR

26.49%

Jan 1, 2024

Note: all stated MREL requirements incl. CBR as of March 2023



FUNDING & LIQUIDITY

Liquidity

Liquidity coverage ratio **215%**

Liquidity buffer **€10.2b**

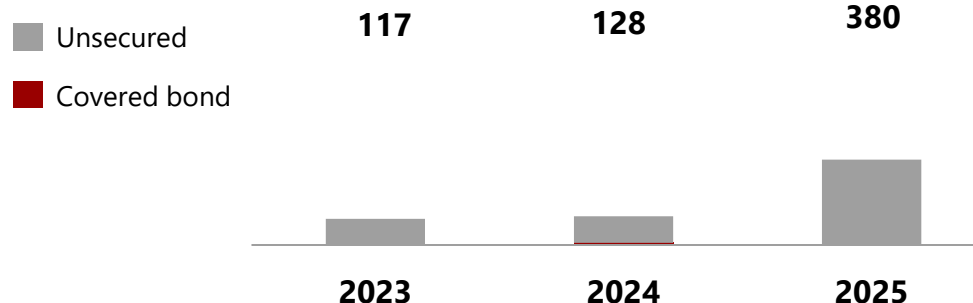
Liquidity buffer including other marketable securities **€14.4b**

Issuance plans 2023 and beyond

- Covered bond issuance plan 2023 already well advanced ... total issuance volume expected significantly below 2022
- Increasing focus on senior issuance
- At least one Green bond benchmark per year

Comfortable maturity profile

€ millions notional



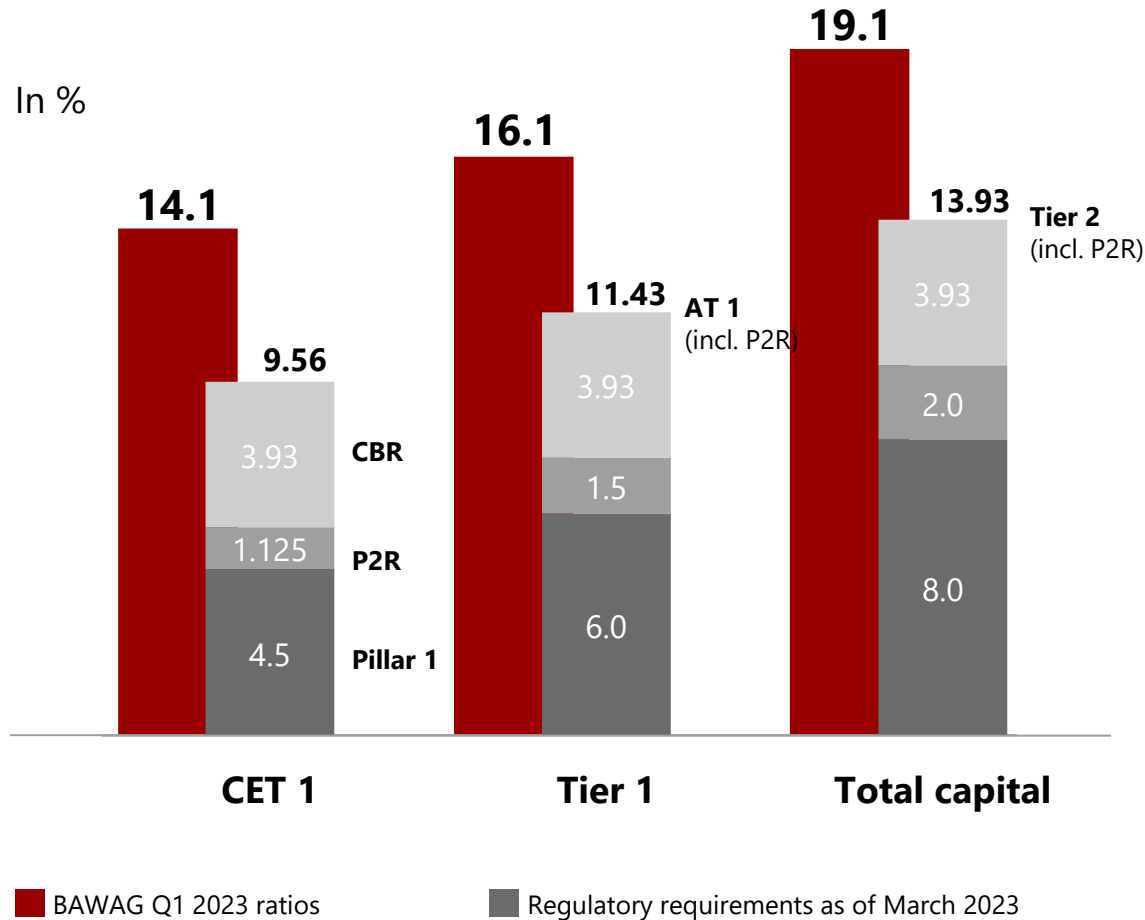
- Covered bonds continue to be an important capital market funding source ... €8.4b executed since 2020 ... 17 benchmark bonds outstanding with up to €1.25b issue size and maturities up to 2041
- Increasing focus on senior issuance since 2022 ... ~€0.8b senior instruments already executed in Q4 2022 and Jan-23. Further issuance planned in coming years to replace maturities, meet MREL requirement and build buffer
- Currently optimal capital stack of AT1 and tier 2 ... next call date in March '24 for €400m Tier 2
- 4 Green bond issues since 2021 ... at least one Green bond benchmark per year planned

... and solid market access

Q1'21: €500m	20y Cov.Bond
Q2'21: €500m	10y Cov.Bond
Q3'21: €500m	8y Cov.Bond (Green)
Q1'22: €500m	10y Cov.Bond
Q2'22: €750m	6.3y Cov.Bond
Q2'22: €750m	7.75y Cov.Bond
Q3'22: €1.25b	10y Cov. Bond
Q4'22: 125m	CHF 3y SP (Green)
Q4'22: 175m	CHF 5y SP (Green)
Q4'22: €750m	4.5y Cov.Bond
Q1'23: €800m	6y Cov.Bond
Q1'23: €500m	4y SP (Green)
Q1'23: 140m	CHF 3.9y Cov.Bond
Q2'23: 180m	CHF 6y Cov.Bond



STRONG CAPITAL POSITION



P2R

2.00%

- 1.125% of P2R is to be met with CET1 ... remaining 88bps filled with AT1/T2

P2G

0.75%

Combined buffer requirement

CBR increase of 25 bps for 2023 and further 15bps for 2024

	2022	Mar 2023
Systemic risk buffer	0.50%	0.50%
OSII buffer	0.50%	0.75%
Countercyclical capital buffer ¹⁾	0.06%	0.18%
Capital conservation buffer	2.50%	2.50%

1) Based on exposure as of March 2023



2023 **OUTLOOK AND TARGETS**

Reconfirmed

P&L OUTLOOK

Net interest income

FY '22: €1,021m

> €1.2b

Core revenues

FY '22: €1,330m

> 12% growth

Operating expenses

FY '22: €475m

~2% increase

Risk cost ratio

FY '22: 19bps (underlying)

20-25bps

2023 FINANCIAL TARGETS

Profit before tax

> €825m

Earnings per share

> €7.50

Dividend per share

> €4.10

2023 & BEYOND RETURN TARGETS

Return on tangible common equity

> 20%

Cost-income ratio

< 34%



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DEFINITIONS

Adjusted

Excluding the write-off of the City of Linz receivable

B/S leverage

Total assets/IFRS equity

Book value per share

Common equity (excluding AT1 capital, dividends and buyback of €325m (1.1.2022))/number of shares outstanding

Common Equity Tier 1 capital (CET1)

Including interim profit and deducting earmarked dividends and 2022 buyback of €325m (1.1.2022)

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

Deposits to customers including own issues sold through retail network, average based on daily figures (Q4 2022)

Customer Funding

Deposits to customers, covered bonds (public sector and mortgage) and senior bonds sold through the retail network, average based on daily figures (Q4 2022)

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 €325m (1.1.2022)

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 €325m (1.1.2022))/total exposure (CRR definition)

Net interest margin (NIM)

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

NPL cash coverage

Stage 3 including prudential filter/NPL exposure (economic)

NPL ratio

NPL exposure (economic)/exposure

Pre-provision profit

Operating income less operating expenses (excluding regulatory charges)

Reserve ratio

Total reserves/asset volume of customer segments excluding public sector lending

Return on common equity (RoCE)

Net profit/average IFRS common equity and deducted dividend accruals and buyback of €325m (1.1.2022)

Return on tangible common equity (RoTCE)

Net profit/average IFRS tangible common equity and deducted dividend accruals and buyback of €325m (1.1.2022)

Risk cost ratio

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

Tangible book value/share

Common equity reduced by the carrying amount of intangible assets/number of shares outstanding

Tangible common equity

Common equity reduced by the carrying amount of intangible assets

Total capital ratio

Total capital/risk-weighted assets