

Association of Volksbanks

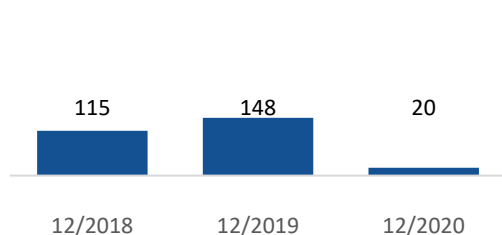
**Preliminary
results**

according to IFRS

As at 31 December 2020

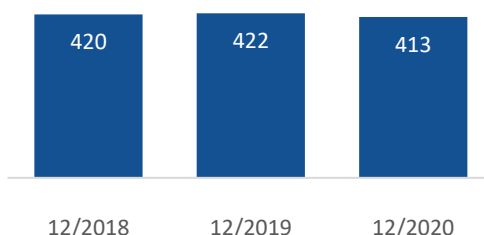
Result after taxes

Euro million



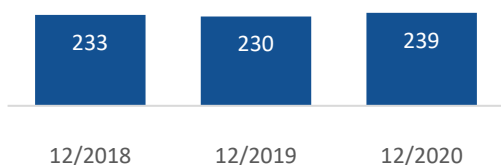
Net interest income

Euro million



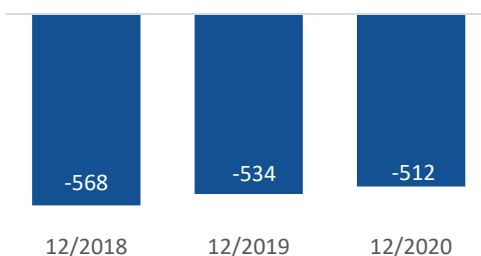
Net fee & commission income

Euro million

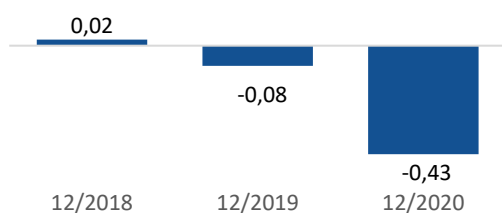


General administrative expenses

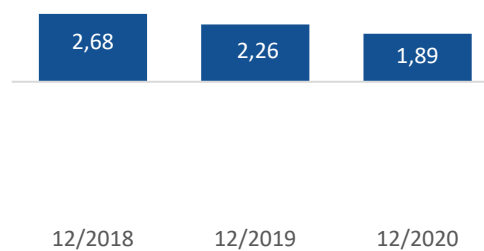
Euro million



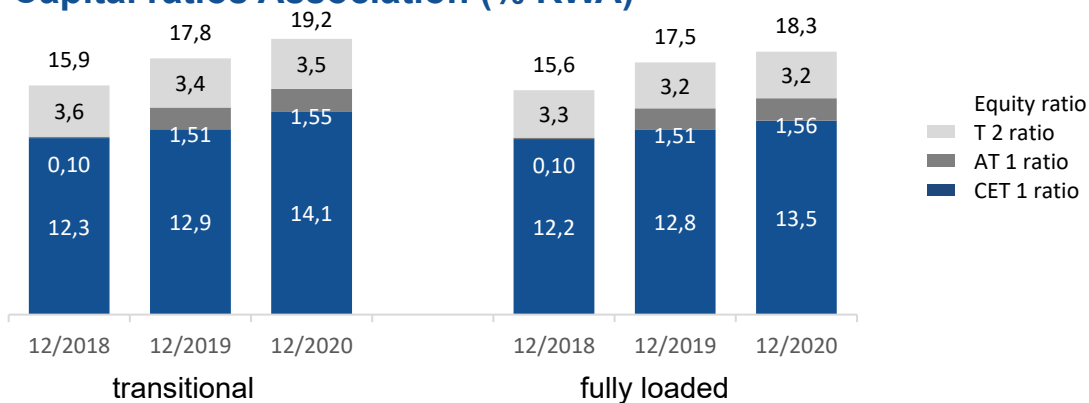
Risk provision in % of total assets



NPL Ratio %



Capital ratios Association (% RWA)



Key figures of the Association of Volksbanks

Euro million	31 Dec 2020	31 Dec 2019	31 Dec 2018
Balance sheet			
Total assets	29,370	27,496	26,603
Loans and receivables customers	21,287	21,251	20,502
Amounts owed to customers	22,153	21,729	21,555
Debts evidenced by certificates	1,470	1,482	529
Subordinated liabilities	577	598	634
Own funds according to Basel III for the association of Volksbanks			
Common equity tier 1 capital (CET1)	2,002	1,908	1,800
Additional tier 1 capital (AT1)	220	224	14
Tier 1 capital (T1)	2,222	2,131	1,814
Tier 2 capital (T2)	494	506	523
Own funds	2,716	2,638	2,338
Risk weighted exposure amount - credit risk	12,903	13,450	12,400
Total risk exposure amount settlement risk	0	0	0
Total risk exposure amount market risk	38	85	86
Total risk exposure amount operational risk	1,184	1,231	1,288
Total risk for credit valuation adjustment	50	44	56
Other risk exposure amount	0	0	845
Total risk exposure amount	14,175	14,810	14,675
Common equity tier 1 capital ratio	14.1 %	12.9 %	12.3 %
Tier 1 capital ratio	15.7 %	14.4 %	12.4 %
Equity ratio	19.2 %	17.8 %	15.9 %
Income statement			
	1-12/2020	1-12/2019	1-12/2018
Net interest income	413.1	422.4	419.8
Risk provision	-126.0	-22.1	6.3
Net fee and commission income	239.1	229.6	233.5
Net trading income	-0.5	-0.9	-0.7
Result from financial instruments and investment properties	5.9	29.4	-3.1
Other operating result	37.3	55.2	28.4
General administrative expenses	-511.8	-534.2	-568.2
Restructuring result	0.0	0.0	-4.2
Result from companies measured at equity	-0.3	0.1	11.5
Result before taxes	56.8	179.5	123.5
Income taxes	-36.8	-31.0	-8.3
Result after taxes	20.0	148.5	115.2
Result attributable to non-controlling interest	0.0	0.0	0.0
Result of the Group	20.0	148.4	115.2
Key ratios			
	1-12/2020	1-12/2019	1-12/2018
Operating cost-income-ratio	73.6 %	80.1 %	84.7 %
ROE before taxes	2.5 %	8.5 %	6.7 %
ROE after taxes	0.9 %	7.0 %	6.3 %
ROE consolidated net income	0.9 %	7.0 %	6.3 %
Net interest margin	1.4 %	1.5 %	1.6 %
NPL ratio	1.9 %	2.3 %	2.7 %
Liquidity coverage ratio	194.0 %	142.1 %	132.7 %
Leverage ratio	7.3 %	7.5 %	6.4 %
Net stable funding ratio	141.26 %	133.5 %	125.9 %
Loan deposit ratio	92.6 %	104.7 %	95.6 %
Coverage ratio I	40.1 %	38.6 %	35.7 %
Coverage ratio III	107.4 %	104.4 %	103.3 %
Resources			
	1-12/2020	1-12/2019	1-12/2018
Staff average	3,362	3,604	3,904
Thereof domestic	3,362	3,598	3,863
Thereof abroad	0	6	41
	31 Dec 2020	31 Dec 2019	31 Dec 2018
Staff at end of period	3,268	3,496	3,778
Thereof domestic	3,268	3,496	3,740
Thereof abroad	0	0	38
Number of branches	249	267	304
Thereof domestic	249	267	303
Thereof abroad	0	0	1
Number of customers	1,046,303	1,072,639	1,109,145

Equity ratios are displayed in relation to total risk.

The operating 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.

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

The ROE consolidated net income indicates the consolidated net income in relation to average equity without non-controlling interest.

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

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, fixed term deposits and debts evidenced by certificates.

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.

Statement of comprehensive income

INCOME STATEMENT	1-12/2020	1-12/2019	Changes	
	Euro thousand	Euro thousand	Euro thousand	%
Interest and similar income	505 649	525 414	-19 764	-3,76 %
thereof using the effective interest method	486 320	503 141	-16 820	-3,34 %
Interest and similar expenses	-92 556	-103 042	10 487	-10,18 %
Net interest income	413 094	422 371	-9 278	-2,20 %
Risk provision	-126 049	-22 050	-103 999	> 200,00 %
Fee and commission income	263 109	257 681	5 427	2,11 %
Fee and commission expenses	-23 971	-28 113	4 142	-14,73 %
Net fee and commission income	239 138	229 568	9 570	4,17 %
Net trading income	-470	-937	467	-49,82 %
Result from financial instruments and investment properties	5 897	29 430	-23 532	-79,96 %
Other operating result	37 334	55 169	-17 835	-32,33 %
General administrative expenses	-511 826	-534 188	22 363	-4,19 %
Result from companies measured at equity	-327	119	-446	< -200,00 %
Result before taxes	56 791	179 482	-122 691	-68,36 %
Income taxes	-36 777	-31 030	-5 746	18,52 %
Result after taxes	20 014	148 451	-128 437	-86,52 %
Result attributable to shareholders of the parent company (Consolidated net result)	20 026	148 431	-128 405	-86,51 %
thereof from continued operation	20 026	148 431	-128 405	-86,51 %
Result attributable to non-controlling interest	-12	20	-32	-158,67 %
thereof from continued operation	-12	20	-32	-158,67 %
Other comprehensive income				
	1-12/2020	1-12/2019	Changes	
	Euro thousand	Euro thousand	Euro thousand	%
Result after taxes	20 014	148 451	-128 437	-86,52 %
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Revaluation of obligation of defined benefit plans (including deferred taxes)	15 955	-10 424	26 379	< -200,00 %
Fair value reserve - equity instruments (including deferred taxes)	-1 973	17 056	-19 029	-111,57 %
Revaluation of own credit risk (including deferred taxes)	-106	-422	316	-74,84 %
Total items that will not be reclassified to profit or loss	13 876	7 162	6 713	93,73 %
Items that may be reclassified to profit or loss				
Currency reserve	0	-12 498	12 498	-100,00 %
Fair value reserve - debt instruments (including deferred taxes)				
Change in fair value	266	-493	759	-153,86 %
Change in deferred taxes arising from untaxed reserve	4	0	4	100,00 %
Change from companies measured at equity	-1 037	3 608	-4 644	-128,73 %
Total items that may be reclassified to profit or loss	-767	-9 383	8 617	-91,83 %
Other comprehensive income total	13 109	-2 221	15 330	< -200,00 %
Comprehensive income	33 123	146 230	-113 107	-77,35 %
Comprehensive income attributable to shareholders of the parent company	33 128	146 211	-113 082	-77,34 %
Comprehensive income attributable to non-controlling interest	-5	20	-25	-126,67 %

Statement of financial position as at 31 December 2020

	31 Dec 2020	31 Dec 2019	Changes	
	Euro thousand	Euro thousand	Euro thousand	%
ASSETS				
Liquid funds	3 943 760	2 071 712	1 872 048	90,36 %
Loans and receivables credit institutions	438 106	431 109	6 998	1,62 %
Loans and receivables customers	21 287 322	21 250 646	36 676	0,17 %
Assets held for trading	55 970	56 044	-74	-0,13 %
Financial investments	2 635 829	2 578 976	56 853	2,20 %
Investment property	40 977	47 533	-6 556	-13,79 %
Companies measured at equity	90 870	92 234	-1 363	-1,48 %
Participations	128 139	130 479	-2 340	-1,79 %
Intangible assets	2 591	3 377	-786	-23,28 %
Tangible assets	443 625	481 864	-38 239	-7,94 %
Tax assets	116 549	130 018	-13 469	-10,36 %
Current taxes	7 265	10 239	-2 974	-29,04 %
Deferred taxes	109 284	119 779	-10 495	-8,76 %
Other assets	178 481	168 127	10 354	6,16 %
Assets held for sale	8 044	53 554	-45 509	-84,98 %
TOTAL ASSETS	29 370 265	27 495 673	1 874 593	6,82 %
LIABILITIES				
Amounts owed to credit institutions	1 883 873	412 189	1 471 684	> 200,00 %
Amounts owed to customers	22 153 454	21 729 089	424 366	1,95 %
Debts evidenced by certificates	1 469 924	1 481 917	-11 993	-0,81 %
Lease liabilities	169 889	183 300	-13 411	-7,32 %
Liabilities held for trading	61 518	76 868	-15 351	-19,97 %
Provisions	231 660	256 136	-24 476	-9,56 %
Tax liabilities	25 425	21 329	4 096	19,21 %
Current taxes	21 899	17 486	4 413	25,24 %
Deferred taxes	3 526	3 843	-317	-8,24 %
Other liabilities	533 264	487 948	45 316	9,29 %
Liabilities held for sale	122	0	122	100,00 %
Subordinated liabilities	576 811	597 542	-20 731	-3,47 %
Total nominal value cooperative capital shares	4 040	4 547	-507	-11,15 %
Subscribed capital	288 488	286 725	1 763	0,61 %
Additional tier 1 capital	217 722	221 292	-3 570	-1,61 %
Reserves	1 751 967	1 734 644	17 323	1,00 %
Non-controlling interest	2 108	2 146	-38	-1,77 %
TOTAL LIABILITIES	29 370 265	27 495 673	1 874 593	6,82 %

Segment reporting by business segments
1-12/2020

Euro thousand	CO	Vienna	Lower Austria	Styria	Carinthia	Upper Austria	Salzburg	Tyrol	Vorarlberg	ÖÄAB	Consolidation	Total
Net interest income	8,879	97,181	61,579	47,623	26,190	37,574	49,970	45,773	25,413	12,939	-26	413,094
Risk provision	-7,749	-18,857	-16,360	-18,959	-7,071	-9,173	-19,023	-21,428	-2,525	-4,905	0	-126,049
Net fee and comission income	-4,466	61,349	31,464	25,469	14,185	26,198	27,414	32,362	18,002	7,027	135	239,138
Net trading income	-1,530	274	617	72	26	-48	-39	27	66	82	-18	-470
Result from financial instruments and investment properties	-1,249	1,281	926	1,146	607	1,521	176	106	1,722	-42	-296	5,897
Other operating result	176,654	9,185	1,680	1,138	1,166	384	-669	1,666	-1,911	-161	-151,797	37,334
General administrative expenses	-141,618	-131,482	-72,528	-57,010	-34,081	-54,586	-57,648	-59,759	-35,433	-19,921	152,243	-511,826
Result from companies measured at equity	0	-408	81	0	0	0	0	0	0	0	0	-327
Result before taxes	28,920	18,522	7,459	-521	1,021	1,870	180	-1,253	5,333	-4,981	240	56,791
Income taxes	-4,693	-14,229	-2,706	-5,151	-170	-4,179	-1,057	-2,233	-3,090	790	-60	-36,777
Result after taxes	24,227	4,294	4,753	-5,672	851	-2,308	-877	-3,485	2,243	-4,191	180	20,014

31 Dec 2020												
Total assets	9,145,488	6,679,483	3,547,709	2,728,167	1,509,140	2,462,179	3,014,570	3,400,057	1,887,393	990,570	-5,994,491	29,370,265
Loans and receivables customers	150,760	5,250,844	2,872,233	2,290,827	1,165,847	1,934,254	2,389,899	2,838,514	1,600,520	807,841	-14,218	21,287,322
Companies measured at equity	15	42,457	7,200	4,577	5,742	15,682	10,297	26	20	4,854	0	90,870
Amounts owed to customers	1,233,026	5,546,177	3,033,876	1,880,229	1,344,775	2,169,871	2,406,958	2,586,791	1,177,794	916,594	-142,637	22,153,454
Debts evidenced by certificates, including subordinated liabilities	1,768,619	103,074	12,205	11,011	20,321	21,382	53,320	26,638	50,337	5,648	-25,821	2,046,735

1-12/2019

Euro thousand	CO	Vienna	Lower Austria	Styria	Carinthia	Upper Austria	Salzburg	Tyrol	Vorarlberg	ÖÄAB	Consolidation	Total
Net interest income	12,528	100,244	62,440	47,983	27,382	38,935	49,835	45,169	24,825	12,974	54	422,371
Risk provision	1,412	-8,590	-5,313	-5,828	-1,204	-1,050	-421	2,197	-3,248	-4	0	-22,050
Net fee and comission income	-2,818	58,413	29,264	25,017	14,205	23,624	25,920	30,752	19,049	6,750	-606	229,568
Net trading income	-2,554	259	337	42	18	19	-12	97	820	42	-6	-937
Result from financial instruments and investment properties	23,083	1,874	2,374	1,453	-96	2,250	2,426	-506	-84	316	-3,660	29,430
Other operating result	144,627	4,345	1,962	723	1,121	1,045	-275	486	44,102	373	-143,340	55,169
General administrative expenses	-124,274	-141,638	-75,403	-59,984	-35,218	-58,330	-62,784	-61,948	-42,000	-19,990	147,380	-534,188
Result from companies measured at equity	0	-376	495	0	0	0	0	0	0	0	0	119
Result before taxes	52,005	14,532	16,157	9,406	6,208	6,492	14,689	16,247	43,464	461	-178	179,482
Income taxes	-2,171	-8,174	-4,043	-2,904	-761	-2,112	-4,274	-7,157	175	351	41	-31,030
Result after taxes	49,834	6,358	12,113	6,502	5,447	4,380	10,415	9,090	43,639	812	-138	148,451

31 Dec 2019												
Total assets	7,595,658	6,548,704	3,523,644	2,804,538	1,454,759	2,423,027	2,962,365	3,406,578	2,016,483	1,009,326	-6,249,409	27,495,673
Loans and receivables customers	259,776	5,294,076	2,851,614	2,319,718	1,166,124	1,889,566	2,339,888	2,827,071	1,617,757	777,778	-92,721	21,250,646
Companies measured at equity	15	43,815	7,206	4,577	5,742	15,682	10,297	26	20	4,854	0	92,234
Amounts owed to customers	1,280,697	5,254,307	3,097,714	1,900,605	1,255,178	2,117,416	2,255,816	2,664,071	1,171,795	827,880	-96,391	21,729,089
Debts evidenced by certificates, including subordinated liabilities	1,758,843	112,981	12,190	11,300	25,451	23,382	52,541	38,137	58,365	11,738	-25,468	2,079,460

Own funds of the Association of Volksbanks

Euro thousand	31 Dec 2020	31 Dec 2019
Common tier I capital: Instruments and reserves		
Capital instruments including share premium accounts	782,055	775,917
Retained earnings	1,402,016	1,404,457
Accumulated other comprehensive income (and other reserves)	-165,543	-180,525
Amount of capital instruments subject to phase out from CET1	1,259	7,358
Common tier I capital before regulatory adjustments	2,019,787	2,007,208
Common tier I capital: regulatory adjustments		
Regulatory value adjustments	0	0
Intangible assets (net of related tax liability)	-2,591	-3,377
Value adjustments due to the requirement for prudent valuation	-1,473	-1,537
Regulatory adjustments - transitional provisions	100,135	0
Aufgrund von Übergangsregelungen nach IFRS 9 vorzunehmende Anpassungen	100,135	0
Qualifying AT1 deductions that exceeds the AT1 capital of the institution	0	0
Additional CET 1 deductions pursuant to article 3 CRR	-113,509	-94,771
Total regulatory adjustments	-17,438	-99,685
Common equity tier I capital - CET1	2,002,349	1,907,522
Additional tier I capital: instruments		
Capital instruments including share premium accounts	220,000	223,570
Additional tier I capital before regulatory adjustments	220,000	223,570
Additional tier I capital: regulatory adjustments		
Regulatory adjustments - transitional provisions	0	0
Qualifying AT1 deductions that exceeds the AT1 capital of the institution	0	0
Total regulatory adjustments	0	0
Additional tier I capital - AT1	220,000	223,570
Tier I capital (CET1 + AT1)	2,222,349	2,131,092
Tier II capital - instruments and provisions		
Capital instruments including share premium accounts	456,144	467,896
Capital instruments subject to phase out from tier II	37,998	38,548
Tier II capital before regulatory adjustments	494,142	506,443
Tier II capital: regulatory adjustments		
Regulatory adjustments - transitional provisions	0	0
Total regulatory adjustments	0	0
Tier II capital - T2	494,142	506,443
Own funds total - TC (T1 + T2)	2,716,491	2,637,536
Common equity tier I capital ratio	14.13 %	12.88 %
Tier I capital ratio	15.68 %	14.39 %
Equity ratio	19.16 %	17.81 %
each in relation to total risk exposure amount		

Risk weighted assessment amounts

Euro thousand	31 Dec 2020	31 Dec 2019
Risk weighted exposure amount - credit risk	12,903,051	13,450,162
Total risk exposure amount - settlement risk	0	0
Total risk exposure amount for position, foreign exchange and commodities risks	37,895	84,611
Total risk exposure amount for operational risk	1,183,790	1,230,771
Total risk exposure amount for credit valuation adjustment (cva)	49,981	44,462
Total risk exposure amount	14,174,717	14,810,005

Own funds of the Association of Volksbanks - fully loaded

Euro thousand	31 Dec 2020	31 Dec 2019
Common tier I capital: Instruments and reserves		
Capital instruments including share premium accounts	782,055	775,917
Retained earnings	1,402,016	1,404,457
Accumulated other comprehensive income (and other reserves)	-165,543	-180,525
Common tier I capital before regulatory adjustments	2,018,528	1,999,850
Common tier I capital: regulatory adjustments		
Regulatory value adjustments	0	0
Goodwill (net of related tax liability)	0	0
Intangible assets (net of related tax liability)	-2,591	-3,377
Value adjustments due to the requirement for prudent valuation	-1,473	-1,537
Additional CET 1 deductions pursuant to article 3 CRR	-113,509	-94,771
Total regulatory adjustments	-117,573	-99,685
Common equity tier I capital - CET1	1,900,955	1,900,164
Additional tier I capital: instruments		
Capital instruments including share premium accounts	220,000	223,570
Additional tier I capital before regulatory adjustments	220,000	223,570
Additional tier I capital: regulatory adjustments		
Total regulatory adjustments	0	0
Additional tier I capital - AT1	220,000	223,570
Tier I capital (CET1 + AT1)	2,120,955	2,123,734
Tier II capital - instruments and provisions		
Capital instruments including share premium accounts	456,827	472,420
Tier II capital before regulatory adjustments	456,827	472,420
Tier II capital: regulatory adjustments		
Total regulatory adjustments	0	0
Tier II capital - T2	456,827	472,420
Own funds total - TC (T1 + T2)	2,577,782	2,596,154
Common equity tier I capital ratio	13.48 %	12.83 %
Tier I capital ratio	15.04 %	14.34 %
Equity ratio	18.28 %	17.53 %
each in relation to total risk exposure amount		

Risk weighted assessment amounts

Euro thousand	31 Dec 2020	31 Dec 2019
Risk weighted exposure amount - credit risk	12,832,077	13,450,162
Total risk exposure amount - settlement risk	0	0
Total risk exposure amount for position, foreign exchange and commodities risks	37,895	84,611
Total risk exposure amount for operational risk	1,183,790	1,230,771
Total risk exposure amount for credit valuation adjustment (cva)	49,981	44,462
Total risk exposure amount	14,103,742	14,810,005

Amounts owed to customers

Euro million	31 Dec 2020	31 Dec 2019
Saving deposits	7,618.1	8,201.3
Other deposits	14,535.4	13,527.7

Distribution of loans and receivables to customers by customer industries

	31 Dec 2020	31 Dec 2019
Private households	8,684.7	8,641.5
Financial services incl. Banks	195.5	200.8
Public authorities	282.2	284.1
Real estate	5,806.4	5,679.1
Construction industry	643.3	668.8
Tourism	1,664.4	1,614.9
Trade and repairs	930.1	973.8
Physicians/healthcare	766.2	788.6
Agriculture and forestry	675.2	691.0
Others	2,003.4	1,994.3

Distribution of loans and receivables to customers

	31 Dec 2020	31 Dec 2019
Retail	8,684.7	8,641.5
SME	10,940.6	10,907.2
Corporates	528.4	530.8
Public sector	282.2	284.1
Others	1,215.5	1,173.3

Largest 25 customer exposures

Top 25 exposures represent 4.3 % (4.1 %) of Association's total loans and receivables to customers (largest single customer exposure: 0.4 % (PY: 0.4 %) of total loans and receivables to customers).