

Report on the loan portfolio

August 2024



CONTENT

Effect of economic environment on the loan portfolio	3
Detailed information on the Retail Private portfolio	6
Detailed information on the Corporate/SME portfolio	9
Detailed information on the Real Estate portfolio	12



Effect of economic environment on the loan portfolio

Current economic environment and effects on the 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:

- Private customers loan portfolio structure is stable, with few defaults
- Due to KIM-VO¹⁾ and the level of interest rates, new loans are stagnating; new housing package shows little impact
- Supply and demand is still diverging – leading to a reduction in the number of transactions in the private sector

Corporate/SME:

- The economic slowdown was particularly noticeable in Q2 2024, with a slump in the industrial and construction sectors
- The service sector is struggling with declining consumption, especially impacting retail businesses; the hospitality sector (tourism, gastronomy) is challenged by increased costs and staff shortages; compared to the previous quarter, the commercial trade, transport, and hospitality sectors are stagnating; some positive impulses are visible in the information technology and communication sectors

Real Estate:

- Buyer's market prevails - although having slowed down, the negative development of prices has continued, in particular in Vienna, where new projects being completed still outstrip demand; in Vienna 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 the realisation periods remain longer (completion and sale of projects)

1) KIM-VO: Kreditinstitute-Immobilienfinanzierungsmaßnahmen-Verordnung, KIM regulation sets tighter standards for private mortgage loans in terms of minimum equity and minimum DSCR required

Current economic environment and effects on the loan portfolio (2/2)



- The overall situation of the Austrian economy has different impacts on specific loan portfolios in the Association of Volksbanks
- KRIs in the **Retail Private and Corporate/SME** risk segments remain at relatively satisfactory levels (i.e. no significant increase in NPLs and watch-list exposures with special monitoring compared to the beginning of the year)
- Within the **Corporate/SME** risk segment, the exposure in the construction industry is under particular attention, as insolvency figures are rising throughout Austria. However, only a small increase in NPLs can be seen in the Association's construction industry loan portfolio
- The most significant decline in asset quality took place in the **Real Estate** risk segment (i.e. commercial real estate financing)
- The distortions on the domestic real estate market - triggered by high inflation, rising construction costs, high interest rates and a generally weak economic situation - led to above-average total risk costs and a significant increase in non-performing loans
- Total risk costs in the Association of Volksbanks amount to EUR -84 mn (Volksbank Wien: EUR -27 mn), and the Association's NPL volume increased from EUR 680 mn to EUR 918 mn (Volksbank Wien: from EUR 210 mn to EUR 294 mn)
- Within the Real Estate risk segment, the subportfolios of category B (residential real estate; EUR 3.4 bn), category C (retail and commercial real estate; EUR 2.5 bn) and category "other" (holding companies; 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; EUR 1.5 bn; largest share of category B - residential real estate)
- There are still no NPLs in the category A risk segment containing social housing and owner/developer schemes (exposure of EUR 1.3 bn)



Detailed information on the
Retail Private portfolio

Growth and main KRIs

Retail Private segment



EUR million		AoV	VB W
Association of Volksbanks 06/2024	total	27,060.9	6,938.5
	% Δ YtD 2024	1.0%	1.5%
	% Δ YtD 2023	0.7%	3.7%
	% Δ YtD 2022	2.9%	4.9%
Collateralization Ratio % 2024		78.4%	82.2%
Coverage Ratio I in % 2024 total		1.6%	1.7%
- Coverage Ratio I in Stage 1 % 2024		0.12%	0.09%
- Coverage Ratio I in Stage 2 % 2024		2.36%	2.03%
- Coverage Ratio I in Stage 3 % 2024		31.31%	29.00%
NPL Ratio 2024		3.4%	4.2%
avg.PD (perf.) 2024		1.1%	1.0%
Forbearance Ratio 2024		2.6%	2.1%
Retail Private 06/2024	total	9,375.9	2,359.9
	% Δ YtD 2024	-0.9%	0.0%
	% Δ YtD 2023	-4.1%	-4.0%
	% Δ YtD 2022	2.1%	-0.4%
Retail Private / total customer exposure		34.6%	34.0%
Collateralization Ratio % 2024		85.9%	86.1%
Coverage Ratio I in % 2024 total		0.5%	0.6%
- Coverage Ratio I in Stage 1 % 2024		0.07%	0.06%
- Coverage Ratio I in Stage 2 % 2024		2.70%	2.53%
- Coverage Ratio I in Stage 3 % 2024		22.08%	21.10%
NPL Ratio 2024		1.1%	1.4%
avg.PD (perf.) 2024		0.6%	0.5%
Forbearance Ratio 2024		1.0%	1.0%

- The Retail Private segment consists primarily of private residential mortgages
- Negative growth of ca. -1% 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 prioritize spending habits

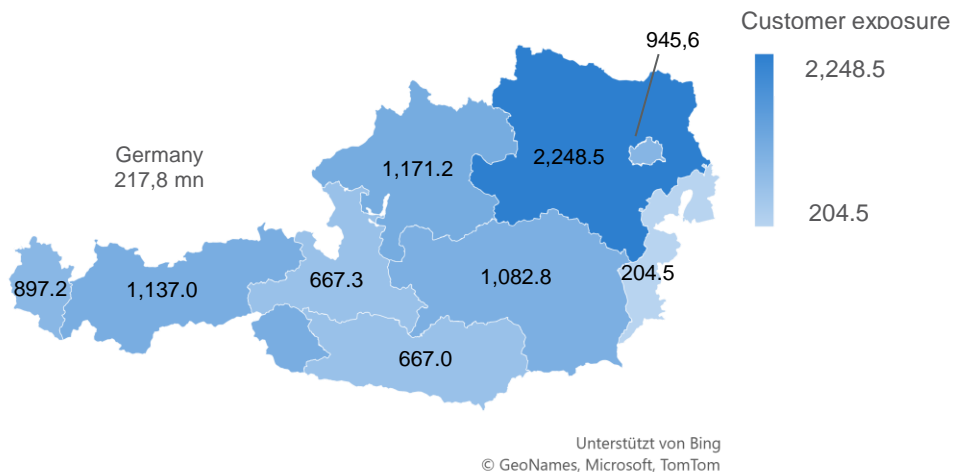
Regional distribution

Retail Private segment



Segment	EUR million	Customer exposure 06/2024
Retail Private		9,375.9
Austria		9,049.9
Lower Austria		2,248.5
Upper Austria		1,171.2
Tyrol		1,137.0
Styria		1,082.8
Vienna		945.6
Vorarlberg		897.2
Carinthia		667.0
Salzburg		667.3
Burgenland		204.5
n.a.		28.9
Foreign countries		326.0
Germany		217.8
Netherlands		38.1
Switzerland		28.9
Other		41.2

Customer exposure Retail Private



- Ca. 96.5% retail customers from Austria, foreign customers primarily from Germany

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Detailed information on the
Corporate/SME portfolio

Growth and main KRIs

Corporate/SME segment



EUR million		AoV	VB W
Association of Volksbanks 06/2024	total	27,060.9	6,938.5
	% Δ YtD 2024	1.0%	1.5%
	% Δ YtD 2023	0.7%	3.7%
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Collateralization Ratio % 2024		78.4%	82.2%
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- Coverage Ratio I in Stage 3 % 2024		31.31%	29.00%
NPL Ratio 2024		3.4%	4.2%
avg.PD (perf.) 2024		1.1%	1.0%
Forbearance Ratio 2024		2.6%	2.1%
Corp/SME 06/2024	total	9,582.2	1,638.2
	% Δ YtD 2024	1.2%	1.6%
	% Δ YtD 2023	2.4%	7.2%
	% Δ YtD 2022	0.0%	-0.7%
Corp/SME / total customer exposure		35.4%	23.6%
Collateralization Ratio % 2024		66.9%	66.6%
Coverage Ratio I in % 2024 total		2.1%	2.0%
- Coverage Ratio I in Stage 1 % 2024		0.17%	0.14%
- Coverage Ratio I in Stage 2 % 2024		3.12%	2.86%
- Coverage Ratio I in Stage 3 % 2024		36.99%	32.98%
NPL Ratio 2024		3.8%	4.2%
avg.PD (perf.) 2024		1.3%	1.1%
Forbearance Ratio 2024		3.4%	3.4%

- Moderate growth in the Corporate/SME segment of ca. 1.2% on the Association level in H1 2024
- The NPL ratio in the Corporate/SME segment of 3.8% as of 30 June 2024 slightly exceeds the average NPL ratio of 3.4%
- As a result of lower collateralisation, the coverage ratio 1 – stage 3 is higher than in the total portfolio

Distribution of industries Corporate/SME segment



Segment Corporate/SME: distribution of industries	Exposure (Association)	ΔYoY (%)	NPL-Ratio	avg. PD (perf)	Forbearance Ratio	Collateralisation
Tourism	1,909.0	7.4%	5.6%	1.3%	4.4%	82.2%
Trade, repairs	1,380.2	1.8%	4.4%	1.5%	3.0%	60.9%
Economic services	1,008.3	-5.6%	2.3%	1.3%	2.4%	63.6%
Construction industry	1,026.7	1.5%	2.4%	1.3%	1.9%	56.8%
Healthcare sector	981.8	17.7%	0.7%	0.8%	1.1%	64.6%
Agriculture	832.8	2.6%	3.8%	1.6%	5.3%	74.6%
Manufacturing	714.8	-1.4%	5.7%	1.3%	4.5%	54.4%
Other	404.1	-7.3%	6.3%	1.0%	4.6%	63.6%
Gastronomy	335.8	-3.1%	10.1%	1.7%	11.1%	66.7%
Financial services	314.9	9.0%	0.3%	0.8%	0.5%	67.2%
Transport and traffic	275.6	-0.2%	1.1%	0.9%	0.7%	66.8%
Utilities	296.6	11.9%	0.4%	1.1%	1.3%	66.4%
Technology, communication	101.6	15.2%	2.4%	1.7%	4.7%	57.1%

- Highly heterogeneous distribution of industries
- Industry limit of 10% of total customer loans as defined in the risk strategy
- With a volume of EUR 1,909 mn and a share of ca. 7% of the Association's total customer loans, tourism represents the top industry

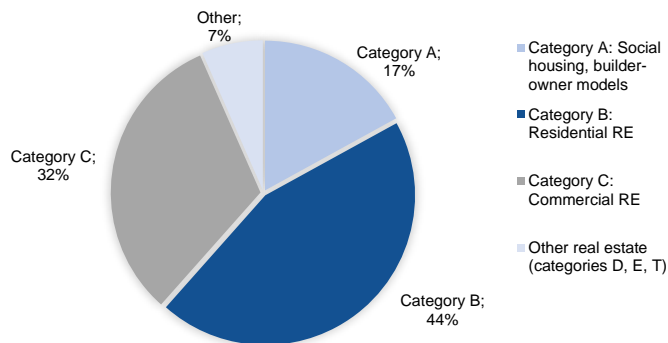
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Detailed information on the
Real Estate portfolio

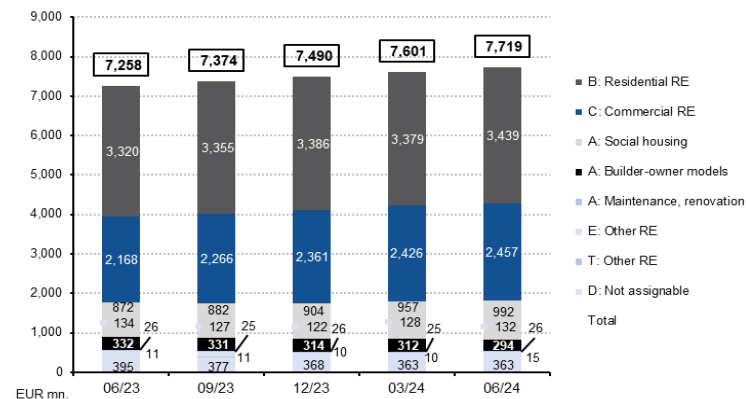
Real Estate portfolio - overview



Distribution of Real Estate portfolio as of 06/2024 (EUR 7,719 mn)



Development of Real Estate portfolio 06/2023 - 06/2024



- In accordance with the strategy, the real estate portfolio is allocated to six categories:
 - Category A** includes social housing, builder-owner models and maintenance/renovations (EUR 26 mn only), it accounts for 17% of the real estate exposure and is characterised by low risk
 - Category B** (residential real estate, 44%) and **category C** (commercial real estate, 32%) represent the biggest share of the exposure with 76% in total
 - Categories D, E** and **T** contain accounts that either could not be allocated to the other categories due to a lack of collateral or financing objects (share of 7%) or which are excluded from the property sector in accordance with the risk strategy (2%)
- In H1 2024 all categories of the Association's real estate portfolio grew in volume, categories A and C in particular

Growth and main KRIs

Real Estate segment



EUR million		AoV	VB W
Association of Volksbanks 06/2024	total	27,060.9	6,938.5
	% Δ YtD 2024	1.0%	1.5%
	% Δ YtD 2023	0.7%	3.7%
	% Δ YtD 2022	2.9%	4.9%
Collateralization Ratio % 2024		78.4%	82.2%
Coverage Ratio I in % 2024 total		1.6%	1.7%
- Coverage Ratio I in Stage 1 % 2024		0.12%	0.09%
- Coverage Ratio I in Stage 2 % 2024		2.36%	2.03%
- Coverage Ratio I in Stage 3 % 2024		31.31%	29.00%
NPL Ratio 2024		3.4%	4.2%
avg.PD (perf.) 2024		1.1%	1.0%
Forbearance Ratio 2024		2.6%	2.1%
Real Estate 06/2024	total	7,719.2	2,886.5
	% Δ YtD 2024	3.1%	2.9%
	% Δ YtD 2023	6.4%	9.8%
	% Δ YtD 2022	9.4%	15.1%
Real Estate / total customer exposure		28.5%	41.6%
Collateralization Ratio % 2024		86.9%	89.1%
Coverage Ratio I in % 2024 total		2.4%	2.5%
- Coverage Ratio I in Stage 1 % 2024		0.15%	0.09%
- Coverage Ratio I in Stage 2 % 2024		1.75%	1.68%
- Coverage Ratio I in Stage 3 % 2024		28.91%	28.99%
NPL Ratio 2024		5.9%	6.7%
avg.PD (perf.) 2024		1.6%	1.3%
Forbearance Ratio 2024		3.6%	2.3%

- The NPL ratio on the level of the total portfolio of 3.4% as of 06/2024 is attributable to the default of large-volume exposures in the Real Estate segment, reflected in a NPL ratio of 5.9% in the RE segment
- Continued growth in the Real Estate segment
- The average PD (performing) of 1.6% and the forbearance ratio of 3.6% in the Real Estate segment are above the respective average ratios of the total exposure, resulting primarily from concessions made and from deteriorations of ratings due to delayed payments (sales proceeds and/or rental income) from real estate projects

Growth and main KRIs

Real Estate segment – categories A & B



EUR million		AgV	VB W
A: Social housing, builder-owner models 06/2024	total	1,312.4	1,009.3
	%Δ YtD 2024	5.6%	6.3%
	% Δ YtD 2023	5.0%	7.5%
	% Δ YtD 2022	1.4%	6.2%
Collateralization Ratio % 2024		83.1%	83.8%
Coverage Ratio I in % 2024 total		0.1%	0.1%
- Coverage Ratio I in Stage 1 % 2024		0.05%	0.04%
- Coverage Ratio I in Stage 2 % 2024		0.57%	0.50%
- Coverage Ratio I in Stage 3 % 2024		0.00%	0.00%
NPL Ratio 2024		0.0%	0.0%
avg.PD (perf.) 2024		0.3%	0.3%
Forbearance Ratio 2024		0.2%	0.3%
B: Residential real estate 06/2024	total	3,439.2	1,057.5
	%Δ YtD 2024	1.6%	-0.8%
	% Δ YtD 2023	5.7%	9.7%
	% Δ YtD 2022	15.8%	6.7%
Collateralization Ratio % 2024		93.1%	95.3%
Coverage Ratio I in % 2024 total		3.0%	3.0%
- Coverage Ratio I in Stage 1 % 2024		0.17%	0.15%
- Coverage Ratio I in Stage 2 % 2024		1.52%	1.76%
- Coverage Ratio I in Stage 3 % 2024		25.89%	26.38%
NPL Ratio 2024		8.5%	7.6%
avg.PD (perf.) 2024		2.2%	2.2%
Forbearance Ratio 2024		5.5%	3.5%

- Despite the current market situation, subcategory A still has excellent risk indicators, the NPL ratio is 0
- In 2024, subcategory A has shown the strongest growth rates
- Subcategory B is affected by current market distortions, as reflected in a high NPL ratio and an increased probability of default, the collateralization ratio, however, remains at a very high level

Growth and main KRIs

Real Estate segment – categories C & Other



EUR million		AoV	VB W
C: Commercial real estate 06/2024	total	2,457.2	688.2
	%Δ YtD 2024	4.1%	4.2%
	% Δ YtD 2023	13.3%	17.4%
	% Δ YtD 2022	7.2%	51.9%
Collateralization Ratio % 2024		89.1%	93.3%
Coverage Ratio I in % 2024 total		2.5%	5.5%
- Coverage Ratio I in Stage 1 % 2024		0.17%	0.16%
- Coverage Ratio I in Stage 2 % 2024		2.16%	1.54%
- Coverage Ratio I in Stage 3 % 2024		29.82%	30.44%
NPL Ratio 2024		5.8%	15.9%
avg.PD (perf.) 2024		1.6%	1.6%
Forbearance Ratio 2024		3.2%	3.5%
Other 06/2024	total	510.4	131.5
	%Δ YtD 2024	2.0%	1.6%
	% Δ YtD 2023	-12.5%	-5.4%
	% Δ YtD 2022	1.4%	28.3%
Collateralization Ratio % 2024		45.0%	59.0%
Coverage Ratio I in % 2024 total		3.4%	2.0%
- Coverage Ratio I in Stage 1 % 2024		0.23%	0.14%
- Coverage Ratio I in Stage 2 % 2024		2.95%	4.44%
- Coverage Ratio I in Stage 3 % 2024		69.12%	52.35%
NPL Ratio 2024		3.7%	1.7%
avg.PD (perf.) 2024		1.2%	1.4%
Forbearance Ratio 2024		1.6%	1.0%

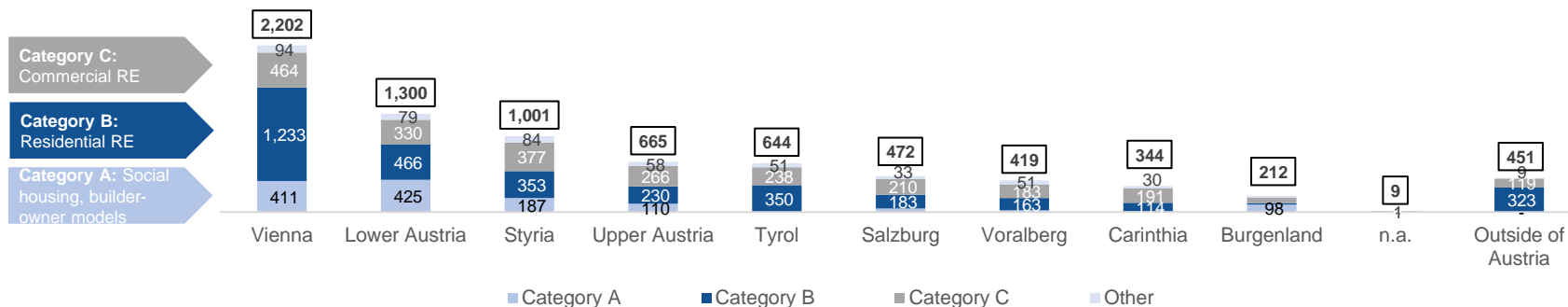
- After significant growth in the previous year, in 2024 the growth rate has slowed down in subcategory C
- The volume of subcategory C is limited by the risk strategy, the tactical limit in 2024 is a maximum of 12.5% of the total portfolio, the medium-term target is a share of 15%; the exposure currently amounts to 9.1%
- Category “Other” includes i.e. loans that can not be clearly allocated to categories A, B, or C

Regional distribution by federal states¹⁾

Real Estate segment



Regional distribution (EUR mn)



- The Real Estate portfolio is concentrated in Austria (ca. 94%), the remaining 6% of the portfolio predominately in Germany (Volksbank Oberösterreich)
- Category A is a no-default portfolio; social housing: LTVs max. 110%, maturities 40 years on average
- Categories B and C: LTVs max. 85%, new customers: min. 30% personal liabilities (20% for existing customers), min. 30% pre-sale ratio for construction financing and development for sales projects (*“Bau- und Abverkaufsfinanzierungen”*), milestone plans are included in the sales phase of RE projects
- Category C: commercial RE, the portfolio is highly diversified (offices, industrial properties, hotels, etc.)

¹⁾ Location of property if available (if unavailable: address of borrower)

Stable structure of the RE portfolio, distribution by property type



Segments	EUR mn	Customer exposure	in %	Customer exposure	in %	Customer exposure	in %
		06/24		YE 23		YE 22	
Real Estate		7,719.2		7,490.1		7,043.5	
Category A: Social housing, builder-owner models		1,312.4		1,243.1		1,183.9	
Multi-residential building		1,016.6	77.5%	964.9	77.6%	903.3	76.3%
Residential building		20.1	1.5%	20.4	1.6%	7.9	0.7%
Apartment		13.8	1.0%	13.9	1.1%	18.5	1.6%
Residential property		23.4	1.8%	10.2	0.8%	15.1	1.3%
Other real estate		60.9	4.6%	59.2	4.8%	61.0	5.1%
Not collateralized		177.8	13.5%	174.4	14.0%	178.0	15.0%
Category B: Residential real estate		3,439.2		3,385.8		3,203.0	
Multi-residential building		2,262.4	65.8%	2,205.4	65.1%	2,108.9	65.8%
Apartment		293.8	8.5%	295.6	8.7%	276.0	8.6%
Luxury real estate		305.6	8.9%	308.2	9.1%	274.5	8.6%
Residential building		293.8	8.5%	295.6	8.7%	276.0	8.6%
Residential property		184.1	5.4%	188.8	5.6%	164.0	5.1%
Other real estate		98.7	2.9%	92.0	2.7%	103.4	3.2%
Not collateralized		0.7	0.0%	0.1	0.0%	0.1	0.0%
Category C: Commercial real estate		2,457.2		2,360.6		2,084.5	
Office building		565.8	23.0%	532.4	22.6%	443.3	21.3%
Commercial building		389.8	15.9%	360.2	15.3%	338.1	16.2%
Residential/commercial building (mixed use)		360.8	14.7%	331.8	14.1%	339.2	16.3%
Accommodation property		285.4	11.6%	308.1	13.1%	236.4	11.3%
Retail property		304.1	12.4%	302.4	12.8%	274.5	13.2%
Other real estate		549.4	22.4%	523.9	22.2%	453.0	21.7%
Not collateralized		1.8	0.1%	1.9	0.1%	-	0.0%
Categories D/E/F: Other		510.4		500.6		572.1	
Social property		35.0	6.9%	29.5	5.9%	31.5	5.5%
Commercial building		28.7	5.6%	29.0	5.8%	27.6	4.8%
Multi-residential building		23.2	4.5%	18.4	3.7%	12.1	2.1%
Accommodation property		17.8	3.5%	12.5	2.5%	26.4	4.6%
Logistics property		11.9	2.3%	11.6	2.3%	12.6	2.2%
Other real estate		52.8	10.4%	46.7	9.3%	59.1	10.3%
Not collateralized		341.0	66.8%	353.0	70.5%	402.9	70.4%

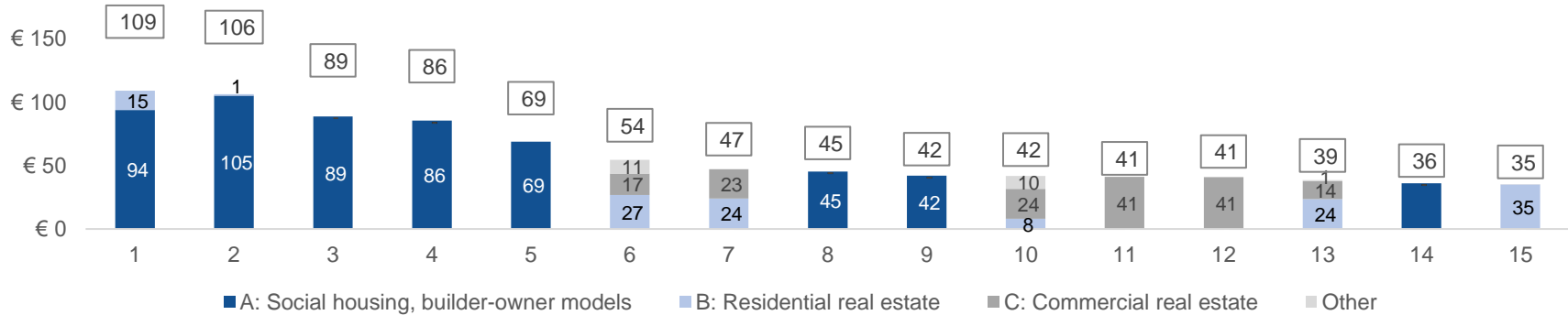
- The entire real estate portfolio is dominated by residential properties, particularly multi-residential buildings in subcategories A (77.5%) and B (65.8%)
- In sub-category C, the structure is highly heterogeneous and well diversified
- Only subcategory C is limited by the risk strategy, the tactical limit in 2024 is a maximum of 12.5% of the total portfolio, the medium-term target is a share of 15%; the exposure currently amounts to 9.1%

15 largest customer groups correspond to ca. EUR 880 mn (11%) of RE segment (EUR 7.7 bn)



Major part of top 15 exposures in category A (no/low-default portfolio)

Segment Real Estate - Top 15 meta customer groups



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



Segmente	in Mio. EUR	Kundenexposure 06/24	in %	Kundenexposure YE 23	in %	Kundenexposure YE 22	in %
Real Estate		7,719.2		7,490.1		7,043.5	
Category A: Social housing, builder-owner models		1,312.4		1,243.1		1,183.9	
1A - 3E		1,305.9	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		6.4	0.5%	0.0	0.0%	3.5	0.3%
5A - 5E		-	0.0%	-	0.0%	-	0.0%
NR		0.1	0.0%	0.0	0.0%	0.0	0.0%
Category B: Residential real estate		3,439.2		3,385.8		3,203.0	
1A - 3E		2,810.6	81.7%	3,043.9	89.9%	3,093.0	96.6%
4A - 4B		94.2	2.7%	71.1	2.1%	40.7	1.3%
4C - 4E		241.7	7.0%	107.5	3.2%	35.7	1.1%
5A - 5E		292.4	8.5%	163.1	4.8%	33.6	1.0%
NR		0.2	0.0%	0.3	0.0%	-	0.0%
Category C: Commercial real estate		2,457.2		2,360.6		2,084.5	
1A - 3E		2,168.5	88.3%	2,239.7	94.9%	2,005.3	96.2%
4A - 4B		55.8	2.3%	14.8	0.6%	33.1	1.6%
4C - 4E		90.9	3.7%	23.6	1.0%	23.4	1.1%
5A - 5E		141.6	5.8%	82.5	3.5%	22.7	1.1%
NR		0.4	0.0%	0.1	0.0%	-	0.0%
Categories D/E/T: Other		510.4		500.6		572.1	
1A - 3E		462.5	90.6%	475.3	94.9%	552.0	96.5%
4A - 4B		8.3	1.6%	5.2	1.0%	4.0	0.7%
4C - 4E		20.8	4.1%	11.4	2.3%	9.2	1.6%
5A - 5E		18.7	3.7%	8.6	1.7%	6.9	1.2%
NR		0.0	0.0%	0.1	0.0%	0.0	0.0%

- Real estate subcategory A (social housing, builder-owner models): no defaults, hardly any rating downgrades, acyclical portfolio
- Real estate subcategory B (residential real estate): clear deterioration in asset quality and rise of NPLs (rating category 5) from 1.0% in 2022 to 8.5% as of 06/2024
- Real estate subcategory C (commercial real estate): development similar to category B, but less pronounced; the share of exposure in rating category 1A-3E still at ca. 88%

Projects still in the construction phase are monitored separately



Segments	EUR mn	Customer exposure 06/24	in %	% of which speculative	% of 1) speculative completed	Customer exposure YE 23	in %	% of which speculative	% of speculative completed	Customer exposure YE 22	in %	% of which speculative	% of speculative completed
Real Estate		7,719.2		19.5%		7,490.1		19.9%		7,043.5		18.9%	
<i>of which under construction</i>		1,392.1	18.0%	42.2%	45.1%	1,517.7	20.3%	40.5%	42.7%	1,390.2	19.7%	42.8%	38.0%
<i>of which completed or not secured by property</i>		5,996.3	77.7%	11.7%		5,652.5	75.5%	11.6%		5,359.1	76.1%	10.2%	
<i>of which land</i>		330.8	4.3%	66.4%		319.9	4.3%	68.1%		294.1	4.2%	64.4%	
Category A: Social housing, builder-owner models		1,312.4		0.3%		1,243.1		0.0%		1,183.9		0.4%	
<i>of which under construction</i>		161.0	12.3%	0.0%		194.1	15.6%	0.0%		118.4	10.0%	0.0%	
<i>of which completed or not secured by property</i>		1,125.4	85.8%	0.0%		1,036.2	83.4%	0.0%		1,047.8	88.5%	0.0%	
<i>of which land</i>		25.9	2.0%	17.3%		12.8	1.0%	0.0%		17.7	1.5%	25.4%	
Category B: Residential real estate		3,439.2		35.8%		3,385.8		37.2%		3,203.0		34.5%	
<i>of which under construction</i>		811.6	23.6%	63.2%	48.5%	821.8	24.3%	66.7%	46.3%	910.2	28.4%	60.3%	39.1%
<i>of which completed or not secured by property</i>		2,442.4	71.0%	23.6%		2,374.8	70.1%	23.8%		2,128.6	66.5%	20.1%	
<i>of which land</i>		185.2	5.4%	76.9%		189.2	5.6%	78.5%		164.2	5.1%	78.6%	
Category C: Commercial real estate		2,457.2		9.5%		2,360.6		8.2%		2,084.5		7.5%	
<i>of which under construction</i>		368.0	15.0%	17.4%	31.8%	451.5	19.1%	11.0%	21.0%	308.5	14.8%	8.7%	16.4%
<i>of which completed or not secured by property</i>		1,972.1	80.3%	4.9%		1,794.6	76.0%	4.1%		1,668.6	80.0%	4.4%	
<i>of which land</i>		117.0	4.8%	62.3%		114.6	4.9%	60.7%		107.4	5.2%	52.1%	
Categories D/E/T: Other		510.4		7.4%		500.6		7.4%		572.1		11.9%	
<i>of which under construction</i>		51.5	10.1%	19.8%	44.5%	50.2	10.0%	33.9%	50.3%	53.1	9.3%	38.0%	40.4%
<i>of which completed or not secured by property</i>		456.3	89.4%	6.1%		447.0	89.3%	4.5%		514.2	89.9%	9.3%	
<i>of which land</i>		2.6	0.5%	0.0%		3.4	0.7%	0.0%		4.9	0.9%	0.0%	

- Good financing mix of completed properties and properties under construction (80% vs. 20%)
- Relatively stable share of approx. 20% of real estate projects not yet completed, where the main driver is subcategory B (residential real estate) → these loans are monitored separately

1) % Completion determined from the ratio "current market value / completed market value"

Many development for sales projects, therefore relatively high proportion of bullet maturities



Segments	EUR mn	Customer exposure 06/24	in %	% of which speculative	Customer exposure YE 23	in %	% of which speculative	Customer exposure YE 22	in %	% of which speculative
Real Estate		7,719.2		19.5%	7,490.1		19.9%	7,043.5		18.9%
<i>of which bullet maturity</i>		1,189.6	15.4%	68.7%	1,185.7	15.8%	66.7%	1,103.8	15.7%	62.6%
<i>of which balloon payment</i>		690.4	8.9%	0.5%	642.0	8.6%	1.4%	605.9	8.6%	0.8%
Category A: Social housing, builder-owner mod		1,312.4		0.3%	1,243.1		0.0%	1,183.9		0.4%
<i>of which bullet maturity</i>		128.8	9.8%	3.5%	113.8	9.2%	0.0%	101.8	8.6%	4.4%
<i>of which balloon payment</i>		15.4	1.2%	0.0%	14.6	1.2%	0.0%	23.3	2.0%	0.0%
Category B: Residential real estate		3,439.2		35.8%	3,385.8		37.2%	3,203.0		34.5%
<i>of which bullet maturity</i>		721.1	21.0%	85.5%	739.9	21.9%	86.0%	666.3	20.8%	81.8%
<i>of which balloon payment</i>		262.9	7.6%	1.0%	287.5	8.5%	3.0%	247.5	7.7%	1.7%
Category C: Commercial real estate		2,457.2		9.5%	2,360.6		8.2%	2,084.5		7.5%
<i>of which bullet maturity</i>		301.2	12.3%	61.9%	284.4	12.0%	51.1%	260.9	12.5%	42.5%
<i>of which balloon payment</i>		367.9	15.0%	0.2%	298.1	12.6%	0.2%	280.2	13.4%	0.3%
Categories D/E/T: Other		510.4		7.4%	500.6		7.4%	572.1		11.9%
<i>of which bullet maturity</i>		38.5	7.6%	25.0%	47.7	9.5%	19.4%	74.7	13.1%	40.7%
<i>of which balloon payment</i>		44.3	8.7%	0.0%	41.8	8.3%	0.0%	55.0	9.6%	0.0%

- Retail housing projects have a generally higher share of developments for sale. This is also reflected in the Association of Volksbanks' real estate portfolio - subcategory B has a higher proportion of bullet maturities
- The proportion of bullet maturities has not changed significantly over time



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