

# BAWAG Group

## 2024 Results - Credit update

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March 4, 2025

# AGENDA

**1 2024 HIGHLIGHTS & CAPITAL DEVELOPMENT**

2 ASSET QUALITY

3 DETAILED FINANCIALS & OUTLOOK

4 SUPPLEMENTAL INFORMATION

# HIGHLIGHTS 2024

## EARNINGS

### Q4 '24:

Net profit €240m, RoTCE of 31.6% and EPS of €3.03

Core revenues up by 14% vPY ... operational expenses up by 34% vPY

Pre-provision profit of €297m up by 13% vPY... CIR at 35.7%

Risk costs of €1m or (1)bps risk cost ratio ... Management overlay released with €35m positive pre-tax contribution

Tangible Book Value (TBV) per share of €38.98 ... up by 1% vPQ and up by 10% vPY

**2024:** Net profit of €760m, RoTCE of 26.0%, CIR of 33.5%, and EPS of €9.60

## BALANCE SHEET & CAPITAL

Average customer loans up by 28% vPQ and average interest-bearing assets up by 22% vPQ

Average customer deposits up by 24% vPQ and average customer funding up by 21% vPQ

Fortress balance sheet ... €17.6 billion cash with LCR 249% and strong asset quality with NPL ratio of 0.8%

CET1 ratio at 15.2% after deducting €5.50 dividend per share to be proposed to the AGM

## TARGETS & CAPITAL DEPLOYMENT

**All 2024 targets achieved**

**2025 financial targets:**

**Net profit of > €800m**

**Earnings per share >€10.0**

**Return target unchanged at:**

**RoTCE >20%**

Deploying ~€600m excess capital for 2 strategic acquisitions that will generate Profit Before Tax > €350m by 2027

Pro-forma FY 2024 CET1 ratio ~13.8% (post 2 M&A transactions and Basel IV impact)

Excess capital ~€175m above 13% capital distribution target

### 2024:

- Net profit €760m
- RoTCE 26.0%
- CIR 33.5%

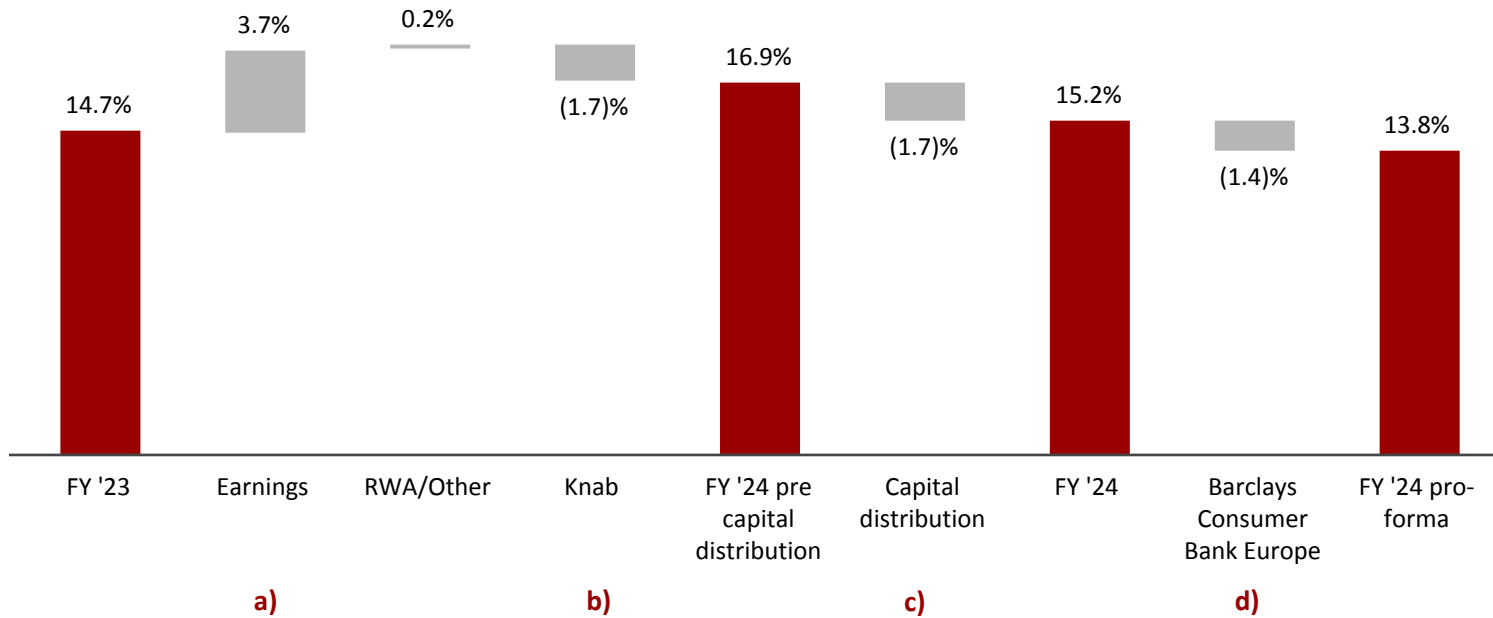
- CET1 ratio at 15.2% ... 13.8% pro-forma
- €5.50 Dividend per share

- 2025 Net profit > €800m
- Capital distribution > 13%
- Excess capital ~€175m

# CAPITAL DEVELOPMENT

~370 basis points gross capital generation through earnings in 2024

## CAPITAL DEVELOPMENT



### CAPITAL DEVELOPMENT

- a) Gross capital generation ~370bps in 2024 through earnings
- b) Knab acquisition adding €2.5b RWAs

### CAPITAL DISTRIBUTION

- c) Earmarked FY '24 dividend of €432m, equivalent to €5.50 dividend per share
- d) Acquisition of Barclays Consumer Bank Europe closed (February 1, 2025)

### EXCESS CAPITAL

- Pro-forma FY 2024 CET1 ratio ~13.8% (post 2 M&A transactions, return to standardized approach for Retail and Basel IV impact)
- Excess capital ~€175m above 13% capital distribution target

### 2025 CAPITAL REQUIREMENTS

Target CET1 ratio of 12.5% is 213bps above 2025 MDA trigger of 10.37% ... P2R at 2.50% and P2G at 0.50%

# RETAIL & SME

## FINANCIAL PERFORMANCE

€ millions	Q4 '24	vPY	vPQ	2024	vPY
Core revenues	324.0	12 %	10 %	1,213.3	7 %
Net interest income	249.8	11 %	10 %	933.9	5 %
Net commission income	74.2	16 %	8 %	279.4	11 %
Operating income	324.8	12 %	10 %	1,216.2	6 %
Operating expenses	(129.6)	48 %	37 %	(406.2)	18 %
<b>Pre-provision profit</b>	<b>195.2</b>	<b>(4)%</b>	<b>(3)%</b>	<b>810.0</b>	<b>2 %</b>
Regulatory charges	(1.9)	(141)%	27 %	(7.8)	(20)%
Risk costs	(25.4)	2 %	— %	(101.6)	18 %
<b>Profit before tax</b>	<b>167.9</b>	<b>(8)%</b>	<b>(4)%</b>	<b>700.6</b>	<b>— %</b>
<b>Net profit</b>	<b>125.9</b>	<b>(9)%</b>	<b>(4)%</b>	<b>525.4</b>	<b>— %</b>

## RATIOS

in %	Q4 '24	vPY	vPQ	2024	vPY
RoCE	24.5 %	(8.5)pts	(3.1)pts	27.2 %	(5.1)pts
RoTCE	28.8 %	(10.0)pts	(3.7)pts	32.0 %	(6.1)pts
CIR	39.9 %	9.9pts	8.0pts	33.4 %	3.2pts
NPL ratio	1.2 %	(0.5)pts	(0.8)pts	1.2 %	(0.5)pts
Risk cost ratio	0.34 %	(0.11)pts	(0.13)pts	0.43 %	0.04pts

## CUSTOMER DEVELOPMENT

€ millions	Q4 '24	vPY	vPQ	2024	vPY
Housing loans	26,733	74 %	83 %	26,733	74 %
Consumer and SME	7,373	10 %	7 %	7,373	10 %
<b>Total assets</b>	<b>34,106</b>	<b>55 %</b>	<b>58 %</b>	<b>34,106</b>	<b>55 %</b>
<b>Total assets (∅)</b>	<b>30,055</b>	<b>37 %</b>	<b>39 %</b>	<b>23,848</b>	<b>8 %</b>
<b>Risk-weighted assets</b>	<b>12,424</b>	<b>33 %</b>	<b>23 %</b>	<b>12,424</b>	<b>33 %</b>
<b>Customer deposits</b>	<b>40,222</b>	<b>47 %</b>	<b>51 %</b>	<b>40,222</b>	<b>47 %</b>
<b>Customer deposits (∅)</b>	<b>34,854</b>	<b>33 %</b>	<b>32 %</b>	<b>28,629</b>	<b>8 %</b>
<b>Customer funding</b>	<b>52,448</b>	<b>40 %</b>	<b>42 %</b>	<b>52,448</b>	<b>40 %</b>
<b>Customer funding (∅)</b>	<b>47,196</b>	<b>27 %</b>	<b>26 %</b>	<b>39,885</b>	<b>8 %</b>

### DEVELOPMENTS in Q4 '24

Q4 '24 net profit of €126m, down by (9)% vPY ... assets and deposit growth driven by Knab acquisition

Pre-provision profit of €195m for Q4 '24, down (4)% vPY ... core revenues up 12% and operating expenses up 48% vPY both mostly impacted by including 2 months of Knab

Risk costs (€25m) in Q4 '24 ... stable development during 2024

Housing loan originations remains subdued ... maintaining strong transactional and advisory banking in Q4 '24

# CORPORATES, REAL ESTATE & PUBLIC SECTOR

## FINANCIAL PERFORMANCE

€ millions	Q4 '24	vPY	vPQ	2024	vPY
Core revenues	79.7	— %	9 %	308.3	(4)%
Net interest income	72.0	1 %	12 %	275.8	(4)%
Net commission income	7.7	(5)%	(10)%	32.5	(8)%
Operating income	81.8	3 %	12 %	309.6	(3)%
Operating expenses	(18.3)	(12)%	(4)%	(75.7)	(3)%
<b>Pre-provision profit</b>	<b>63.5</b>	<b>8 %</b>	<b>17 %</b>	<b>233.9</b>	<b>(3)%</b>
Regulatory charges	(1.1)	22 %	38 %	(3.7)	(63)%
Risk costs	27.3	— %	— %	20.1	— %
<b>Profit before tax</b>	<b>89.7</b>	<b>70 %</b>	<b>69 %</b>	<b>250.3</b>	<b>11 %</b>
<b>Net profit</b>	<b>67.3</b>	<b>70 %</b>	<b>69 %</b>	<b>187.8</b>	<b>11 %</b>

## RATIOS

in %	Q4 '24	vPY	vPQ	2024	vPY
RoCE	35.5 %	17.8pts	16.4pts	24.2 %	5.8pts
RoTCE	43.1 %	21.1pts	20.1pts	30.1 %	7.2pts
CIR	22.4 %	(3.6)pts	(3.6)pts	24.5 %	(0.1)pts
NPL ratio	0.7 %	(0.1)pts	—pts	0.7 %	(0.1)pts
Risk cost ratio	(0.80)%	(0.95)pts	(0.80)pts	(0.15)%	(0.19)pts

## CUSTOMER DEVELOPMENT

€ millions	Q4 '24	vPY	vPQ	2024	vPY
Corporates	2,806	(19)%	1 %	2,806	(19)%
Real Estate	5,460	7 %	10 %	5,460	7 %
Public Sector	4,960	11 %	(3)%	4,960	11 %
Short-term/money market lending	113	(62)%	(42)%	113	(62)%
<b>Total assets</b>	<b>13,339</b>	<b>— %</b>	<b>2 %</b>	<b>13,339</b>	<b>— %</b>
<b>Total assets (∅)</b>	<b>13,580</b>	<b>— %</b>	<b>5 %</b>	<b>13,464</b>	<b>(3)%</b>
<b>Risk-weighted assets</b>	<b>4,935</b>	<b>(22)%</b>	<b>5 %</b>	<b>4,935</b>	<b>(22)%</b>
<b>Customer deposits</b>	<b>6,557</b>	<b>(5)%</b>	<b>(14)%</b>	<b>6,557</b>	<b>(5)%</b>
<b>Customer deposits (∅)</b>	<b>6,201</b>	<b>(4)%</b>	<b>(5)%</b>	<b>6,397</b>	<b>13 %</b>
<b>Customer funding</b>	<b>8,669</b>	<b>4 %</b>	<b>(11)%</b>	<b>8,669</b>	<b>4 %</b>
<b>Customer funding (∅)</b>	<b>8,246</b>	<b>4 %</b>	<b>(4)%</b>	<b>8,369</b>	<b>16 %</b>

### DEVELOPMENTS in Q4 '24

Q4 '24 net profit of €67m, up 70% vPY, normalized net profit (excluding overlay release) €48.6m, up 23% vPY ... average assets up 5% and average deposits down (5)% vPQ

Pre-provision profit of €64m, up 8% vPY ... Operating income up 3% vPY

Positive risk costs due to release of management overlay

NPL ratio remains low at 0.7% with solid asset quality

Maintaining disciplined and conservative underwriting focused on risk-adjusted returns ... strong pipeline of real estate deals funded in 4Q '24 with solid public sector pipeline in 1Q '25

# AGENDA

1 2024 HIGHLIGHTS & CAPITAL DEVELOPMENT

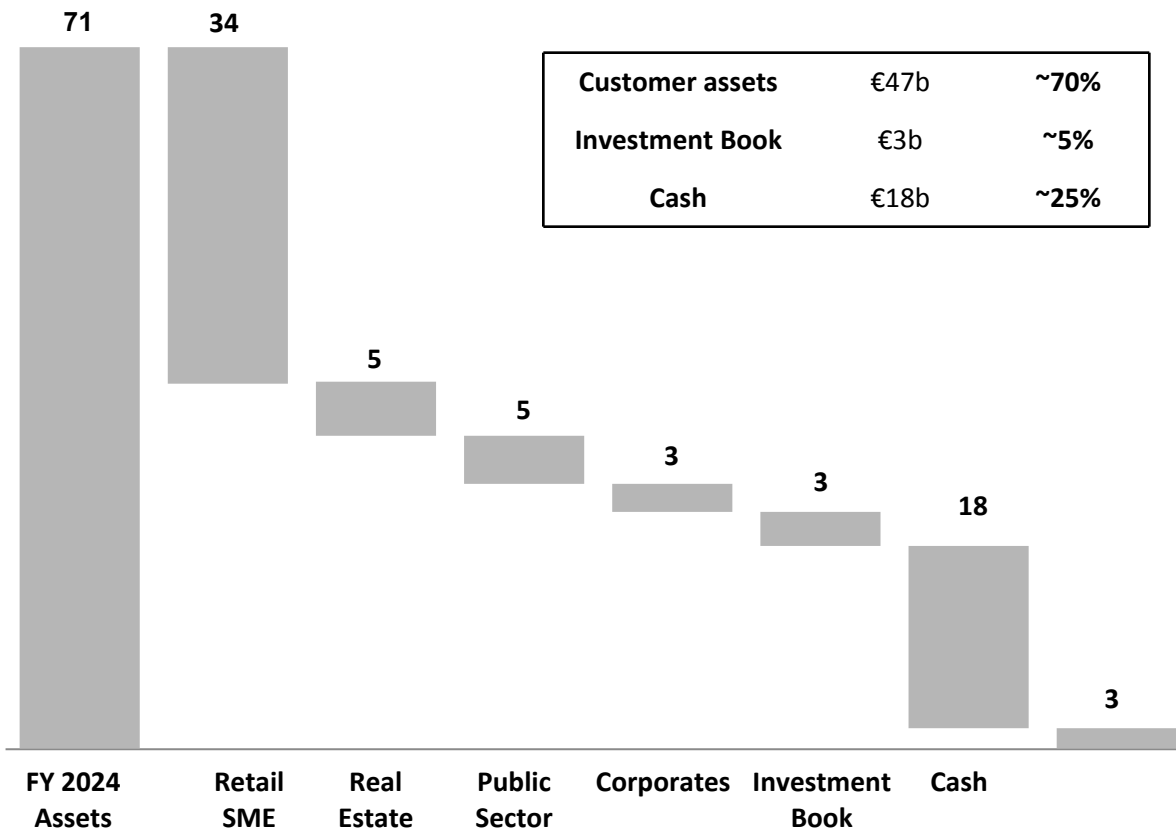
**2 ASSET QUALITY**

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# BALANCE SHEET & ASSET QUALITY

€ billion



- **Retail & SME:** 85% secured lending, primarily €27b of mortgages; LTV<60%, NPL Ratio 1.2%
- **Real Estate:** Average LTV ~50%, geographically diverse, 72% industrial/logistics or residential with strong underlying fundamentals, NPL ratio 1.5%
- **Public Sector:** Lending primarily to Austrian federal, state and municipal governments
- **Corporates:** Senior secured lending, de-minimis exposure to cyclical industries, net leverage <4.0x, NPL ratio 0.5%
- **Investment book:** 98% investment grade
- **Cash:** 25% of balance sheet

## LOW RISK BALANCE SHEET

- Simple and resilient balance sheet
- Long term focus on risk adjusted returns
- Centralized risk management across the Group

## STRONG ASSET QUALITY

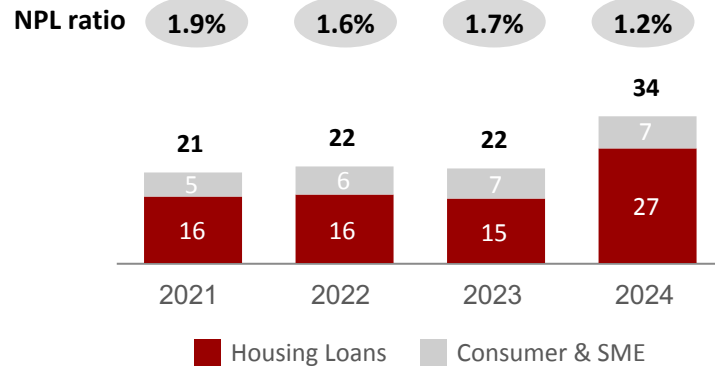
- NPL ratio 0.8% (down from 1.0% in PY)
- Stage 2 loans 4% (down from 5% vs PY)
- Low loss asset classes and lending structures drive consistently superior asset quality levels



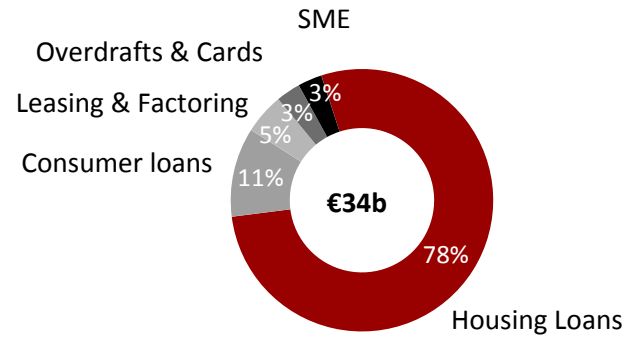
# RETAIL & SME

## RETAIL & SME OVERVIEW

Retail & SME assets, in € billion



## RETAIL & SME PRODUCTS



### HOUSING

- €13b increase in 2024 following integration of Knab Housing Portfolio
- 37% state or insurance guaranteed (24% in 2023)
- Weighted average LTV 50% (non-guaranteed loans), LTV at origination below 70% since 2020
- De-minimis loss history, driven by significant affordability buffer and customer equity in established markets

### CONSUMER & SME

- Consumer loans: loss rates normalizing to pre-pandemic levels
- Selective credit appetite remains in place, cost inflation adjustments for all new underwriting
- Specialty finance: primarily cars, movables, with high utility value or liquid collateral, low loss profiles

### DEVELOPMENTS

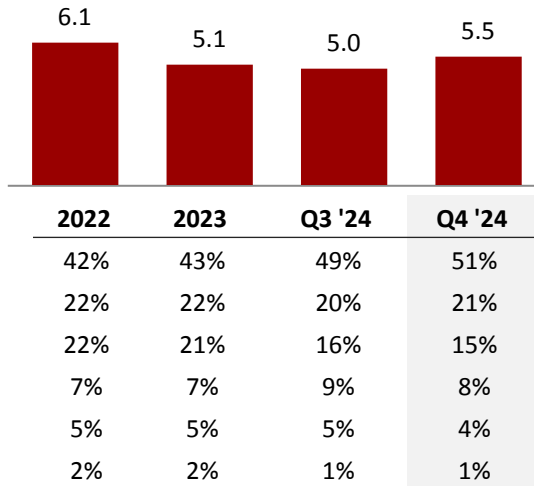
- Credit box tightened since 2022 to account for cost inflation and rates impact on customer ability to pay
- Ensure stress-resilient customers with strong debt-service ratios and loan to income metrics
- Fixed rate portfolio limits risk for customers
  - ~90% of consumer loans and mortgage originations
  - ~90% of housing loan portfolio

### OUTLOOK

- Economic sensitivity in consumer loan book remains primary risk for portfolio
- Unemployment remains low across customer base (Austria, Germany, Netherlands, Switzerland)
- Low NPL ratio of 1.2% (2024) representing high credit quality and operational processes
- Losses across portfolios have normalized and returned to pre-pandemic levels with stable trends looking forward

# COMMERCIAL REAL ESTATE LENDING

## Total portfolio € billion



Residential  
Industrial / Logistics  
Office  
Hospitality  
Shopping / Retail  
Other

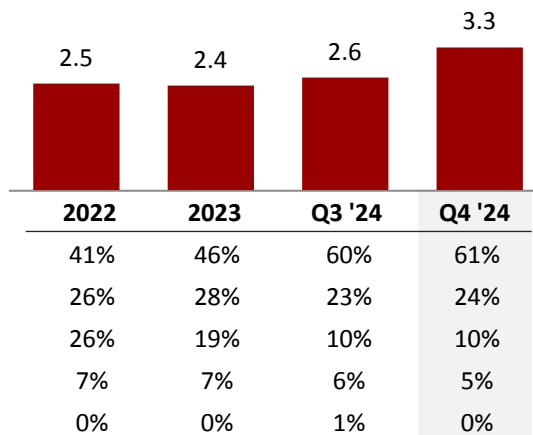
## PORTFOLIO DEVELOPMENT

- Residential and Industrial / Logistics / Hospitality make up 72% of the total portfolio and 85% of US portfolio ... key growth areas with strong supply / demand fundamentals
- Average LTV ~50% with low NPL ratio 1.5%
- 4Q growth of €0.5b primarily in residential and logistics asset classes
- Pipeline materialized with highly selective deals at attractive credit and return metrics

## UNDERWRITING PRINCIPLES

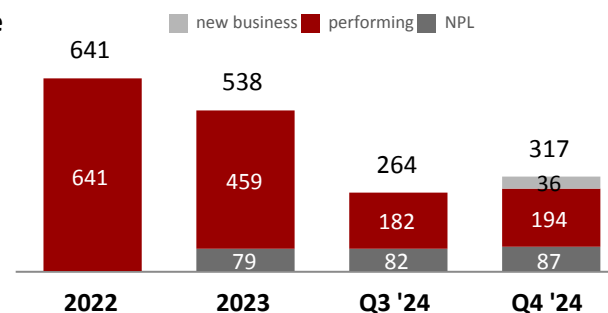
- Focus on risk-adjusted returns across all cycles, patient lending within risk appetite ... no volume targets
- Senior secured lender, no mezzanine financing
- Strong structural protections through cross-collateralization, cash-flow sweeps, interest rate hedges, sponsor guarantees
- Portfolio total LTV consistently <60% with debt yields across office portfolio >10%
- Maturity profile / refinancing risk pro-actively managed

## US portfolio € billion



Residential  
Industrial / Logistics  
Office  
Hospitality  
Shopping / Retail

## US office € million



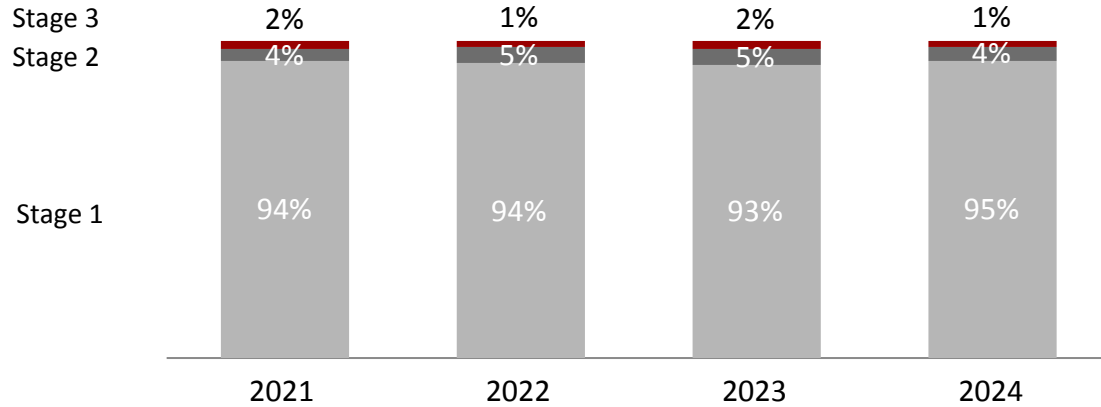
- US office assets down >50% since 2022
- Proactive NPL resolutions, active strategies to optimize cash flows

## €230m performing US office portfolio:

- Q4 growth: +€35m multi-asset class financing with medical office share, attractive credit metrics; +€20m FX impact
- 32% cross-collateralized with non-office assets
- Average senior debt yield ~9%, LTV ~ 70%
- Average occupancy levels ~80%, lease terms ~6 years
- Total US office portfolio <40bps of total assets and 4% of total CRE lending

# DETAILS ON RESERVES

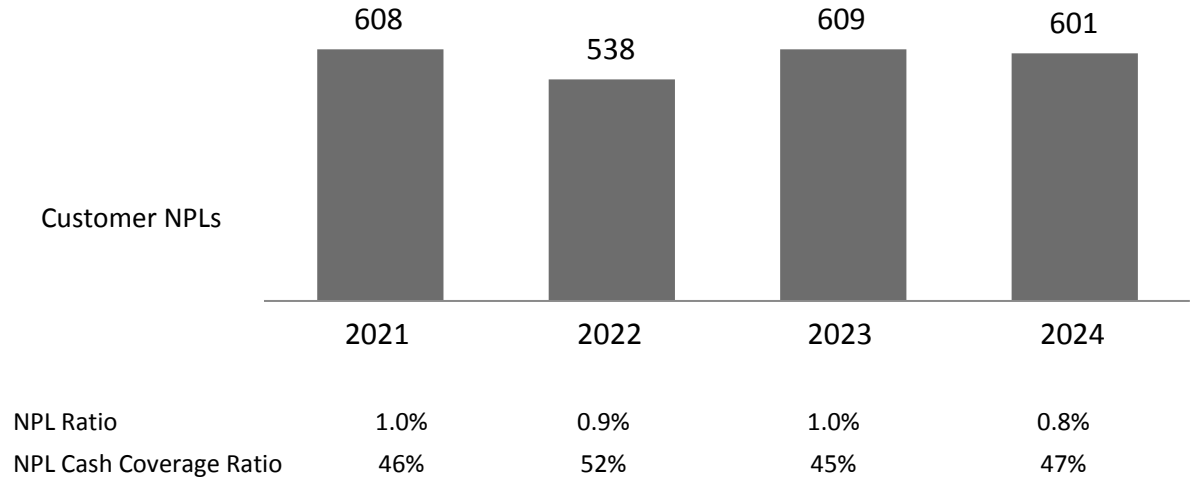
## IFRS 9 MIGRATION – CUSTOMER SEGMENT ASSETS



## ECLs (STAGE 1&2), SPECIFIC RESERVES (STAGE 3) | in € millions

	2021	2022	2023	2024
Stage 1	37	47	39	55
Stage 2	102	133	120	63
Stage 3	284	281	272	284
<b>Total Reserves</b>	<b>422</b>	<b>461</b>	<b>431</b>	<b>402</b>

## NON-PERFORMING (STAGE 3) LOANS | in € millions



### KEY DEVELOPMENTS

Customer NPLs down 1% vPY

NPL ratio historically low at 0.8% ... cash coverage increased in 2024 to 47%

Stage 2 assets remain low (4% of customer assets) reflective of resilient asset quality across segments

Management overlay usage ~50% to support IFRS9 model updates and CRE reserves, remaining 50% released as excess

Overlay usage maintains conservatism in models, while CRE transparency has increased

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# P&L & KEY RATIOS

P&L   € millions	Q4 '24	vPY	vPQ	2024	vPY
Net interest income	368.4	14 %	19 %	1,311.8	5 %
Net commission income	81.2	13 %	5 %	309.9	9 %
Core revenues	449.6	14 %	16 %	1,621.7	5 %
Other revenues	12.1	— %	>100%	6.1	— %
Operating income	461.7	20 %	18 %	1,627.8	7 %
Operating expenses	(164.8)	34 %	30 %	(545.1)	12 %
<b>Pre-provision profit</b>	<b>296.9</b>	<b>13 %</b>	<b>12 %</b>	<b>1,082.7</b>	<b>4 %</b>
Regulatory charges	(4.3)	— %	43 %	(15.3)	(61)%
Risk costs	1.4	— %	— %	(81.8)	(12)%
<b>Profit before tax</b>	<b>296.1</b>	<b>25 %</b>	<b>25 %</b>	<b>989.9</b>	<b>9 %</b>
Income taxes	(56.1)	(6)%	(6)%	(229.9)	1 %
<b>Net profit</b>	<b>240.0</b>	<b>36 %</b>	<b>35 %</b>	<b>760.0</b>	<b>11 %</b>

Key ratios	Q4 '24	vPY	vPQ	2024	vPY
RoCE	26.9 %	5.3pts	6.5pts	22.0 %	1.1pts
RoTCE	31.6 %	6.0pts	7.6pts	26.0 %	1.0pts
Net interest margin	3.03 %	(0.05)pts	(0.09)pts	3.07 %	0.09pts
CIR	35.7 %	3.7pts	3.4pts	33.5 %	1.7pts
Risk cost ratio	(0.01)%	(0.30)pts	(0.27)pts	0.19 %	(0.03)pts
Earnings per share (€)	3.03	41 %	35 %	9.60	16 %
Tangible book value (€)	38.98	10 %	1 %	38.98	10 %

## DEVELOPMENTS in Q4 '24

Core revenues at €450m up by 16% vPQ ... NII up by 19% vPQ and NCI up by 5% vPQ

Net interest margin (NIM) at 3.03% in Q4 '24

Cost-income ratio of 35.7% in Q4 '24

RoTCE at 31.6% and earnings per share of €3.03

# BALANCE SHEET

Balance sheet   € millions	Q4 '24	Q3 '24	vPQ	vPY
<b>Total assets</b>	<b>71,341</b>	<b>55,726</b>	<b>28 %</b>	<b>29 %</b>
thereof ∅ interest-bearing assets	48,366	39,568	22 %	17 %
Customer loans	45,496	32,617	39 %	36 %
∅ customer loans	41,766	32,580	28 %	23 %
Securities and bonds	5,310	5,765	(8)%	(19)%
Cash and credit institutions	18,434	15,577	18 %	39 %
Other assets	2,101	1,767	19 %	(6)%
<b>Total liabilities &amp; equity</b>	<b>71,341</b>	<b>55,726</b>	<b>28 %</b>	<b>29 %</b>
thereof ∅ customer funding	55,811	46,239	21 %	23 %
Customer deposits	46,170	33,603	37 %	39 %
Own issues	17,274	15,312	13 %	26 %
Credit institutions	1,264	831	52 %	(30)%
Other liabilities	1,900	1,438	32 %	(23)%
Equity	4,733	4,542	4 %	14 %

Capital & RWA   € millions	Q4 '24	Q3 '24	vPQ	vPY
Common equity	3,593	3,545	1 %	9 %
Tangible common equity	3,061	3,021	1 %	10 %
CET1 capital	3,134	3,058	2 %	10 %
Risk-weighted assets	20,627	17,753	16 %	7 %
CET1 ratio (post dividend)	15.2 %	17.2 %	(2.0)pts	0.5pts
Leverage ratio	5.2 %	6.4 %	(1.2)pts	(0.5)pts
Liquidity coverage ratio	249 %	260 %	(11)pts	34pts

## DEVELOPMENTS in Q4 '24

Total assets up by 28% vPQ ... customer loans up by 39%

Risk-weighted assets 16% vPQ resulting from acquisition of Knab

Average customer deposits up 24% vPQ and average customer funding up 21% vPQ

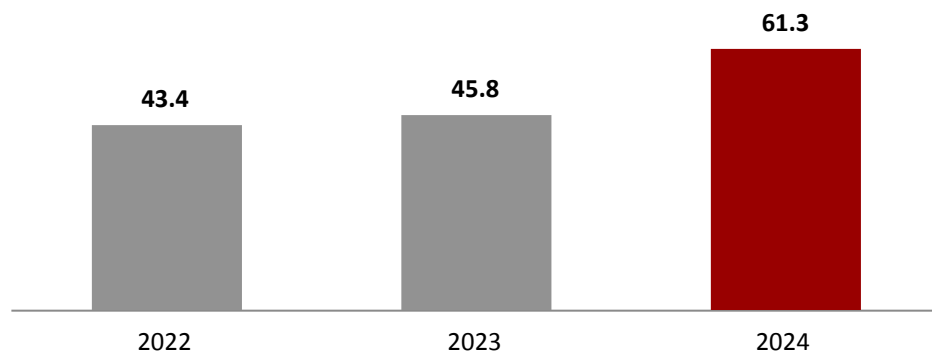
Cash & credit institutions at €17.6b or 25% of balance sheet ... LCR at 249%

CET1 ratio at 15.2% post deduction of €432m earmarked dividend for 2024

# FUNDING OVERVIEW

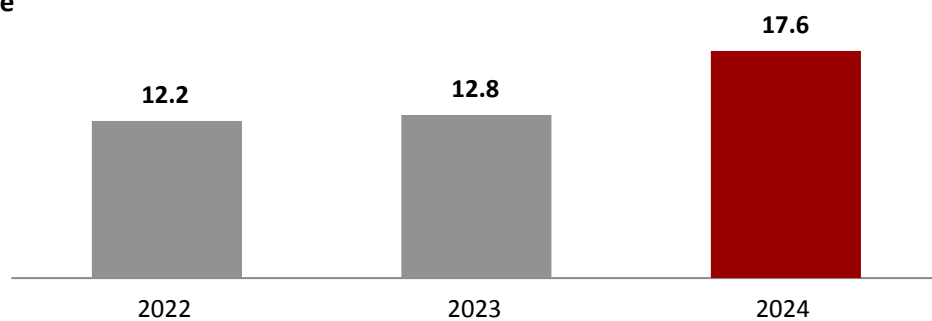
## Customer funding (eop) ... ~95% total funding

€ billion



## Cash Reserve

€ billion



	2022	2023	2024
LCR	225%	215%	249%
Cash / Balance sheet	22%	23%	25%

## DEPOSITS

- Retail & SME deposits €40.2b, thereof ~80% insured by deposit guarantee scheme .... average deposit size of €15k
- Corporates & Public Sector average deposits €6.4b ... largest share in public sector, which are predominantly transactional current accounts
- Deposit beta ~41% in Q4 '24 ... ~36% pre Knab

## COVERED BONDS

- €~13b Austrian and Dutch covered bond program with mortgages and public sector loans as collateral
- Almost no maturities in the coming years, current average remaining life ~5.5 years
- Matched against housing loans with average duration of ~8 years

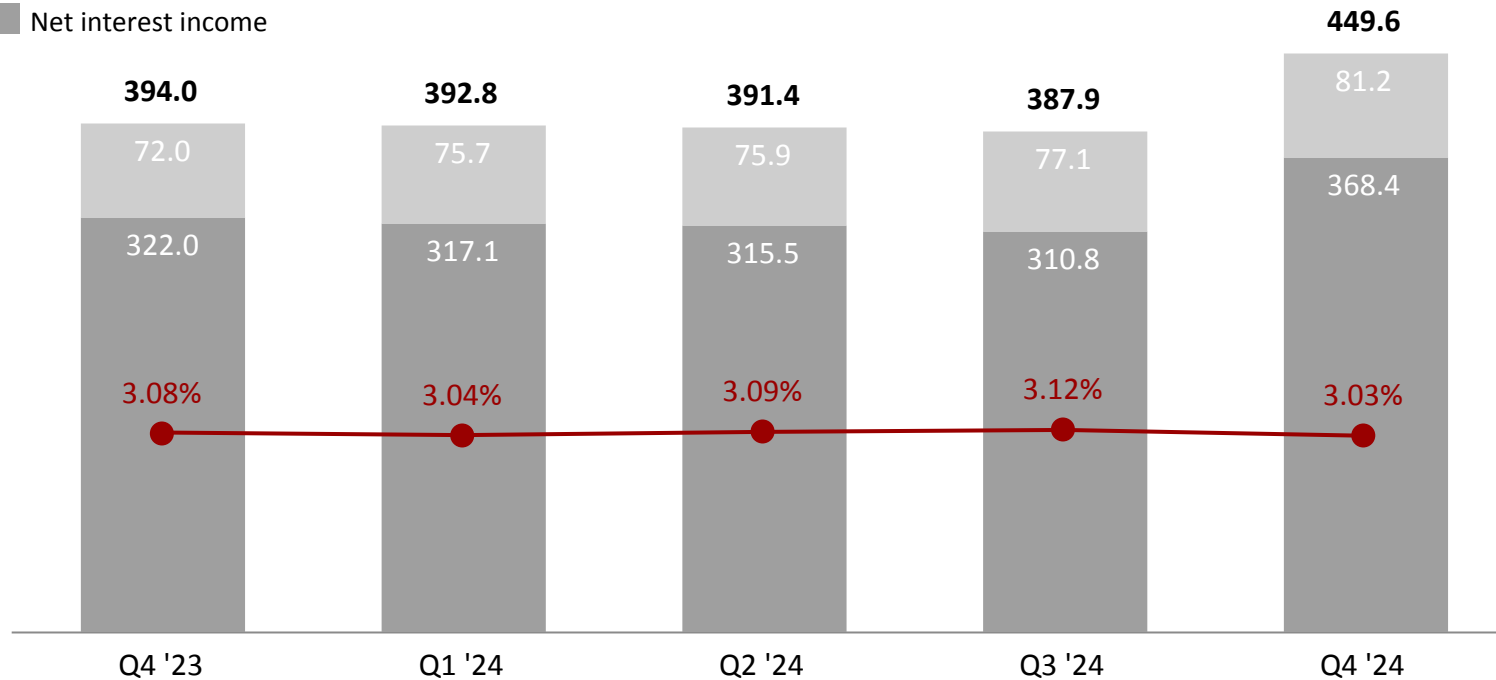
## CASH DEVELOPMENT & TRENDS

- LCR at 249% ... Cash balance €17.6b
- Maintained excess liquidity over the years to address market opportunities ... continuing to stay patient and maintain liquid balance sheet

# CORE REVENUES

€ millions

- Net interest margin
- Net commission income
- Net interest income



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

33.9	33.9	33.5	32.6	41.8
41.5	41.9	41.1	39.6	48.4

**Net interest income (NII) up by 19% vPQ ... net interest margin (NIM) at 3.03% in Q4 '24**

- Knab with two months contribution
- Deposit beta at ~41% ... +6pts vPQ

**Net commission income (NCI) up by 5% vPQ**

- strong transaction and advisory banking + impact from Knab

**Outlook in 2025**

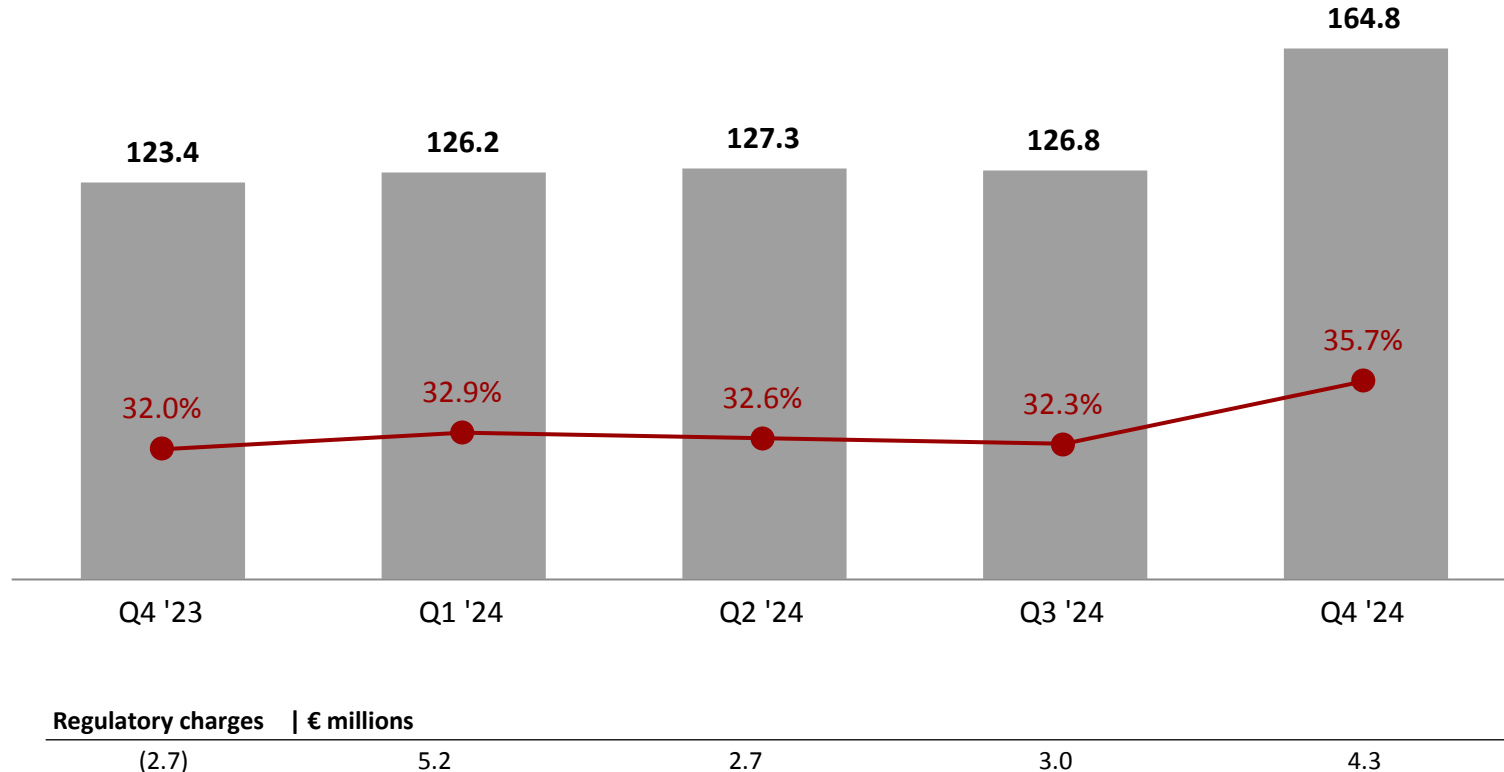
- Quarterly pro-forma run-rate:
  - Net interest income >€450m
  - Net commission income >€85m
- Core revenues expected to grow to >€2,150m



# OPERATING EXPENSES

€ millions

Operating expenses  
 (excluding regulatory charges)  
 CIR



## CIR at 35.7% in Q4 '24 up by 3.4pts vPQ

- First time impact from integration of Knab
- Continuously focused on absolute cost targets and proactive cost management
- Targeted investments over the years resulting in long-term productivity gains across the business

## Outlook in 2025

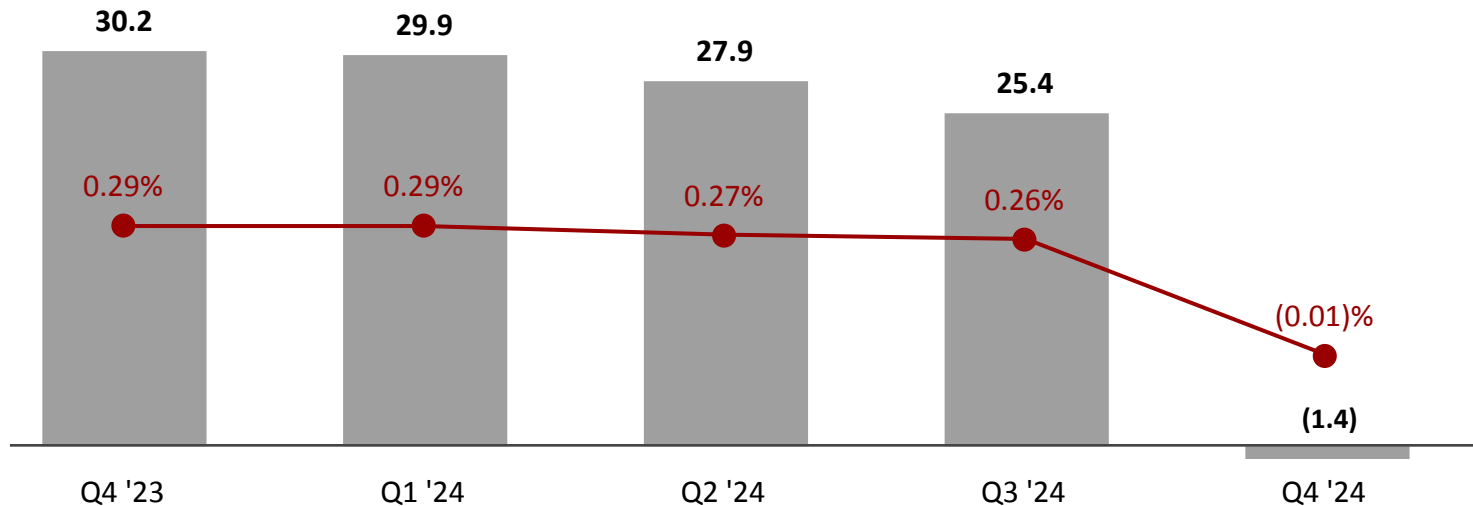
- Operating expenses to increase ~€800m with a quarterly pro-forma run-rate of €200m
- Regulatory charges expected to increase to €40m ... the increase is coming from the expected higher bank levy in Austria

# RISK COSTS

€ millions

■ Risk costs

-●- Risk costs/average interest-bearing assets



ECL Management overlay | in € millions

80

80

80

70

—

NPL ratio

1.0%

1.0%

1.1%

1.0%

0.8%

## Q4 '24 risk costs €1m

- Ongoing strong credit performance ... NPL ratio of 0.8%
- ECL management overlay fully released in Q4 '24 ... one half used for strengthening of ECL models & CRE valuations with remaining half released

## Maintain safe & secure balance sheet

- Focused on developed and mature markets ... ~80% DACH/ NL region & ~20% Western Europe / United States
- Conservative underwriting with a ~85% lending focused on secured or public sector lending

## Outlook for 2025

- Risk cost ratio ~40bps including
  - Barclays Day 1 ECL
  - Securitization costs

# 2025 OUTLOOK AND TARGETS

## P&L OUTLOOK

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**Net interest income** **>€1,800m**  
FY '24: €1,312m

**Core revenues** **>€2,150m**  
FY '24: 1,622m

**Operating expenses** **~€(800)m**  
FY '24: €(545)m

**Regulatory charges** **~€(40)m**  
FY '24: €(15)m

**Risk costs** **~40bps**  
FY '24: 19bps

## 2025 FINANCIAL TARGETS

**Net profit** **>€800m**  
FY '24: €760m

**Earnings per share** **>€10.0**  
FY '24: €9.60

Capital Distribution Target **13.0%**

## 2025 & BEYOND RETURN TARGETS

Return on tangible common equity **>20%**

CET 1 Ratio **12.5%**

# AGENDA

1 2024 HIGHLIGHTS & CAPITAL DEVELOPMENT

2 ASSET QUALITY

3 DETAILED FINANCIALS & OUTLOOK

**4 SUPPLEMENTAL INFORMATION**

# FINANCIAL PERFORMANCE

P&L   € millions	Q4 '24	vPY	vPQ	2024	vPY
Core revenues	449.6	14 %	16 %	1,621.7	5 %
Net interest income	368.4	14 %	19 %	1,311.8	5 %
Net commission income	81.2	13 %	5 %	309.9	9 %
Operating income	461.7	20 %	18 %	1,627.8	7 %
Operating expenses	(164.8)	34 %	30 %	(545.1)	12 %
<b>Pre-provision profit</b>	<b>296.9</b>	<b>13 %</b>	<b>12 %</b>	<b>1,082.7</b>	<b>4 %</b>
Regulatory charges	(4.3)	— %	43 %	(15.3)	(61)%
Risk costs	1.4	— %	— %	(81.8)	(12)%
<b>Profit before tax</b>	<b>296.1</b>	<b>25 %</b>	<b>25 %</b>	<b>989.9</b>	<b>9 %</b>
<b>Net profit</b>	<b>240.0</b>	<b>36 %</b>	<b>35 %</b>	<b>760.0</b>	<b>11 %</b>

Ratios	Q4 '24	vPY	vPQ	2024	vPY
RoCE	26.9 %	5.3pts	6.5pts	22.0 %	1.1pts
RoTCE	31.6 %	6.0pts	7.6pts	26.0 %	1.0pts
Net interest margin	3.03 %	(0.05)pts	(0.09)pts	3.07 %	0.09pts
CIR	35.7 %	3.7pts	3.4pts	33.5 %	1.7pts
Risk cost ratio	(0.01)%	(0.30)pts	(0.27)pts	0.19 %	(0.03)pts

Balance Sheet & Capital   € millions	Q4 '24	Q3 '24	vPQ	vPY
Total assets	71,341	55,726	28 %	29 %
Cash	17,604	15,161	16 %	44 %
Interest-bearing assets (average)	48,366	39,568	22 %	17 %
Customer funding (average)	55,811	46,239	21 %	23 %
Customer loans (average)	41,766	32,580	28 %	23 %
Customer loans	45,495	32,617	39 %	35 %
Customer deposits (average)	41,425	33,284	24 %	26 %
Customer deposits	46,170	33,603	37 %	37 %
Common Equity	3,593	3,545	1 %	9 %
Tangible Common Equity	3,061	3,021	1 %	10 %
CET1 Capital	3,134	3,058	2 %	10 %
Risk-weighted assets	20,627	17,753	16 %	7 %
<b>CET1 Ratio (post dividend)</b>	<b>15.2 %</b>	<b>17.2 %</b>	<b>(2.0)pts</b>	<b>0.5pts</b>

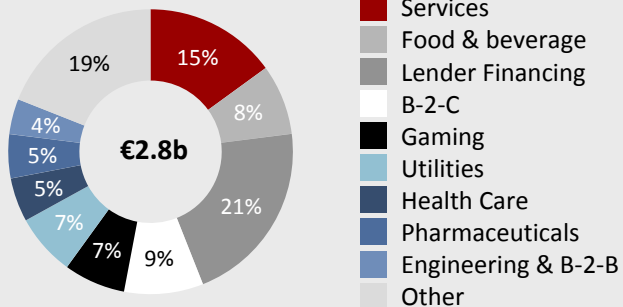
Per share data	2024	2023	vPY
Book value (€)	45.76	42.12	9 %
Tangible book value (€)	38.98	35.35	10 %
Shares outstanding (€ m)	78.52	78.51	— %
Earnings per share (€)	9.6	8.3	16 %

Note: All equity, capital, ratios and per share data reflect deduction of €432m dividend accrual.

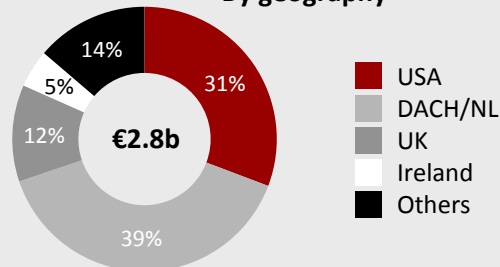
# Corporates, Real Estate & Public Sector

## CORPORATES<sup>1)</sup>

### By industry



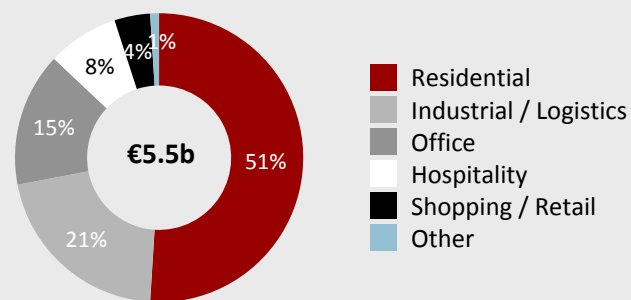
### By geography



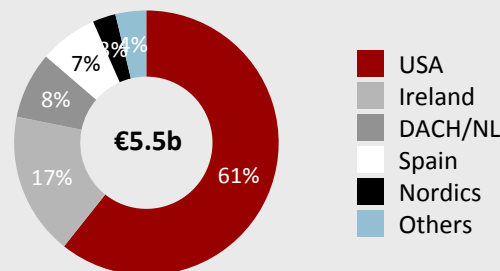
- Portfolio average net leverage <4.0x
- 100% senior lending
- NPL ratio 0.5%
- DACH/NL 39% exposure
- No exposure to Russia and Ukraine

## REAL ESTATE

### By underlying



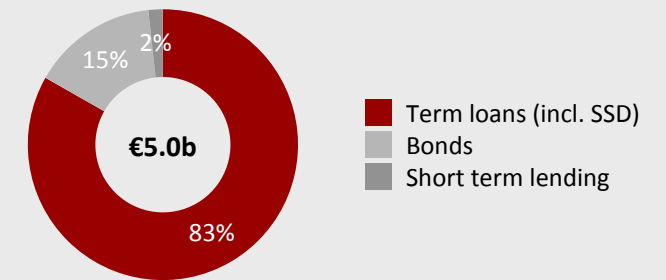
### By geography



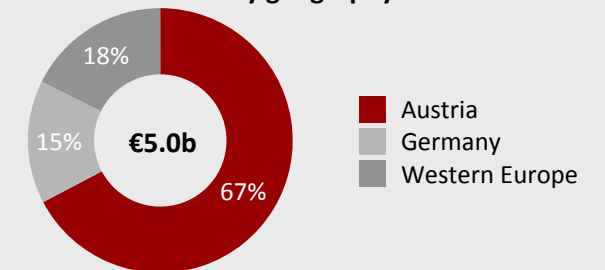
- Weighted average portfolio LTV ~50%
- NPL ratio 1.5%
- 72% of total portfolio backed by residential and industrial / logistics assets

## PUBLIC SECTOR<sup>1)</sup>

### By funding & type



### By geography



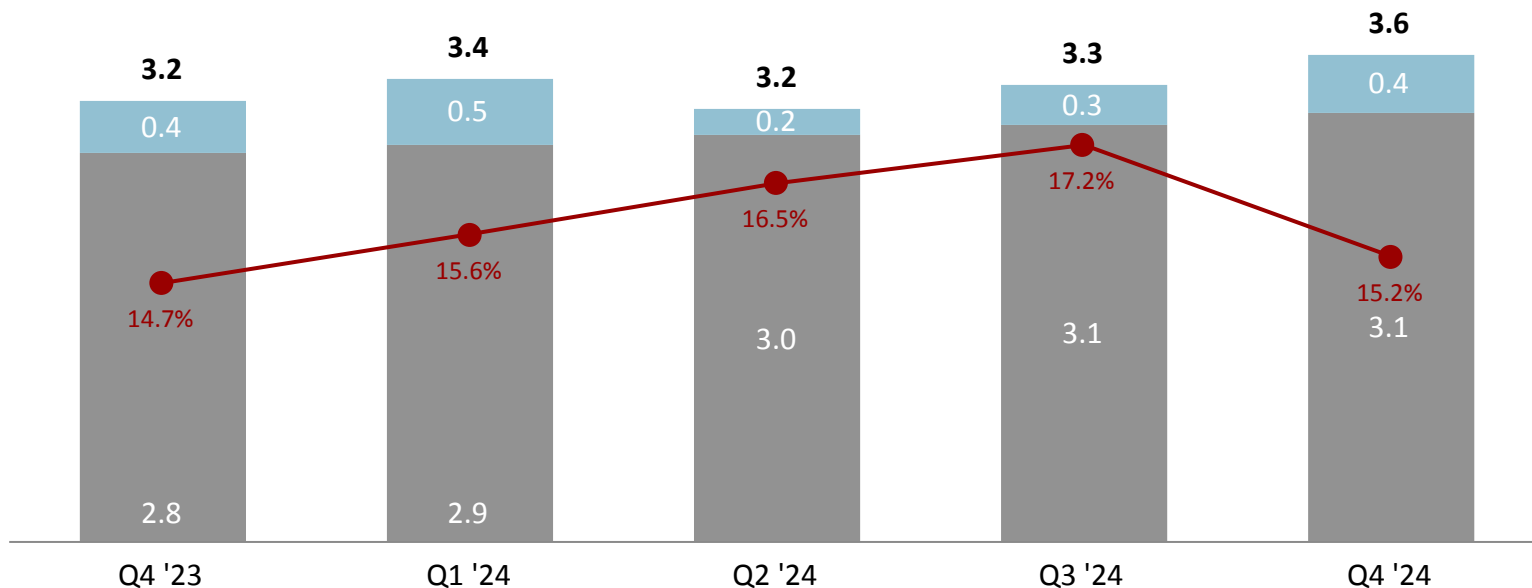
- Portfolio comprised of 66% AAA or AA entities
- No non-performing loans

1) Includes short-term lending/money market of €113m, of which €26m in Corporates and €87m Public Sector

# REGULATORY CAPITAL

€ billion

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



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

19.3	18.6	18.0	17.8	20.6
16.8%	17.8%	18.8%	20.7%	18.1%
19.9%	21.0%	22.1%	24.2%	21.2%
5.7%	6.0%	6.2%	6.4%	5.2%

Note: All capital ratios post dividend accrual and deducting buyback.

## Capital distribution plans:

- Earmarked dividend of €432m for 2024

## Capital ratios:

- Tier1 capital ratio 18.1%
- Total Capital ratio 21.2%

## 2025 capital requirements:

- P2R: 2.50%; P2G: 0.50%
- New CET1 capital requirement: 10.37%
- Target CET1 ratio of 12.5% is 213bps above MDA trigger of 10.37%

# MREL

Senior preferred issuance planned to meet requirement, replace maturities and build buffer

## MREL Strategy

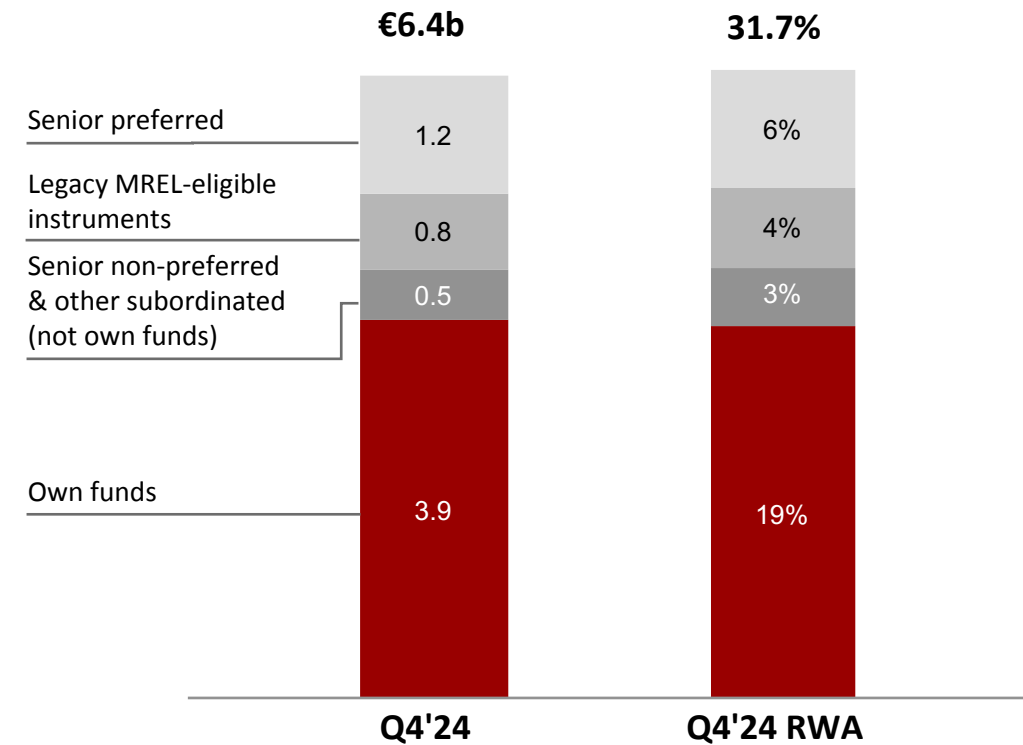
MREL decision fully reflecting CRR2/BRRD2 with final requirements from 1 January 2024:

- Requirement applicable at BAWAG P.S.K. level (consolidated) with a single point of entry resolution strategy
- Currently no subordination requirement
- Comfortable buffer to MREL requirement of 27.1%

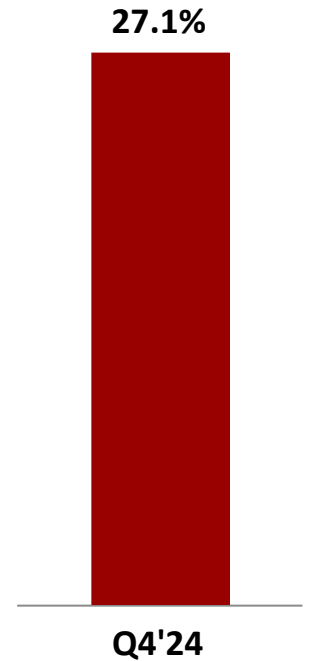
### Our MREL issuance plans:

- €1.9b senior preferred bonds issued since 2022 of which €500m senior preferred issued in Oct. 2024 and €500m senior preferred issued in Jan. 2025
- Further issuance planned in coming years to meet MREL requirement, replace maturities and build buffer

## MREL instruments



## MREL requirement incl. CBR



Note: all stated MREL requirements incl. CBR



# Funding & Liquidity

Active issuer with benchmarks outstanding across the capital stack

## Liquidity

Liquidity coverage ratio **249%**

Liquidity buffer **€21.2b**

Liquidity buffer including other marketable securities **€22.7b**

## Issuance plans 2025 and beyond

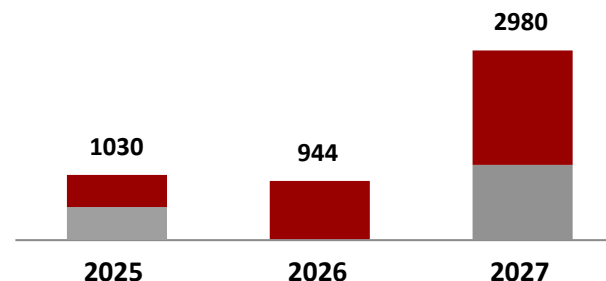
- Increasing focus on senior issuance: 1-2 senior benchmarks per year
- At least one Green bond benchmark per year
- Regular covered bond issuance

## Comfortable maturity profile

€ millions notional

■ Covered bond

■ Unsecured



- Increasing focus on senior issuance ... €1.9b senior preferred bonds issued since 2022. Further issuance planned in coming years to meet MREL requirement, replace maturities and build buffer ... 1-2 senior benchmarks per year
- €2.3b Green bonds issued since 2021 ... continue to issue at least one Green benchmark per year
- Pro-active and investor friendly stance towards capital management ahead of first call date ... capital tender and new issue of Tier 2 and AT1 capital in 2023 and 2024
- Covered bonds continue to be an important capital market funding source ... €10.1b issued since 2020 ... 20 benchmark bonds outstanding with up to €1.25b issue size and maturities up to 2041

## ... and solid market access

2022 issuance: **€4.3b**

- €4.0b covered bonds
- €0.3b senior preferred of which €0.3b Green bond

2023 issuance: **€3.0b**

- €2.1b covered bonds
- €0.5b senior preferred of which €0.5b Green bond
- €0.4b subordinated T2

2024 issuance: **€1.75b**

- €0.75b covered bonds
- €0.5b jr. subordinated AT1
- €0.5b senior preferred of which €0.5b Green bond

2025 issuance ytd: **€0.75b**

- €0.5b senior preferred of which €0.5b Green bond
- €0.25b subordinated T2

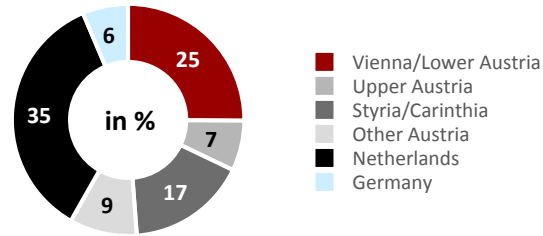
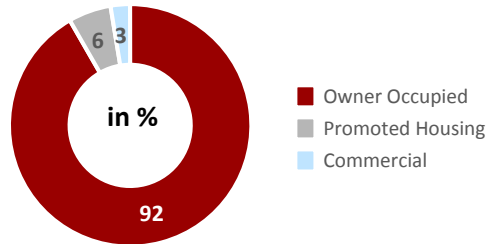
Note: Liquidity buffer includes balances at central banks, eligible securities and other assets eligible for Eurosystem operations

# BAWAG Covered Bonds

Leading high-quality issuer with plain cover pools

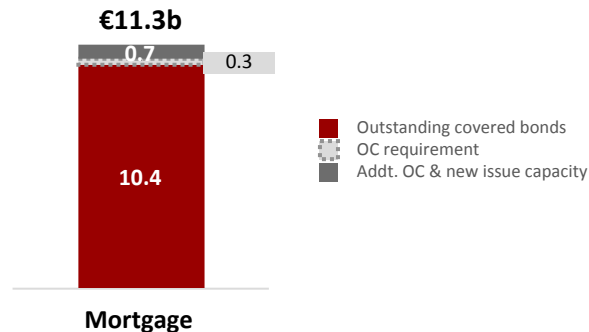
## Mortgage Cover Pool

Plain cover pool ... c. 97% residential housing and 3% commercial real estate ... no non-performing loans, no derivatives ... highly granular pools with >83k mortgages ... average LTV of c. 57% for residential loans ... c. 79% of loans with fixed rate agreements ... c. 26% of loans with additional government guarantee (NHG - Dutch National Mortgage Guarantee)



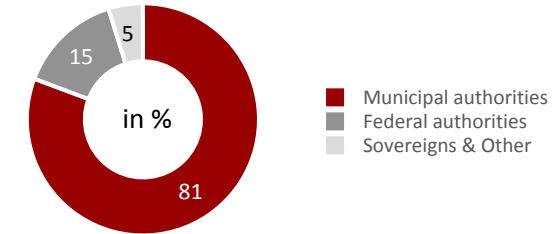
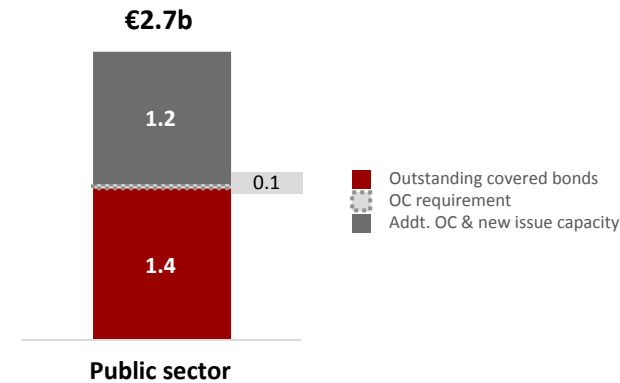
### Recent Covered Bond Issuance

Notional (€m)	Maturity	Issued in
500	2032	Q1'22
750	2028	Q2'22
750	2030	Q2'22
1,250	2032	Q3'22
750	2027	Q4'22
850	2029	Q1'23
750	2026	Q2'23
750	2031	Q1'24



## Public Sector Cover Pool

81% claims against local/municipal authorities and 15% claims against federal authorities ... no non-performing loans, no derivatives ... granular pool with c. 4k claims



- Covered bonds continue to be an important capital market funding source ... €10.1b executed since 2020 ... **20 benchmark bonds outstanding** with up to €1.25b issue size and maturities up to 2041
- European Covered Bond (Premium)** ... Covered bonds (Hypothekendarlehenbrief, Öffentlicher Darlehenbrief) under law (Darlehenbriefgesetz) that implements the EU Covered Bond Directive. Cover pool assets fully compliant with Article 129 CRR
- Covered bonds rated **Aaa** by Moody's ... BAWAG with A1 (Moody's) issuer rating with stable outlook

\* Outstanding amount excl. fully retained covered bonds amounting to €150m public sector

# DEFINITIONS

## **B/S leverage**

Total assets/common equity (excluding earmarked dividend and buyback of €175m (1.1.2023))

## **Book value per share**

Common equity (excluding AT1 capital, dividends and buyback of €175m (1.1.2023))/number of shares outstanding

## **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

## **Interest-bearing assets**

Financial assets + assets at amortized costs incl. customer business from relevant B/S position

## **Leverage ratio**

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

## **Loan to Value (LTV)**

IFRS book value including prior liens excluding NPLs / Market value of real estate collaterals allocated excluding NPLs

## **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) / NPL IFRS Exposure

## **NPL ratio**

Non-performing exposure (economic IFRS) - defined as NPL acc. to Art. 178 CRR excluding Retail & SME segment exposures without arrears (8.1. 8.2 and 8.4 RK) / BAWAG Group Total Exposure including off balance (IFRS scope of consolidation)

## **Pre-provision profit**

Operating income less operating expenses (excluding regulatory charges)

## **Return on common equity (RoCE)**

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

## **Return on tangible common equity (RoTCE)**

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

## **Risk cost ratio**

Provisions and loan loss provisions, impairment losses, operational risk and securitization costs (total 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

## **Total reserve ratio**

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



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