

**VOLKSBANK WIEN AG**

# **Preliminary results**

**(updated version)**

**according to IFRS**

**as at 31 December 2023**

## Key figures

Euro million	31 Dec 2023	31 Dec 2022	31 Dec 2021
<b>Statement of financial position</b>			
<b>Total assets</b>	<b>15,100</b>	<b>14,460 *</b>	<b>16,923</b>
<b>Loans and receivables customers</b>	<b>5,817</b>	<b>5,481</b>	<b>5,396</b>
<b>Amounts owed to customers</b>	<b>6,532</b>	<b>6,765</b>	<b>6,922</b>
<b>Debts evidenced by certificates</b>	<b>3,323</b>	<b>1,723</b>	<b>1,908</b>
<b>Subordinated liabilities</b>	<b>402</b>	<b>399</b>	<b>403</b>
<b>Own funds</b>			
Common equity tier 1 capital (CET1)	781	676 *	648
Additional tier 1 capital (AT1)	220	220	220
<b>Tier 1 capital (T1)</b>	<b>1,001</b>	<b>896 *</b>	<b>868</b>
Tier 2 capital (T2)	300	380	400
<b>Own funds</b>	<b>1,301</b>	<b>1,276 *</b>	<b>1,267</b>
Risk weighted exposure amount credit risk	3,850	3,400	3,228
Total risk exposure amount market risk	23	21	27
Total risk exposure amount operational risk	662	597	571
Total risk for credit valuation adjustment	9	13	9
<b>Total risk exposure amount</b>	<b>4,543</b>	<b>4,032</b>	<b>3,835</b>
<b>Common equity tier 1 capital ratio</b>	<b>17.2 %</b>	<b>16.8 % *</b>	<b>16.9 %</b>
<b>Tier 1 capital ratio</b>	<b>22.0 %</b>	<b>22.2 % *</b>	<b>22.6 %</b>
<b>Equity ratio</b>	<b>28.6 %</b>	<b>31.7 % *</b>	<b>33.0 %</b>
<b>Income statement</b>			
	<b>1-12/2023</b>	<b>1-12/2022</b>	<b>1-12/2021</b>
Net interest income	184.6	130.4	126.0
Risk provision	-23.5	-17.6 *	17.3
Net fee and commission income	64.2	59.9	58.6
Net trading income	3.2	1.7	2.0
Result from financial instruments and investment properties	-1.4	-9.5	8.7
Other operating result	126.3	89.2	98.7
General administrative expenses	-236.5	-207.2	-199.4
Result from companies measured at equity	0.7	-0.2	0.4
<b>Result before taxes</b>	<b>117.5</b>	<b>46.7 *</b>	<b>112.4</b>
Income taxes	16.5	20.0 *	-6.6
<b>Result after taxes</b>	<b>133.9</b>	<b>66.7 *</b>	<b>105.8</b>
Result attributable to non-controlling interest	0.0	0.0	0.0
<b>Result of the Group</b>	<b>133.9</b>	<b>66.7 *</b>	<b>105.8</b>
<b>Operating result</b>	<b>140.3</b>	<b>64.4</b>	<b>94.7</b>
<b>Key ratios</b>			
	<b>1-12/2023</b>	<b>1-12/2022</b>	<b>1-12/2021</b>
<b>Cost-income-ratio</b>	<b>62.5 %</b>	<b>74.2 %</b>	<b>69.9 %</b>
<b>ROE before taxes</b>	<b>11.3 %</b>	<b>4.9 % *</b>	<b>12.3 %</b>
<b>ROE after taxes</b>	<b>12.9 %</b>	<b>7.0 % *</b>	<b>11.5 %</b>
<b>Net interest margin</b>	<b>1.2 %</b>	<b>0.9 %</b>	<b>0.7 %</b>
<b>NPL ratio</b>	<b>3.1 %</b>	<b>1.7 %</b>	<b>1.7 %</b>
<b>Leverage ratio</b>	<b>7.9 %</b>	<b>7.7 %</b>	<b>5.7 %</b>
<b>Net stable funding ratio</b>	<b>181.5 %</b>	<b>174.6 %</b>	<b>189.8 %</b>
<b>Liquidity coverage ratio</b>	<b>202.9 %</b>	<b>180.7 %</b>	<b>249.8 %</b>
<b>Loan deposit ratio</b>	<b>91.9 %</b>	<b>84.5 %</b>	<b>66.6 %</b>
<b>Coverage ratio I</b>	<b>31.4 %</b>	<b>34.8 %</b>	<b>35.8 %</b>
<b>Coverage ratio III</b>	<b>112.4 %</b>	<b>105.2 %</b>	<b>106.1 %</b>
<b>Resources</b>			
	<b>1-12/2023</b>	<b>1-12/2022</b>	<b>1-12/2021</b>
<b>Staff average</b>	<b>1,245</b>	<b>1,250</b>	<b>1,293</b>
Thereof domestic	1,245	1,250	1,293
	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
<b>Staff at end of period</b>	<b>1,265</b>	<b>1,237</b>	<b>1,270</b>
Thereof domestic	1,265	1,237	1,270
<b>Number of branches</b>	<b>54</b>	<b>54</b>	<b>56</b>
Thereof domestic	54	54	56
<b>Number of customers</b>	<b>298,994</b>	<b>308,379</b>	<b>324,921</b>

The equity ratios are displayed in relation to total risk.

The cost-income-ratio is the ratio between operating income and operating expenses. Operating income includes net interest income, net fee and commission income, net trading income and if positive other operating result and result from discontinued operation. Operating expenses include general administrative expenses and if negative other operating result and result from discontinued operation. Other operating result and result from discontinued operation is displayed net of other taxes, deconsolidation result and valuation result according to IFRS 5.

The ROE before taxes indicates the result before taxes in relation to average equity including non-controlling interest.

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The net interest margin shows the net interest income in relation to total assets.

The NPL ratio indicates the portfolio of non-performing loans in relation to the total exposure of all loans to and receivables from customers.

The leverage ratio indicates the business volume (CCF-weighted off-balance positions plus derivatives add-on, replacement value of derivatives, disallowance of derivative claims and financial volume) in relation to the tier 1 capital (CET1 + AT1).

The net stable funding ratio indicates the available stable funding in relation to the necessary stable funding.

The liquidity coverage ratio (LCR) describes the ratio of highly liquid assets to net outflows over the next 30 days assuming a stress scenario, and thus the ability to cover short-term liquidity outflows.

The loan deposit ratio indicates the total amount of loan accounts, overdraft facilities less syndicated loans in relation to the total amount of savings deposits, demand deposits and fixed term deposits.

The coverage ratio I indicates the coverage ratio of non-performing loans by risk provisions.

The coverage ratio III indicates the coverage ratio of non-performing loans by risk provisions and collaterals.

Staff figures are calculated based on full-time equivalent.

\* The previous year was restated in accordance with IAS 8.

## Statement of comprehensive income

INCOME STATEMENT	1-12/2023	1-12/2022	Changes	
	Euro thousand	Euro thousand	Euro thousand	%
Interest and similar income	456,979	211,260	245,720	116.31 %
thereof using the effective interest method	433,040	203,217	145,898	71.79 %
Interest and similar expenses	-272,420	-80,831	-191,589	> 200.00 %
Net interest income	184,560	130,429	54,131	41.50 %
Risk provision	-23,527	-17,582 *	-5,944	33.81 %
Fee and commission income	84,580	81,505	3,075	3.77 %
Fee and commission expenses	-20,425	-21,591	1,166	-5.40 %
Net fee and commission income	64,155	59,914	4,241	7.08 %
Net trading income	3,157	1,678	1,479	88.15 %
Result from financial instruments and investment properties	-1,378	-9,509	8,131	-85.51 %
Other operating result	126,296	89,164	37,133	41.65 %
General administrative expenses	-236,490	-207,233	-29,257	14.12 %
Result from companies measured at equity	682	-160	842	< -200.00 %
<b>Result before taxes</b>	<b>117,455</b>	<b>46,700 *</b>	<b>70,754</b>	<b>151.51 %</b>
Income taxes	16,488	20,022 *	-3,534	-17.65 %
<b>Result after taxes</b>	<b>133,943</b>	<b>66,722 *</b>	<b>67,221</b>	<b>100.75 %</b>
<b>Result attributable to shareholders of the parent company (Consolidated net result)</b>	<b>133,943</b>	<b>66,698 *</b>	<b>67,245</b>	<b>100.82 %</b>
Result attributable to non-controlling interest	0	24	-24	-100.00 %
<b>OTHER COMPREHENSIVE INCOME</b>	<b>1-12/2023</b>	<b>1-12/2022</b>	<b>Changes</b>	
	<b>Euro thousand</b>	<b>Euro thousand</b>	<b>Euro thousand</b>	<b>%</b>
<b>Result after taxes</b>	<b>133,943</b>	<b>66,722 *</b>	<b>67,221</b>	<b>100.75 %</b>
<b>Items that will not be reclassified to profit or loss</b>				
Revaluation of obligation of defined benefit plans (including deferred taxes)	-1,252	7,021	-8,273	-117.83 %
Revaluation reserve (including deferred taxes)	223	37	186	> 200.00 %
Fair value reserve - equity instruments (including deferred taxes)	11,313	1,024	10,289	> 200.00 %
Revaluation of own credit risk (including deferred taxes)	938	587	351	59.73 %
<b>Total items that will not be reclassified to profit or loss</b>	<b>11,222</b>	<b>8,669</b>	<b>2,553</b>	<b>29.45 %</b>
<b>Items that may be reclassified to profit or loss</b>				
Fair value reserve - debt instruments (including deferred change in fair value)	538	-1,439	1,976	-137.37 %
Cash flow hedge reserve (including deferred taxes)				
Change in fair value (effective hedge)	308	-721	1,029	-142.80 %
Net amount transferred to profit or loss	126	-10	136	< -200.00 %
Change from companies measured at equity	999	1,177	-178	-15.13 %
<b>Total items that may be reclassified to profit or loss</b>	<b>1,971</b>	<b>-991</b>	<b>2,963</b>	<b>&lt; -200.00 %</b>
<b>Other comprehensive income total</b>	<b>13,193</b>	<b>7,677</b>	<b>5,516</b>	<b>71.85 %</b>
<b>Comprehensive income</b>	<b>147,136</b>	<b>74,399 *</b>	<b>72,736</b>	<b>97.76 %</b>
<b>Comprehensive income attributable to shareholders of the parent company</b>	<b>147,136</b>	<b>74,376 *</b>	<b>72,760</b>	<b>97.83 %</b>
Comprehensive income attributable to non-controlling	0	24	-24	-100.00 %

\* The previous year was restated in accordance with IAS 8.

## Statement of financial position as at 31 December 2023

	31 Dec 2023 Euro thousand	31 Dec 2022 Euro thousand	Changes Euro thousand	%
<b>ASSETS</b>				
Liquid funds	3,303,819	3,345,392	-41,572	-1.24 %
Loans and receivables credit institutions	2,593,652	2,856,495 *	-262,842	-9.20 %
Loans and receivables customers	5,816,672	5,480,639 *	336,033	6.13 %
Assets held for trading	24,771	25,684	-913	-3.56 %
Financial investments	2,694,737	2,112,625	582,111	27.55 %
Investment property	27,187	26,461	726	2.74 %
Companies measured at equity	42,150	39,856	2,294	5.76 %
Participations	77,878	63,015	14,863	23.59 %
Intangible assets	15,677	17,355	-1,678	-9.67 %
Tangible assets	124,191	129,025	-4,834	-3.75 %
Tax assets	73,724	58,793 *	14,931	25.40 %
Current taxes	0	2,630	-2,630	-100.00 %
Deferred taxes	73,724	56,163 *	17,561	31.27 %
Other assets	305,356	304,204	1,152	0.38 %
Assets held for sale	0	587	-587	-100.00 %
<b>TOTAL ASSETS</b>	<b>15,099,814</b>	<b>14,460,130 *</b>	<b>639,684</b>	<b>4.42 %</b>
<b>LIABILITIES</b>				
Amounts owed to credit institutions	2,988,163	4,058,046	-1,069,883	-26.36 %
Amounts owed to customers	6,531,503	6,764,572	-233,069	-3.45 %
Debts evidenced by certificates	3,322,662	1,723,251	1,599,412	92.81 %
Lease liabilities	79,553	82,248	-2,694	-3.28 %
Liabilities held for trading	23,946	29,693	-5,747	-19.35 %
Provisions	57,255	56,805 *	450	0.79 %
Tax liabilities	5,234	2,210	3,024	136.82 %
Current taxes	4,784	1,473	3,311	> 200.00 %
Deferred taxes	450	737	-287	-38.91 %
Other liabilities	595,170	368,242	226,928	61.62 %
Subordinated liabilities	401,973	398,817	3,157	0.79 %
Equity	1,094,355	976,248 *	118,107	12.10 %
Shareholders' equity	1,094,355	976,168 *	118,187	12.11 %
Non-controlling interest	0	80	-80	-100.00 %
<b>TOTAL LIABILITIES</b>	<b>15,099,814</b>	<b>14,460,130 *</b>	<b>639,684</b>	<b>4.42 %</b>

\* The previous year was restated in accordance with IAS 8.

## Segment reporting by business segments

Euro thousand

1-12/2023	Retail	CO	Consolidation	Total
Net interest income	185,669	-1,109	0	184,560
Risk provisions	-30,008	6,482	0	-23,527
Net fee and commission income	68,392	-4,352	115	64,155
Net trading income	179	2,978	0	3,157
Result from financial instruments and investment properties	907	-2,285	0	-1,378
Other operating result	4,317	185,724	-63,746	126,296
General administrative expenses	-143,616	-156,505	63,631	-236,490
Result from companies measured at equity	1,319	-637	0	682
<b>Annual result before taxes</b>	<b>87,159</b>	<b>30,296</b>	<b>0</b>	<b>117,455</b>
Income taxes	4,643	11,845	0	16,488
<b>Annual result after taxes</b>	<b>91,802</b>	<b>42,141</b>	<b>0</b>	<b>133,943</b>

### 31 Dec 2023

<b>Total assets</b>	<b>6,925,394</b>	<b>9,422,817</b>	<b>-1,248,397</b>	<b>15,099,814</b>
Loans and receivables customers	5,778,052	38,621	0	5,816,672
Companies measured at equity	33,404	8,746	0	42,150
Amounts owed to customers	5,613,899	940,728	-23,124	6,531,503
Debts evidenced by certificates, including subordinated liabilities	94,474	3,630,161	0	3,724,636

### 1-12/2022

Net interest income	113,486	16,943	0	130,429
Risk provisions	-10,304	-7,278	0	-17,582*
Net fee and commission income	65,924	-6,085	75	59,914
Net trading income	276	1,402	0	1,678
Result from financial instruments and investment properties	-1,386	-8,123	0	-9,509
Other operating result	-12,788	157,569	-55,618	89,164
General administrative expenses	-125,671	-137,105	55,543	-207,233
Result from companies measured at equity	-206	46	0	-160
<b>Annual result before taxes</b>	<b>29,332</b>	<b>17,369</b>	<b>0</b>	<b>46,700*</b>
Income taxes	7,063	12,959	0	20,022*
<b>Annual result after taxes</b>	<b>36,395</b>	<b>30,327</b>	<b>0</b>	<b>66,722*</b>

### 31 Dec 2022

<b>Total assets</b>	<b>6,721,831</b>	<b>8,813,504</b>	<b>-1,075,204</b>	<b>14,460,130*</b>
Loans and receivables customers	5,487,294	-3,768	-2,864	5,480,662*
Companies measured at equity	31,097	8,759	0	39,856
Amounts owed to customers	5,746,913	1,045,308	-27,649	6,764,572
Debts evidenced by certificates, including subordinated liabilities	94,474	2,027,593	0	2,122,067

\* The previous year was restated in accordance with IAS 8.

## Own funds of the VB Wien Group

Euro thousand	31 Dec 2023	31 Dec 2022
<b>Common tier I capital: Instruments and reserves</b>		
Capital instruments including share premium accounts	338,303	340,175
Retained earnings *	370,830	267,780
Accumulated other comprehensive income (and other reserves)	157,476	139,430
Common tier I capital before regulatory adjustments *	866,609	747,385
<b>Common tier I capital: regulatory adjustments</b>		
Intangible assets (net of related tax liability)	-15,677	-17,355
Cash flow hedge reserve	325	760
Cumulative gains and losses due to changes in own credit risk on fair valued liabilities	-1,899	-961
Fair value gains and losses arising from the institution's own credit risk related to derivative liabilities	246	266
Value adjustments due to the requirement for prudent valuation	-879	-890
CET1 instruments of financial sector entities where the institution has a significant investment	-325	0
Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	-56,319	-32,656
Insufficient coverage for non-performing exposures	-2,272	-1,277
Regulatory adjustments - transitional provisions	4,039	8,405
Adjustments to be made due to transitional regulations under IFRS 9	4,039	8,405
Amount exceeding the threshold of 17.65 %	0	0
Additional CET1 deductions pursuant to article 3 CRR	-12,554	-27,476
Total regulatory adjustments	-85,315	-71,184
<b>Common equity tier I capital - CET1 *</b>	<b>781,293</b>	<b>676,201</b>
<b>Additional tier I capital: instruments</b>		
Capital instruments including share premium accounts	220,000	220,000
Additional tier I capital before regulatory adjustments	220,000	220,000
<b>Additional tier I capital: regulatory adjustments</b>		
Total regulatory adjustments	0	0
<b>Additional tier I capital - AT1</b>	<b>220,000</b>	<b>220,000</b>
<b>Tier I capital (CET1 + AT1) *</b>	<b>1,001,293</b>	<b>896,201</b>
<b>Tier II capital - instruments and provisions</b>		
Capital instruments including share premium accounts	300,183	379,926
Tier II capital before regulatory adjustments	300,183	379,926
<b>Tier II capital: regulatory adjustments</b>		
Total regulatory adjustments	0	0
<b>Tier II capital - T2</b>	<b>300,183</b>	<b>379,926</b>
<b>Own funds total - TC (T1 + T2) *</b>	<b>1,301,477</b>	<b>1,276,128</b>
Common equity tier I capital ratio *	17.20 %	16.77 %
Tier I capital ratio *	22.04 %	22.23 %
Equity ratio *	28.65 %	31.65 %
each in relation to total risk exposure amount		

## Risk weighted assessment amounts

Euro thousand	31 Dec 2023	31 Dec 2022
Risk weighted exposure amount - credit risk	3,849,585	3,400,284
Total risk exposure amount - settlement risk	0	109
Total risk exposure amount for position, foreign exchange and commodities risks	22,650	20,969
Total risk exposure amount for operational risk	662,046	597,173
Total risk exposure amount for credit valuation adjustment (cva)	8,932	13,135
<b>Total risk exposure amount</b>	<b>4,543,212</b>	<b>4,031,670</b>

The result of the Supervisory Review and Evaluation Process (SREP) from 2023 was forwarded to VBW as the CO of the Association of Volksbanks with the SREP decision from November 2023. The SREP requirement (P2R) will fall by 0.25 percentage points from 2.50 % to 2.25 % from January 1, 2024. The SREP recommendation (P2G) remains unchanged compared to the reporting year at 1.25 %. The systemically important institution buffer (O-SIIP) will increase from 0.75 % to 0.90 % at consolidated level in 2024.

The total CET1 requirement is 9,70 %, the total Tier1 requirement is 11,67 % and the total capital requirement is 14,29 %.

\* The previous year was restated in accordance with IAS 8.

## Own funds of the VB Wien Group - fully loaded

Euro thousand	31 Dec 2023	31 Dec 2022
<b>Common tier I capital: Instruments and reserves</b>		
Capital instruments including share premium accounts	338,303	340,175
Retained earnings *	370,830	267,780
Accumulated other comprehensive income (and other reserves)	157,476	139,430
Common tier I capital before regulatory adjustments *	866,609	747,385
<b>Common tier I capital: regulatory adjustments</b>		
Intangible assets (net of related tax liability)	-15,677	-17,355
Cash flow hedge reserve	325	760
Cumulative gains and losses due to changes in own credit risk on fair valued liabilities	-1,899	-961
Fair value gains and losses arising from the institution's own credit risk related to derivative liabilities	246	266
Value adjustments due to the requirement for prudent valuation	-879	-890
CET1 instruments of financial sector entities where the institution has a significant investment	-325	0
Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	-56,319	-32,656
Amount exceeding the threshold of 17.65 %	0	0
Insufficient coverage for non-performing exposures	-2,272	-1,277
Additional CET1 deductions pursuant to article 3 CRR	-12,554	-27,476
Total regulatory adjustments	-89,355	-79,589
<b>Common equity tier I capital - CET1 *</b>	<b>777,254</b>	<b>667,796</b>
<b>Additional tier I capital: instruments</b>		
Capital instruments including share premium accounts	220,000	220,000
<b>Additional tier I capital: regulatory adjustments</b>		
Total regulatory adjustments	0	0
<b>Additional tier I capital - AT1</b>	<b>220,000</b>	<b>220,000</b>
<b>Tier I capital (CET1 + AT1) *</b>	<b>997,254</b>	<b>887,796</b>
<b>Tier II capital - instruments and provisions</b>		
Capital instruments including share premium accounts	300,183	379,926
Tier II capital before regulatory adjustments	300,183	379,926
<b>Tier II capital: regulatory adjustments</b>		
Total regulatory adjustments	0	0
<b>Tier II capital - T2</b>	<b>300,183</b>	<b>379,926</b>
<b>Own funds total - TC (T1 + T2) *</b>	<b>1,297,437</b>	<b>1,267,722</b>
Common equity tier I capital ratio *	17.12 %	16.60 %
Tier I capital ratio *	21.97 %	22.07 %
Equity ratio *	28.58 %	31.51 %

each in relation to total risk exposure amount

## Risk weighted assessment amounts

Euro thousand	31 Dec 2023	31 Dec 2022
Risk weighted exposure amount - credit risk	3,846,176	3,391,878
Total risk exposure amount - settlement risk	0	109
Total risk exposure amount for position, foreign exchange and commodities risks	22,650	20,969
Total risk exposure amount for operational risk	662,046	597,173
Total risk exposure amount for credit valuation adjustment (cva)	8,932	13,135
<b>Total risk exposure amount</b>	<b>4,539,804</b>	<b>4,023,265</b>

The result of the Supervisory Review and Evaluation Process (SREP) from 2023 was forwarded to VBW as the CO of the Association of Volksbanks with the SREP decision from November 2023. The SREP requirement (P2R) will fall by 0.25 percentage points from 2.50 % to 2.25 % from January 1, 2024. The SREP recommendation (P2G) remains unchanged compared to the reporting year at 1.25 %. The systemically important institution buffer (O-SIIP) will increase from 0.75 % to 0.90 % at consolidated level in 2024.

The total CET1 requirement is 9,70 %, the total Tier1 requirement is 11,67 % and the total capital requirement is 14,29 %.

\* The previous year was restated in accordance with IAS 8.

## Amounts owed to customers

Euro million	31 Dec 2023	31 Dec 2022
Saving deposits	1,014.4	1,516.9
Giro- and term deposits	5,516.7	5,247.9

## Distribution of loans and receivables (gross) to customers by customer segments <sup>1)</sup>

	31 Dec 2023	31 Dec 2022
Retail	2,086.5	2,164.4
SME	2,801.2	2,571.7
Corporates	326.3	243.7
Public sector	46.2	36.0
Others	688.0	608.0

## 25 largest customer exposures

Top 25 exposures represent 17.1 % (PY: 15.5 %) of Volksbank Wien's total loans and receivables to customers (largest single customer exposure: 1.5% (PY: 1.3 %) of total loans and receivables to customers).

## Additional information from individual financial Statement (UGB)

Euro million	31 Dec 2022	31 Dec 2021
Available Distributable Items (ADIs)	301.6	142.6
§ 57/1 BWG reserves	17.9	17.9

1) The definition of customer segments is derived from the regulatory segmentation criteria.