Report on the loan portfolio

April 2025

CONTENT

Effect of the economic environment on the loan portfolio

Effects of economic environment on loan portfolio (1/2)

The following general market developments can be seen in the three main customer risk segments of the Association of Volksbanks:

Retail Private:

- The private customers loan portfolio is stable, default rates are low
- Due to KIM-VO[1] and the level of interest rates, new loans stagnated in 2024; the housing package[2] so far shows little effect
- First signs of an incipient recovery are noticeable, i.e. demand for financing slightly increased in some regions

Corporate/SME:

- The economic downturn continued in H2 2024, the industrial and construction sectors in particular were affected
- In 2024, the number of insolvencies grew by 23% compared to the previous year, the service sector, construction and retail in particular showed rising insolvency numbers

Real Estate:

- Buyer's market prevails - although having slowed down, the negative development of prices has continued, in particular in Vienna, where new, completed projects still outstrip demand and the market is dominated by institutional investors
- Increased construction costs still burden the market (completion forecasts for new buildings have been further revised downwards) and realisation periods (completion and sale of projects) have extended

1) KIM-VO: Kreditinstitute-Immobilienfinanzierungsmaßnahmen-Verordnung, KIM regulation sets tighter standards for private mortgage loans in terms of minimum equity and minimum DSTI required
2) The housing package adopted by the government is an economic stimulus package to promote the housing sector

Effects of economic environment on loan portfolio (2/2)

- Specific loan portfolios of the Association of Volksbanks are affected to different degrees by the current economic environment

- KRIs in the **Retail Private and Corporate/SME** risk segments remain at satisfactory levels (Retail Private segment low KRIs and very stable; in the Corporate/SME segment NPLs increased, with pronounced differences in the development of individual sectors)

- Within the **Corporate/SME** risk segment, exposures in the construction industry and in tourism are under special monitoring, as in these sectors insolvency figures are rising throughout Austria, which is reflected in an increase of NPL ratios in the respective AoV portfolios

- **Real Estate** (i.e. commercial real estate financing) is the risk segment showing the most significant impact on asset quality

- The distortions on the domestic real estate market - triggered by high inflation, rising construction costs, high interest rates and a generally weak economic environment - led to above-average total risk costs and an increase in non-performing loans

- As of 31 December 2024, the Association's total risk costs including PMAs were EUR 221 mn (Volksbank Wien: EUR 75 mn), and in 2024 the Association's NPL volume increased from EUR 680 mn to EUR 1,362 mn (Volksbank Wien: from EUR 210 mn to EUR 455 mn)

- Within the RE risk segment, the sub-portfolios of category B (residential real estate; total exposure of EUR 3.3 bn), category C (retail and commercial real estate; EUR 2.6 bn) and category "other" (holding companies and loans not directly attributable; EUR 0.5 bn) are affected

- Within these categories, real estate developers are most affected by the above-mentioned distortions (i.e. purchase of land or properties, their development or renovation and subsequent profitable sale; regulatory so-called speculative immovable property financing; exposure of EUR 1.4 bn; largest share of category B - residential real estate)

- There are no NPLs in category A (social housing and owner/developer schemes; exposure of EUR 1.3 bn)

Information on the
Retail Private portfolio

Growth and main KRIs
Retail Private segment

EUR million		AoV	VBW
Association of Volksbanks 12/2024	**total**	**27,301.7**	**7,112.3**
	% Δ YtD 2024	**1.9%**	**4.1%**
	% Δ YtD 2023	**0.7%**	**3.7%**
	% Δ YtD 2022	**2.9%**	**4.9%**
Collateralization ratio 2024		78.2%	80.8%
Coverage ratio I 2024 total		1.9%	2.2%
- *Coverage ratio I in stage 1 2024*		0.09%	0.07%
- *Coverage ratio I in stage 2 2024*		2.09%	1.56%
- *Coverage ratio I in stage 3 2024*		28.96%	29.41%
NPL ratio 2024		5.0%	6.4%
Avg. PD (perf.) 2024		1.2%	0.9%
Forbearance ratio 2024		4.1%	4.6%
Retail Private 12/2024	**total**	**9,457.1**	**2,412.2**
	% Δ YtD 2024	**0.0%**	**2.2%**
	% Δ YtD 2023	**-4.1%**	**-4.0%**
	% Δ YtD 2022	**2.1%**	**-0.4%**
Retail private / total customer exposure		34.6%	33.9%
Collateralization ratio 2024		86.4%	86.4%
Coverage ratio I 2024 total		0.5%	0.6%
- *Coverage ratio I in stage 1 2024*		0.06%	0.06%
- *Coverage ratio I in stage 2 2024*		2.56%	2.50%
- *Coverage ratio I in stage 3 2024*		24.44%	24.10%
NPL ratio 2024		1.2%	1.5%
Avg. PD (perf.) 2024		0.6%	0.5%
Forbearance ratio 2024		1.1%	1.1%

- The Retail Private segment consists primarily of private residential mortgages

- Stable development in 2024, representing an improvement on YE 2023 (-4%)

- NPLs in the Retail Private segment remain very low, borrowers have sufficient buffer for repayment and set priorities for expenditure

Regional distribution
Retail Private segment

Segment (in EUR million)	Customer exposure 12/2024
Retail private	**9,457.1**
Austria	**9,134.5**
Lower Austria	2,265.0
Upper Austria	1,202.9
Tyrol	1,138.1
Styria	1,102.4
Vienna	946.0
Vorarlberg	890.0
Carinthia	679.9
Salzburg	674.3
Burgenland	205.9
n.a.	30.0
Foreign countries	**322.6**
Germany	213.8
Netherlands	38.1
Switzerland	30.2
Other	40.6

Customer exposure Retail Private

Customer exposure
2,265.0
205.9

Germany 213.8 mn

946.0
1,202.9
2,265.0
890.0
1,138.1
674.3
1,102.4
205.9
679.9

Unterstützt von Bing
© GeoNames, Microsoft, TomTom
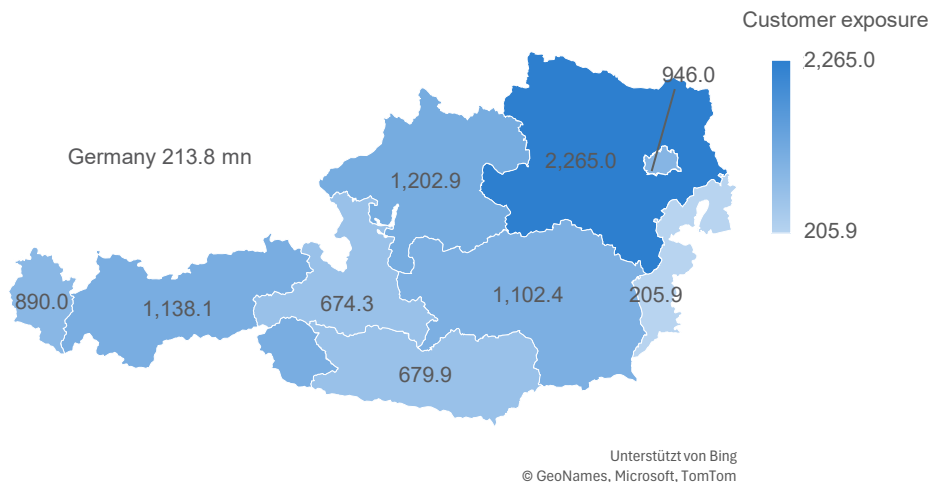
- 96.5% of the Retail Private portfolio is located in Austria, foreign customers are primarily from Germany (in which case the financed properties are also predominantly in Austria)

8

Information on the Corporate/SME portfolio

Growth and main KRIs Corporate/SME segment

EUR million		AoV	VBW
Association of Volksbanks 12/2024	**total**	**27,301.7**	**7,112.3**
	% Δ YtD 2024	**1.9%**	**4.1%**
	% Δ YtD 2023	**0.7%**	**3.7%**
	% Δ YtD 2022	**2.9%**	**4.9%**
Collateralization ratio 2024		78.2%	80.8%
Coverage ratio I 2024 total		1.9%	2.2%
- Coverage ratio I in stage 1 2024		0.09%	0.07%
- Coverage ratio I in stage 2 2024		2.09%	1.56%
- Coverage ratio I in stage 3 2024		28.96%	29.41%
NPL ratio 2024		5.0%	6.4%
Avg. PD (perf.) 2024		1.2%	0.9%
Forbearance ratio 2024		4.1%	4.6%
Corp/SME 12/2024	**abs.**	**9,522.3**	**1,692.1**
	% Δ YtD 2024	**0.5%**	**5.0%**
	% Δ YtD 2023	**2.4%**	**7.2%**
	% Δ YtD 2022	**0.0%**	**-0.7%**
Corp/SME / total customer exposure		34.9%	23.8%
Collateralization ratio 2024		66.6%	64.1%
Coverage ratio I 2024 total		2.3%	2.6%
- Coverage ratio I in stage 1 2024		0.13%	0.10%
- Coverage ratio I in stage 2 2024		2.71%	2.35%
- Coverage ratio I in stage 3 2024		31.67%	35.77%
NPL ratio 2024		5.4%	6.1%
Avg. PD (perf.) 2024		1.3%	1.1%
Forbearance ratio 2024		4.1%	4.0%

- Moderate growth in the Corporate/SME segment of ca. 0.5% on the Association level in 2024

- The NPL ratio in the Corporate/SME segment of 5.4% as of 31 December 2024 slightly exceeds the average NPL ratio of 5.0%

- As a result of lower collateralisation, the coverage ratio 1 – stage 3 is higher than in the total portfolio

10

Distribution by industries Corporate/SME segment

Segment Corp/SME: Distribution by industries	Association	NPL ratio	Avg. PD (perf)	Avg. EL	Forbearance ratio	Collateralisation
Tourism	1,918.85	9.1%	1.5%	1.9%	6.6%	81.2%
Trade, repairs	1,348.00	6.4%	1.6%	2.0%	3.8%	61.4%
Commercial services	1,003.74	4.2%	1.2%	1.1%	2.5%	63.4%
Construction	980.45	4.3%	1.5%	1.6%	2.9%	56.3%
Healthcare sector	1,011.20	0.6%	0.9%	0.4%	1.6%	64.2%
Agriculture	829.86	5.4%	1.5%	1.4%	4.7%	74.6%
Manufacturing	691.73	7.3%	1.4%	1.8%	5.2%	53.8%
Other	395.27	6.8%	1.1%	1.8%	6.4%	62.9%
Gastronomy	328.32	9.8%	1.6%	2.7%	8.4%	66.0%
Financial services	306.69	0.5%	0.7%	0.3%	0.4%	68.3%
Transport and traffic	274.48	1.0%	1.0%	0.4%	0.6%	67.2%
Utilities	344.73	0.4%	1.0%	0.2%	0.6%	63.9%
Technology, communication	88.99	2.8%	1.7%	1.0%	4.9%	56.0%

- Highly heterogeneous distribution of industries

- Industry limit of 10% of total customer loans as defined in the risk strategy

- With a volume of EUR 1,919 mn and a share of ca. 7% of the Association's total customer loans, tourism represents the top industry

Information on the
Real Estate portfolio

Growth and main KRIs
Real Estate segment

EUR million		AoV	VBW
Association of Volksbanks 12/2024	**total**	**27,301.7**	**7,112.3**
	% Δ YtD 2024	**1.9%**	**4.1%**
	% Δ YtD 2023	**0.7%**	**3.7%**
	% Δ YtD 2022	**2.9%**	**4.9%**
Collateralization ratio 2024		78.2%	80.8%
Coverage ratio I 2024 total		1.9%	2.2%
- *Coverage ratio I in stage 1 2024*		0.09%	0.07%
- *Coverage ratio I in stage 2 2024*		2.09%	1.56%
- *Coverage ratio I in stage 3 2024*		28.96%	29.41%
NPL ratio 2024		5.0%	6.4%
Avg. PD (perf.) 2024		1.2%	0.9%
Forbearance ratio 2024		4.1%	4.6%
Real Estate 12/2024	**abs.**	**7,820.0**	**2,899.0**
	% Δ YtD 2024	**4.4%**	**3.3%**
	% Δ YtD 2023	**6.4%**	**9.8%**
	% Δ YtD 2022	**9.4%**	**15.1%**
Collateralization ratio 2024		87.0%	88.5%
Coverage ratio I 2024 total		3.1%	3.3%
- *Coverage ratio I in stage 1 2024*		0.10%	0.07%
- *Coverage ratio I in stage 2 2024*		1.49%	1.06%
- *Coverage ratio I in stage 3 2024*		27.74%	27.92%
NPL ratio 2024		9.4%	10.9%
Avg. PD (perf.) 2024		1.8%	1.2%
Forbearance ratio 2024		8.1%	8.1%

- The NPL ratio on the level of the total portfolio of 5.0% as of 12/2024 results from the default of large-volume exposures in the Real Estate segment (reflected in a NPL ratio of 9.4% in the RE segment)

- Continued growth in the Real Estate segment with a focus on lower-risk business (category A – please refer to next slide)

- The RE segment's average PD (performing) of 1.8% and forbearance ratio of 8.1% exceed the total exposure's average ratios, primarily due to concessions made and to the deterioration of ratings following delayed payments (sales proceeds and/or rental income) from real estate projects

Real Estate portfolio - categories A and B

EUR million		AoV	VBW
Sub-category A 12/2024	**abs.**	**1,372.7**	**1,057.9**
	%Δ YtD 2024	**10.4%**	**11.4%**
	%Δ YtD 2023	**5.0%**	**7.5%**
	%ΔYtD 2022	**1.4%**	**6.2%**
Collateralization ratio 2024		85.3%	85.3%
Coverage ratio I 2024 total		0.1%	0.1%
- Coverage ratio I in stage 1 2024		0.03%	0.03%
- Coverage ratio I in stage 2 2024		0.68%	0.67%
- Coverage ratio I in stage 3 2024		0.00%	0.00%
NPL ratio 2024		0.0%	0.0%
Avg. PD (perf.) 2024		0.4%	0.4%
Forbearance ratio 2024		0.2%	0.3%
Sub-category B 12/2024	**abs.**	**3,349.3**	**1,019.1**
	%Δ YtD 2024	**-1.2%**	**-4.5%**
	%Δ YtD 2023	**5.7%**	**9.7%**
	%ΔYtD 2022	**15.8%**	**6.7%**
Collateralization ratio 2024		93.3%	95.6%
Coverage ratio I 2024 total		4.3%	4.7%
- Coverage ratio I in stage 1 2024		0.12%	0.11%
- Coverage Ratio I in stage 2 2024		1.28%	1.07%
- Coverage ratio I in stage 3 2024		25.02%	24.11%
NPL ratio 2024		14.8%	17.6%
Avg. PD (perf.) 2024		2.6%	2.1%
Forbearance ratio 2024		12.5%	12.1%

- Growth in the real estate segment in 2024 results primarily from growth in sub-category A (social housing, owner/developer schemes), followed by category C (commercial real estate); a slight decrease can be seen in sub-category B (residential real estate)

- With respect to ratios, sub-category A stands out, despite the current crisis of the Austrian real estate market it still shows excellent risk indicators - no NPLs, forbearance ratio of 0.2% and avg. PD of 0.4%; as of 12/2024, sub-category A has the highest growth rate

- Sub-category B (residential real estate) shows high NPL, avg. PD (perf.) and forbearance ratios

Real Estate portfolio - categories C and Other

EUR million		Association	VBW
Sub-category C 12/2024	**abs.**	**2,558.7**	**670.0**
	%Δ YtD 2024	**8.4%**	**1.4%**
	%Δ YtD 2023	**13.3%**	**17.4%**
	%ΔYtD 2022	**7.2%**	**51.9%**
Collateralization ratio 2024		89.1%	91.5%
Coverage ratio I 2024 total		2.7%	5.5%
- Coverage ratio I in stage 1 2024		0.12%	0.10%
- Coverage ratio I in stage 2 2024		1.83%	1.15%
- Coverage ratio I in stage 3 2024		30.73%	33.38%
NPL ratio 2024		6.6%	15.2%
Avg. PD (perf.) 2024		1.8%	1.6%
Forbearance ratio 2024		6.9%	12.9%
Other 12/2024	**abs.**	**539.3**	**152.0**
	%Δ YtD 2024	**8.5%**	**18.2%**
	%Δ YtD 2023	**-12.5%**	**-5.4%**
	%ΔYtD 2022	**1.4%**	**28.3%**
Collateralization ratio 2024		43.1%	49.8%
Coverage ratio I 2024 total		6.0%	7.5%
- Coverage ratio I in stage 1 2024		0.20%	0.13%
- Coverage ratio I in stage 2 2024		2.69%	1.90%
- Coverage ratio I in stage 3 2024		39.12%	31.66%
NPL ratio 2024		13.7%	22.5%
Avg. PD (perf.) 2024		1.2%	1.1%
Forbearance ratio 2024		6.9%	14.9%

- After significant growth in 2023, sub-category C (commercial RE) showed an above-average growth rate in 2024

- NPL and forbearance ratios in sub-category C are high, but remain below the ratios of sub-category B

- Category "Other" includes loans that can not be allocated unambigously to categories A, B, or C

Downturn of the RE market is reflected in the RE portfolio – distribution by rating

Segments EUR million	Customer exposure YE 24	in %	Customer exposure YE 23	in %	Customer exposure YE 22	in %
Real estate	**7,820.0**		**7,490.1**		**7,043.5**	
Sub-category A (social housing, owner/developer schemes)	1,372.7		1,243.1		1,183.9	
1A - 3E	1,366.5	99.5%	1,242.9	100.0%	1,178.8	99.6%
4A - 4B	0.0	0.0%	0.1	0.0%	1.5	0.1%
4C - 4E	6.2	0.4%	0.0	0.0%	3.5	0.3%
5A - 5E	-	0.0%	-	0.0%	-	0.0%
NR	0.0	0.0%	0.0	0.0%	0.0	0.0%
Sub-category B (residential RE)	3,349.3		3,389.2		3,203.0	
1A - 3E	2,403.6	71.8%	3,047.3	89.9%	3,093.0	96.6%
4A - 4B	102.0	3.0%	71.1	2.1%	40.7	1.3%
4C - 4E	349.4	10.4%	107.5	3.2%	35.7	1.1%
5A - 5E	494.1	14.8%	163.1	4.8%	33.6	1.0%
NR	0.2	0.0%	0.3	0.0%	-	0.0%
Sub-category C (commercial RE)	2,558.7		2,360.6		2,084.5	
1A - 3E	2,165.9	84.6%	2,239.7	94.9%	2,005.3	96.2%
4A - 4B	83.4	3.3%	14.8	0.6%	33.1	1.6%
4C - 4E	140.9	5.5%	23.6	1.0%	23.4	1.1%
5A - 5E	168.4	6.6%	82.5	3.5%	22.7	1.1%
NR	0.1	0.0%	0.1	0.0%	-	0.0%
Other	539.3		497.2		572.1	
1A - 3E	443.8	82.3%	471.9	94.9%	552.0	96.5%
4A - 4B	12.4	2.3%	5.2	1.0%	4.0	0.7%
4C - 4E	9.1	1.7%	11.4	2.3%	9.2	1.6%
5A - 5E	73.9	13.7%	8.6	1.7%	6.9	1.2%
NR	0.1	0.0%	0.1	0.0%	0.0	0.0%

- RE sub-category A (social housing, owner/developer schemes):
  No defaults, hardly any rating downgrades, acyclical portfolio, as of 12/2024 highest growth rate of all sub-categories

- RE sub-category B (residential RE):
  Clear deterioration of portfolio quality, shift towards lower rating categories due to forbearance measures and early warning indicators, clear increase of NPLs (ratings 5A and below) from 1.0% in 2022 to 14.8% as of 12/2024

- RE sub-category C (commercial RE):
  Development similar to sub-category B, but less pronounced, still 84.6% of exposure in rating categories 1A – 3E, lower forbearance and early warning indicators, but clear increase in NPLs in this sub-category as well (from 1.1% in 2022 to 6.6% as of 12/2024)

The deterioration of the asset quality is also reflected in the EWS/PLM status

Segment EUR million	Customer exposure YE 24	in %	Customer exposure YE 23	in %	Customer exposure YE 22	in %
Real Estate	**7,820.0**		**7,490.1**		**7,043.5**	
Sub-category A	1,372.7		1,243.1		1,183.9	
Performing	*1,305.5*	*95.1%*	*1,222.2*	*98.3%*	*1,178.8*	*99.6%*
Early warning	*29.5*	*2.1%*	*15.6*	*1.3%*	*0.4*	*0.0%*
Problem loans, special monitoring, work-out/legal	*37.7*	*2.7%*	*5.3*	*0.4%*	*4.7*	*0.4%*
--- of which special monitoring	*37.7*	*2.7%*	*5.3*	*0.4%*	*4.7*	*0.4%*
--- of which work-out/legal	*-*	*0.0%*	*-*	*0.0%*	*-*	*0.0%*
--- of which performing	*-*	*0.0%*	*-*	*0.0%*	*-*	*0.0%*
Sub-category B	3,349.3		3,389.2		3,203.0	
Performing	*1,496.7*	*44.7%*	*2,991.1*	*88.3%*	*3,018.2*	*94.2%*
Early warning	*97.6*	*2.9%*	*66.1*	*2.0%*	*13.2*	*0.4%*
Problem loans, special monitoring, work-out/legal	*1,755.0*	*52.4%*	*332.0*	*9.8%*	*171.6*	*5.4%*
--- of which special monitoring	*1,262.1*	*37.7%*	*176.0*	*5.2%*	*127.4*	*4.0%*
--- of which work-out/legal	*492.9*	*14.7%*	*156.0*	*4.6%*	*44.2*	*1.4%*
--- of which performing	*36.6*	*1.1%*	*9.7*	*0.3%*	*11.5*	*0.4%*
Sub-category C	2,558.7		2,360.6		2,084.5	
Performing	*1,626.2*	*63.6%*	*2,175.8*	*92.2%*	*1,955.1*	*93.8%*
Early warning	*58.1*	*2.3%*	*30.6*	*1.3%*	*7.7*	*0.4%*
Problem loans, special monitoring, work-out/legal	*874.4*	*34.2%*	*154.2*	*6.5%*	*121.7*	*5.8%*
--- of which special monitoring	*689.8*	*27.0%*	*73.0*	*3.1%*	*90.9*	*4.4%*
--- of which work-out/legal	*184.6*	*7.2%*	*81.2*	*3.4%*	*30.9*	*1.5%*
--- of which performing	*25.9*	*1.0%*	*2.4*	*0.1%*	*8.2*	*0.4%*
Other	539.3		497.2		572.1	
Performing	*359.6*	*66.7%*	*444.5*	*89.4%*	*535.9*	*93.7%*
Early warning	*19.5*	*3.6%*	*24.5*	*4.9%*	*2.5*	*0.4%*
Problem loans, special monitoring, work-out/legal	*160.2*	*29.7%*	*28.2*	*5.7%*	*33.7*	*5.9%*
--- of which speical monitoring	*84.6*	*15.7%*	*19.1*	*3.8%*	*22.8*	*4.0%*
--- of which work-out/legal	*75.6*	*14.0%*	*9.1*	*1.8%*	*11.0*	*1.9%*
--- of which performing	*3.1*	*0.6%*	*0.7*	*0.1%*	*4.3*	*0.8%*

- In line with the development of ratings, a deterioration of the portfolio quality in terms of loan status was evident in the Real Estate segment in 2023. This trend continued in 2024, reflecting in particular an allocation of high-risk real estate projects - mainly speculative real estate financings - to special monitoring via collective staging as of 06/2024

- Sub-category B (residential real estate) is particularly affected (PLM portfolio 52.4%, of which loans in special monitoring 37.7%); a deterioration can also be seen in sub-category C (commercial real estate) with a PLM portfolio of 34.2% (27.0% of which in the special monitoring category)

- Drivers of the increase of loans in the work-out/legal category are defaults of several large-volume real estate developers and delayed returns (sales proceeds and/or rental income) from real estate projects

Risks of projects in the construction phase are subject to special monitoring

Segment EUR million	Customer exposure YE 24	in %	in % spec.	% of spec. completed	Customer exposure YE 23	in %	in % spec.	% of spec. completed	Customer exposure YE 22	in %	in % spec.	% of spec. Completed
Real estate	**7,820.0**		18.1%		**7,490.1**		19.9%		**7,043.5**		18.9%	
of which under construction	1,252.1	16.0%	37.2%	48.3%	1,517.7	20.3%	40.5%	42.7%	1,390.2	19.7%	42.8%	38.0%
of which completed or not secured by properties	6,259.8	80.0%	11.8%		5,652.5	75.5%	11.6%		5,359.1	76.1%	10.2%	
of which land	308.0	3.9%	68.9%		319.9	4.3%	68.1%		294.1	4.2%	64.4%	
Sub-category A	1,372.7		0.4%		1,243.1		0.0%		1,183.9		0.4%	
of which under construction	166.0	12.1%	0.6%	22.2%	194.1	15.6%	0.0%		118.4	10.0%	0.0%	
of which completed or not secured by properties	1,182.4	86.1%	0.0%		1,036.2	83.4%	0.0%		1,047.8	88.5%	0.0%	
of which land	24.3	1.8%	18.5%		12.8	1.0%	0.0%		17.7	1.5%	25.4%	
Sub-category B	3,349.3		34.1%		3,389.2		37.2%		3,203.0		34.5%	
of which under construction	697.5	20.8%	59.1%	51.8%	821.8	24.2%	66.7%	46.3%	910.2	28.4%	60.3%	39.1%
of which completed or not secured by properties	2,472.0	73.8%	23.8%		2,378.2	70.2%	23.7%		2,128.6	66.5%	20.1%	
of which land	179.8	5.4%	78.8%		189.2	5.6%	78.5%		164.2	5.1%	78.6%	
Sub-category C	2,558.7		8.5%		2,360.6		8.2%		2,084.5		7.5%	
of which under construction	333.6	13.0%	12.3%	30.5%	451.5	19.1%	11.0%	21.0%	308.5	14.8%	8.7%	16.4%
of which completed or not secured by properties	2,124.3	83.0%	5.2%		1,794.6	76.0%	4.1%		1,668.6	80.0%	4.4%	
of which land	100.7	3.9%	65.7%		114.6	4.9%	60.7%		107.4	5.2%	52.1%	
Other	539.3		9.6%		497.2		7.5%		572.1		11.9%	
of which under construction	55.0	10.2%	22.0%	63.6%	50.2	10.1%	33.9%	50.3%	53.1	9.3%	38.0%	40.4%
of which completed or not secured by properties	481.1	89.2%	8.2%		443.6	89.2%	4.5%		514.2	89.9%	9.3%	
of which land	3.2	0.6%	0.0%		3.4	0.7%	0.0%		4.9	0.9%	0.0%	

- The trend up to YE 2023 shows a slight increase in the proportion of financing in the "under construction" category, as of 12/2024, however, a downward trend is evident

- Within sub-category B (residential RE), a volume of EUR 697.5 mn is "under construction", 59.1% of which is defined as development for sale projects; 5.4% of the loans in sub-category B relate to financings for land, for which no construction activity is planned in the short term

Column "in % spec." (speculative real estate financing) = proportion of development for sale projects in the respective portfolio

Many development for sale projects and therefore high proportion of bullet maturities

Segment EUR million	Customer exposure YE 24	in %	in % spec.	Customer exposure YE 23	in % spec.	Customer exposure YE 22	in %	in % spec.
Real estate	**7,820.0**		**18.1%**	**7,490.1**	**19.9%**	**7,043.5**		**18.9%**
of which bullet maturity	*1,067.5*	*13.7%*	*69.0%*	*1,185.7*	*66.7%*	*1,103.8*	*15.7%*	*62.6%*
of which balloon payment	*713.4*	*9.1%*	*2.8%*	*642.0*	*1.4%*	*605.9*	*8.6%*	*0.8%*
Sub-category A	1,372.7		0.4%	1,243.1	0.0%	1,183.9		0.4%
of which bullet maturity	*108.2*	*7.9%*	*5.1%*	*113.8*	*0.0%*	*101.8*	*8.6%*	*4.4%*
of which balloon payment	*14.1*	*1.0%*	*0.0%*	*14.6*	*0.0%*	*23.3*	*2.0%*	*0.0%*
Sub-category B	3,349.3		34.1%	3,389.2	37.2%	3,203.0		34.5%
of which bullet maturity	*655.5*	*19.6%*	*85.1%*	*739.9*	*86.0%*	*666.3*	*20.8%*	*81.8%*
of which balloon payment	*268.4*	*8.0%*	*2.1%*	*287.5*	*3.0%*	*247.5*	*7.7%*	*1.7%*
Sub-category C	2,558.7		8.5%	2,360.6	8.2%	2,084.5		7.5%
of which bullet maturity	*257.8*	*10.1%*	*59.7%*	*284.4*	*51.1%*	*260.9*	*12.5%*	*42.5%*
of which balloon payment	*381.7*	*14.9%*	*3.8%*	*298.1*	*0.2%*	*280.2*	*13.4%*	*0.3%*
Other	539.3		9.6%	497.2	7.5%	572.1		11.9%
of which bullet maturity	*45.9*	*8.5%*	*42.1%*	*47.7*	*19.4%*	*74.7*	*13.1%*	*40.7%*
of which balloon payment	*49.3*	*9.1%*	*0.0%*	*41.8*	*0.0%*	*55.0*	*9.6%*	*0.0%*

- As of 12/2024, 19.6% of loans in sub-category B (residential RE) have bullet maturities, driver of the relatively high proportion of bullet maturities are development for sale projects
- At 10.1% as of 12/2024 the proportion of loans with bullet maturities in sub-category C (commercial RE) is clearly lower as in sub-category B, the share of development for sale projects of 59.7% is also lower than in sub-category B; in both sub-categories loans with bullet maturity decreased slightly
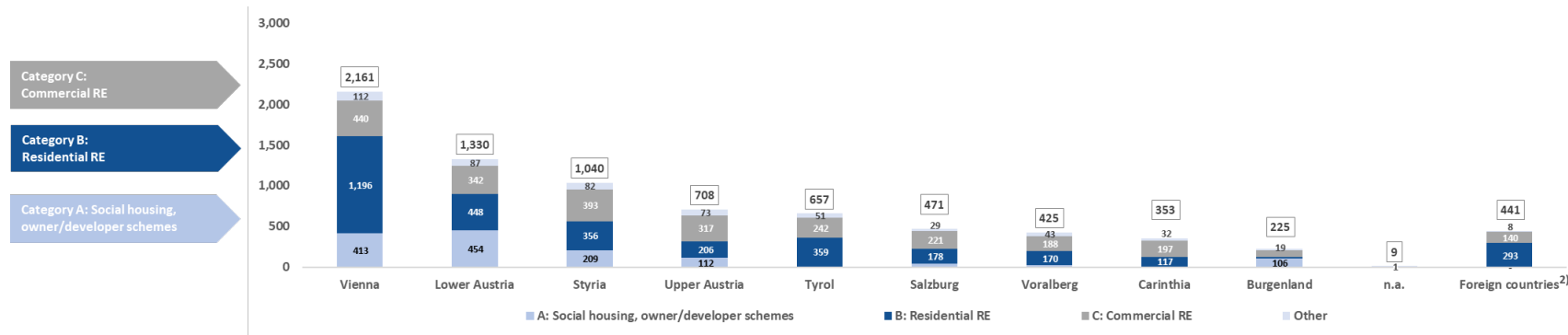
Column "in % spec." (speculative real estate financing) = proportion of development for sale projects in the respective portfolio

Regional distribution by federal states[1]
Real Estate segment

Regional distribution (EUR mn)

	A: Social housing, owner/developer schemes	B: Residential RE	C: Commercial RE	Other	Total
Vienna	413	1,196	440	112	2,161
Lower Austria	454	448	342	87	1,330
Styria	209	356	393	82	1,040
Upper Austria	112	206	317	73	708
Tyrol		359	242	51	657
Salzburg	178		221	29	471
Voralberg	170		188	43	425
Carinthia	117		197	32	353
Burgenland	106		19		225
n.a.	1				9
Foreign countries[2]	293		140	8	441

- The Real Estate portfolio is concentrated in Austria (ca. 94%), the remaining portfolio is mainly in Germany (Volksbank Oberösterreich)

- Sub-category A is a low-default portfolio which consists predominantly of social housing, primarily in the federal states Vienna, Lower Austria and Styria (rest of sub-category A: mainly owner/developer schemes)

- Sub-categories B and C: traditional commercial real estate financings for residential properties (multi-residential buildings in particular) and commercially used properties (including a broadly diversified real estate portfolio of offices, commercial properties, retail properties, etc.)

1) Location of property if available (if unavailable: address of borrower)
2) 99% in Germany

Distribution of exposure by type of collateral

Segments EUR million	Customer exposure YE 24	in %	Customer exposure YE 23	in %	Customer exposure YE 22	in %
Real estate	**7,820.0**		**7,490.1**		**7,043.5**	
Sub-category A (social housing, owner/developer schemes)	1,372.7		1,243.1		1,183.9	
Multi-residential building	1,078.5	78.6%	964.9	77.6%	903.3	76.3%
Residential building	19.7	1.4%	20.4	1.6%	7.9	0.7%
Apartment	16.1	1.2%	13.9	1.1%	18.5	1.6%
Residential property	21.8	1.6%	10.2	0.8%	15.1	1.3%
Other real estate	63.7	4.6%	59.2	4.8%	61.0	5.1%
Not collateralized	172.9	12.6%	174.4	14.0%	178.0	15.0%
Sub-category B (residential RE)	3,349.3		3,389.2		3,203.0	
Multi-residential building	2,203.4	65.8%	2,207.8	65.1%	2,108.9	65.8%
Apartment	283.7	8.5%	295.6	8.7%	276.0	8.6%
Luxury real estate	309.3	9.2%	308.2	9.1%	274.5	8.6%
Residential building	283.7	8.5%	295.6	8.7%	276.0	8.6%
Residential property	178.9	5.3%	188.8	5.6%	164.0	5.1%
Other real estate	90.1	2.7%	93.0	2.7%	103.4	3.2%
Not collateralized	0.1	0.0%	0.1	0.0%	0.1	0.0%
Sub-category C (commercial RE)	2,558.1		2,360.6		2,084.5	
Office building	570.9	22.3%	532.4	22.6%	443.3	21.3%
Commercial building	413.9	16.2%	360.2	15.3%	338.1	16.2%
Residential/commercial building (mixed use)	386.4	15.1%	331.8	14.1%	339.2	16.3%
Accomodation	319.6	12.5%	308.1	13.1%	236.4	11.3%
Retail property	294.8	11.5%	302.4	12.8%	274.5	13.2%
Other real estate	572.9	22.4%	523.9	22.2%	453.0	21.7%
Not collateralized	0.0	0.0%	1.9	0.1%	-	0.0%
Other	539.3		497.2		572.1	
Social property	40.9	7.6%	29.5	5.9%	31.5	5.5%
Commercial building	31.0	5.8%	29.0	5.8%	27.6	4.8%
Multi-residential building	16.6	3.1%	16.0	3.2%	12.1	2.1%
Accomodation	16.7	3.1%	12.5	2.5%	26.4	4.6%
Logistics property	10.8	2.0%	11.6	2.3%	12.6	2.2%
Other real estate	56.6	10.5%	45.7	9.2%	59.1	10.3%
Not collateralized	366.7	68.0%	353.0	71.0%	402.9	70.4%

- The real estate portfolio is dominated by residential properties, particularly multi-residential buildings, which account for the biggest shares of sub-categories A (78.6%) and B (65.8%)

- In sub-category C, the structure is highly heterogeneous and well diversified

VOLKSBANK. Vertrauen verbindet.