

BAWAG GROUP HOSTS INVESTOR DAY AND ANNOUNCES NEW TARGETS FOR 2027

VIENNA, Austria – March 4, 2025 – BAWAG Group today hosts its second Investor Day following our IPO in October 2017. After over seven years as a public company, we are taking stock on what we have achieved to date and more importantly focusing on how we have positioned our franchise for growth. Following our transformation over the past decade, BAWAG Group today ranks among the most profitable and efficient banks in Europe, with the financial strength to support our customers and local communities.

We have already delivered all our medium-term financial targets laid out in 2021. The team takes a great deal of pride in delivering on our commitments, but we also recognize there is much more ahead.

For our Investor Day, we are outlining a new set of medium-term financial targets. By 2027, we plan to generate over €2.7 billion net profit from 2025 through 2027, with net profit of > €1 billion in 2027. We also plan to generate over €1 billion in excess capital, after accounting for a 55% dividend payout ratio, which we hope to deploy towards incremental organic growth above our stated net profit target, further M&A, and/or capital distributions. As we have done in the past, we will assess our capital position at the end of each year and communicate distributions according to our capital distribution framework. We are targeting to deliver a return on tangible common equity (RoTCE) > 20% across all cycles and plan to achieve a cost-income ratio (CIR) < 33% by 2027.

“This past year we delivered a return on tangible common equity of 26% and have averaged 18% over the last 13 years, which included 8 years of zero or negative rates, of which we underearned as a franchise. After delivering a record year in 2024 and closing two transformative acquisitions, BAWAG Group stands as one of the best performing European banks, an achievement that has been years in the making and a tremendous source of pride for our team.

However, our best years lie ahead. Our goal is ‘1+1’ in 2027: We are targeting net profit > €1 billion in 2027 while also generating excess capital > €1 billion through 2027. The resilience of our franchise lies in our ability to deliver results across all cycles as we are built for all seasons. Going forward we will be able to deliver continued positive operating leverage with significant revenue growth while keeping our cost discipline. Our approach is consistent: focus on the things you control, be patient and disciplined, keep a conservative risk appetite, be good stewards of capital, and build the right culture. Our team is focused on delivering on our commitments and deeply committed to the long-term success of the franchise”, comments **Anas Abuzaakouk**, CEO of BAWAG Group.

The presentation is available on our website www.bawaggroup.com and the webcast will start at 3pm CET.

About BAWAG Group

BAWAG Group AG is a publicly listed holding company headquartered in Vienna, Austria, serving over 4 million retail, small business, corporate, real estate and public sector customers across Austria, Germany, Switzerland, Netherlands, Western Europe, and the United States. 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. Our goal is to deliver simple, transparent, and affordable financial products and services that our customers need. BAWAG Group's Investor Relations website <https://www.bawaggroup.com/ir> contains further information, including financial and other information for investors.

Forward looking statement

This release contains "forward-looking statements" regarding the financial condition, results of operations, business plans and future performance of BAWAG Group. Words such as "anticipates," "believes," "estimates," "expects," "forecasts," "intends," "plans," "projects," "may," "will," "should," "would," "could" and other similar expressions are intended to identify these forward-looking statements. These forward-looking statements reflect management's expectations as of the date hereof and are subject to risks and uncertainties that may cause actual results to differ materially from those projected. These risks and uncertainties include, but are not limited to, economic conditions, the regulatory environment, loan concentrations, vendors, employees, technology, competition, and interest rates. Readers are cautioned not to place undue reliance on the forward-looking statements as actual results may differ materially from the results predicted. Neither BAWAG Group nor any of its affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this report or its content or otherwise arising in connection with this document. This report does not constitute an offer or invitation to purchase or subscribe for any securities and neither it nor any part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. This statement is included for the express purpose of invoking "safe harbor provisions".

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