

Association of Volksbanks

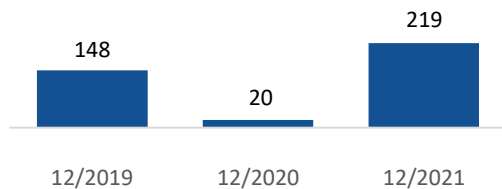
**Preliminary
results**

according to IFRS

as at December 2021

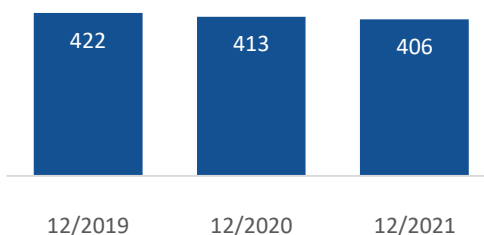
Result after taxes

Euro million



Net interest income

Euro million



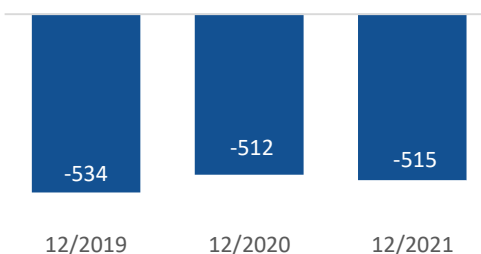
Net fee & commission income

Euro million

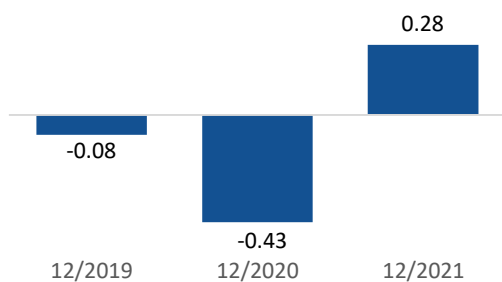


General administrative expenses

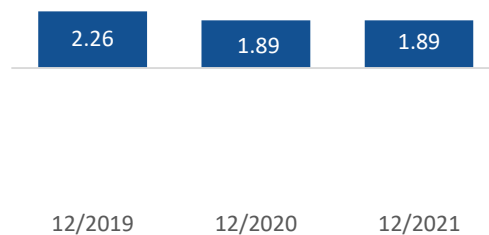
Euro million



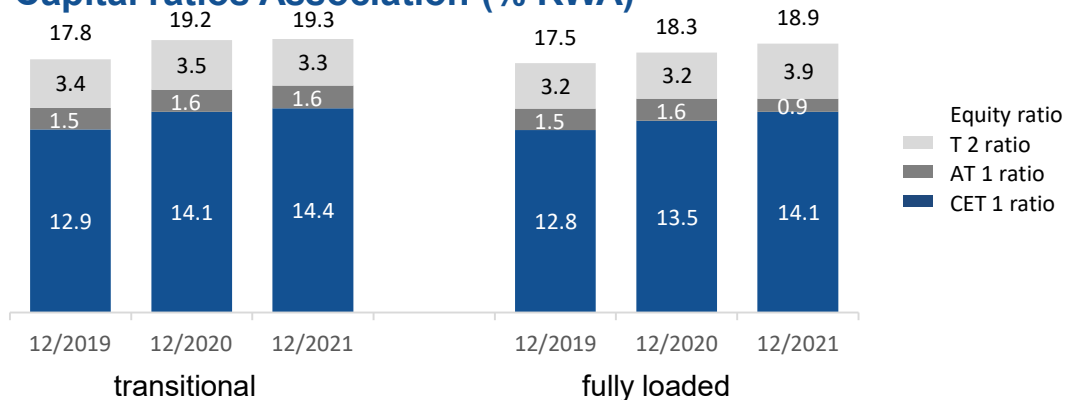
Risk provision in % of total assets



NPL ratio %



Capital ratios Association (% RWA)



Key figures of the Association of Volksbanks

Euro million	31 Dec 2021	31 Dec 2020	31 Dec 2019
Balance sheet			
Total assets	32,095	29,370	27,496
Loans and receivables customers	21,563	21,287	21,251
Amounts owed to customers	22,747	22,153	21,729
Debts evidenced by certificates	1,877	1,470	1,482
Subordinated liabilities	494	577	598
Own funds according to Basel III for the association of Volksbanks			
Common equity tier 1 capital (CET1)	1,978	2,002	1,908
Additional tier 1 capital (AT1)	220	220	224
Tier 1 capital (T1)	2,198	2,222	2,131
Tier 2 capital (T2)	460	494	506
Own funds	2,658	2,716	2,638
Risk weighted exposure amount credit risk	12,496	12,903	13,450
Total risk exposure amount market risk	27	38	85
Total risk exposure amount operational risk	1,231	1,184	1,231
Total risk for credit valuation adjustment	9	50	44
Total risk exposure amount	13,763	14,175	14,810
Common equity tier 1 capital ratio	14.4 %	14.1 %	12.9 %
Tier 1 capital ratio	16.0 %	15.7 %	14.4 %
Equity ratio	19.3 %	19.2 %	17.8 %
Income statement			
	1-12/2021	1-12/2020	1-12/2019
Net interest income	405.9	413.1	422.4
Risk provision	89.4	-126.0	-22.1
Net fee and commission income	253.4	239.1	229.6
Net trading income	3.6	-0.5	-0.9
Result from financial instruments and investment properties	17.5	5.9	29.4
Other operating result	-2.2	37.3	55.2
General administrative expenses	-515.3	-511.8	-534.2
Result from companies measured at equity	-1.3	-0.3	0.1
Result before taxes	251.0	56.8	179.5
Income taxes	-31.8	-36.8	-31.0
Result after taxes	219.1	20.0	148.5
Result attributable to non-controlling interest	0.0	0.0	0.0
Result of the Group	219.1	20.0	148.4
Key ratios			
	1-12/2021	1-12/2020	1-12/2019
Operating cost-income-ratio	77.3 %	73.6 %	80.1 %
ROE before taxes	10.9 %	2.5 %	8.5 %
ROE after taxes	9.5 %	0.9 %	7.0 %
ROE consolidated net income	9.5 %	0.9 %	7.0 %
Net interest margin	1.3 %	1.4 %	1.5 %
NPL ratio	1.9 %	1.9 %	2.3 %
Leverage ratio	6.6 %	7.3 %	7.5 %
Liquidity coverage ratio	223.7 %	194.0 %	142.1 %
Net stable funding ratio	138.0 %	141.3 %	133.5 %
Loan deposit ratio	91.3 %	92.6 %	104.7 %
Coverage ratio I	35.6 %	40.1 %	38.6 %
Coverage ratio III	104.5 %	107.4 %	104.4 %
Resources			
	1-12/2021	1-12/2020	1-12/2019
Staff average	3,211	3,366	3,604
Thereof domestic	3,211	3,366	3,598
Thereof abroad	0	0	6
	31 Dec 2021	31 Dec 2020	31 Dec 2019
Staff at end of period	3,128	3,268	3,496
Thereof domestic	3,128	3,268	3,496
Number of branches	243	249	267
Thereof domestic	243	249	267
Number of customers	1,021,805	1,046,303	1,072,639

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	1-12/2021 Euro thousand	1-12/2020 Euro thousand	Changes Euro thousand	%
Interest and similar income	491,692	505,649	-13,958	-2.76 %
thereof using the effective interest method	460,580	486,320	-25,740	-5.29 %
Interest and similar expenses	-85,829	-92,556	6,726	-7.27 %
Net interest income	405,863	413,094	-7,231	-1.75 %
Risk provision	89,449	-126,049	215,498	-170.96 %
Fee and commission income	277,340	263,109	14,232	5.41 %
Fee and commission expenses	-23,975	-23,971	-4	0.02 %
Net fee and commission income	253,366	239,138	14,228	5.95 %
Net trading income	3,571	-470	4,041	< -200.00 %
Result from financial instruments and investment properties	17,473	5,897	11,575	196.29 %
Other operating result	-2,208	37,334	-39,542	-105.91 %
General administrative expenses	-515,279	-511,826	-3,453	0.67 %
Result from companies measured at equity	-1,284	-327	-957	> 200.00 %
Result before taxes	250,950	56,791	194,159	> 200.00 %
Income taxes	-31,810	-36,777	4,967	-13.51 %
Result after taxes	219,140	20,014	199,126	> 200.00 %
Result attributable to shareholders of the parent company (Consolidated net result)	219,144	20,026	199,118	> 200.00 %
thereof from continued operation	219,144	20,026	199,118	> 200.00 %
Result attributable to non-controlling interest	-4	-12	8	-68.87 %
thereof from continued operation	-4	-12	8	-68.87 %
Other comprehensive income				
	1-12/2021 Euro thousand	1-12/2020 Euro thousand	Changes Euro thousand	%
Result after taxes	219,140	20,014	199,126	> 200.00 %
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Revaluation of obligation of defined benefit plans (including deferred taxes)	6,501	15,955	-9,454	-59.25 %
Fair value reserve - equity instruments (including deferred taxes)	2,781	-1,973	4,754	< -200.00 %
Revaluation of own credit risk (including deferred taxes)	-1,621	-106	-1,514	> 200.00 %
Total items that will not be reclassified to profit or loss	7,662	13,876	-6,214	-44.78 %
Items that may be reclassified to profit or loss				
Fair value reserve - debt instruments (including deferred taxes)				
Change in fair value	-837	266	-1,102	< -200.00 %
Net amount transferred to profit or loss	-13	0	-13	< -200.00 %
Cash flow hedge reserve (including deferred taxes)				
Change in fair value (effective hedge)	-11	0	-11	100.00 %
Net amount transferred to profit or loss	-18	0	-18	100.00 %
Cost of hedging (including deferred taxes)				
Change in deferred taxes arising from untaxed reserve	0	4	-4	-100.00 %
Change from companies measured at equity	1,755	-1,037	2,792	< -200.00 %
Total items that may be reclassified to profit or loss	876	-767	1,643	< -200.00 %
Other comprehensive income total	8,538	13,109	-4,571	-34.87 %
Comprehensive income	227,678	33,123	194,555	> 200.00 %
Comprehensive income attributable to shareholders of the parent company	227,689	33,128	194,561	> 200.00 %
Comprehensive income attributable to non-controlling interest	-11	-5	-6	111.72 %

Statement of financial position as at 31 December 2021

	31 Dec 2021 Euro thousand	31 Dec 2020 Euro thousand	Changes Euro thousand	%
ASSETS				
Liquid funds	6,921,391	3,943,760	2,977,631	75.50 %
Loans and receivables credit institutions	256,567	438,106	-181,540	-41.44 %
Loans and receivables customers	21,563,128	21,287,322	275,806	1.30 %
Assets held for trading	39,750	55,970	-16,220	-28.98 %
Financial investments	2,383,476	2,635,829	-252,353	-9.57 %
Investment property	37,512	40,977	-3,465	-8.46 %
Companies measured at equity	91,696	90,870	826	0.91 %
Participations	130,588	128,139	2,449	1.91 %
Intangible assets	1,687	2,591	-904	-34.88 %
Tangible assets	404,314	443,625	-39,312	-8.86 %
Tax assets	101,624	116,549	-14,925	-12.81 %
Current taxes	4,909	7,265	-2,357	-32.44 %
Deferred taxes	96,715	109,284	-12,569	-11.50 %
Other assets	147,838	178,481	-30,644	-17.17 %
Assets held for sale	15,879	8,044	7,834	97.39 %
TOTAL ASSETS	32,095,448	29,370,265	2,725,183	9.28 %
LIABILITIES				
Amounts owed to credit institutions	3,796,629	1,883,873	1,912,756	101.53 %
Amounts owed to customers	22,746,798	22,153,454	593,344	2.68 %
Debts evidenced by certificates	1,876,601	1,469,924	406,677	27.67 %
Lease liabilities	169,155	169,889	-734	-0.43 %
Liabilities held for trading	42,397	61,518	-19,121	-31.08 %
Provisions	206,352	231,660	-25,308	-10.92 %
Tax liabilities	12,402	25,425	-13,023	-51.22 %
Current taxes	8,731	21,899	-13,168	-60.13 %
Deferred taxes	3,671	3,526	145	4.11 %
Other liabilities	418,231	533,264	-115,032	-21.57 %
Liabilities held for sale	0	122	-122	-100.00 %
Subordinated liabilities	494,160	576,811	-82,651	-14.33 %
Total nominal value cooperative capital shares	3,336	4,041	-749	-18.54 %
Subscribed capital	288,484	288,487	2,968	1.03 %
Additional tier 1 capital	217,722	217,722	0	0.00 %
Reserves	1,821,154	1,751,967	69,188	3.95 %
Non-controlling interest	2,025	2,108	-82	-3.91 %
TOTAL LIABILITIES	32,095,448	29,370,265	2,725,183	9.28 %

Segment reporting by business segments

1-12/2021

Euro thousand	CO	Vienna	Lower Austria	Styria	Carinthia	Upper Austria	Salzburg	Tyrol	Vorarlberg	ÖÄB	Conso lidation	Total
Net interest income	14,976	92,437	59,296	43,011	23,918	36,706	50,325	48,619	24,315	12,291	-32	405,863
Risk provision	-1,602	18,166	11,144	13,623	2,893	9,968	6,975	12,933	11,008	4,342	0	89,449
Net fee and comission income	-5,095	63,655	34,460	25,880	15,383	27,215	29,557	36,207	18,587	8,462	-945	253,366
Net trading income	1,781	164	458	214	116	201	-4	-28	595	74	0	3,571
Result from financial instruments and investment properties	22,949	-7,520	324	1,170	-884	-190	747	1,451	722	100	-1,395	17,473
Other operating result	164,748	6,212	-924	-1,960	-343	1,954	567	-152	141	-389	-172,063	-2,208
General administrative expenses	-131,740	-138,456	-78,897	-58,699	-36,289	-59,221	-61,499	-63,772	-38,579	-21,073	172,945	-515,279
Result from companies measured at equity	0	-1,230	-54	0	0	0	0	0	0	0	0	-1,284
Result before taxes	66,017	33,428	25,806	23,240	4,793	16,632	26,668	35,258	16,791	3,807	-1,490	250,950
Income taxes	818	-4,587	-6,034	-2,868	-1,007	-1,818	-8,774	-4,662	-2,307	-607	36	-31,810
Result after taxes	66,835	28,841	19,773	20,372	3,786	14,814	17,894	30,596	14,484	3,200	-1,454	219,140

31.12.2021

Total assets	11,329,046	6,605,152	3,623,460	2,739,749	1,514,847	2,468,524	3,037,612	3,488,540	1,943,186	1,082,396	-5,737,063	32,095,448
Loans and receivables customers	115,830	5,304,555	2,946,589	2,290,245	1,170,620	1,974,317	2,395,480	2,897,033	1,655,362	828,105	-15,008	21,563,128
Companies measured at equity	15	41,576	8,372	4,577	5,742	15,963	10,340	26	20	5,063	0	91,696
Amounts owed to customers	1,152,479	5,822,450	3,123,671	1,857,281	1,368,967	2,175,222	2,493,025	2,656,800	1,152,779	997,295	-53,170	22,746,798
Debts evidenced by certificates, including subordinated liabilities	2,213,000	99,074	1,701	4,273	8,833	2,983	34,684	8,413	37,471	3,188	-42,859	2,370,761

1-12/2020

Euro thousand	CO	Vienna	Lower Austria	Styria	Carinthia	Upper Austria	Salzburg	Tyrol	Vorarlberg	ÖÄB	Conso lidation	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

Own funds of the Association of Volksbanks

Euro thousand	31 Dec 2021	31 Dec 2020
Common tier I capital: Instruments and reserves		
Capital instruments including share premium accounts	787,067	782,055
Retained earnings	1,622,148	1,402,016
Accumulated other comprehensive income (and other reserves)	-326,664	-165,543
Amount of capital instruments subject to phase out from CET1	3,336	1,259
Common tier I capital before regulatory adjustments	2,085,886	2,019,787
Common tier I capital: regulatory adjustments		
Regulatory value adjustments	0	0
Intangible assets (net of related tax liability)	-1,687	-2,591
Cash flow hedge reserve	30	0
Cumulative gains and losses due to changes in own credit risk on fair valued liabilities	-374	0
Fair value gains and losses arising from the institution's own credit risk related to derivative liabilities	1	0
Value adjustments due to the requirement for prudent valuation	-1,092	-1,473
Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	-9,560	0
Insufficient coverage for non-performing exposures	-5,026	0
Other foreseeable tax charges	-219	0
Regulatory adjustments - transitional provisions	36,635	100,135
Adjustments to be made due to transitional regulations under IFRS 9	36,635	100,135
Qualifying AT1 deductions that exceeds the AT1 capital of the institution	0	0
Additional CET1 deductions pursuant to article 3 CRR	-126,359	-113,509
Total regulatory adjustments	-107,651	-17,438
Common equity tier I capital - CET1	1,978,235	2,002,349
Additional tier I capital: instruments		
Capital instruments including share premium accounts	220,000	220,000
Additional tier I capital before regulatory adjustments	220,000	220,000
Additional tier I capital: regulatory adjustments		
Total regulatory adjustments	0	0
Additional tier I capital - AT1	220,000	220,000
Tier I capital (CET1 + AT1)	2,198,235	2,222,349
Tier II capital - instruments and provisions		
Capital instruments including share premium accounts	438,533	456,144
Capital instruments subject to phase out from tier II	21,591	37,998
Tier II capital before regulatory adjustments	460,124	494,142
Tier II capital: regulatory adjustments		
Total regulatory adjustments	0	0
Tier II capital - T2	460,124	494,142
Own funds total - TC (T1 + T2)	2,658,359	2,716,491
Common equity tier I capital ratio	14.37 %	14.13 %
Tier I capital ratio	15.97 %	15.68 %
Equity ratio	19.31 %	19.16 %
each in relation to total risk exposure amount		

Risk weighted assessment amounts

Euro thousand	31 Dec 2021	31 Dec 2020
Risk weighted exposure amount - credit risk	12,496,033	12,903,051
Total risk exposure amount - settlement risk	0	0
Total risk exposure amount for position, foreign exchange and commodities risks	27,414	37,895
Total risk exposure amount for operational risk	1,230,868	1,183,790
Total risk exposure amount for credit valuation adjustment (cva)	8,914	49,981
Total risk exposure amount	13,763,229	14,174,717

Own funds of the Association of Volksbanks - fully loaded

Euro thousand	31 Dec 2021	31 Dec 2020
Common tier I capital: Instruments and reserves		
Capital instruments including share premium accounts	787,067	782,055
Retained earnings	1,622,148	1,402,016
Accumulated other comprehensive income (and other reserves)	-326,664	-165,543
Common tier I capital before regulatory adjustments	2,082,551	2,018,528
Common tier I capital: regulatory adjustments		
Regulatory value adjustments	0	0
Intangible assets (net of related tax liability)	-1,687	-2,591
Cash flow hedge reserve	30	0
Cumulative gains and losses due to changes in own credit risk on fair valued liabilities	-374	0
Fair value gains and losses arising from the institution's own credit risk related to derivative liabilities	1	0
Value adjustments due to the requirement for prudent valuation	-1,092	-1,473
Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	-9,560	0
Insufficient coverage for non-performing exposures	-5,026	0
Other foreseeable tax charges	-219	0
Additional CET1 deductions pursuant to article 3 CRR	-126,359	-113,509
Total regulatory adjustments	-144,286	-117,573
Common equity tier I capital - CET1	1,938,264	1,900,955
Additional tier I capital: instruments		
Capital instruments including share premium accounts	220,000	220,000
Additional tier I capital before regulatory adjustments	220,000	220,000
Additional tier I capital: regulatory adjustments		
Total regulatory adjustments	0	0
Additional tier I capital - AT1	220,000	220,000
Tier I capital (CET1 + AT1)	2,158,264	2,120,955
Tier II capital - instruments and provisions		
Capital instruments including share premium accounts	438,533	456,827
Tier II capital before regulatory adjustments	438,533	456,827
Tier II capital: regulatory adjustments		
Total regulatory adjustments	0	0
Tier II capital - T2	438,533	456,827
Own funds total - TC (T1 + T2)	2,596,797	2,577,782
Common equity tier I capital ratio	14.11 %	13.48 %
Tier I capital ratio	15.72 %	15.04 %
Equity ratio	18.91 %	18.28 %
each in relation to total risk exposure amount		

Risk weighted assessment amounts

Euro thousand	31 Dec 2021	31 Dec 2020
Risk weighted exposure amount - credit risk	12,466,157	12,832,077
Total risk exposure amount - settlement risk	0	0
Total risk exposure amount for position, foreign exchange and commodities risks	27,414	37,895
Total risk exposure amount for operational risk	1,230,868	1,183,790
Total risk exposure amount for credit valuation adjustment (cva)	8,914	49,981
Total risk exposure amount	13,733,353	14,103,742

Amounts owed to customers

Euro million	31 Dec 2021	31 Dec 2020
Saving deposits	7,009.5	7,618.1
Other deposits	15,737.3	14,535.4

Distribution of loans and receivables to customers by customer industries

	31 Dec 2021	31 Dec 2020
Private households	8,685.5	8,684.7
Financial services incl. banks	207.3	195.5
Public authorities	293.2	282.2
Real estate	6,072.0	5,806.4
Construction industry	634.8	643.3
Tourism	1,614.1	1,664.4
Trade and repairs	918.9	930.1
Physicians/healthcare	713.5	766.2
Agriculture and forestry	695.7	675.2
Others	2,001.6	2,003.4

Distribution of loans and receivables to customers by customer segments¹⁾

	31 Dec 2021	31 Dec 2020
Retail	8,685.5	8,684.7
SME	10,964.4	10,940.6
Corporates	599.5	528.4
Public sector	293.2	282.2
Others	1,293.8	1,215.5

25 largest customer exposures

Top 25 exposures represent 4.4 % (PY: 4.3 %) 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).

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