

Preliminary results 2025

Association of Volksbanks (AoV)

Global investor call, February 20th, 2026



INHALT

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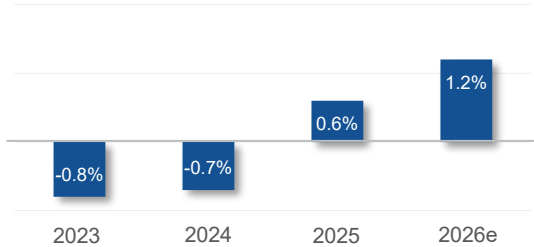


Business development and preliminary results FY 2025

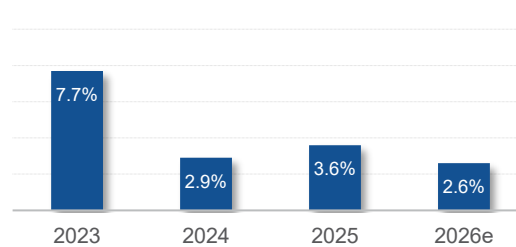
Economic environment in Austria



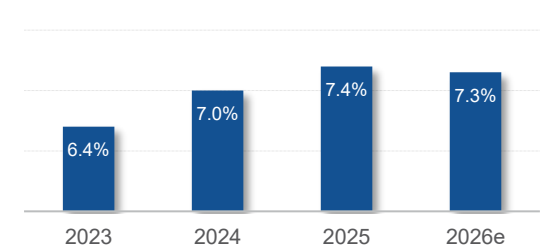
Real GDP growth¹⁾



HICP inflation¹⁾



Unemployment rate¹⁾



Growth of GDP in 2025

- The recession of 2023 and 2024 was followed by moderate GDP growth in 2025, drivers were catch-up effects in durable goods consumption, a new record in touristic overnight stays and monetary loosening by the ECB

Inflation and unemployment

- Consumer price inflation remained elevated throughout the year 2025, partly due to one-off effects such as the expiration of government subsidies for electricity costs, rising labour cost and other second round effects
- In January 2026, base effects as well as moderate collective wage settlements contributed to a decrease of CPI inflation to 2%
- Unemployment peaked at 7.4% in 2025 and is expected to improve this year

Development of real estate market

- While services performed well and goods production started to expand in late 2025, construction activity remained subdued
- Affordability of residential real estate has improved, while nominal real estate prices bottomed out and started a mild upturn in 2025
- Lower short-term rates, low indebtedness of households (<50% of GDP) and improved affordability are reflected in an increase in lending volumes, which seems set to continue with the upturn in residential real estate prices

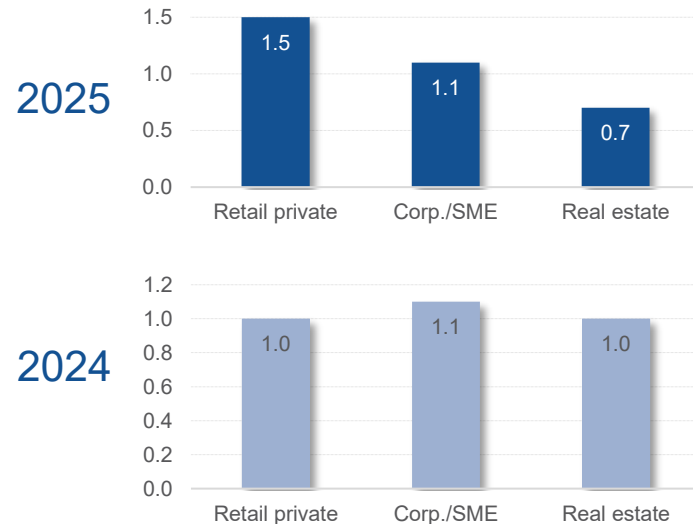
Outlook

- Improving export demand as well as decreasing cost inflation and catching-up effects are expected to spur economic dynamics and support credit demand by non-financial firms

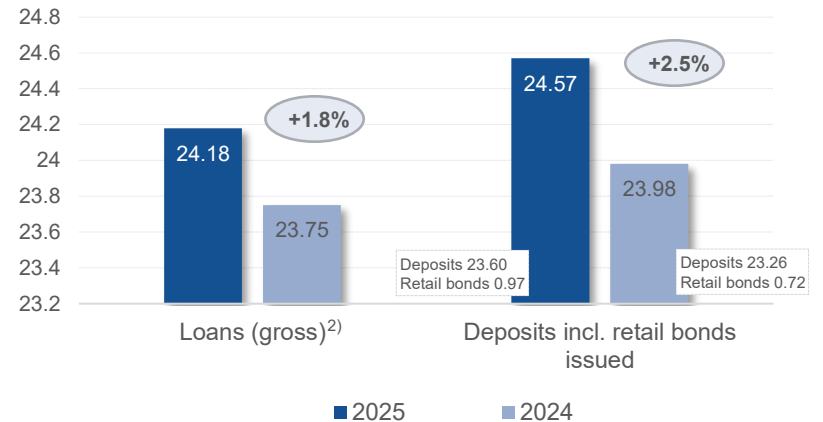
Positive development of AoV's customer business



New loans: loan growth 2025 primarily in the Retail private customer segment¹⁾
(in EUR bn)



Yoy increase in AoV's loans and deposits
(in EUR bn)

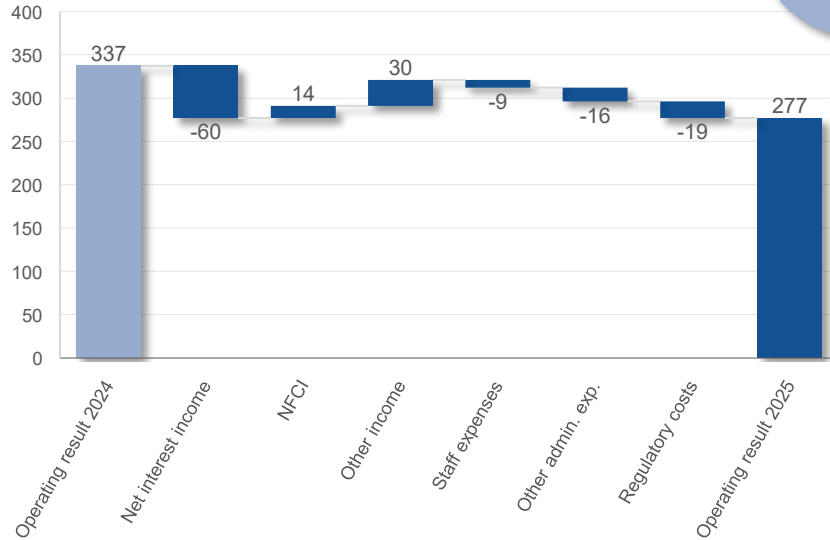


1) Based on UGB | 2) Gross loans: excluding risk provisions

Increase in result after taxes in 2025

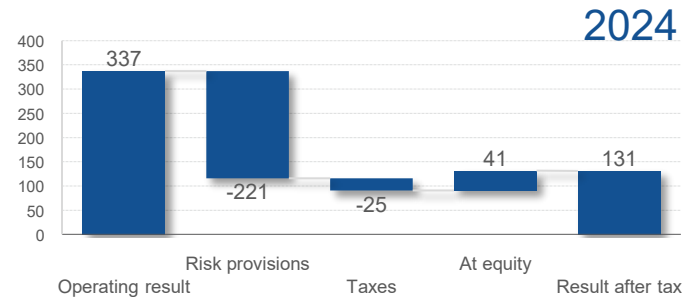
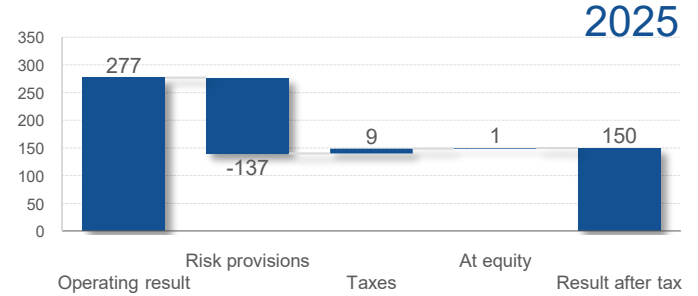


Yoy change in AoV's operating result 2024/2025
(in EUR mn)



Result after taxes 2025
+14% yoy

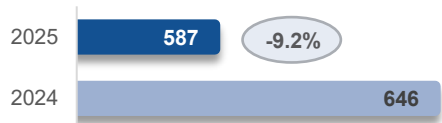
AoV: results after taxes 2024 and 2025
(in EUR mn)



AoV - KPIs 2024/2025 (in EUR mn)



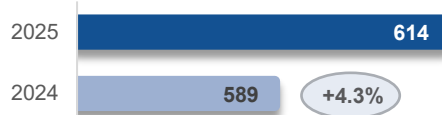
Net interest income



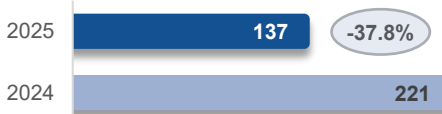
Net fee and commission income



General administrative expenses



Risk provisions



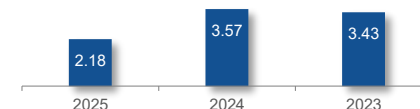
- Yoy decrease of **NII** mainly due to
 - Avg. 3-mo-Euribor dropped from 3.57% to 2.18%
 - Adjustments to interest rates for variable-rate customer loans and lower income from deposits with the central bank were only partially offset by lower interest expenses for customer deposits
 - Interest income from customer business -24 mn yoy
 - Interest income from OeNB deposits -22 mn yoy

- Increase in **NFCI** mainly due to securities business
- Income from securities & custody business: yoy increase of 18 mn (+16.0%) to EUR 128 mn

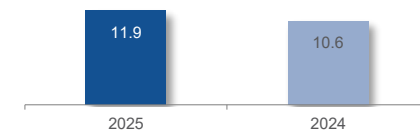
- General administrative expenses** grew by 4.3% yoy
- Increase of staff expenses reflects inflation
- Administrative expenses up by 7% due to increasing investments in digitalisation and in IT security

- Considerable decrease of **risk provisions** in 2025 resulting from the flattened rise of the NPL ratio and consequently lower stage 3 risk costs

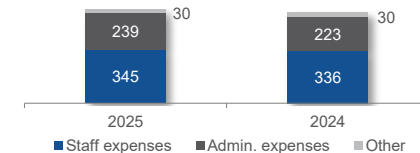
3-mo-Euribor (avg., in %)



Yoy increase AuM: EUR 1.3 bn (EUR bn)



Breakdown general admin. expenses (EUR mn)

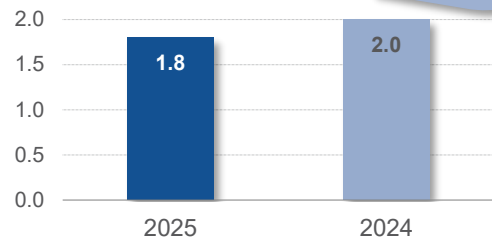


AoV - key ratios 2024/2025

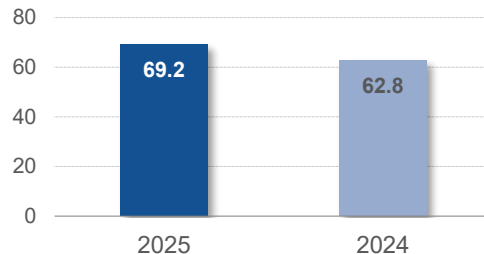


yoy decline in NIM reflects lower interest income in 2025

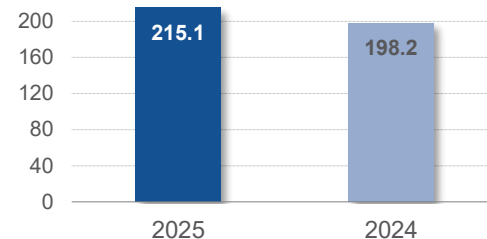
NIM (in %)



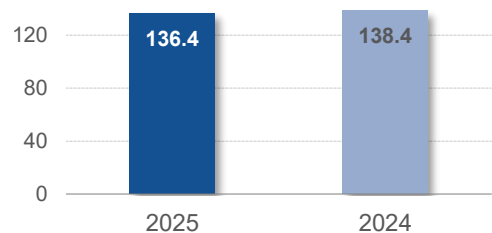
CIR (in %)



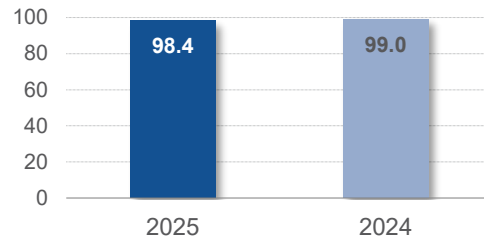
LCR (in %)



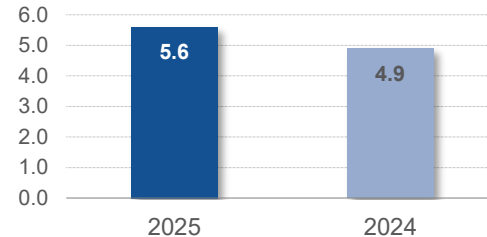
NSFR (in %)



LDR¹⁾ (in %)



RoE after taxes (in %)



1) LDR: gross loans and including retail bonds issued

A large, stylized graphic on the left side of the slide, consisting of the letters 'V' and 'F' in various shades of blue and white. The 'V' is on the left, and the 'F' is on the right, with the 'V' partially overlapping the 'F'.

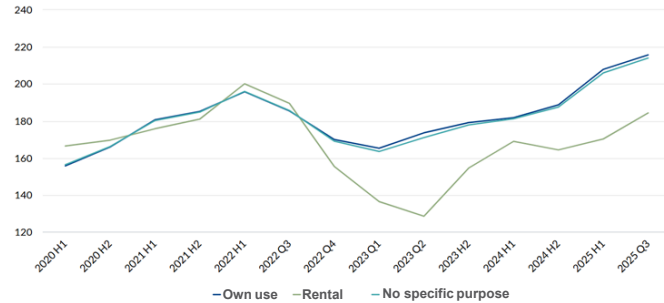
Real estate market, asset quality
and risk provisions

Austrian economy improving



Average loan size for private borrowers

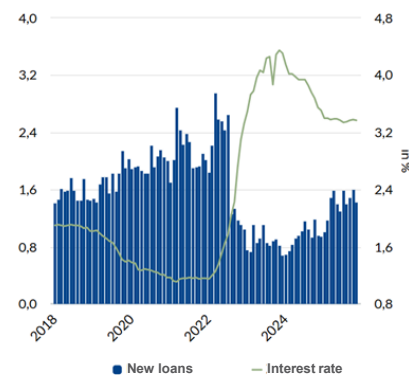
Development of av. loan size per borrower in Austria (in EUR ths)



- Average loan sizes for private households are rising, affordability gap for residential real estate is slowly closing

Volume of new residential RE loans & interest rate

Volume and interest rate of new residential RE loans (in EUR bn / in %)



- Issuance of residential real estate loans is increasing

Bank lending survey of OeNB for private households and corporates

OeNB Bank Lending Survey		
	Loan demand private households	Loan demand corporates
2022_Q1	0	2
2022_Q2	1	4
2022_Q3	-5	2
2022_Q4	-6	-1
2023_Q1	-3	-2
2023_Q2	1	-3
2023_Q3	-2	-6
2023_Q4	-3	-4
2024_Q1	2	-3
2024_Q2	-1	-5
2024_Q3	2	-2
2024_Q4	2	-3
2025_Q1	4	-3
2025_Q2	4	-2
2025_Q3	3	3
2025_Q4	2	3
2026_Q1	2	2

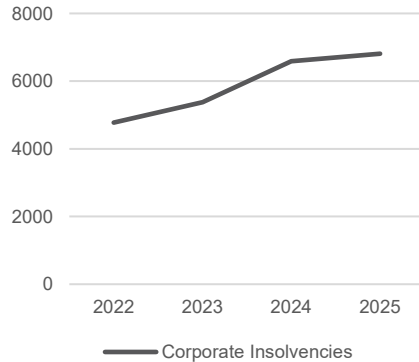
- Loan demand is rising

Source: All data on this slide from OeNB; www.oenb.at

Business activity in Austria

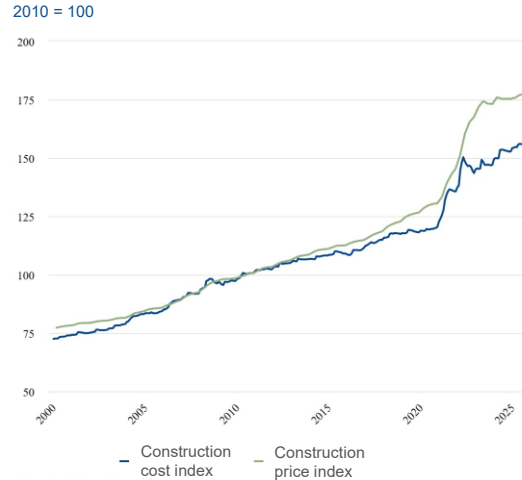


Corporate insolvencies in Austria



- Corporate insolvencies remain elevated

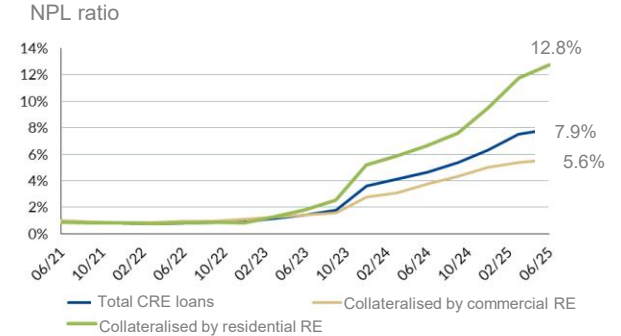
Construction costs and price index



- Inflationary shock in construction costs is levelling off due to lower CPI figures and lower interest rates

Source: OeNB, Real Estate Dashboard (OeNB-RShiny-APP);
Construction cost index: material, labour, energy; Construction price index: cost index plus interest rates, profit margin, overheads

Development of NPL ratios of CRE loans by type of collateral



- Residential CRE development is still underperforming rest of the market; NPL ratios across Austrian banks have been rising steeply in this segment

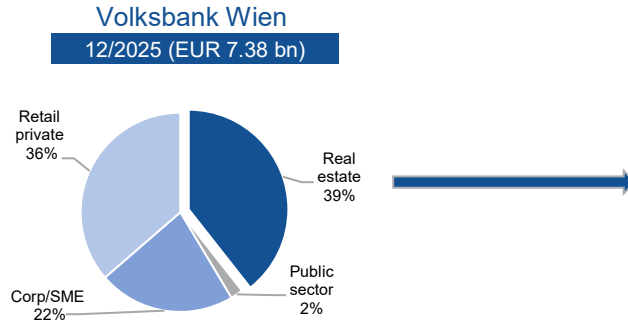
Source: OeNB (Austrian National Bank), "Financial Stability Report 50", 11 Nov. 2025

<https://www.oenb.at/Presse/Pressearchiv/2025/20251111.html>

Risk segments and collateralisation

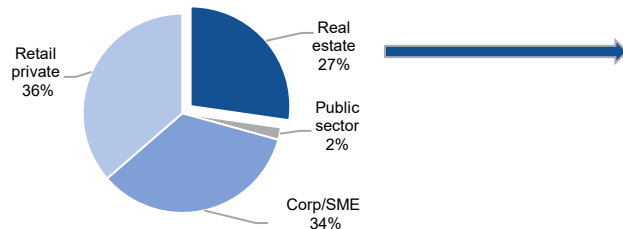


Loans & receivables: distribution by risk segments¹⁾

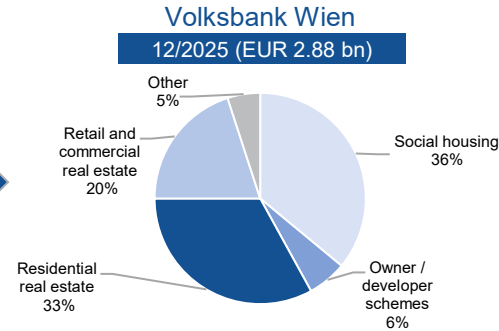


Association of Volksbanks

12/2025 (EUR 27.78 bn)

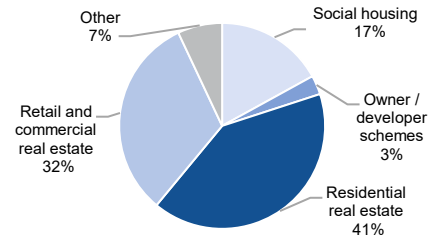


Distribution of RE exposure¹⁾



Association of Volksbanks

12/2025 (EUR 7.54 bn)



High level of collateralisation

Segment real estate

Collateralisation ratios as of 12/2025:

- **Association:** 86.6%
- **Volkbank Wien:** 86.5%

Subsegment residential RE

Collateralisation ratios as of 12/2025:

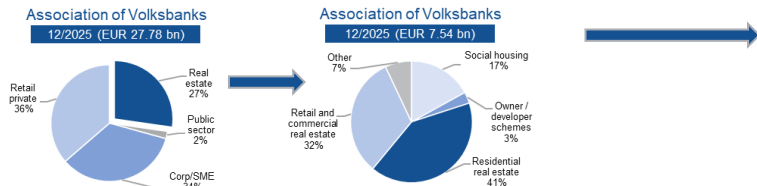
- **Association:** 93.1%
- **Volkbank Wien:** 95.0%

Definition of collateralisation

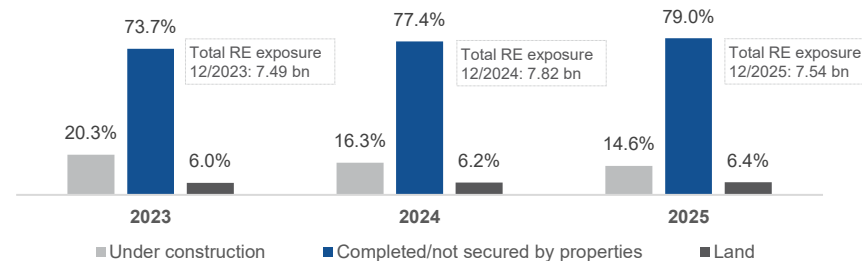
- Collateralisation ratio = collateral economic view / total exposure
- Total exposure: includes undrawn commitments, overdrafts, etc.
- Collateral economic view: market value of the real estate adjusted for haircuts (max. percentage of market value that may be applied varies; i.e.: residential RE: 75%, industrial RE: 50%)

¹⁾ Loans and receivables based on risk view (total loans extended)

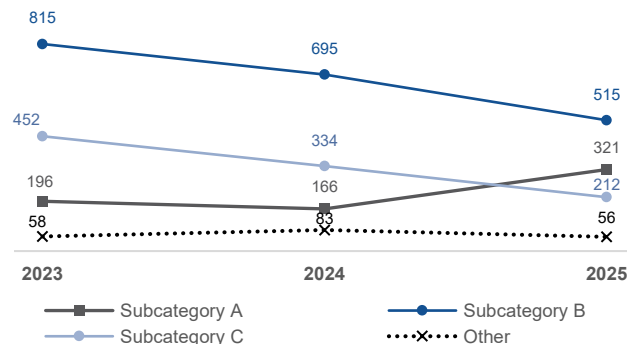
Segment RE: customer exposure in category „under construction” decreasing in subcategories B and C



Decreasing share of customer exposure in “under construction” category



Customer exposure in “under construction” category in RE subsegments (in EUR mn)



- While the total volume of the RE exposure remained stable between 2023 and 2025, the share of the “under construction” category has been decreasing continuously since 2023
- Out of the Association’s total RE exposure of 7.54 bn as of 12/2025, 14.6% fall into the “under construction” category, after 16.3% in the previous year and 20.3% in 2023

- The customer exposure in the category “under construction” in the RE subcategory B decreased from EUR 815 mn in 2023 to EUR 515 mn at year-end 2025
- In subcategory A the share of under construction loans increased from EUR 196 mn to EUR 321 mn in this period of time

Subcategory A: social housing, owner/developer schemes

Subcategory B: residential RE

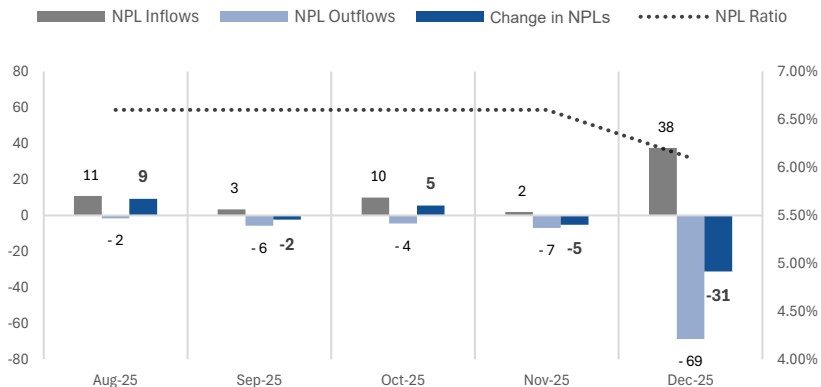
Subcategory C: commercial RE

NPL ratio stabilised in 2025, NPL outflows steadily increasing, inflows slightly higher than expected

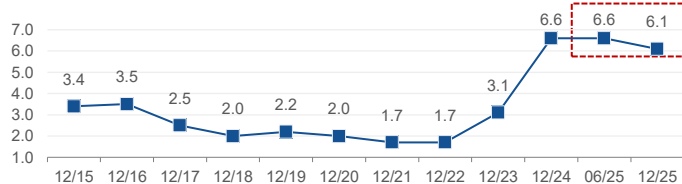


Development of NPL-flows since summer 2025 (EUR mn)

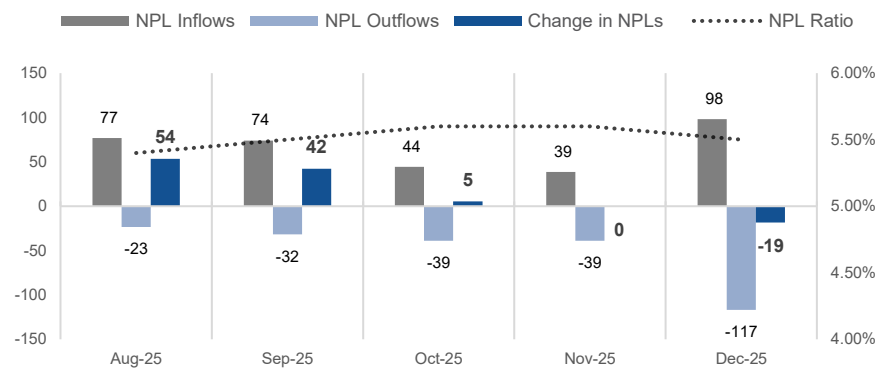
Volksbank Wien



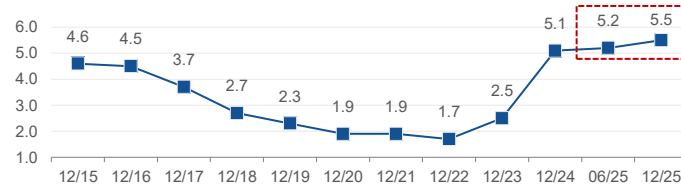
Zoom-in:
Development since summer 2025



Association



Zoom-in:
Development since summer 2025



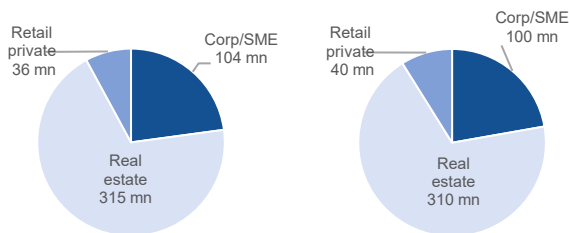
NPL volumes across business segments



Total non-performing loans¹⁾

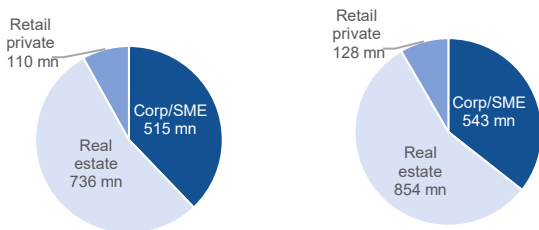
Volksbank Wien

12/2024 (EUR 455 mn) / 12/2025 (EUR 450 mn)



Association

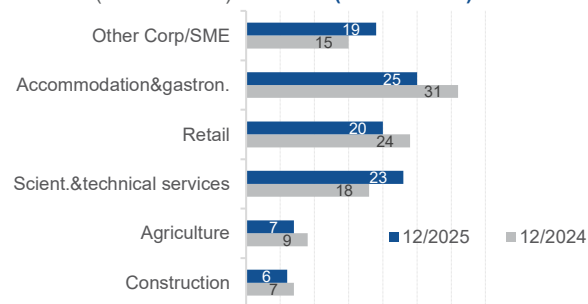
12/2024 (EUR 1,362 mn) / 12/2025 (EUR 1,524 mn)



NPLs Corp/SME¹⁾

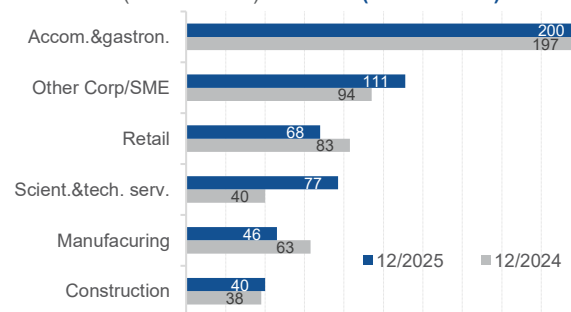
Volksbank Wien

12/2024 (EUR 104 mn) / 12/2025 (EUR 100 mn)



Association

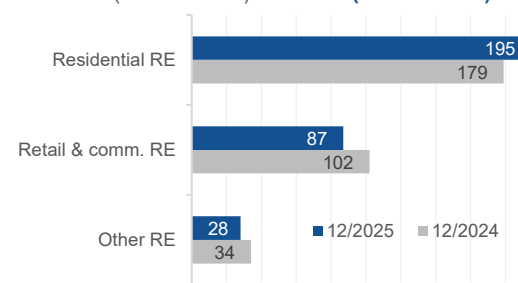
12/2024 (EUR 515 mn) / 12/2025 (EUR 543 mn)



NPLs real estate¹⁾

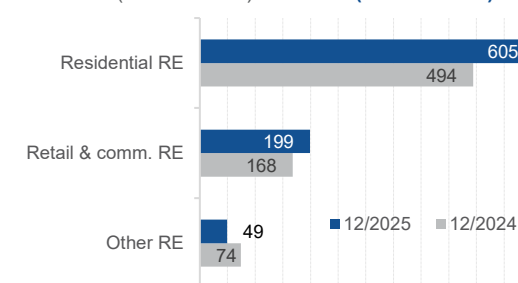
Volksbank Wien

12/2024 (EUR 315 mn) / 12/2025 (EUR 310 mn)



Association

12/2024 (EUR 736 mn) / 12/2025 (EUR 854 mn)

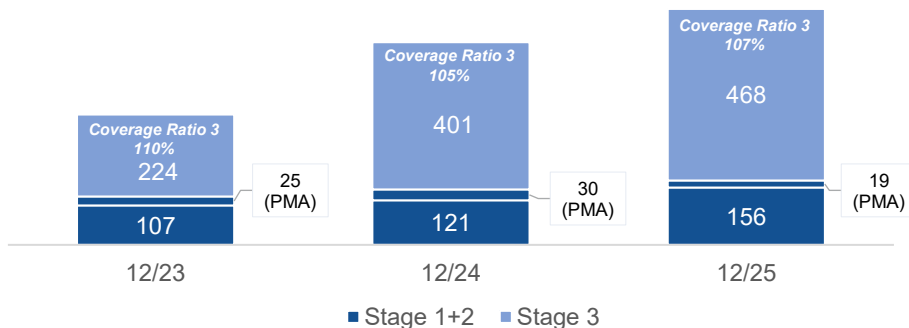


1) Loans and receivables based on risk view (total loans extended)

AoV: development of risk provisions



Stock of risk provisions (EUR mn)



Risk provisions p&l (EUR mn)

Association	12/2023	12/2024	12/2025
Stage 1+2	6	-54	-48
Stage 3	-70	-154	-87
Other ¹⁾	-1	-12	-2
Total	-65	-221	-137
Total (in bp)	-24	-81	-49

Stock of risk provisions

- Adequate **stage 3 risk provisions** in an amount of **EUR 468 mn** result in a NPL coverage in form of the **coverage ratio 3** (risk provisions plus loan collateral, after haircuts) of **107%**, which is clearly above the internal strategic minimum level of >101%
- As of 12/2025, the total amount of **post-model adjustments** (PMA, risk provisions outside of models or systems) stood at **EUR 19 mn**, accounting for expected rating downgrades resulting from future rating recalibrations and for mitigating measures for customers in the rating model for real estate project financing

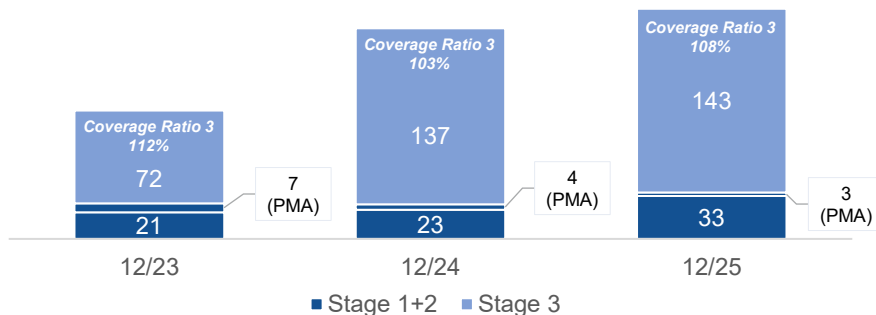
Risk provisions p&l

- As of 12/2025 the Association's total **p&l risk provisions** were **EUR -137 mn**
- The **stage 3 result** is mainly attributable to defaults in the Real Estate and Corporate/SME portfolios
- Due to portfolio deterioration and model adjustments (including p&l effects from PMA & IMA) risk provisions in a total amount of **EUR -48 mn** were recognised within the **performing portfolio** (stages 1+2)

VBW: development of risk provisions



Stock of risk provisions (EUR mn)



Risk provisions p&l (EUR mn)

VB Wien	12/2023	12/2024	12/2025
Stage 1+2	0	-9	-13
Stage 3	-28	-58	-16
Other ¹⁾	0	-9	1
Total	-29	-77	-28
Total (in bp)	-42	-108	-38

Stock of risk provisions

- At **108%** as of 12/2025, Volksbank Wien's **coverage ratio 3** clearly exceeds the internal strategic minimum level of >101%
- As at the Association level, **post model adjustments** for risks not yet shown in models or in the data were formed at Volksbank Wien, as of 12/2025 Volksbank Wien's PMAs were **EUR 3 mn**

Risk provisions p&l

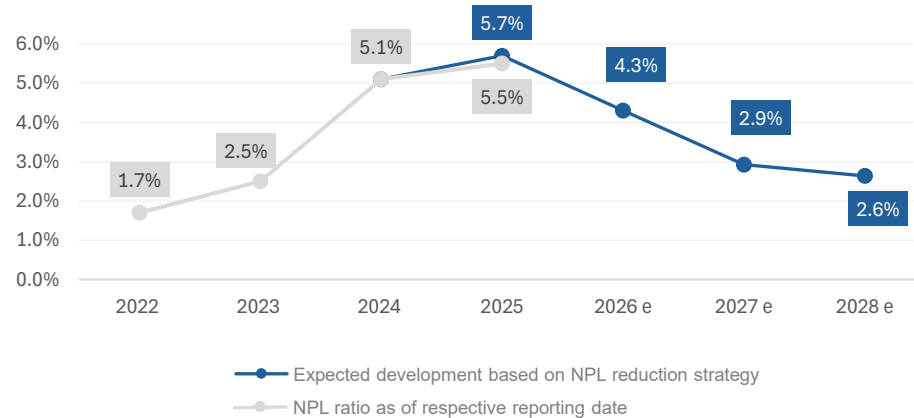
- At year-end 2025, Volksbank Wien's **total risk provisions p&l** stood at **EUR -28 mn**
- As at the Association, the result is mainly attributable to defaults and rating downgrades in the Real Estate and Corporate/SME portfolios

¹⁾ Direct write-offs, income from loans and receivables previously written off, valuation results modification/de-recognition, risk provisions for the securities business

NPL ratio 12/2025 below expectation



Expected NPL development based on NPL reduction plan



NPL reduction plan – key points

- The NPL reduction strategy is based on the NPL volume as of 12/2024, for which a reduction plan - focusing on the top 15 customer groups of each Volksbank - was drawn up using a bottom-up analysis
- Starting at the beginning of 2025, NPL inflows have to be reduced by at least 1/3 in the respective following year
- Target of the NPL strategy: reduction of the NPL ratio to a maximum level of 3.0% until end-2027

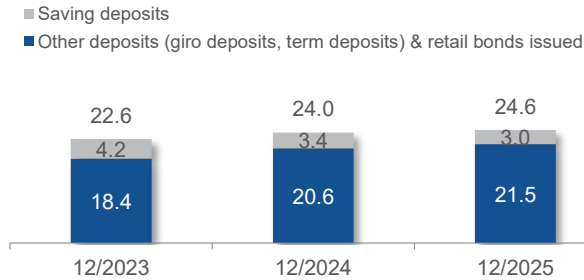


Funding and capital

AoV - stable funding structure

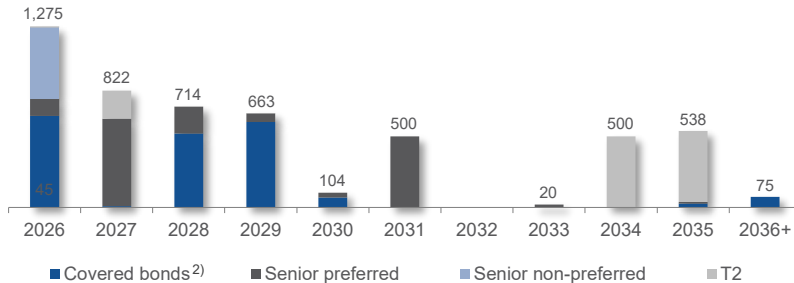


AoV's deposits including own retail bonds issued (in EUR bn)

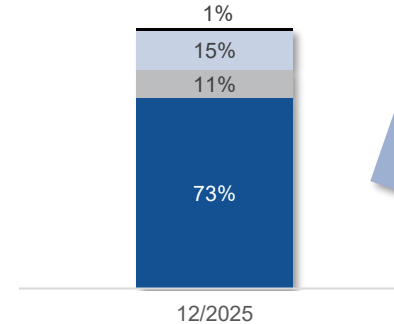


Growth of deposits together with own issues to retail customers **+2.5%**

Well-balanced maturity profile (as of 12/2025, EUR mn)



Funding: strong deposit base (total funding as of 12/2025: EUR 28.1 bn)



Stable funding mix based on **84% customer deposits**, limited wholesale funding needs

- Amounts owed to CI
- Debt evidenced by certificates
- Saving deposits
- Other deposits¹)

- Volksbank Wien plans the issuance of a EUR 500 Mio. senior non-preferred benchmark bond in 2026
- Long-term liquidity can be generated through issuance of **covered bonds** (covered bond program backed by mortgages of the regional Volksbanks, rated Aaa by Moody's)

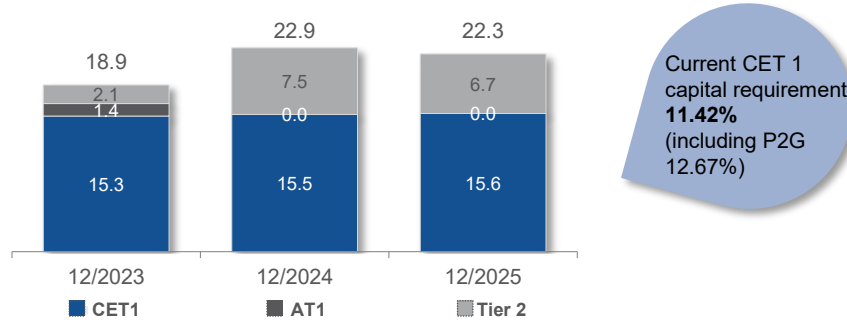
1) Other deposits: term deposits, giro deposits

2) Apart from the CB placed externally shown above, CB in an amount of ca. EUR 1.25 bn were placed as collateral at the ECB

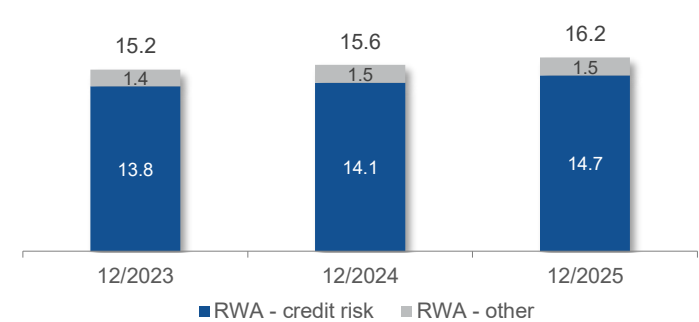
AoV- solid capitalisation



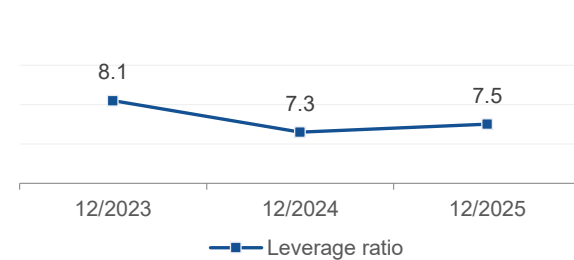
Capital ratios clearly above requirements¹⁾ (in %)



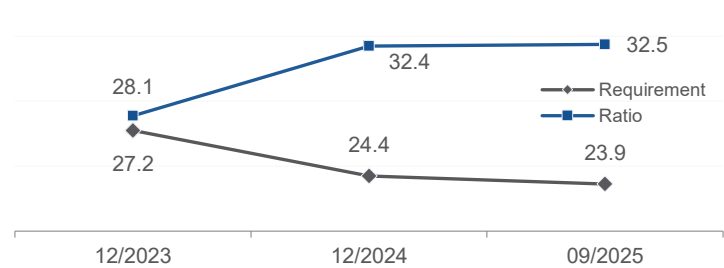
Steady increase in RWAs²⁾ (in EUR bn)



Development of leverage ratio (in %)



MREL ratio exceeds MREL requirement³⁾ (in %)



1) Volksbank Wien exercised the call right in its EUR 220 mn AT1 issue on 09 April 2024 | 2) The increase in RWAs is attributable to loan growth and the implementation of CRR3
 3) MREL requirement including CBR, subordination requirement: 0

