BAWAG Group
Q3 2022 Results
19 October 2022

Highlights Q3 2022

EARNINGS

- Q3 '22 incorporates full write-off of City of Linz receivable of €254m in risk cost (€190m after tax)
- **Q3 '22 (including City of Linz): Net loss of €(58)m and EPS €(0.66)**
- **Adjusted Q3 '22 (excluding City of Linz): Net profit of €132m, EPS of €1.49, and RoTCE of 19.3%**
- Pre-provision profit of €218m (+17% vPY) and CIR at 35.1%
- Risk costs of €35m, of which €12m related to ECL management overlay that stands at €82m

BALANCE SHEET & CAPITAL

- Average customer loans flat vPQ and +9% vPY
- **CET1 ratio at 13.0% … deducting €325m buyback and €207m dividend accrual (55% adjusted net profit)**
- Bank positioned for rising interest rate environment that will materialize in the coming quarters
- Solid credit performance across the business … NPL ratio 1.0% with management overlay ~1x annual risk costs

OUTLOOK

- **Execution of €325m share buyback started on 25 July with ~65% executed as of October 18**
- Maintaining dry powder to address potential organic and inorganic opportunities in the coming quarters
- **Reconfirmed 2022 targets (adjusted):** Profit before tax >€675m, RoTCE >17%, and CIR < 38%
- Updating outlook for core revenue growth to ~9% in 2022

Financial performance

P&L | € million	Q3'22 reported	Q3'22 adjusted	vPY	YTD '22 reported	YTD'22 adjusted	vPY
Core revenues	335	335	10%	986	986	9%
Operating income	336	336	9%	993	993	9%
Operating expenses	(118)	(118)	(2%)	(357)	(357)	(2%)
Pre-provision profit	**218**	**218**	**17%**	**636**	**636**	**16%**
Regulatory charges	(3)	(3)	(21%)	(49)	(49)	(19%)
Risk costs	(290)	(35)	64%	(340)	(86)	15%
Profit before tax	(73)	181	12%	249	504	22%
Net profit	**(58)**	**132**	**7%**	**186**	**377**	**19%**

Balance Sheet & Capital | € million	Q3'22	Q2'22	vPQ	vPY
Total assets	55 997	55 029	2%	3%
Interest-bearing assets (average)	44 733	44 530	-	8%
Customer loans (average)	36 804	36 764	-	9%
Customer deposits (average)	34 219	33 558	2%	3%
Common Equity	3 207	3 351	(4%)	(11%)
Tangible Common Equity	2 678	2 820	(5%)	(12%)
CET1 Capital	2 764	2 699	2%	(7%)
Risk-weighted assets	21 343	21 326	-	5%
CET1 Ratio (post dividend)	**13.0%**	**12.7%**	**0.3pts**	**(1.7pts)**

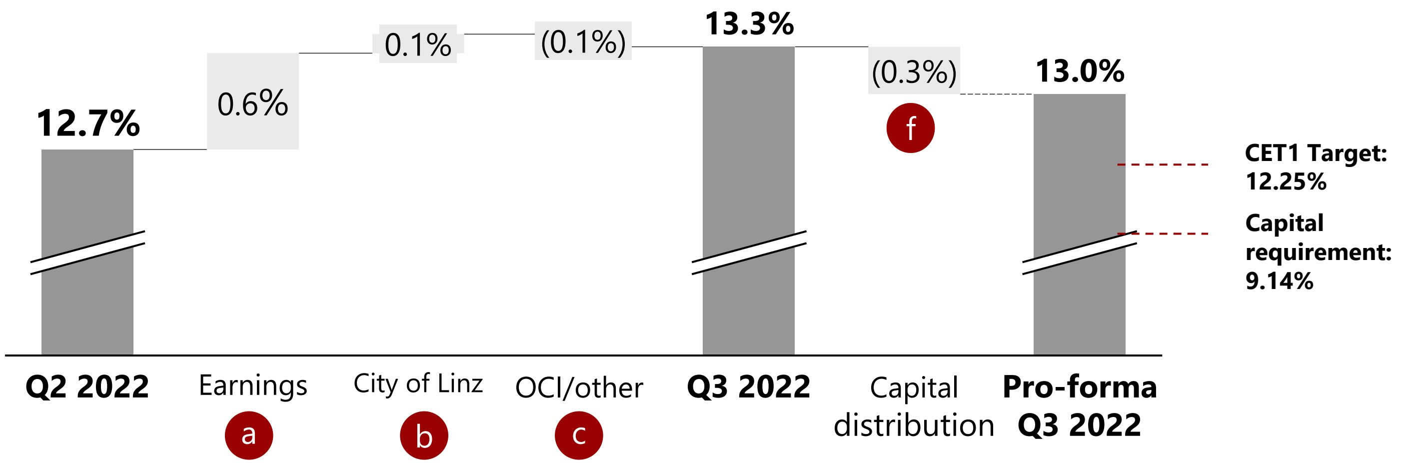
Ratios	Q3'22 reported	Q3'22 adjusted	vPY	YTD '22 reported	YTD'22 adjusted	vPY
RoCE	(7.1%)	16.2%	2.3pts	7.6%	15.4%	3.4pts
RoTCE	(8.5%)	19.3%	2.9pts	9.1%	18.4%	4.2pts
CIR	35.1%	35.1%	(4.1pts)	35.9%	35.9%	(4.0pts)
Risk cost ratio	2.59%	0.32%	0.11pts	1.04%	0.26%	0.02pts
Earnings per share (€)	(0.66)	1.49	8%	2.10	4.24	20%

Per share data	Q3'22	vPQ	Q3'21	vPY
Book value (€)	37.57	-	40.46	(7%)
Tangible book value (€)	31.38	(1%)	34.43	(9%)
Shares outstanding (€ m)	85.34	(4%)	88.86	(4%)

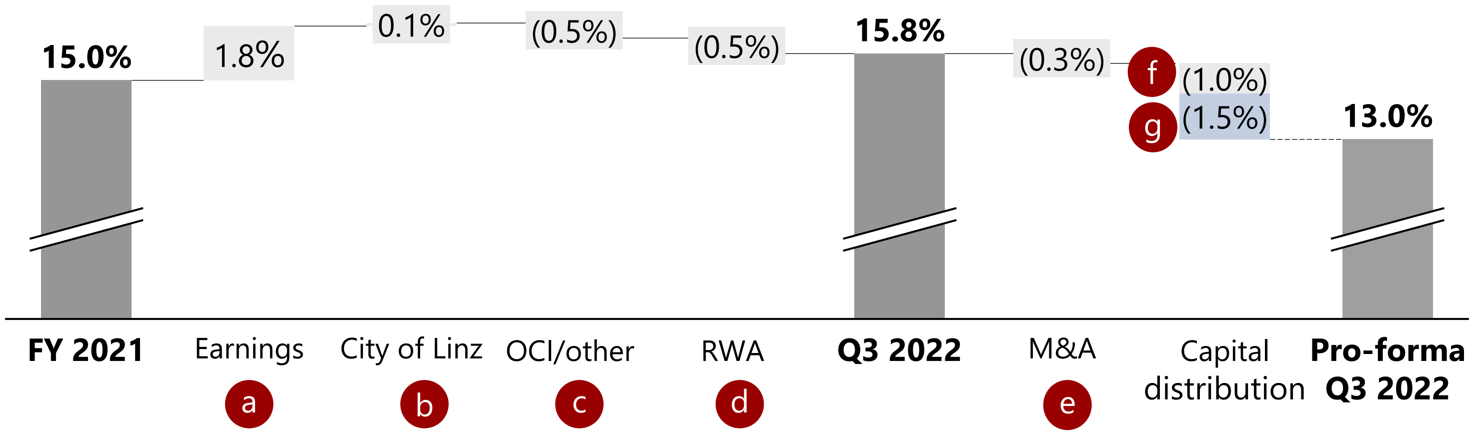
Note: All equity, capital, ratios and per share data reflect deduction of €207m dividend accrual and €325m buyback for Q3 2022 figures.
"Adjusted" view excludes write-off of City of Linz receivable of €254m (€190m after tax).

Capital development and distribution

QUARTERLY CAPITAL DEVELOPMENT



YTD CAPITAL DEVELOPMENT



CAPITAL DEVELOPMENT

- a Gross capital generation ~+60bps in Q3 '22 / +180bps YTD '22
- b Write-off fully provisioned in regulatory capital in prior years
- c OCI primarily related to widening credit spreads and volatility
- d RWA increase due to organic business growth and FX

M&A and CAPITAL DISTRIBUTION

- e Acquisition of Sberbank assets (consumer loan & bond portfolio)
- f Accrual based on dividend payout ratio of 55%* (dividend policy)
- g Share buyback of €325m in 2022 … ~65% completed

EXCESS CAPITAL

- CET1 ratio 13.0% post buyback of €325m
- Excess capital of ~€150m to our management target of 12.25%
- Maintain dry powder for potential organic and inorganic opportunities in coming quarters

*based on adjusted net profit

Retail & SME

Financial performance

€ million	Q3'22	Q3'21	vPY	Q2'22	vPQ
Core revenues	255.8	229.8	11%	254.1	1%
Net interest income	190.5	165.4	15%	184.1	3%
Net commission income	65.3	64.4	1%	70.0	(7%)
Operating income	257.6	230.5	12%	254.7	1%
Operating expenses	(85.5)	(87.6)	(2%)	(85.2)	-
Pre-provision profit	**172.1**	**142.9**	**20%**	**169.5**	**2%**
Regulatory charges	(1.4)	(0.9)	56%	(6.0)	-
Risk costs	(23.4)	(15.5)	51%	(20.4)	15%
Profit before tax	**147.3**	**126.5**	**16%**	**143.1**	**3%**
Net profit	**110.5**	**94.9**	**16%**	**107.3**	**3%**

Ratios

in %	Q3'22	Q3'21	vPY	Q2'22	vPQ
RoCE	28.3%	24.3%	4.0pts	27.5%	0.8pts
RoTCE	33.3%	28.2%	5.1pts	32.5%	0.8pts
CIR	33.2%	38.0%	(4.8pts)	33.5%	(0.3pts)
NPL ratio	1.9%	1.9%	-	1.9%	-
Risk cost ratio	0.42%	0.30%	0.12pts	0.37%	0.05pts

Customer development

€ million	Q3'22	Q3'21	vPY	Q2'22	vPQ
Housing loans	16 160	15 602	4%	16 109	-
Consumer and SME	6 348	5 204	22%	6 244	2%
Total assets	**22 508**	20 806	**8%**	**22 353**	**1%**
Total assets (average)	**22 488**	20 618	**9%**	**22 049**	**2%**
Risk-weighted assets	**9 500**	8 055	**18%**	**9 452**	**1%**
Customer deposits	**28 075**	26 882	**4%**	**28 045**	**-**
Customer deposits (average)	**27 823**	27 069	**3%**	**28 145**	**(1%)**

Q3 ’22 net profit of €111m, up 17% vPY due to higher pre-provision profits … average net asset growth +9% vPY driven by consumer loans and housing loans

Pre-provision profit of €172m for Q3 ’22, up 21% vPY … Core revenues up 11% and operating expenses down (2%)

Risk costs of €(23)m in Q3 ’22, up 51% vPY … €(17)m core run rate with addition of Sberbank consumer loan portfolio in Q2 ’22… Added €(6)m management overlay to address future uncertainty

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

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

Corporates, Real Estate & Public Sector

Financial performance

€ million	Q3'22	Q3'21	vPY	Q2'22	vPQ
Core revenues	77.4	73.1	6%	72.2	7%
Net interest income	67.5	64.8	4%	64.2	5%
Net commission income	9.9	8.3	19%	8.0	24%
Operating income	77.5	78.2	(1%)	84.5	(8%)
Operating expenses	(17.8)	(17.5)	2%	(18.4)	(3%)
Pre-provision profit	**59.7**	**60.8**	**(2%)**	**66.0**	**(10%)**
Regulatory charges	(1.2)	(1.2)	-	(1.6)	(25%)
Risk costs	(11.4)	(5.9)	93%	(8.4)	36%
Profit before tax	**47.1**	**53.6**	**(12%)**	**56.0**	**(16%)**
Net profit	**35.4**	**40.2**	**(12%)**	**42.0**	**(16%)**

Ratios

in %	Q3'22	Q3'21	vPY	Q2'22	vPQ
RoCE	13.3%	14.4%	(1.1pts)	15.3%	(2.0pts)
RoTCE	16.4%	17.6%	(1.2pts)	18.5%	(2.1pts)
CIR	23.0%	22.4%	0.6pts	21.8%	1.2pts
NPL ratio	0.7%	1.0%	(0.3pts)	0.7%	-
Risk cost ratio	0.29%	0.17%	0.12pts	0.21%	0.08pts

Customer development

€ million	Q3'22	Q3'21	vPY	Q2'22	vPQ
Corporates	4 085	4 118	(1%)	4 243	(4%)
Real Estate	6 607	5 569	19%	6 487	2%
Public Sector	4 246	4 170	2%	4 309	(1%)
Short-term / money market lending	487	261	87%	877	(44%)
Total assets	**15 425**	14 118	**9%**	**15 916**	**(3%)**
Total assets (average)	**15 485**	14 088	**10%**	**15 821**	**(2%)**
Risk-weighted assets	**8 287**	7 803	**6%**	**8 309**	**-**
Customer deposits	**5 551**	5 360	**4%**	**5 080**	**9%**
Customer deposits (average)	**6 015**	5 372	**12%**	**5 044**	**19%**

Q3 ’22 net profit of €35m, down 12% vPY due to higher risk costs from incremental management overlay … average net asset growth of 10% vPY driven primarily by real estate

Pre-provision profit of €60m in Q3 ’22, down (2%) vPY … Operating income down (1%)

Risk costs of €(11)m … up 93% vPY … €(6)m increase to management overlay during the quarter

Maintaining disciplined and conservative underwriting with solid pipeline and commitments in Q4 ’22 … will remain patient and continue to focus on risk-adjusted returns

Agenda

P&L & key ratios

P&L | € million	**Q3'22** reported	**Q3'22** adjusted	**Q3'21**	**vPY**	**vPQ**
Net interest income	260.0	260.0	233.8	11%	4%
Net commission income	75.0	75.0	71.7	5%	(4%)
Core revenues	**335.0**	**335.0**	**305.5**	**10%**	**2%**
Other revenues	1.3	1.3	1.7	(24%)	(68%)
Operating income	**336.3**	**336.3**	**307.2**	**9%**	**1%**
Operating expenses	**(118.0)**	**(118.0)**	**(120.4)**	**(2%)**	-
Pre-provision profit	**218.3**	**218.3**	**186.8**	**17%**	**2%**
Regulatory charges	(3.4)	(3.4)	(4.3)	(21%)	(53%)
Risk costs	(289.5)	(35.3)	(21.5)	64%	17%
Profit before tax	**(73.4)**	**180.8**	**161.6**	**12%**	**2%**
Income taxes	15.3	(48.3)	(38.1)	27%	13%
Net profit	**(58.2)**	**132.4**	**123.2**	**7%**	**(1%)**

Key ratios	**Q3'22** reported	**Q3'22** adjusted	**Q3'21**	**vPY**	**vPQ**
Return on Common Equity	(7.1%)	16.2%	13.9%	2.3pts	0.2pts
Return on Tangible Common Equity	(8.5%)	19.3%	16.4%	2.9pts	0.3pts
Net interest margin	2.31%	2.31%	2.24%	0.07pts	0.06pts
Cost-income ratio	35.1%	35.1%	39.2%	(4.1pts)	(0.6pts)
Risk cost ratio	2.59%	0.32%	0.21%	0.11pts	0.05pts
Earnings per share (in €)	(0.66)	1.49	1.38	8%	(1%)
Tangible book value per share (in €)	31.38	31.38	34.43	(9%)	(1%)

Net interest income up 4% vPQ … net interest margin (NIM) at 2.31% in Q3 ’22

Net commission income down 4% vPQ due to market volatility … up 5% vPY reflecting acquisition of Hello bank! Austria in Q4 ,21 (rebranded to easybank)

Cost-income ratio of 35% in Q3 ’22 … ongoing disciplined cost control

Risk costs of €(35)m in Q3 ’22 … Core run rate in line with high portfolio quality, low NPL levels and continued low delinquencies, while increasing management overlay +€12m to €82m in light of the macroeconomic uncertainties

Balance sheet

Balance sheet | € million	Q3'22	Q3'21	vPY	vPQ
Customer loans	36 705	34 004	8%	(1%)
Securities and bonds	5 816	6 495	(10%)	2%
Credit institutions and cash	12 108	11 913	2%	14%
Other assets	1 368	1 957	(30%)	(10%)
Total assets	**55 997**	**54 370**	**3%**	**2%**
thereof average interest-bearing assets	44 733	41 337	8%	-
Customer deposits	33 992	32 850	3%	1%
Own issues	8 817	7 448	18%	11%
Credit institutions	7 130	7 461	(4%)	(1%)
Other liabilities	2 013	2 384	(16%)	(2%)
Common equity	3 207	3 595	(11%)	(4%)
Dividend accrual	207	158	31%	53%
Buyback	155	-	>100%	(52%)
AT1 capital & others	477	474	1%	-
Total liabilities & equity	**55 997**	**54 370**	**2%**	**2%**

Capital & RWA | € million	Q3'22	Q3'21	vPY	vPQ
Common equity	3 207	3 595	(11%)	(4%)
Tangible common equity	2 678	3 059	(12%)	(5%)
CET1 capital	2 764	2 979	(7%)	2%
Risk-weighted assets	21 343	20 297	5%	-
CET1 ratio (post dividend)	13.0%	14.7%	(1.7pts)	0.3pts
Liquidity Coverage Ratio	202%	214%	(12pts)	19pts

Average interest-bearing assets and risk weighted assets flat vPQ

Customer deposits up 1% in Q3 … retail deposits stable

€1.25b covered bond and €125m CHF senior preferred notes issued in Q3 ’22

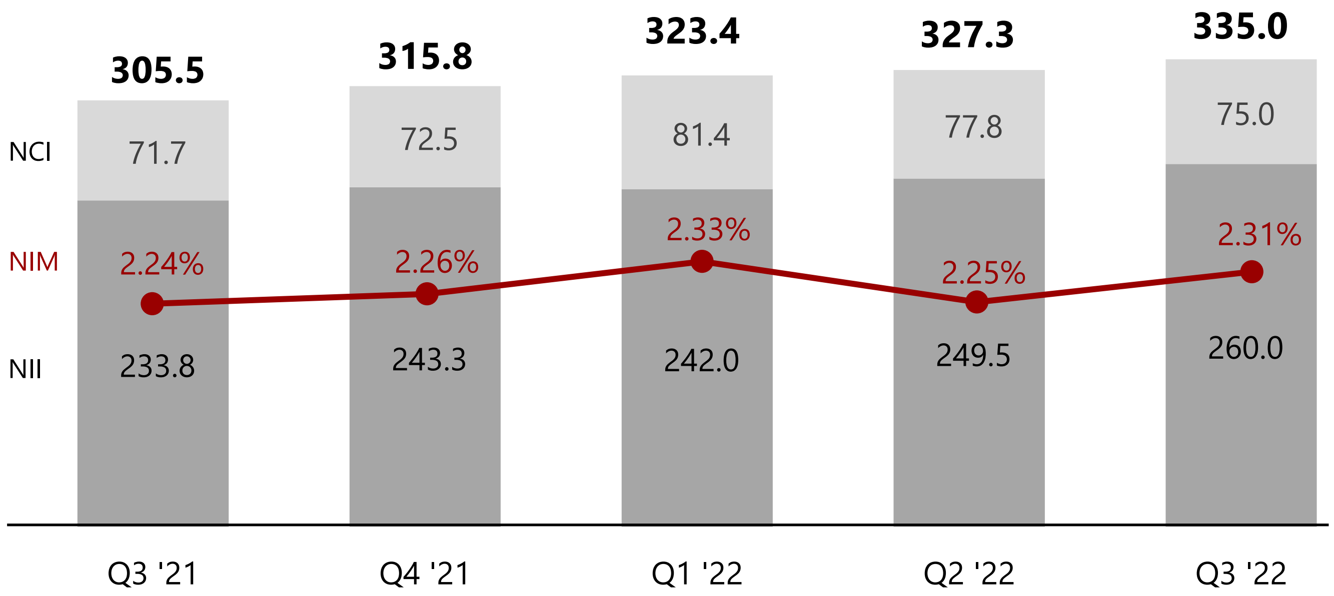
Tangible Common Equity down (12%) vPQ reflecting full write-off of City of Linz receivable and CET1 capital up 2% vPQ

CET1 ratio at 13.0% post deduction of share buyback of €325m and €207m dividend accrual for YTD ’22 (55% pay-out ratio on adjusted net profit)

P&L details – core revenues

Increasing core revenues in Q3 '22

€ million



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

33.7	35.0	35.0	36.8	36.8
41.3	42.6	42.1	44.5	44.7

Net interest income (NII) up 4% vPQ … net interest margin (NIM) at 2.31% in Q3'22

- Average customer loans flat in Q3 '22
- Bank positioned for rising interest rate environment … mainly exposed to overnight rate and 3-month Euribor … 200bps rate increase = ~€200m NII p.a.
- Full impact of rising rates to materialize gradually over quarters once re-fixing cycle completed …. 4-5 months delay
- Higher deposit betas expected over time
- As of today, ~90% of customer deposits from non-maturity products … shift to higher yielding savings products expected over time

Net commission income (NCI) down 4% vPQ

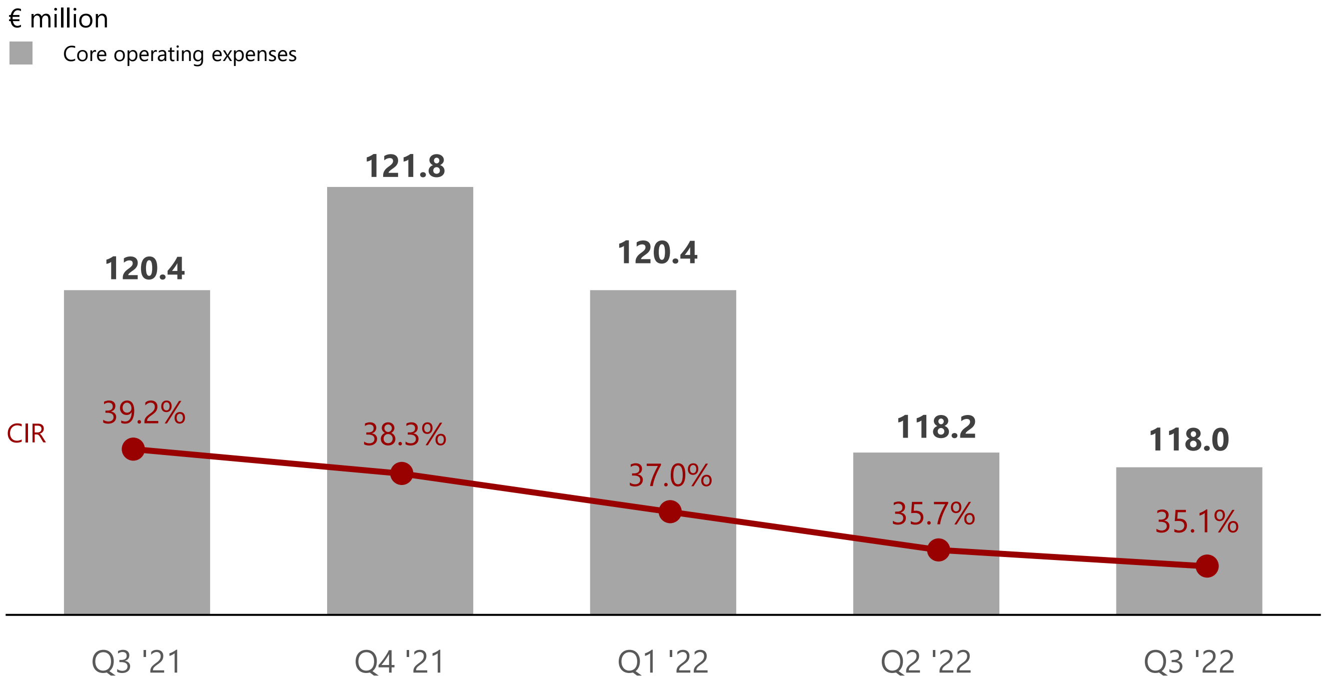
- Continued slowdown in advisory business due to volatile market environment

Outlook for 2022

- Expect core revenues growth of ~9% in 2022

P&L details – operating expenses

Continued efficiency measures countering inflationary pressures



CIR at 35.1% in Q3 '22 down (4.1pts) vPY and (0.6pts) vPQ

- Significant inflationary pressure offset by several operational initiatives launched over the past two years
- Focused on absolute cost-out target (despite inflationary headwinds)
- Adapting to post COVID-19 world … multiple initiatives focused on greater scale, greater digital engagement, and continued rollout of simplification roadmap across the Group

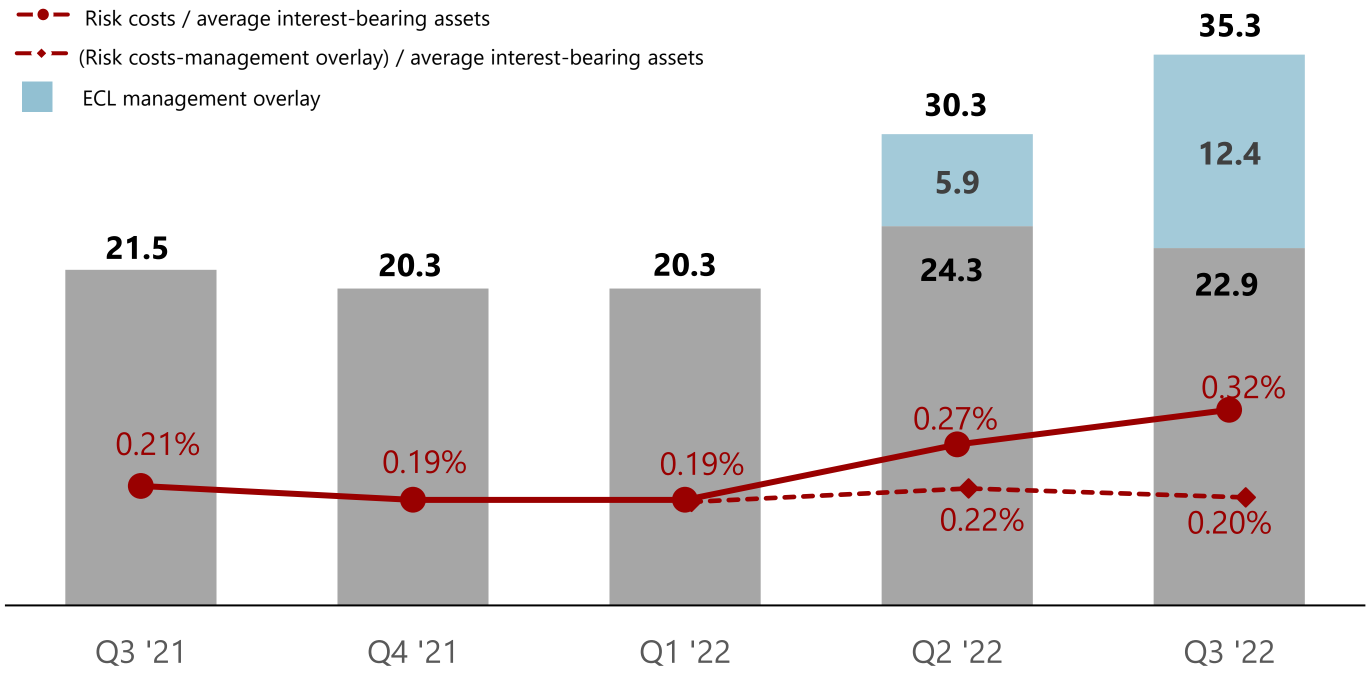
Outlook for 2022

- Targeting ~2% net cost-out with a CIR of <38% in 2022

P&L details – risk costs

Applying prudent approach while closely monitoring macro environment

€ million … excluding the write-off of City of Linz receivable in Q3 '22



ECL Management overlay (in €m)				
72	61	64	70	82

NPL ratio				
1.5%	1.4%	1.5%	1.4%	1.0%

Q3 '22 risk costs €35m and 20bps underlying risk cost ratio

– Ongoing strong credit performance … NPL ratio of 1%

– Risk cost run-rate in Retail & SME ~€17m … includes portfolio acquisition in Q2 '22

– ECL management overlay stands at €82m in Q3 '22 … up €12m vPQ

Maintain safe & secure balance sheet

– Focused on developed and mature markets … 72% DACH/NL region and 28% 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; however, remain cautious and prudent

Outlook for 2022

Expect underlying risk cost ratio ~20bps in 2022 … in addition we will continue to build up the management overlay throughout the year

2022 Outlook

Confirming outlook … revenue outlook revised upwards

P&L OVERVIEW*

	previous	*updated*
Core revenues FY '21: €1,220m	**>7% growth**	**~9% growth**
Operating expenses: FY '21: €485m	**~2% net cost-out**	**~2% net cost-out**
Regulatory charges FY '21: €52m	**~€55m expected**	**~€55m expected**
Risk costs FY '21: €95m	**~20bps underlying**	**~20bps underlying**
Profit before tax FY '21: €600m	**>€675m**	**>€675m**

RETURN TARGETS*

RoTCE FY '21: 16.1%	**>17%**
CIR FY '21: 39.5%	**<38%**

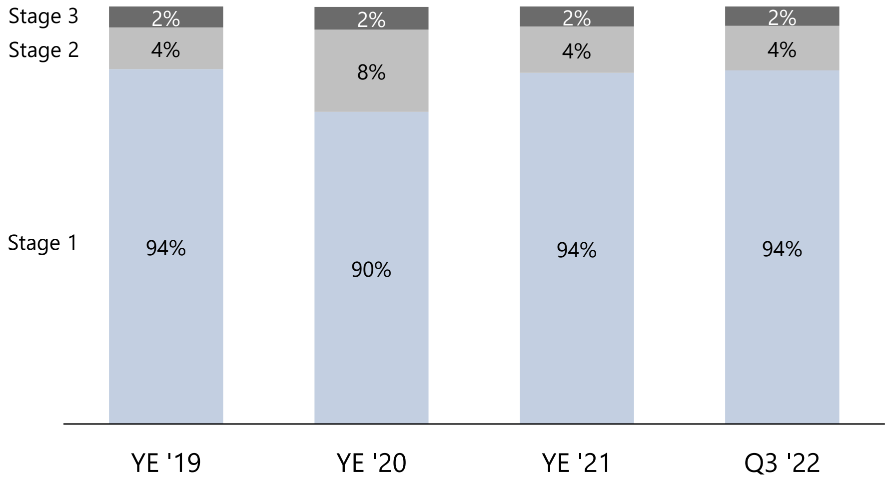
*Note: Financial and return targets are excluding the write-off of the City of Linz receivable of €254m (€190m net of tax). Dividend payout will be based on net profit excluding City of Linz impact.

Agenda

Details on reserves

Continuing to remain prudent in current environment

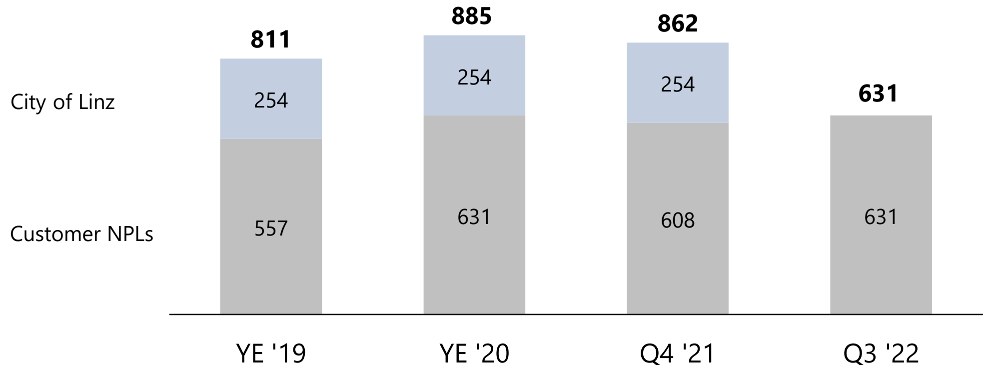
IFRS 9 Migration- Customer Segment Assets



ECLs (Stage 1&2) and SPECIFIC RESERVES (Stage 3)

€ million	YE '19	YE '20	YE '21	Q3 '22
Stage 1	39	67	37	49
Stage 2	17	64	102	112
Stage 3	205	271	276	313
Total Reserves	**262**	**402**	**414**	**474**
Total Reserve Ratio %	**0.94%**	**1.42%**	**1.34%**	**1.42%**

Non-performing stage 3 loans, in €m



	YE '19	YE '20	Q4 '21	Q3 '22
NPL ratio excl. CoL (%)	1.1%	1.1%	1.0%	1.0%
NPL cash coverage excl. CoL	37%	46%	46%	52%
NPL ratio (%)	1.7%	1.5%	1.4%	1.0%

Key developments

NPL ratio at 1.0%, cash coverage of 52%

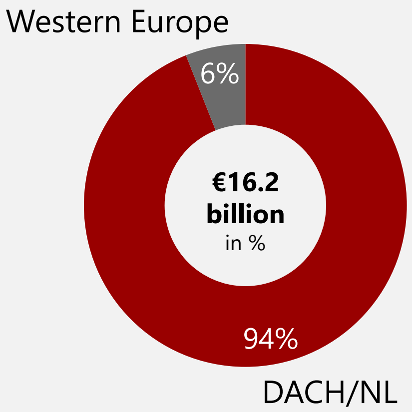
Stage 1/2/3 asset split at pre-COVID levels

Total reserves of €474m (+14% vs. YE '21) … reserve ratio increased by ~50% to 1.42% vs. YE '19 despite improving overall asset quality

Total ECL of €161m, of which €82m (51%) comprised of management overlay … equivalent to ~1x annual risk costs

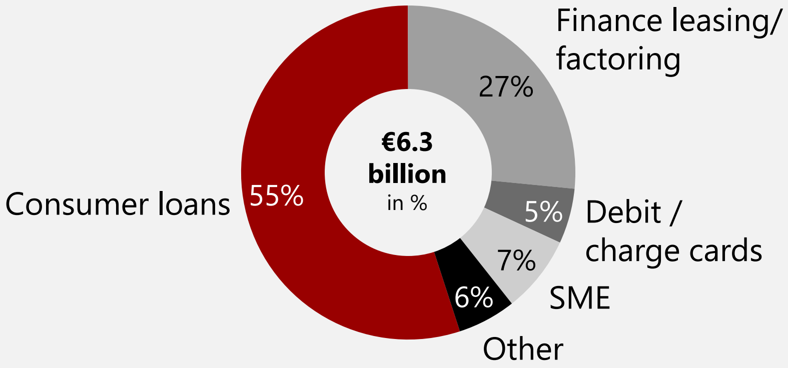
Retail & SME

HOUSING LOANS



- 28% state or insurance guaranteed
- Weighted average LTV 63% (non-guaranteed loans)
- Weighted average LTV at origination ~70% since 2020
- De minimis historical losses
- Significant affordability buffer and customer equity in established markets at underwriting

CONSUMER & SME



– Consumer Loans: Default rates continue to track well below pre-pandemic levels (AT)
– Finance leasing/Factoring: Primarily cars, movables
– New business subdued as credit tightening remains in place, cost inflation adjustments for all new underwriting
- Delinquencies remain well below pre-pandemic levels, stable low loss rates

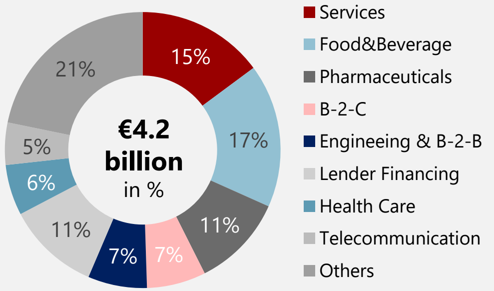
CURRENT ENVIRONMENT

- Tightened credit box in Q1 '22 after having taken similar measures during the pandemic
- Further tightened to account for high inflation impacting customer ability to pay in 2022
- Cost inflation in core markets expected to pressure repayment rates
- Government support measures in core markets to address increased energy prices … further measures in discussion

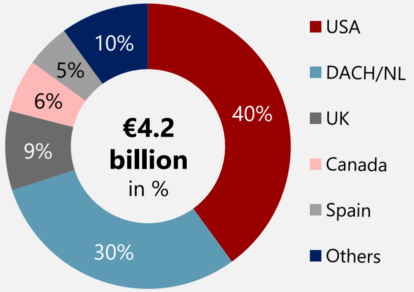
Corporates, Real Estate & Public Sector

CORPORATES*

By industry



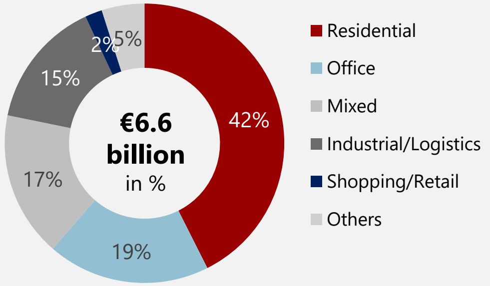
By geography

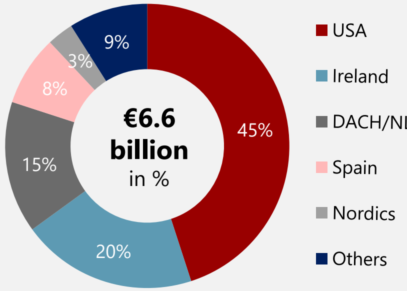


- Portfolio average net leverage <4.0x
- NPL ratio 1.5%
- No exposure to Russia and Ukraine
- DACH/NL 30% exposure

REAL ESTATE

By underlying

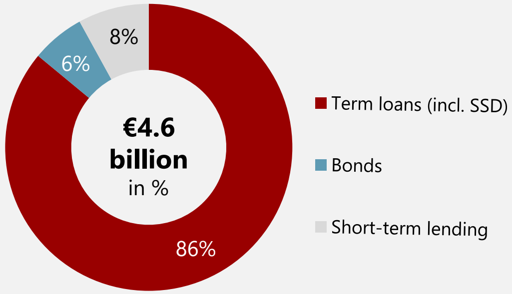




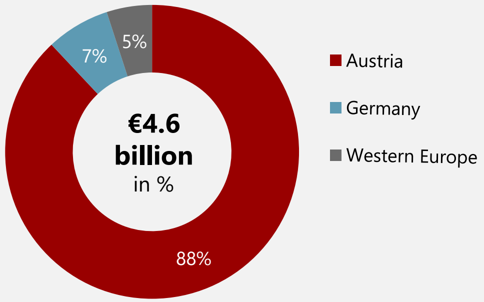
- Weighted average portfolio LTV <60%
- NPL ratio 0.8%
- Collateral backing portfolio is granular with ~42% of pool being direct residential

PUBLIC SECTOR*

By funding & type



By geography



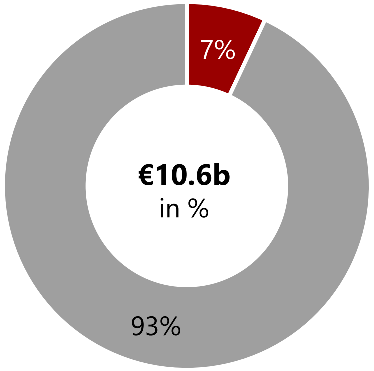
- Portfolio comprised of 62% AAA or AA entities
- No non-performing loans

* Includes short-term lending / money market of €487m, of which €96m in Corporates and €391m in Public Sector

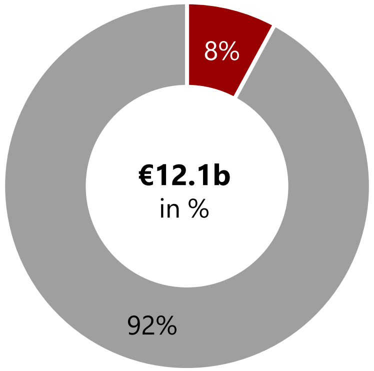
Investment book and Cash

Q2 '22 | **Q3 '22**

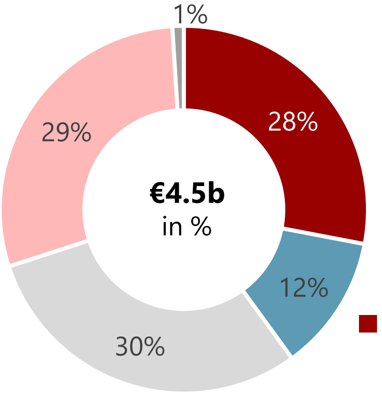
Cash & Cash equivalent



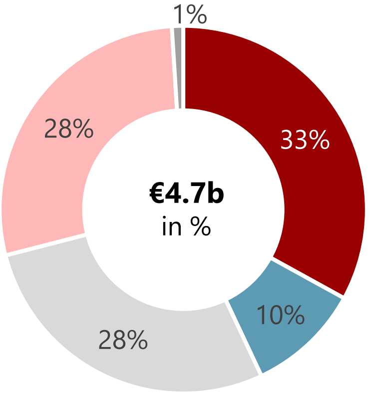
+€ 1.5b



Investment book



+€ 0.2b



AAA AA A BBB BB

As of Q3 '22, cash and cash equivalents (mainly money at central banks) at €12.1b … TLTRO III of €6.4b

Investment book primarily serves as liquidity book of the Bank

Securities portfolio "under-invested" … Higher credit spreads would be an opportunity to build-up our securities portfolio again as we have been under-invested for the past few years

Focus on low credit risk, high liquidity, shorter duration and solid diversification in terms of geography and issuers:

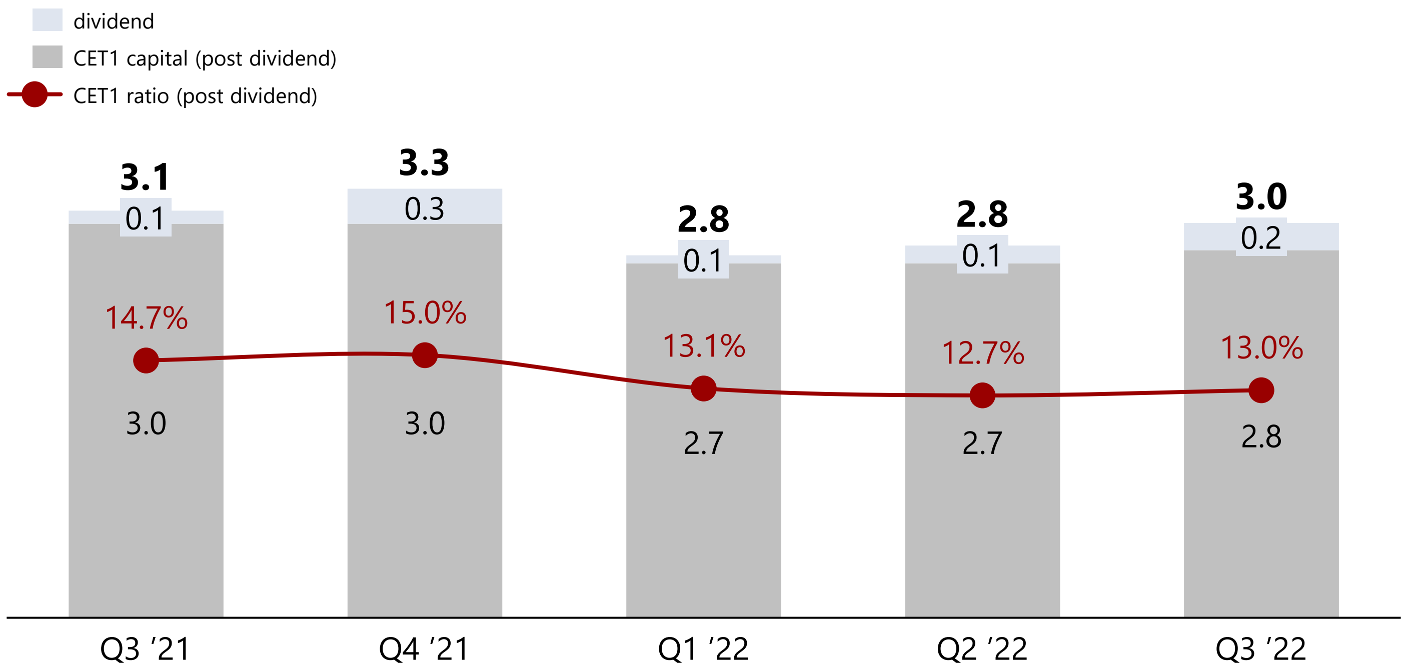
- No non-performing assets
- 99% portfolio investment grade, with 71% A or higher
- Weighted average life of 4.0 years
- ~280 positions, average size ~€17m
- No exposure to Russia and Ukraine

Regulatory Capital

Strong capital position

CET1 Capital and ratios

€ billion



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

	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22
RWA (€ billions)	20.3	20.1	20.5	21.3	21.3
Tier 1 ratio	17.0%	17.3%	15.3%	14.8%	15.1%
Total capital ratio	20.2%	20.4%	18.4%	17.7%	18.0%
Leverage ratio	6.2%	6.0%	5.6%	5.6%	5.7%

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

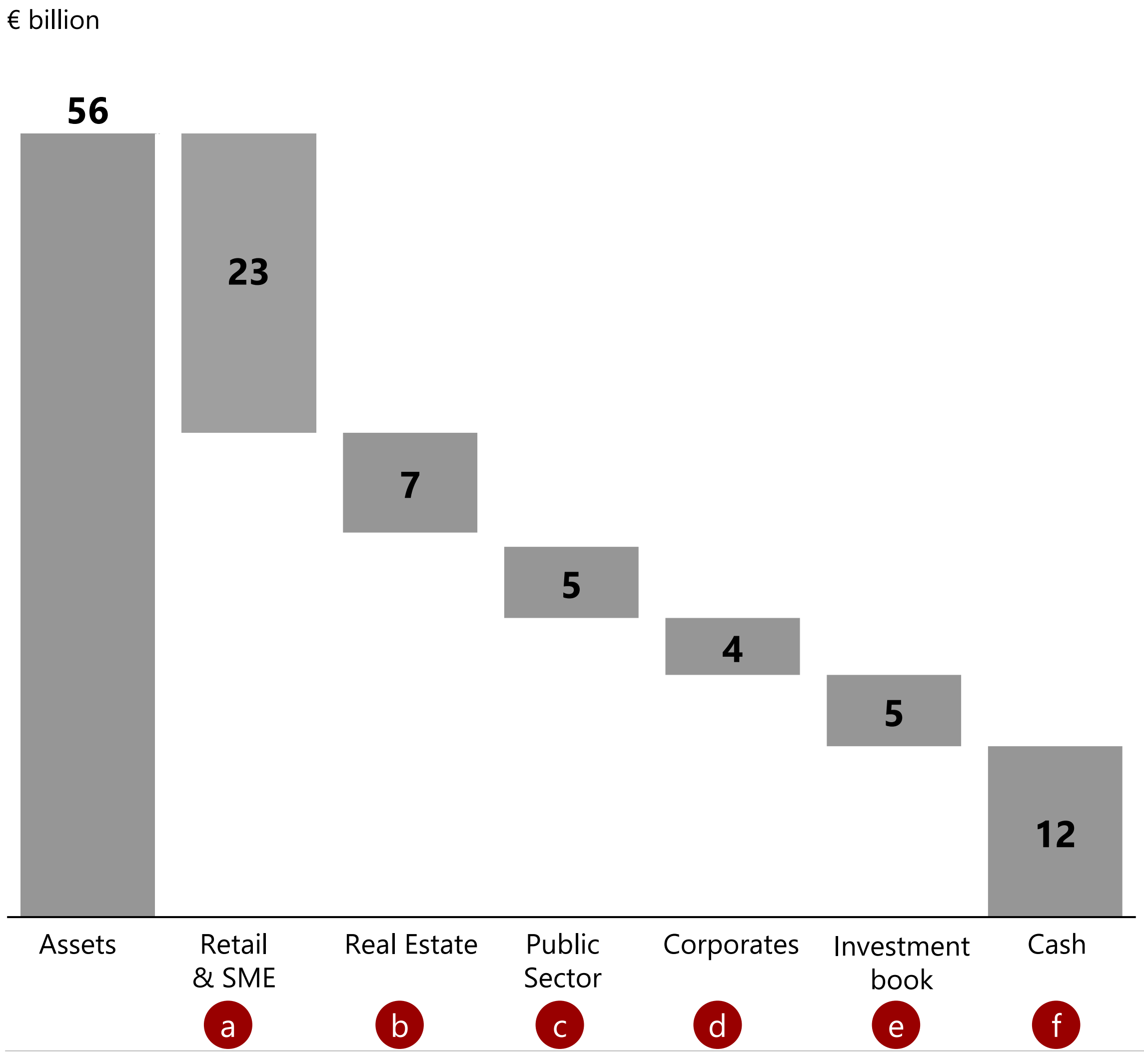
Capital distribution plans:

- €207m dividends accrued for YTD '22 based on dividend policy of 55% payout ratio of adjusted net income
- Share buyback in 2022 of €325m deducted from CET1 capital … ~65% completed

Capital development:

- Q3 '22 Tier1 capital ratio 15.1% and Total Capital ratio 18.0%
- Capital requirement of 9.14% CET1 … P2G of 0.75%
- Target CET1 ratio of 12.25% is 311bps above MDA trigger of 9.14%
- Increase in domestic buffers from 1.0% to 1.4% going forward (to 1.25% end of 2022, 1.4% end of 2023)

Balance sheet & asset quality overview



- a: 80% secured lending with €16b of mortgages (Austria, Germany, Netherlands and Western Europe) with a blended LTV in the mid-60's
- b: Real Estate with blended LTV < 60% , NPL ratio 79bps, and over 40% of underlying collateral granular with direct residential exposure
- c: Lending primarily to Austrian federal, state and municipal governments
- d: 2/3rd USA / W. Europe and 1/3rd DACH/NL … Focus on high-cash flow + recurring revenue service oriented business with defensive profile … De-minimis exposure to cyclical industries
- e: 99% investment grade with no Southern Europe sovereign exposure or exposures to Russia/Ukraine
- f: Cash representing approximately 20% of balance sheet … very liquid balance sheet

SOLID ASSET QUALITY and DISCIPLINED UNDERWRITING

Focused on developed and mature markets … 72% DACH/NL region and 28% Western Europe / United States

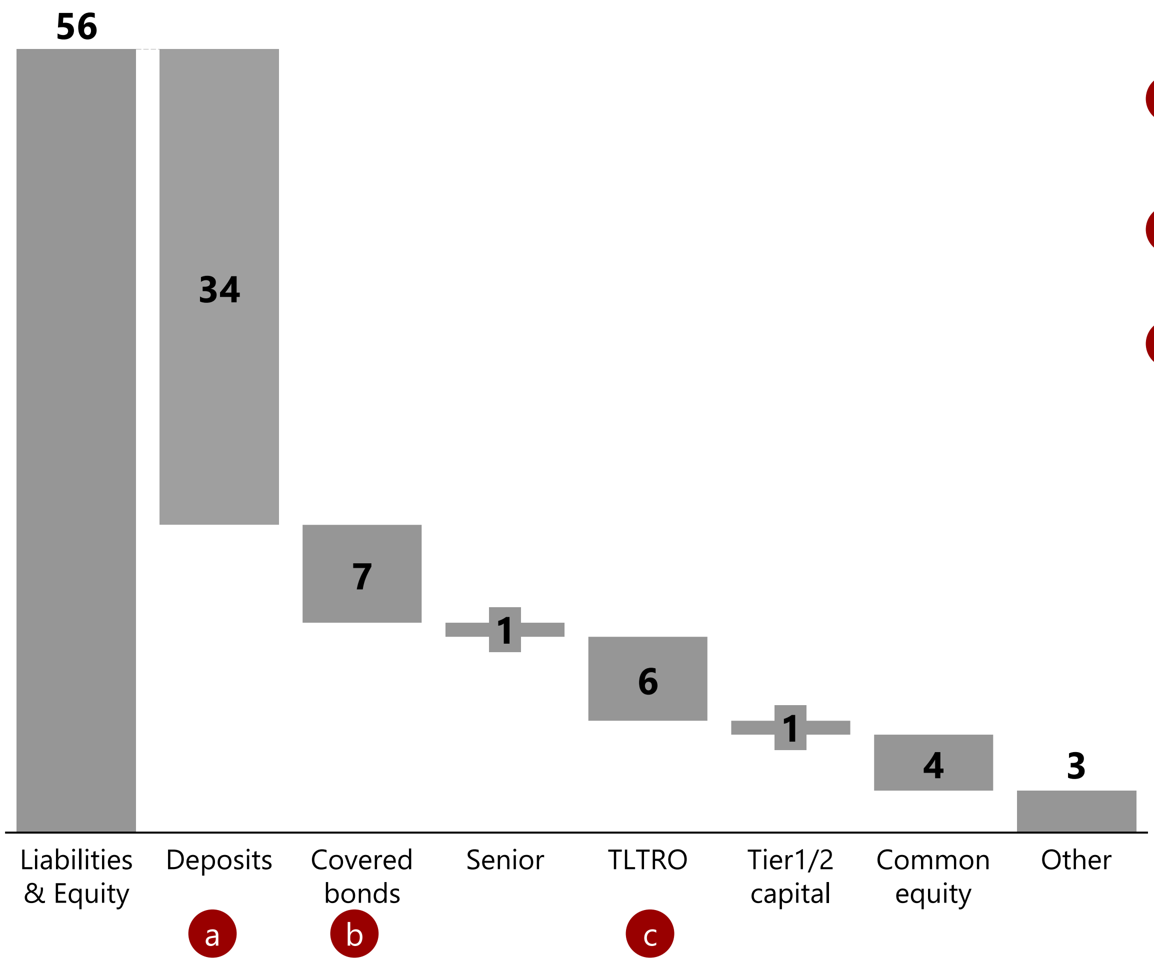
Conservative underwriting with a focus on secured lending … ~80% of customer loans is secured or public sector lending

Further tightened underwriting standards across the board

ECL overlay increased to €82m in addition to incorporating deteriorating macroeconomic scenarios into models … Overlay represents nearly 1x normalized annual risk costs

Funding, capital & earnings

€ billion



a €28b retail deposits … ~80% total deposit funding … No negative rates or fees assessed to our retail customers as a result of the negative interest rate environment

b Mortgage and public sector covered bonds … additional capacity ~€5b funding

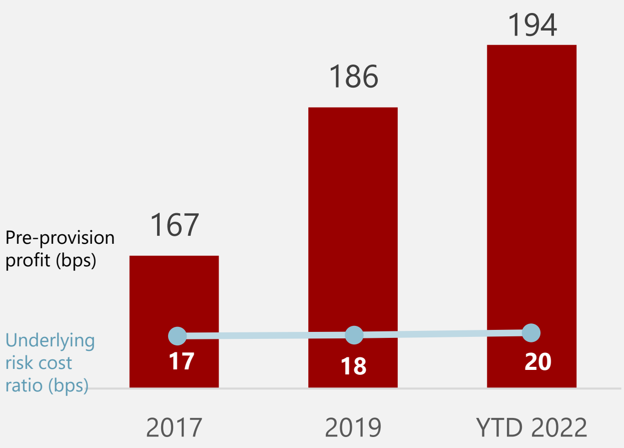
c TLTRO … plan to pay down or replace with longer term funding

Capital & Leverage

- Business generates ~+250bps gross capital p.a.
- Current CET1% of 13.0% (post buyback + dividend accruals) vs Target CET1% of 12.25% … +311bps above minimum regulatory requirement of 9.14%
- €21.3b RWAs … ~65% assets on standard approach
- Balance sheet leverage (assets/equity) ranges from 12-14x based on excess cash position
- Regulatory leverage ratio at 5.7% (post buyback and dividend accruals)

HIGHLY PROFITABLE BUSINESS MODEL

Based on interest bearing assets



	2017	2019	YTD 2022
NIM	2.24%	2.30%	2.29%
CIR	47%	43%	36%
RoTCE	15%	16%	18%
NPL ratio	1.8%	1.7%	1.0%

Agenda

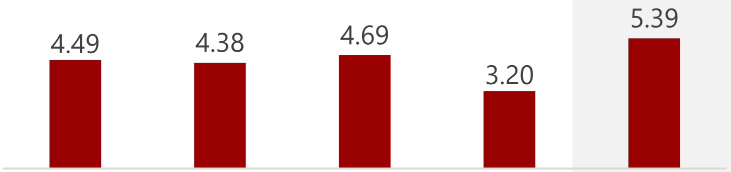
BAWAG Group franchise

FRANCHISE	Multi-brand and multi-channel commercial bank with approximately **2.1 million customers** across our core markets
DELIVERING RESULTS	Mid-teens **Return on Tangible Common Equity (RoTCE) ~14%** versus sector of ~5% since 2012
BEST-IN-CLASS EFFICIENCY	**Cost-income ratio (CIR) of 39.5% in 2021** driven by simplification, technology and process focus
GOOD STEWARDS OF CAPITAL	Since IPO, completed **7 acquisitions** and **distributed €1.4 billion capital** (€1.0 billion dividends and €400 million buyback) **New capital distribution policy: Dividend payout of 55% from 2022 … share buyback of €325 million in progress since end of July 2022 … ~ 65% completed as of October 18**
RETURN TARGETS	**Return on tangible common equity (RoTCE) >17% and Cost-income ratio (CIR) <38%**
2025 PLAN	**By 2025, pre-tax profit >€750 million and EPS >€7.25 with ~10% annual EPS growth through 2025; DPS >€4.00**

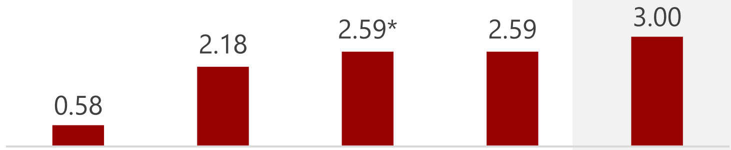
Our performance since IPO

in € million	2017	2018	2019	2020	2021
Profit before tax	500	573	604	371	600
Net income	449	437	459	285	480
RoTCE	15%	15%	16%	10%	16%
Dividends (for financial year)	58	215	230*	230	267
Diluted # of shares outstanding (average, in million)	100.0	99.6	97.9	89.1	89.1

Earnings per share (in €)



Dividends per share
(in €, for financial year)

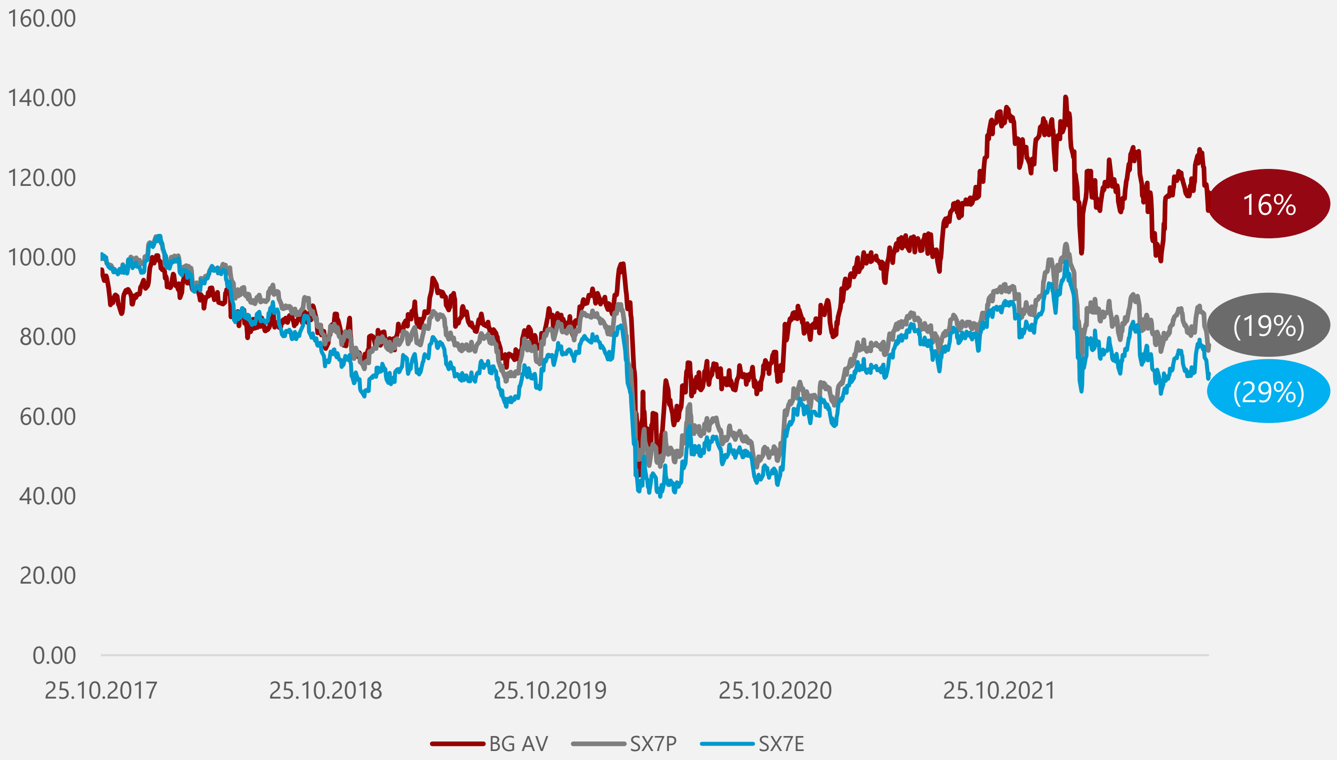


* Distributed in 2021 due to ECB dividend ban related to the pandemic in 2020

Total shareholder return development since IPO

Indexed as of 24 October 2017;
as of 30 September 2022

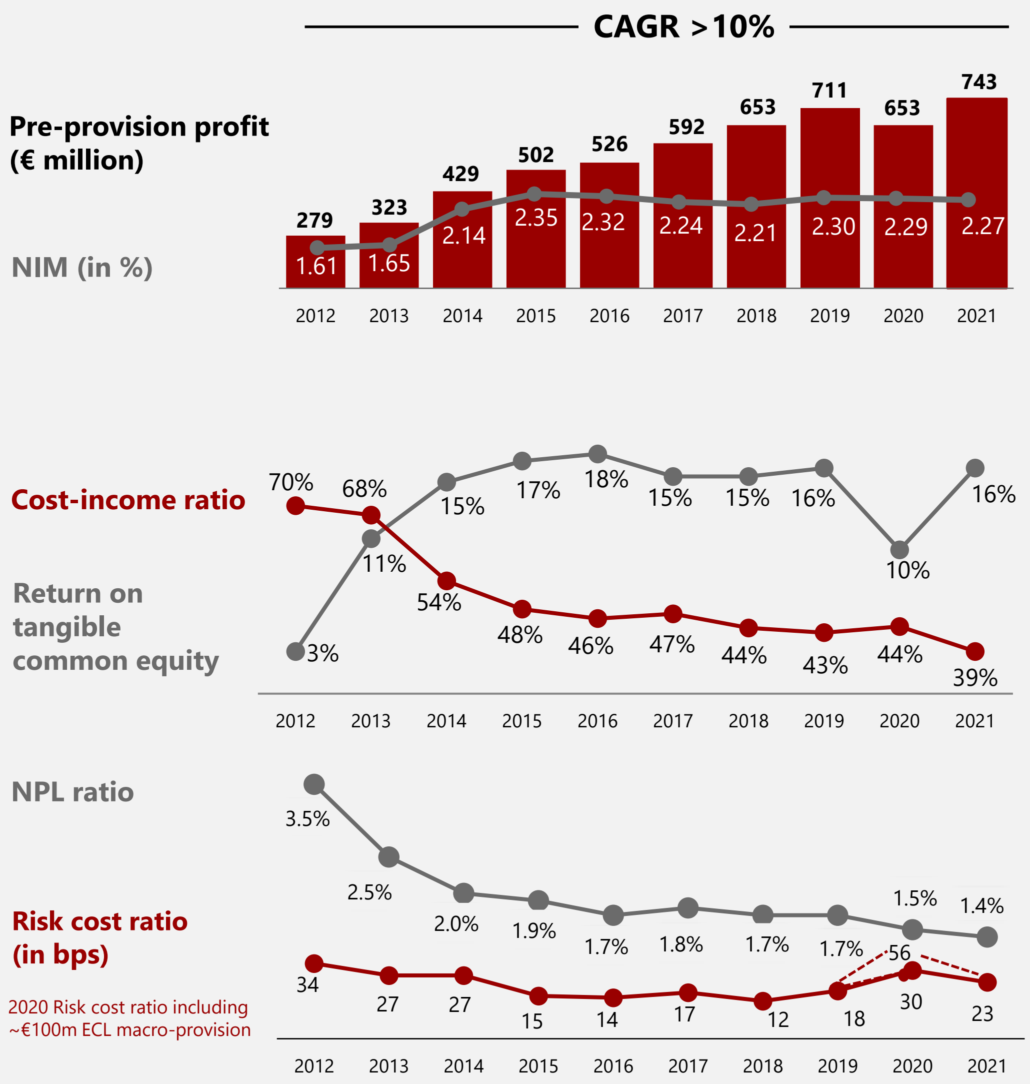
BAWAG Group	16%
EuroStoxx Banks Index (SX7P)	(19%)
Stoxx 600 Banks Index (SX7E)	(29%)



BAWAG transformation over the past decade

PRINCIPLES OF OUR TRANSFORMATION

- **FIRM CULTURE:** Our company values and culture are defined by accountability, meritocracy, and embracing change
- **SIMPLIFICATION:** We simplified our business model by focusing on core products, processes and technology
- **CORE MARKETS:** We focus on mature, developed and stable markets with strong macroeconomic fundamentals and reliable legal systems
- **RISK MANAGEMENT:** We focus on risk-adjusted returns, conservative-disciplined underwriting, and proactive risk management
- **CONSISTENT TECHNOLOGY INVESTMENT:** We believe that technology is a transformation enabler and competitive differentiator
- **DATA-DRIVEN:** We believe in constant measurement, data analysis, and being data driven in how we run the business



The BAWAG culture

Leadership & Embracing Change

- Actions speak louder than words
- We value integrity, character and work ethic
- Experienced Senior Leadership Team (SLT) that effectuated our transformation over the past decade … 79 members

SLT has on average ~13 years
working experience at BAWAG

Accountability, Meritocracy & Inclusion

- Our greatest asset is our human capital
- Investing in developing and empowering our people
- Assessments are merit and character based

~55% female hires
over the last 5 years

47 different nationalities
working together at BAWAG

OUR FOUNDATION

Simple & Flat Organization

- Simplification and continuous improvement mindset
- Less hierarchy, less bureaucracy, less disjointed analysis
- Streamlined decision making, while also rooting out inefficiencies and silo-mindset

Simplified banding structure
across the group

Management, both Fiduciaries & Shareholders

- Not only fiduciaries of the bank, we are also owners
- Incentives are directly tied to real Financial & ESG targets
- Focused on long-term franchise value creation

3.3% shares owned by
Senior Leadership Team (3.0% Management Board)

Strategy focused on execution and continuous improvement

1 GROWTH IN CORE MARKETS FOCUSED ON SERVING OUR CUSTOMERS	**Core markets: Austria, Germany, Switzerland, Netherlands (DACH/NL region), Western Europe and the United States** Criteria for core markets: Fiscal position (single A or better sovereign rating), legal infrastructure, and geopolitical environment 24/7 banking access through multi-channel and multi-brand commercial banking platform Customer value proposition: "Providing simple, transparent and affordable financial products and services our customers need"
2 EFFICIENCY THROUGH OPERATIONAL EXCELLENCE	**Our DNA is to focus on the things we can control through "self-help" management** Greater need to simplify business structure, products, processes, and technology Technology is an enabler and differentiator
3 SAFE AND SECURE RISK PROFILE	**We believe in maintaining a fortress balance sheet through strong capital position, stable customer funding and low risk profile** Conservative and disciplined underwriting in markets we understand with focus on secured lending Proactively manage non-financial risks … no capital markets activities, no trading activities, no exposure to high risk AML markets

ESG UNDERPINS OUR STRATEGY DRIVING RESPONSIBLE, SUSTAINABLE AND PROFITABLE GROWTH

M&A … Strategic Optionality

M&A History since 2015

- ✓ 11 acquisitions closed
- ✓ One acquisition in US signed early 2022
- ✓ Acquisitions in following markets: Austria, Germany, Switzerland, Ireland, USA
- ✓ Added core retail products: leasing, factoring, credit cards, online brokerage

Transformed businesses from RoTCE of ~3% to >15%+

M&A Targets & Underwriting criteria

Markets

- Focus on core markets … DACH/NL region, Western Europe and United States

Customer franchise

- Focus towards Retail & SME
- Bolt-on acquisitions
- Product factories
- Specialty finance
- Universal banks

Efficiency

- Operational turn-around
- Run-off/wind-down businesses benefiting from our operational capabilities and BAWAG Group Advisory Platform

Financials

- Underwrite to RoTCE >17%
- Solid balance sheet … no credit or compliance issues
- Pre-funded restructuring … underwrite deals to ensure P&L accretive day1

Platforms

- Platforms and minority investments to support customer acquisition and asset originations

Deal Size

- Open to all size deals that meet our target return thresholds and franchise enhancing

M&A track record .. 11 acquisitions completed (since 2015)

EXPERIENCED WITH BOLT-ON ACQUISITIONS TO BUILD OUT CUSTOMER FRANCHISE

2015

VB LEASING[1)] LIKE IT. LEASE IT.

€0.7 billion ASSETS
50K customers
AUTO LEASING

2016

IMMO-BANK

€1.6 billion ASSETS
5K customers
HOUSING

start bausparkasse

€2 billion ASSETS
440K customers
BUILDING SOCIETY

2017

PayLife SIX

1.7 million CARDS
>**500K** customers
CARD ISSUING BUSINESS

SÜDWESTBANK

€7.4 billion ASSETS
100K customers
UNIVERSAL BANK

2018

Deutscher Ring Bausparkasse AG[2)]

€0.5 billion ASSETS
85K customers
BUILDING SOCIETY

2019

BFL DIE IT-FINANZIERER

€0.6 billion ASSETS
50K customers
IT & EQUIPMENT LEASING

Health AG[3)]
Zahnärztekasse AG

€0.1 billion ASSETS
€1 billion FACTORING VOLUME
3K customers
FACTORING BUSINESS

2021

DEPFA BANK PLC

DEPFA bank plc
WIND-DOWN opportunity

Hello bank! Austria

80K customers
RETAIL BROKERAGE BUSINESS

2022

PEAK BANCORP INC

Signed deal to acquire Peak Bancorp, holding company of Idaho First Bank in Feb 2022; Expected regulatory approval process up to one year

10K customers
COMMUNITY BANK

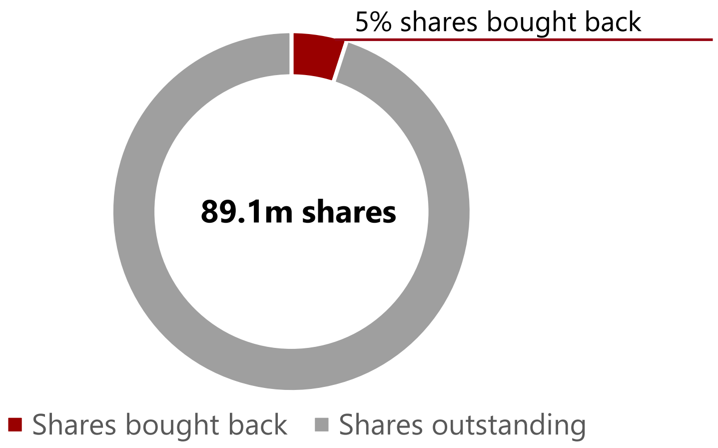
1) rebranded: easyleasing 2) rebranded: start:bausparkasse 3) rebranded: Health Coevo AG

Investor relations calendar

UPCOMING ROADSHOWS, CONFERENCES AND FINANCIAL EVENTS

19 October	Results Q3 2022
19-20 October	Roadshow London
Week of 14th of November	Roadshow US
18 January 2023	Kepler Chevreux Conference
23 January 2023	Start of quiet period
13 February 2023	Preliminary FY 2022 results
13 – 14 February 2023	Roadshow

SHAREHOLDER STRUCTURE



Top institutional shareholders (>4% holding):

T. Rowe Price	5.6%
Wellington	5.0%
GoldenTree	4.6%
BAWAG Senior Leadership Team (Management Board: 3.0%)	3.3%

Number of shares: 89,142,237; Shares bought back as of 18 October 2022

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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 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

Notes:

Targets and forecast numbers
Including share buyback in 2022; excluding any potential implications from City of Linz case