VOLKSBANK

HALF-YEAR MANAGEMENT REPORT

ASSOCIATION OF VOLKSBANKS

AS AT 30 JUNE 2025

KEY FIGURES OF THE ASSOCIATION OF VOLKSBANKS

Euro million	30 Jun 2025	31 Dec 2024	31 Dec 2023
Balance sheet			
Total assets	**32,597**	**32,065**	**30,482**
Loans and receivables to customers	**23,414**	**23,224**	**22,800**
Liabilities to customers	**23,341**	**23,256**	**22,180**
Liabilities evidenced by certificates	**3,629**	**3,490**	**3,281**
Subordinated liabilities	**1,263**	**1,273**	**450**
Own funds			
Common equity tier 1 capital (CET1)	2,437	2,408	2,332
Additional tier 1 capital (AT1)	0	0	220
Tier 1 capital (T1)	**2,437**	**2,408**	**2,552**
Tier 2 capital (T2)	1,135	1,162	319
Own funds	**3,571**	**3,570**	**2,872**
Risk weighted exposure amount credit risk	14,539	14,102	13,762
Total risk exposure amount market risk	18	20	28
Total risk exposure amount operational risk	1,459	1,447	1,420
Total risk for credit valuation adjustment	9	9	9
Total risk exposure amount	**16,026**	**15,577**	**15,218**
Common equity tier 1 capital ratio [1]	**15.2 %**	**15.5 %**	**15.3 %**
Tier 1 capital ratio [1]	**15.2 %**	**15.5 %**	**16.8 %**
Equity ratio [1]	**22.3 %**	**22.9 %**	**18.9 %**
Income statement	**1-6/2025**	**1-6/2024**	**1-6/2023**
Net interest income	288.0	327.0	343.5
Risk provision	-67.3	-84.0	-4.1
Net fee and commission income	146.5	140.1	133.5
Net trading income	1.7	4.9	3.1
Result from financial instruments and investment properties	13.5	-4.0	-2.2
Other operating result	-9.3	-19.9	-17.5
General administrative expenses	-297.3	-283.8	-257.7
Result from companies measured at equity	1.8	0.8	3.9
Result for the period before taxes	**77.6**	**81.0**	**202.5**
Income taxes	6.4	-8.6	-33.0
Result for the period after taxes	**84.0**	**72.4**	**169.5**
Result of the group for the period	**84.0**	**72.4**	**169.5**
Operating result	**143.1**	**164.2**	**202.7**
Key ratios	**1-6/2025**	**1-6/2024**	**1-6/2023**
Cost-income-ratio	**68.6 %**	**63.7 %**	**56.7 %**
ROE before taxes	**5.9 %**	**6.1 %**	**16.1 %**
ROE after taxes	**6.4 %**	**5.4 %**	**13.5 %**
Net interest margin	**1.8 %**	**2.1 %**	**2.3 %**
NPL ratio	**5.2 %**	**3.4 %**	**1.9 %**
Leverage ratio	**7.1 %**	**7.3 %**	**7.2 %**
Liquidity coverage ratio	**193.0 %**	**184.3 %**	**178.0 %**
Net stable funding ratio	**133.6 %**	**135.2 %**	**132.0 %**
Loan deposit ratio	**103.8 %**	**103.4 %**	**106.8 %**
Coverage ratio I	**30.5 %**	**31.3 %**	**30.8 %**
Coverage ratio III	**106.2 %**	**108.2 %**	**105.8 %**
Resources	**1-6/2025**	**1-6/2024**	**1-6/2023**
Staff average	**3,149**	**3,119**	**3,033**
Thereof domestic	3,149	3,119	3,033
	30 Jun 2025	**31 Dec 2024**	**31 Dec 2023**
Staff at end of period	**3,151**	**3,158**	**3,108**
Thereof domestic	3,151	3,158	3,108
Number of branches	**231**	**231**	**232**
Thereof domestic	231	231	232
Number of customers	**957,637**	**960,344**	**966,082**

The equity ratios are displayed in relation to total risk. The operating result is calculated from net interest income, net fee and commission income, net trading income, result from financial instruments and investment properties, other operating result and general administrative expenses. The 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 interests. 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 receivabels from customers. 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 and fixed term deposits.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.

1 The reported capital ratios take into account the unaudited interim profits, which cannot yet be included for regulatory purposes. The CET1 capital ratio without allocation of profits during the year is 14.7 %, the Tier 1 capital ratio 14.7 %, and the equity ratio 21.8 %.

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MANAGEMENT REPORT OF THE ASSOCIATION FOR THE FIRST HALF OF 2025

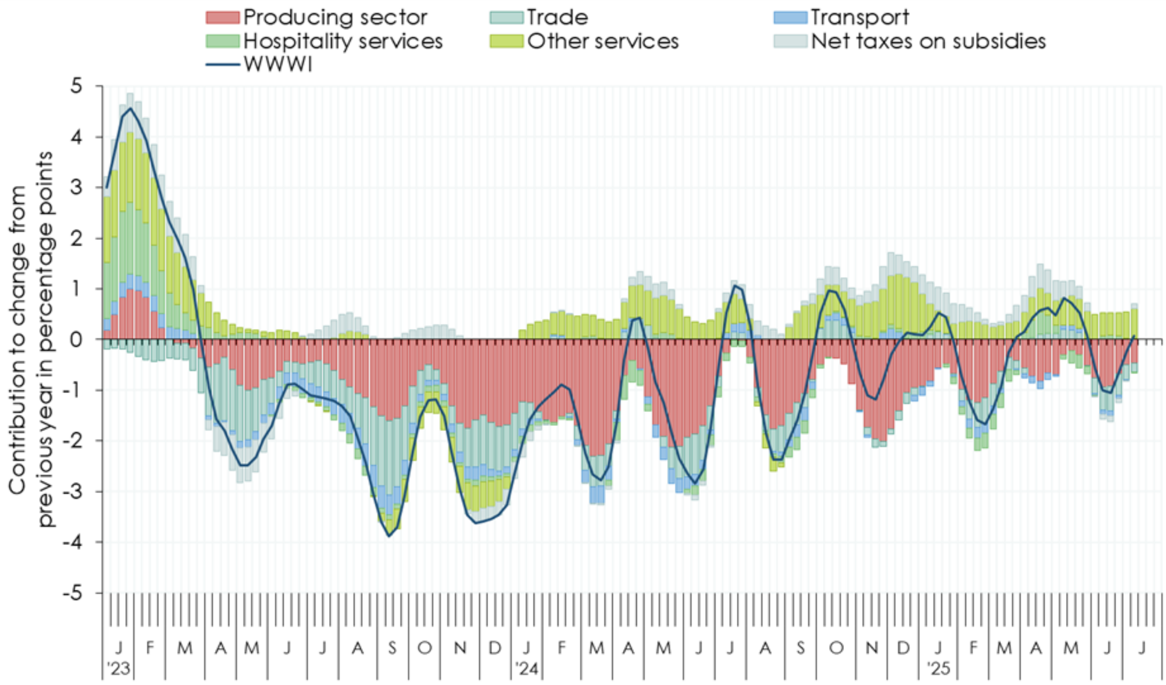
Report on the economic situation and earnings and financial performance

Economic environment

Following the recession in 2023 and 2024, Austria's economic performance remained subdued in the first half of 2025. Real GDP rose by 0.1 % in the second quarter of 2025 as compared to the quarter before and was slightly above (by 0.1 %) the previous year's level. While falling inflation rates and a stable demand for goods supported private consumption, gross fixed capital formation and foreign trade provided only modest growth impetus. Net exports once more made a negative contribution to GDP in the second quarter, as imports grew more quickly than exports. Although the service sector enjoyed a temporary revival in April thanks to the late Easter holidays, this slowed down again in May. The tourism industry benefited from seasonal effects in the short term but saw a decline in value added as the quarter progressed. The recessionary trend continued in the manufacturing sector. Although various indicators pointed to stabilisation, the overall mood in industry clearly remained negative according to the WIFO's business cycle survey. Growth across the euro area also remained subdued. According to Eurostat's flash estimate, real GDP in the euro area increased by 0.1% in the second quarter of 2025 as compared to the previous quarter and 1.4% as compared to the same quarter of the year prior.

The weak economic climate is increasingly leaving its mark on Austria's labour market. At the end of June 2025, some 364,000 people had registered with the Austrian Public Employment Service (AMS) as unemployed or in training. This corresponds to an increase of 26,000 people (or 7.8%) compared with the same month last year. The national unemployment rate stood at 6.8 %, which is 0.5 percentage points higher than in June 2024. The increase in unemployment was particularly pronounced in the industrial provinces of Upper Austria (+16.3 %) and Styria (+12.0 %). The number of people unemployed rose by 2.6% in construction, while stronger increases of 12.4 % and 14.1 % were recorded in the retail sector and the manufacturing industry, respectively. At the same time, the number of people in paid employment fell slightly by 5,000 (-0.1 %), with male employment falling more sharply (-0.6 %) than female employment (+0.4 %).

According to leading indicators such as the WIFO's business cycle survey and the Weekly Economic Index, the Austrian economy is still not showing any signs of a sustained recovery. The Weekly Economic Index (see chart) estimates economic performance and its subcomponents for specific calendar weeks using high-frequency data. In June 2025, real economic performance was roughly 0.5 % below the previous year's level. In the first half of July, the data available pointed to widespread stagnation. Net exports, which once more made a negative contribution to growth, and persistently weak investment activity had a negative impact in the second quarter. At the sectoral level, the recessionary trends in manufacturing and in construction continued, while the services sector as a whole remained more resilient. Although the late Easter in April provided a positive boost for tourism, value added fell again in May and June. Momentum in the retail sector also weakened noticeably. According to the WIFO's business cycle survey, business assessments of the economy deteriorated further in June. Both the assessment of the current situation and expectations remained clearly negative. This means that Austrian growth is lagging behind that of the euro area, where Spain and France made a marked contribution to quarterly growth of 0.7 % and 0.3 %, respectively. By contrast, economic performance contracted slightly by 0.1 % in both Germany and Italy.



Source: WIFO, Statistics Austria. – Producing sector NACE A to F, Trade NACE G, Transport NACE H, Hospitality services NACE I, Other services NACE J to T. – The sum of the growth contributions of the subcomponents may differ from the estimated GDP growth (residual).

Source: WIFO

In the period from January to June 2025, 76.1 million overnight stays were registered in Austria, which corresponds to a slight increase of 0.4 % as compared with the same period in the previous year. The summer season started in May with 8.4 million overnight stays in domestic tourist accommodation establishments, 11.8 % below the record set in May 2024. This decline was mainly due to the shifting of Whitsun and Corpus Christi to June, which had a dampening effect on overnight stays by domestic guests and those from Germany in particular. In contrast, preliminary results indicate that 13.38 million overnight stays were recorded in June – an increase of 13.9 % on the previous year and the highest June figure since records began. A total of 21.9 million overnight stays were counted in May and June, corresponding to a 3.1 % increase on the previous year. Particularly strong growth was recorded in Tyrol (+23.5 %), Salzburg (+21.3 %), and Vorarlberg (+25.9 %) in June, while Vienna (+1.2 %) and Lower Austria (-0.6 %) achieved stable figures.

Monetary policy and financial markets

The European Central Bank has significantly eased its monetary policy stance since June 2024, lowering the key interest rate by a total of 275 basis points in eight steps. Following the most recent adjustment on 5 June 2025, the deposit rate is now 2%, the main refinancing rate is 2.15%, and the marginal lending facility is 2.4%. This interest rate move was the ECB's response to the downward inflation in the euro area, which was recently just below 2 %, as well as to the first signs of an economic slowdown. At the same time, the Governing Council of the ECB stressed that future monetary policy should remain strictly data driven. Capital market interest rates have also stabilised in this environment. The yield on the 10-year Austrian government bond was around 3.03 % in mid-July, roughly on a par with the beginning of the year. The yield spread to German government bonds was recently around 51 basis points, which is above the long-term average. The Austrian yield curve exhibits a predominantly normal slope, with only slight inversions visible at the short end. The positive trend on the European stock markets continued. The EURO STOXX 50 remained stable at 5,370 points in the first half of 2025 and recorded an annual gain of almost 10 %. Despite geopolitical tensions and uncertainties in international trade, overall market sentiment has remained robust.

Insolvencies

In the first quarter of 2025 (January to March), Statistics Austria recorded a total of 1,798 corporate insolvencies, representing a 5 % increase as compared with the same period last year. For the first half of 2025 (January to June), the Alpenländische Kreditorenverband (AKV), an Austrian association advocating for creditors, reported 2,173 business insolvencies, an increase of 3.5% on the previous year. Including dismissed insolvency applications, the total number of corporate insolvencies amounted to 3,713 cases, corresponding to a 12 % increase. The retail sector (523 cases), the construction industry (472), and the hospitality and catering sector (362) continued to be particularly affected. Insolvencies at the regional level rose especially in Carinthia (+35 %), Tyrol (+22 %), and Salzburg (+16 %), while declines were recorded in Vorarlberg (-26 %) and Burgenland (-22 %). The crisis in the property sector continues to shape the insolvency landscape. The collapse of several large project developers, most notably René Benko's Signa Group, resulted in more than 94 insolvencies within the corporate group in the first half of 2025 alone. Since the end of 2023, bankruptcies within the Signa Group have totalled 151 companies. Accordingly, the real property and housing sector rose to fifth place among the most affected sectors and accounted for the highest liabilities, amounting to EUR 4.1 billion. Even though the number of jobs at risk is falling slightly, the trend in corporate bankruptcies remains alarming according to the AKV.

Credit market

High financing costs, the loss of real income, and weak order levels have significantly slowed lending activity since the second half of 2022. Demand for corporate loans – long-term loans for investment financing, in particular – remained subdued in the first quarter of 2025. Risk assessments in the banking sector continued to be restrictive, even though some banks signalled a slight easing of lending criteria. Stabilisation has been observed in the private housing loan segment since the beginning of the year. After a sustained decline in 2024, a slight recovery has been evident since March 2025 (March: +0.3 %, April: +0.5 %, May: +0.4 %). Year-on-year, the volume of loans to private households stagnated up until May 2025 (May: 0.0 % YoY), while home equity loans remained slightly below the previous year's level (May: -0.1 % YoY). The moderate upward trend in loans to non-financial corporations continued, with the volume of loans rising by 1.6 % in May as compared with the same month a year earlier. Solid year-on-year growth of +2.4 % was recorded for corporate loans with terms exceeding one year, in particular. By comparison, growth in the eurozone was slightly more dynamic: +0.8 % for private households and +1.5 % for non-financial corporations.

Property market

On the Austrian residential property market, the downward trend in prices that began at the end of 2022 has recently slowed noticeably. After a decline of 1.6 % in the OeNB's residential property price index in 2023 as a whole and of 2.6 % YoY in the first quarter of 2024, prices stabilised as the year progressed. The index rose across Austria by 0.4 % YoY in the first quarter of 2025 and remained virtually unchanged at 0.0 % YoY in the second. Regional trends were mixed. While prices in Vienna fell slightly in the second quarter (-0.3 % YoY), they rose by 1.0 % overall in the other provinces. Moderate price increases were once more recorded in some regions, especially for new owner-occupied flats, while used flats and single-family houses continued to fall slightly. In addition to residential construction, non-residential building activity remained marked by a persistent reluctance to invest. The commercial property market also continues to face pressure. High financing costs, more stringent lending standards, and restricted affordability weighed heavily on the market last year, although a slight easing in lending conditions and construction costs has been observed recently.

Association result for the first half of 2025

Results of operation

The pre-tax result of the Association of Volksbanks amounted to euro 77.6 million in the first half of 2025 (1-6/2024: euro 81.0 million), with a result after taxes for the Association of euro 84.0 million (1-6/2024: euro 72.4 million) and an operating result [1] of euro 143.1 million (1-6/2024: 164.2 euro million).

Net interest income fell from euro 327.0 million in the same period of the previous year to euro 288.0 million in the first half of 2025, as a result of further key interest rate cuts by the ECB. On the income side, interest and similar income fell from euro 599.6 million to euro 509.8 million and on the expense side, interest and similar expenses fell from euro -272.6 million to euro -221.8 million. Interest income from receivables from customers decreased by euro -63.0 million, while interest expenses to customers fell by euro 48.1 million. Net interest income from the OeNB also decreased by euro -18.2 million. In contrast, interest income from bonds increased by euro 12.9 million to euro 44.0 million (1-6/2024: euro 31.1 million). Interest expenses for subordinated liabilities increased by euro -14.4 million to euro -33.7 million (1-6/2024: euro -19.3 million).

Risk provisions totalled euro -67.3 million and were therefore euro 16.6 million lower than in the same period of the previous year. Primarily, net allocations to individual loan loss provisions (incl. direct write-offs and income from loans and receivables that have been written off) totalling euro -31.5 million (1-6/2024: euro -54.2 million) and portfolio loan loss provisions totalling euro -34.1 million (1-6/2024: euro -29.0 million) were recognised. Net allocations for the off-balance sheet business of euro -1.7 million (1-6/2024: euro -0.7 million) were recognised.

Net fee and commission income of euro 146.5 million in the reporting period was higher than in the same period of the previous year (1-6/2024: euro 140.1 million). The increase is attributable to the securities business (euro +5.0 million) and the custody business (euro +1.9 million) and the current account business and payment transactions (euro +1.4 million). These were offset by declines in the 'other services' business (euro -1.4 million) and the lending business (euro -0.4 million).

Net trading income totalled euro 1.7 million in the first half of 2025 and was therefore euro 3.1 million lower than in the same period of the previous year. The main reason for this decline was lower valuations for currency derivatives and foreign exchange.

The result from financial instruments and investment properties increased by euro +17.4 million to euro +13.5 million in the reporting period compared to the same period of the previous year (1-6/2024: euro -4.0 million). The increased result is mainly due to the dividend received from Volksbanken Holding eGen in the amount of euro +10.9 million and an improved valuation result from receivables recognised at fair value. These increased by euro +7.1 million to euro +0.4

[1] The operating result is calculated from net interest income, net fee and commission income, net trading income, net income from financial instruments and investment properties, other operating result and general administrative expenses.

million as compared to the previous year's reporting date. This was offset by lower valuation gains on guaranteed savings products of euro -1.7 million and on issues recognised at fair value of euro -0.8 million.

The other operating result totalled euro -9.3 million in the first half of 2025, a significant improvement on the previous year's figure of euro -19.9 million. The improvement in earnings is mainly due to lower provisions for claims amounting to euro +7.5 million and lower contributions to the Deposit Protection and Resolution Fund in the amount of euro +8.4 million. This was offset by higher expenses from the Stability Tax, which – at euro -4.6 million – were above the previous year's level.

General administrative expenses, at euro -297.3 million (1-6/2024: euro -283.8 million), increased by 4.8 % or euro -13.5 million compared to the same period of the previous year. Staff expenses rose by euro -6.7 million to euro -171.5 million due to a higher average number of employees and changes in collective labour agreements. Administrative expenses also increased by euro -6.6 million. This was due to a euro -6.0 million increase in costs for IT projects, a euro -1.7 million increase in project and consulting costs. This was offset by a reduction in PR and promotional expenses, which were reduced by euro +2.1 million.

Taxes on income and earnings totalled euro +6.4 million in the first half of 2025 (1-6/2024: euro -8.6 million). The tax result includes deferred tax income totalling euro +12.7 million (1-6/2024: euro +3.9 million). Based on the tax planning for the next five years, deferred tax assets totalling euro 22.3 million (1-6/2024: Four planning years euro 9.7 million) will be recognised on a portion of the tax loss carryforwards for the reporting period. Current tax expenses including tax expenses from previous periods totalled euro -6.2 million in the first half of 2025 (1-6/2024: euro -12.5 million).

Financial position

Total assets as at 30 June 2025 amounted to euro 32.6 billion, up euro 0.5 billion on the figure for the end of 2024 (euro 32.1 billion). The increase was mainly due to investments in fixed-income securities and moderate growth in customer volumes, which was offset by a decline in balances at the OeNB.

Liquid funds, at euro 3.6 billion, are euro 0.4 billion below the previous year's figure, which is due to lower deposits at the OeNB.

Loans and receivables from credit institutions remained unchanged from the end of 2024, at euro 0.2 billion.

Loans and receivables from customers amounted to euro 23.4 billion as at 30 June 2025 and were therefore slightly higher than the previous year's figure as at 31 December 2024 (euro 23.2 billion). The increase is due to moderate growth in customer volume. The risk provisions were only slightly increased from euro -0.5 billion to euro -0.6 billion. The growth in financial investments of euro 0.7 billion to euro 4.2 billion (2024: euro 3.5 billion) is attributable to purchases of fixed-income securities.

At euro 0.5 billion, liabilities to credit institutions remained stable.

Liabilities to customers remained almost unchanged at euro 23.3 billion as at 30 June 2025. Within this item, higher time deposits led to an increase, while declines in current accounts and uncommitted savings deposits had the opposite effect.

The volume of liabilities evidenced by certificates amounted to euro 3.6 billion as at 30 June 2025, an increase of euro 0.1 billion compared with the previous year, due to the floatation of new retail issues.

The euro 0.2 billion increase in other liabilities is due to the clearing business with PSA Payment Service Austria GmbH, a subsidiary of OeNB.

Equity including non-controlling interests increased by euro 75.9 million to euro 2.7 billion since the beginning of the year. This development is mainly due to the comprehensive income of the Group for the first half of 2025 of euro 77.0 million, which is made up of the half-year result for 2025 of euro 84.0 million and the other comprehensive income of euro -7.0 million.

Finacial perfomrance indicators

The regulatory own funds of the association of credit institutions, including allocation of profits, amounted to euro 3.6 billion as at 30 June 2025 (31.12.2024: euro 3.6 billion). The total risk exposure amount as at 30 June 2025 is euro 16.0 billion. (31.12.2024: euro 15.6 billion). The CET1 ratio in relation to total risk is 15.2 %[2] (31.12.2024: 15.5 %), the own funds ratio in relation to total risk is 22.3 %[2] (31.12.2024: 22.9 %).

The regulatory own funds, the total risk exposure amount and the key figures calculated from these were determined in accordance with CRR (EU Regulation 575/2013), including supplementary EU regulations CRR2 (2020/873) and CRR3 (2024/1623). For further details, please refer to Note 5).

[2] The reported capital ratios take into account the unaudited interim profits, which cannot yet be included for regulatory purposes. The CET1 capital ratio without allocation of profits during the year is 14.7 %, the Tier 1 capital ratio 14.7 %, and the equity ratio 21.8 %.

Key figures	1-6/2025	1-6/2024	1-6/2023
ROE before taxes	5.9%	6.1%	16.1%
ROE after taxes	6.4%	5.4%	13.5%
Cost-income-ratio	68.6%	63.7%	56.7%

The ROE before taxes is calculated as the ratio of the result before taxes and the average value of equity as at the balance sheet date and the balance sheet date of the previous year.

The ROE after taxes is calculated as the ratio of the result after taxes and the average value of equity as at the balance sheet date and the balance sheet date of the previous year.

The cost-income ratio is calculated as the ratio of operating income to operating expenses. Operating income consists of net interest income, net fee and commission income, net trading income and, if positive, other operating income and income from a disposal group. Operating expenses include general administrative expenses and, if negative, the other operating result and the result of a disposal group. The other operating result and the result of a disposal group are adjusted for other taxes, deconsolidation result and IFRS 5 measurement.

The key figures presented are considered standard for the industry and contribute significantly to the credit rating of banks. Furthermore, the cost-income ratio at the Association of Volksbanks was defined as an early warning indicator for reorganisation under the Austrian Federal Act on the Recovery and Resolution of Banks (BaSAG).

Report on branch offices

The Association of Volksbanks does not have any branch offices.

Transactions with related parties

For information on business relationships with related parties, please refer to the disclosures in the notes to the 2024 financial statements of the Association of Volksbanks.

Report on the Association's future development and risks

Future development of the Association of Volksbanks

Economic environment

The Austrian Institute of Economic Research continues to see no signs of a strong economic upturn. After two years of recession, the domestic economy stagnated in 2024 (GDP growth according to WIFO: 0.0 %), before beginning to show a moderate recovery of 0.6 % in 2025. This was mainly due to the gradual recovery in international demand, which supported export-orientated industries and the service sector. In contrast, the industrial sector remained in a challenging environment with a weak order situation and continued reluctance to invest. The construction industry also remained under pressure until spring 2025, before the government's housing package began to have a positive impact. According to WIFO, Austria's price competitiveness has deteriorated further compared to the eurozone. This, combined with high wage agreements, put an additional brake on real growth. Consumer price inflation continued to decline, falling from 3.4 % in 2024 to 2.5 % in 2025. The fall in prices was mainly due to lower energy prices and the existing economic underutilisation, with the service sector dampening disinflation.

In its June forecast, the Oesterreichische Nationalbank confirms the cautious upward trend, but considers the momentum weaker. It expects GDP growth of just 0.2 % and an inflation rate of 3.0 % in 2025. The economy is being supported by stable exports and a slight rise in real household income. There are initial signs of a trend reversal in residential construction, while gross fixed capital formation remains subdued overall. The Institute for Advanced Studies is forecasting average GDP growth of 1.0 % per year for the period 2024 to 2028, compared to 0.5 % p.a. in previous years.

There are also signs of a moderate recovery at the global level. In its World Economic Outlook (April 2025), the International Monetary Fund forecasts global growth of 3.2 % for 2024 and 3.3 % for 2025. While momentum in the USA weakened, the eurozone recovered somewhat more strongly than expected. At just over 3 %, global trade grew in line with global GDP, but remained vulnerable to setbacks due to protectionist measures in several regions of the world.

Economic forecasts for 2025

June 2025	Real GDP growth Y/Y	Inflation rate according to HICP Y/Y	Unemployment rate National definition (AMS)
WIFO	0.6%	2.5%	7.2%
OeNB	0.2%	3.0%	7.4%

Key downside risks include geopolitical uncertainties that could impact inflation and trade trends. Repeated jumps in energy prices or sharp wage increases would further weaken price competitiveness and curb the willingness to invest.

Business development

The regionally operating Volksbanks serve local customers, while Österreichische Ärzte- und Apothekerbank serves doctors and pharmacies throughout Austria. In order to be able to respond even better to the needs of Austrians as their house bank, the Volksbanks are consistently implementing the "house bank of the future" service concept within the Association. The focus is placed on customers and members of the cooperatives in all regions. In view of the challenges, the cooperative mission of promoting their members is therefore more relevant than ever. The structural and cultural changes in recent financial years have helped to establish the Association of Volksbanks and Österreichische Ärzte- und Apothekerbank AG as the most modern banking association in Austria.

Our orientation as the house bank of the future is based on two pillars: On the one hand, a high quality of support in regional customer work and, on the other, centralised management and resolution.

In view of the challenging economic conditions, the focus for 2025 will be on growth with customers across the entire network. To this end, we are continuing to work on improving processes and promoting digitalisation.

As part of its medium-term planning, the Association of Volksbanks has set itself a number of strategic goals that will be the focus of management over the next few years. These include a cost-income ratio of less than 65 %, a core capital ratio (CET 1) of at least 16 % at the level of the Association of Volksbanks, an NPL ratio (non-performing loans) of less than 3.0 % and a return on equity (RoE) after tax of more than 7 %. The NPL ratio rose sharply in the 2025 financial year and was well above the strategic target of a maximum of 3.0 % as at 30 June 2025. Due to the increased NPL ratio, the Association of Volksbanks is working on an NPL reduction strategy, which will be fully completed in the second quarter of 2025. In addition, achieving the highest levels of satisfaction among our customers thanks to a sustainable cooperative business model and the successful implementation of the IT infrastructure modernisation projects initiated together with our new IT partner Accenture are the main goals for the coming years.

The Association of Volksbanks has defined sustainability goals that cover all ESG aspects. The expansion of sustainable products, decarbonisation of operations and employee development targets are continuously quantified, included in the planning of the individual areas, and monitored by the Sustainability Committee and the banks of the Association.

While the fall in short-term interest rates and the higher capital requirements due to Basel IV continue to require continuous streamlining of the cost structure and an increase in productivity, the risk situation is expected to ease. Forecasts expect the economy to return to at least moderate growth. The renewed interest in the property market is an indicator of this.

On 28 June 2024, the Federal Fiscal Court (Bundesfinanzgericht; BFG) submitted a request for a preliminary ruling to the European Court of Justice (ECJ) in accordance with Art. 267 TFEU. The BFG requests the ECJ to decide whether the so-called intermediate bank exemption pursuant to sec. 6 para. 1 no. 28, 2nd sentence of the Austrian VAT Act (Umsatzsteuergesetz; UStG) constitutes state aid within the meaning of Art 107 (1) TFEU. By decision of 5 May 2025, the ECJ ruled and rejected the request for a preliminary ruling as inadmissible, whereupon the BFG once again submitted a modified request for a preliminary ruling to the ECJ on 30 May 2025. With regard to the estimates of the effects of any decision by the ECJ or the European Commission, please refer to the relevant information in the notes to the Association's consolidated financial statements for 2024.

Significant risks and uncertainties

With regard to the legally required disclosures on the use of financial instruments, risk management objectives and methods as well as price change, default, liquidity and cash flow risks, please refer to the explanations in the notes to the 2024 financial statements for the Association of Volksbanks.

Report on research and development

The Association of Volksbanks does not have its own research and development unit. However, specific customer-focused approaches are being advanced as part of various digitalisation campaigns.

The 'hausbanking' system (the Association of Volksbanks' online banking for private customers) is the most important digital interface for interactions with customers. Use of the banking system is continuously reviewed and examined with respect to the potential for optimisation and further development using targeted evaluations (e.g. login figures, use of service orders, online transactions). Special service orders within hausbanking enable functions to be easily "tested" with customers before they are fully integrated into the bank's system. This is used to check whether the service lives up to customers' expectations and to find options for improvement ('fail fast').

Digital target group management in the Association of Volksbanks was established across all departments and the use of digital channels such as hausbanking and the hausbanking mobile app was expanded in a targeted manner. There has been an increase in the use of online services and online product transactions as well as a continuous improvement in data quality among online customers.

The development of new onboarding routes accelerates the introduction of digitalised processes in online self-service as well as at the branch level, and the integration of new identification procedures (Foto-Ident and ID Austria) significantly improves the customer experience. Analysis and developments of new interfaces are leading to significant time savings for customers and help to save important resources in downstream processing units.

The robotics measures implemented (RPA) have led to a high degree of automation in service processes and in the back office (market service centre) and will be further expanded with PowerAutomate tools.

Other potential innovation topics – primarily in the Aufwind programme – are being subjected to a structured review, prioritised and evaluated for deployment across the entire Association network.

CONSOLIDATED FINANCIAL STATEMENTS

ASSOCIATION OF VOLKSBANKS HALF-YEAR REPORT

Condensed statement of comprehensive income

INCOME STATEMENT	1-6/2025 Euro thousand	1-6/2024 Euro thousand	Changes Euro thousand	%
Interest and similar income	509,782	599,598	-89,816	-14.98 %
thereof using the effective interest method	491,653	568,270	-76,617	-13.48 %
Interest and similar expenses	-221,807	-272,621	50,814	-18.64 %
Net interest income	287,975	326,977	-39,003	-11.93 %
Risk provision	-67,322	-83,965	16,643	-19.82 %
Fee and commission income	163,134	152,926	10,208	6.68 %
Fee and commission expenses	-16,603	-12,874	-3,728	28.96 %
Net fee and commission income	146,531	140,051	6,480	4.63 %
Net trading income	1,735	4,877	-3,142	-64.42 %
Result from financial instruments and investment properties	13,451	-3,954	17,405	< -200,00 %
Other operating result	-9,292	-19,883	10,592	-53.27 %
General administrative expenses	-297,312	-283,842	-13,470	4.75 %
Result from companies measured at equity	1,800	779	1,021	131.03 %
Result for the period before taxes	**77,566**	**81,040**	**-3,474**	**-4.29 %**
Income taxes	6,447	-8,605	15,052	-174.92 %
Result for the period after taxes	**84,013**	**72,436**	**11,578**	**15.98 %**
Result for the period attributable to shareholders of the parent company	**84,013**	**72,436**	**11,578**	**15.98 %**

OTHER COMPREHENSIVE INCOME	1-6/2025 Euro thousand	1-6/2024 Euro thousand	Changes Euro thousand	%
Result for the period after taxes	**84,013**	**72,436**	**11,578**	**15.98 %**
Items that will not be reclassified to profit or loss				
Fair value reserve - equity instruments (including	-5,919	14,900	-20,819	-139.72 %
Revaluation of own credit risk (including deferred taxes)	-87	-78	-10	12.30 %
Change from companies measured at equity	-1,196	0	-1,196	100.00 %
Total items that will not be reclassified to profit or loss	**-7,202**	**14,823**	**-22,025**	**-148.59 %**
Items that may be reclassified to profit or loss				
Fair value reserve - debt instruments (including deferred taxes)				
Change in fair value	956	-708	1,665	< -200,00 %
Cash flow hedge reserve (including deferred taxes)				
Change in fair value (effective hedge)	-679	-2,242	1,562	-69.70 %
Net amount transferred to profit or loss	-49	538	-587	-109.12 %
Change from companies measured at equity	0	1,184	-1,184	-100.00 %
Total items that may be reclassified to profit or loss	**228**	**-1,228**	**1,456**	**-118.58 %**
Other comprehensive income total	**-6,974**	**13,595**	**-20,569**	**-151.30 %**
Comprehensive income	**77,039**	**86,030**	**-8,991**	**-10.45 %**
Comprehensive income attributable to shareholders of the parent company	**77,039**	**86,030**	**-8,991**	**-10.45 %**

Condensed statement of financial position as at 30 June 2025

	30 Jun 2025 Euro thousand	31 Dec 2024 Euro thousand	Changes Euro thousand	%
ASSETS				
Liquid funds	3,641,891	4,007,513	-365,623	-9.12 %
Loans and receivables to credit institutions	237,835	228,634	9,201	4.02 %
Loans and receivables to customers	23,414,394	23,223,813	190,581	0.82 %
Fair value changes of hedged items in portfolio hedge of interest rate risk	-25,361	-25,417	56	-0.22 %
Assets held for trading	15,043	19,419	-4,376	-22.53 %
Financial investments	4,192,186	3,535,239	656,946	18.58 %
Investment property	37,928	37,726	202	0.54 %
Companies measured at equity	64,777	64,173	604	0.94 %
Participations	107,092	115,896	-8,804	-7.60 %
Intangible assets	585	677	-92	-13.57 %
Tangible assets	403,109	407,768	-4,659	-1.14 %
Tax assets	151,933	130,335	21,598	16.57 %
Current taxes	36,885	30,095	6,790	22.56 %
Deferred taxes	115,048	100,240	14,808	14.77 %
Other assets	354,405	319,367	35,038	10.97 %
Assets held for sale	1,182	349	834	> 200,00 %
TOTAL ASSETS	**32,597,000**	32,065,493	**531,507**	**1.66 %**
LIABILITIES				
Liabilities to credit institutions	493,670	471,243	22,428	4.76 %
Liabilities to customers	23,341,396	23,255,897	85,499	0.37 %
Liabilities evidenced by certificates	3,629,454	3,489,918	139,537	4.00 %
Lease liabillities	173,931	177,905	-3,974	-2.23 %
Liabilities held for trading	15,982	19,499	-3,517	-18.04 %
Provisions	190,995	184,481	6,513	3.53 %
Tax liabilities	6,243	6,546	-304	-4.64 %
Current taxes	1,924	2,336	-412	-17.64 %
Deferred taxes	4,318	4,210	108	2.57 %
Other liabilities	805,637	586,104	219,534	37.46 %
Subordinated liabilities	1,263,279	1,273,288	-10,009	-0.79 %
Total nominal value cooperative capital shares	4,714	5,411	-697	-12.87 %
Subscribed capital	269,780	269,853	-73	-0.03 %
Reserves	2,401,505	2,324,835	76,669	3.30 %
TOTAL LIABILITIES	**32,597,000**	**32,065,493**	**531,507**	**1.66 %**

Condensed changes in equity and cooperative capital shares

Euro thousand	Subscribed capital [1]	Additional tier 1 capital [3]	Capital reserves	Retained earnings and other reserves	Shareholders' equity	Equity	Cooperative capital shares [2]	Equity and cooperative capital shares
As at 01 Jan 2024	**282,198**	**217,722**	**511,156**	**1,740,325**	**2,751,401**	**2,751,401**	**5,818**	**2,757,219**
Consolidated net income				72,436	72,436	72,436		72,436
Other comprehensive income	0	0	0	13,595	13,595	13,595	0	13,595
Comprehensive income	0	0	0	86,030	86,030	86,030	0	86,030
Redemption of AT1 emission		-217,722		-2,278	-220,000	-220,000		-220,000
Dividends paid				-13,039	-13,039	-13,039		-13,039
Coupon for the AT1 emission				-8,525	-8,525	-8,525		-8,525
Redemption of AT1 emission	-1,204		-2,926	-5,062	-9,192	-9,192	0	-9,192
Change in cooperative capital and participation capital	-49			-254	-302	-302	-598	-900
Change in treasury stocks participation capital	-51		-276	0	-328	-328	0	-328
As at 30 Jun 2024	**280,895**	**0**	**507,953**	**1,797,198**	**2,586,045**	**2,586,045**	**5,220**	**2,591,265**
As at 01 Jan 2025	**269,853**	**0**	**508,229**	**1,816,606**	**2,594,688**	**2,594,688**	**5,411**	**2,600,099**
Consolidated net income				84,013	84,013	84,013		84,013
Other comprehensive income	0	0	0	-6,974	-6,974	-6,974	0	-6,974
Comprehensive income	0	0	0	77,039	77,039	77,039	0	77,039
Dividends paid				-31	-31	-31		-31
Change in cooperative capital and participation capital	-69			-317	-386	-386	-697	-1,083
Change in treasury stocks participation capital	-4		-22	0	-26	-26	0	-26
As at 30 Jun 2025	**269,780**	**0**	**508,207**	**1,893,297**	**2,671,285**	**2,671,285**	**4,714**	**2,675,999**

1) Subscribed capital incl. participation capital and cooperative capital shares, pursuant to IFRIC 2 eligible as equity.
2) Cooperative capital shares, pursuant to IFRIC 2 not eligible as equity.
3) AT1-capital is shown in Additional tier 1 capital.
4) In the course of implementing the structural simplification concept for crisis situations within the Association of Volksbanks own shares were repurchased by VBW.

Condensed cash flow statement

Euro thousand	1-6/2025	1-6/2024
Cash and cash equivalents at the end of previous period (= liquid funds)	**4,007,513**	**3,434,659**
Cash flow from operating activities	316,341	-72,391
Cash flow from investing activities	-664,735	-330,678
Cash flow from financing activities	-17,248	220,387
Effect of currency translation	19	-206
Cash and cash equivalents at the end of period	**3,641,891**	**3,251,771**

Notes as at 30 June 2025

1) General Information and accounting principles

VOLKSBANK WIEN AG (VBW), which has its registered office at Dietrichgasse 25, 1030 Vienna, Austria, is the central organisation (CO) of the Austrian Volksbank sector. VBW has concluded a banking association agreement with the primary banks (Volksbanks, VB) in accordance with section 30a of the Austrian Banking Act (Bankwesengesetz, BWG). The purpose of this banking association agreement is to create a joint liability scheme between the primary sector institutions and to monitor and ensure compliance with the standards of the applicable regulatory provisions at association level. Section 30a (10) of the Austrian Banking Act requires an association's central organisation to have the right to issue instructions to the member credit institutions.

The interim financial statements as at 30.06.2025 are prepared in accordance with all the latest valid versions of the IFRS/ IAS as at the reporting date, as published by the International Accounting Standards Board (IASB). The interim financial statements also comply with all interpretations of the International Financial Reporting Interpretation Committee (IFRIC) and Standing Interpretations Committee (SIC), if adopted by the European Union in its endorsement process and additional requirements pursuant to section 245a of the Austria Commercial Code (Unternehmensgesetzbuch, UGB) and section 59a of the Austrian Banking Act.

Regarding the exceptions to the application of individual IFRS we refer to the Association's financial statements as at 31 December 2024.

The Association of Volksbanks is required to comply with the regulatory provisions of Parts Two to Eight of Regulation (EU) No 575/2013 and section 39a of the Austrian Banking Act, on the basis of the consolidated financial position (section 30a (7) of the Austrian Banking Act). By letter dated 29 June 2016, the ECB granted unlimited approval of the Association of Volksbanks.

Under section 30a (7) of the Austrian Banking Act, the CO is required to prepare consolidated financial statements pursuant to sections 59 and 59a of the Austrian Banking Act for the Association of Volksbanks. The Association's financial statements are prepared according to IFRS rules. For full consolidation purposes, section 30a (8) of the Austrian Banking Act specifies that the CO is to be regarded as a higher-level institution, while each associated institution and, under certain conditions, each transferring legal entity, is to be treated as a subordinated institution.

In accordance with IFRS, a full consolidation only can take place if a company has full authority over decisions of the associated company, hence, it has the ability to influence returns on equity by its power of disposition (IFRS 10.6). Although the central organisation may issue directives to affiliated credit institutions, the conditions for control within the meaning of IFRS 10 are not satisfied within the Austrian Association of Volksbanks. Accordingly, no control exists. In the absence of a superior controlling parent company, a consolidated presentation can only be prepared in the sense of a group of equals, despite the CO's extensive authority to issue directives. It was therefore necessary to define a set of rules for preparing the Association's financial statements.

The interim financial statements do not contain all information required for full annual financial statements and should therefore be read in conjunction with the consolidated financial statements as at 31 December 2024. The accounting policies estimates and assumptions on which these financial statements are based are the same as those used in the preparation of the consolidated financial statements as at 31 December 2024, with the exception of changes and amendments that are explained in the accounting principles.

These condensed consolidated interim financial statements fulfil the requirements of IAS 34 Interim Financial Reporting. They have not been audited or reviewed by the statutory auditor.

The accounts have been prepared using the going concern assumption. The Association of Volksbanks consolidated financial statements are reported in euros, as this is the Association's functional currency. All figures are indicated in thousand of euro unless specified otherwise. The following tables may contain rounding differences.

Accounting Standards

Standards and interpretations applied for the first time

Standard	Mandatory application	Significant effects on the Association
Amendments to standards and interpretations		
Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	01 January 2025	No

Standards and interpretations to be applied in the future

Standard	Mandatory application	Significant effects on the Association
Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments	01 January 2026	No
Annual Improvements to IFRS Accounting Standards - Volume 11	01 January 2026	No
Amendments to IFRS 9 and IFRS 7 - Power Purchase Agreements refering to contracts for Renewable Electricity	01 January 2026	No
IFRS 18 Presentation and Disclosure in Financial Statements	01 January 2027	Yes
IFRS 19 Subsidiaries without Public Accountability: Disclosures	01 January 2027	No

Annual Improvements to IFRS Accounting Standards - Volume 11

The amendments relate to the following standards:

- IFRS 1 - Hedge accounting by a first-time adopter
- IFRS 7 - Financial Instruments: Disclosure of gain or loss on derecognition
- IFRS 7 - Financial Instruments: Disclosure of deferred difference between fair value and transaction price
- IFRS 7 - Financial Instruments: Introduction and credit risk disclosures
- IFRS 9 - Financial Instruments: Lessee derecognition of lease liabilities
- IFRS 9 - Financial Instruments: Transaction price definition
- IFRS 10 - Consolidated Financial Statements: Determination of a 'de facto agent'
- IAS 7 - Statement of Cash Flows: Concept of "cost method" no longer defined.

The impact on the annual financial statements is analysed.

2) Presentation and changes in the scope of consolidation

During the first half of 2025 business year there were no changes in the scope of consolidation of the Association of Volksbanks.

3) Notes to the income statement

Net interest income

Euro thousand	1-6/2025	1-6/2024
Interest and similar income from	509,782	599,598
Deposits with credit institutions (incl. central banks)	40,008	68,235
Credit and money market transactions with credit institutions	1,591	2,242
Credit and money market transactions with customers	413,051	476,084
Bonds and other fixed-imcome securities	44,003	31,075
Derivative instruments	11,129	21,962
Interest and similar expenses for	-221,807	-272,621
Liquid funds	0	-10,047
Deposits from credit institutions	-3,594	-6,779
Deposits from customers	-130,250	-178,395
Liabilities evidenced by certificates	-43,907	-40,479
Subordinated liabilities	-33,695	-19,261
Derivative instruments	-9,168	-16,575
Lease liabillities	-1,414	-1,432
Valuation result - modification	-19	-4
Valuation result - derecognition	241	351
Net interest income	**287,975**	**326,977**

Net interest income according to IFRS 9 categories

Euro thousand	1-6/2025	1-6/2024
Interest and similar income from	509,782	599,598
Financial assets measured at amortised cost	490,778	567,643
Financial assets measured at fair value through OCI	875	627
Financial assets measured at fair value through profit or loss - obligatory	7,000	9,365
Derivative instruments	11,129	21,962
Interest and similar expenses for	-221,807	-272,621
Financial liabilities measured at amortised cost	-211,266	-254,681
Financial liabilities measured at fair value through profit or loss - designated	-1,594	-1,712
Derivative instruments	-9,168	-16,575
Valuation result - modification	-19	-4
Valuation result - derecognition	241	351
Net interest income	**287,975**	**326,977**

Risk provision

Euro thousand	1-6/2025	1-6/2024
Changes in risk provisions	-66,477	-83,685
Changes in provisions for off-balance sheet risks	-1,685	-678
Direct write-offs of loans and receivables	-1,015	-1,614
Income from loans and receivables previously written off	1,898	2,052
Valuation result modification/derecognition	-43	-40
Risk provision	**-67,322**	**-83,965**

Net fee and commission income

Euro thousand	1-6/2025	1-6/2024
Fee and commission income	163,134	152,926
Lending business	12,724	10,145
Securities and custody business	60,480	53,435
Payment transactions	68,507	66,573
Foreign exchange, foreign notes and coins and precious metals transactions	648	607
Financial guarantees	2,934	2,971
Other services	17,841	19,195
Fee and commission expenses	-16,603	-12,874
Lending business	-4,667	-1,721
Securities and custody business	-4,173	-4,013
Payment transactions	-7,620	-7,072
Financial guarantees	-9	-6
Other services	-135	-62
Net fee and commission income	**146,531**	**140,051**

Other services mainly include brokerage commission for brokering loans to TeamBank AG Nürnberg. Net fee and commission income includes fee and commission income in the amount of euro 285 thousand (1-6/2024: euro 154 thousand) for trust agreements.

Net trading income

Euro thousand	1-6/2025	1-6/2024
Equity related transactions	6	6
Exchange-rate-related transactions	278	4,009
Interest rate related transactions	1,450	862
Net trading income	**1,735**	**4,877**

Result from financial instruments and investment properties

Euro thousand	1-6/2025	1-6/2024
Other result from financial instruments	**12,454**	**-4,866**
Result from financial investments and other financial assets and liabilities measured at fair value through profit or loss	-785	-8,041
Valuation measured at fair value through profit or loss - obligatory	-1,534	-9,633
Loans and receivables to credit institutions and customers	448	-6,609
Securities	26	25
Result from other derivative instruments	810	-1,764
Result from fair value hedge	-2,892	-1,270
Result (ineffectiveness) from cash flow hedge	75	-15
Valuation measured at fair value through profit or loss - designated	744	1,588
Liabilities evidenced by certificates	744	1,588
Income from equities and other variable-yield securities	5	4
Result from financial investments and other financial assets and liabilities measured at fair value through OCI	13,239	3,175
Income from participations	13,239	3,175
Result from investment properties	**997**	**912**
Income from investment properties and operating leases	880	912
Valuation investment properties	117	0
Result from financial instruments and investment properties	**13,451**	**-3,954**

Other operating profit

Euro thousand	1-6/2025	1-6/2024
Other operating income	7,738	8,483
Other operating expenses	-9,801	-17,374
Regulatory expenses	-7,228	-10,993
Other operating result	**-9,292**	**-19,883**

Regulatory expenses include the stability tax in the amount of euro -6,487 thousand (1-6/2024: euro -1,862 thousand), contributions to the deposit guarantee scheme in the amount of euro -742 thousand (1-6/2024: euro -7,249 thousand) and contributions to the Single Resolution Fund in the amount of euro 0 thousand (1-6/2024: euro -1,881 thousand).

Detailed description of other operating income and other operating expenses

Euro thousand	1-6/2025	1-6/2024
Income from allocation of costs	2,653	2,798
Realised gains from disposal of fixed assets and security properties	399	240
Rental and leasing income	2,125	2,220
Insurance benefits from claims	108	1,405
Others	2,454	1,820
Other operating income	**7,738**	**8,483**
Allocation of costs	-2,845	-2,721
Realised losses from disposal of fixed assets and security properties	-169	-184
Claims	-4,593	-12,542
Other taxes	-875	-1,139
Others	-1,319	-788
Other operating expenses	**-9,801**	**-17,374**

The item Claims relates primarily to the allocation to a provision for possible claims arising from a malversation.

General adminstrative expenses

Euro thousand	1-6/2025	1-6/2024
Staff expenses	-171,509	-164,776
Wages and salaries	-129,894	-124,273
Expenses for statutory social security	-32,976	-31,336
Fringe benefits	-2,320	-2,244
Expenses for retirement benefits	-4,070	-3,848
Allocation to provision for severance payments and pension funds	-2,249	-3,076
Administrative expenses	-111,506	-104,932
Office space expenses	-9,612	-9,508
Office supplies and communication expenses	-2,588	-2,506
Advertising, PR and promotional expenses	-9,673	-11,776
Legal, auditing and consultancy expenses	-15,226	-13,523
IT expenses	-64,482	-58,486
Other administrative expenses (including training expenses)	-9,924	-9,133
Depreciation and reversal of impairment	-14,297	-14,134
Depreciation	-9,912	-9,554
Impairments/reversals of impairments	0	-155
Right of use - lease depreciation	-4,386	-4,425
General administrative expenses	**-297,312**	**-283,842**

Income taxes

In the first half of the 2025 business year deferred tax assets for tax loss carry forward in the amount of euro 22,334 thousand (1-6/2024: euro 9,720 thousand) were recognised.

4) Notes to the consolidated statement of financial positions

Liquid funds

Euro thousand	30 Jun 2025	31 Dec 2024
Cash in hand	160,742	177,416
Balances with central banks	3,481,149	3,830,098
Liquid funds	**3,641,891**	**4,007,513**

The balance sheet item Liquid funds includes cash in hand, the minimum reserve and loans and receivables from the Oesterreichische Nationalbank due on demand.

Loans and receivables to credit institutions and customers

Euro thousand	30 Jun 2025	31 Dec 2024
Loans and receivables to credit institutions		
Amortised cost	237,844	228,639
Gross carrying amount	237,844	228,639
Risk provision	-9	-5
Net carrying amount	**237,835**	**228,634**
Loans and receivables to customers		
Amortised cost	23,667,298	23,394,438
Fair value through profit or loss	336,478	351,866
Gross carrying amount	24,003,776	23,746,304
Risk provision	-589,382	-522,490
Net carrying amount	**23,414,394**	**23,223,813**
Loans and receivables to credit institutions and customers	**23,652,229**	**23,452,447**

Sensitivity analysis

The following table shows the changes in the fair value of the loans and receivables to customers recognised at fair value through profit or loss after adjustment of input factors:

Euro thousand 30 Jun 2025	Positive change in fair value	Negative change in fair value
Change in risk markup +/- 10 bp	866	-860
Change in risk markup +/- 100 bp	8,946	-8,342
Change in rating 1 stage down / up	1,022	-1,110
Change in rating 2 stages down / up	1,672	-2,742
31 Dec 2024		
Change in risk markup +/- 10 bp	883	-877
Change in risk markup +/- 100 bp	9,107	-8,511
Change in rating 1 stage down / up	1,008	-962
Change in rating 2 stages down / up	1,580	-2,488

Risk provision

The following table shows the development of risk provisions for loans and receivables to credit institutions as well as to customers including finance lease receivables, financial instruments measured at amortised cost and financial instruments measured at fair value through OCI:

Euro thousand	Loan loss provision - Stage 1	Loan loss provision - Stage 2	Loan loss provision - Stage 3	Total
As at 01 Jan 2024	**47,676**	**71,122**	**211,702**	**330,501**
Increases due to origination and acquisition	2,033	1,587	2,584	6,203
Decreases due to derecognition	-479	-1,516	-2,414	-4,409
Changes due to change in credit risk	-16,857	55,638	66,209	104,990
Thereof transfer to stage 1	4,394	-4,391	-3	
Thereof transfer to stage 2	-21,048	21,248	-200	
Thereof transfer to stage 3	-64	-3,557	3,621	
Changes due to modifications without derecognition	0	0	-5,800	-5,800
Post-model adjustment	-4,670	-10,111	0	-14,781
Decrease in allowance account due to write-offs	0	0	-3,368	-3,368
Other adjustments	-126	-7,586	7,506	-206
As at 30 Jun 2024	**27,578**	**109,135**	**276,418**	**413,131**
As at 01 Jan 2025	**37,596**	**97,786**	**387,663**	**523,045**
Increases due to origination and acquisition	1,299	2,803	3,038	7,140
Decreases due to derecognition	-267	-2,125	-5,522	-7,914
Changes due to change in credit risk	-16,552	54,187	49,230	86,865
Thereof transfer to stage 1	2,568	-2,567	-1	
Thereof transfer to stage 2	-22,291	22,458	-168	
Thereof transfer to stage 3	-35	-7,793	7,828	
Post-model adjustment	-253	-12,678	-1,555	-14,486
Decrease in allowance account due to write-offs	0	0	-4,731	-4,731
Other adjustments	1	-311	331	21
As at 30 Jun 2025	**21,824**	**139,662**	**428,454**	**589,940**

Assets held for trading

Euro thousand	30 Jun 2025	31 Dec 2024
Bonds and other fixed-imcome securities	525	1,335
Positive fair values of derivative instruments	14,518	18,085
Interest rate related transactions	14,518	18,085
Assets held for trading	**15,043**	**19,419**

VBW as the CO maintains a trading book. The face values of the trading book as at 30 June 2025 amounts to euro 766,312 thousand (31 Dec 2024: euro 725,122 thousand).

Financial investments

Euro thousand	30 Jun 2025	31 Dec 2024
Financial investments		
Amortised cost	4,071,655	3,434,006
Fair value through OCI	116,241	95,381
Fair value through profit or loss	4,835	6,397
Risk provisions	-545	-545
Carrying amount	**4,192,186**	**3,535,239**

Participations

Euro thousand	30 Jun 2025	31 Dec 2024
Investments in unconsolidated affiliates	10,985	11,633
Investments in companies with participating interests	8,934	8,934
Investments in other participations	87,173	95,329
Participations	**107,092**	**115,896**

Sensitivity analysis

Participations measured by using the DCF method

Euro thousand		Proportional fair value Interest rate		
30 Jun 2025		**-0.50%**	**Actual**	**0.50%**
	-10.00%	16,203	15,738	15,316
Income component	**Actual**	**17,280**	**16,764**	**16,295**
	10.00%	18,357	17,789	17,273
31 Dec 2024				
	-10.00%	14,727	14,244	13,820
Income component	**Actual**	16,363	15,587	14,881
	10.00%	18,000	17,146	16,369

Participations measured on the basis of net assets

Euro thousand	Proportional fair value		
30 Jun 2025	**Decrease of assumption**	**Actual**	**Increase of assumption**
Net assets (10 % change)	16,311	**17,888**	19,936
31 Dec 2024			
Net assets (10 % change)	16,613	**18,392**	20,305

Participations measured on the basis of external appraisals

Euro thousand 30 Jun 2025	Lower band	Actual	Upper band
Proportional fair value	56,268	**62,521**	68,773
31 Dec 2024			
Proportional fair value	64,758	**71,953**	79,148

Other assets

Euro thousand	30 Jun 2025	31 Dec 2024
Deferred items	51,610	6,448
Other receivables and assets	103,397	71,505
Positive fair values of derivative instruments	199,398	241,414
Other assets	**354,405**	**319,367**

Assets held for sale

This position includes all assets held for sale in accordance with IFRS 5. The amount consists of the following:

Euro thousand	30 Jun 2025	31 Dec 2024
Tangible assets	1,182	349
Assets held for sale	**1,182**	**349**

Liabilities to credit institutions

Euro thousand	30 Jun 2025	31 Dec 2024
Other credit institutions	493,670	471,243
Liabilities to credit institutions	**493,670**	**471,243**

Liabilities to credit institutions are measured at amortised cost.

Liabilities to customers

Euro thousand	30 Jun 2025	31 Dec 2024
Savings deposits	3,198,249	3,404,561
Other deposits	20,143,147	19,851,335
Liabilities to customers	**23,341,396**	**23,255,897**

Liabilities to customers are measured at amortised cost.

Liabilities evidenced by certificates

Euro thousand	30 Jun 2025	31 Dec 2024
Bonds	3,629,454	3,489,918
Amortised cost	3,557,993	3,418,849
Fair value through profit or loss - designated	71,461	71,069
Liabilities evidenced by certificates	**3,629,454**	**3,489,918**

The item Bonds - measured at fair value through profit or loss - designated comprises the redemption at maturity of euro 50,000 thousand (31 Dec 2024: euro 50,000 thousand), the fair value measurement and the interest accruals (including interest accruals for a zero-coupon bond).

In the first half of 2025, the fair value change of own credit risk in the amount of euro -87 thousand. (1-6/2024: EUR -78 thousand) was reported in other comprehensive income. The cumulative amount of the fair value change of own credit risk was euro 1,755 thousand (1-6/2024: euro 1,822 thousand).

In the first half of 2025, the Association floated 6 (1-6/2024: 5) issues with a total face value of euro 208,000 thousand (1-6/2024: euro 207,500 thousand).

Liabilities held for trading

Euro thousand	30 Jun 2025	31 Dec 2024
Negative fair values of derivative instruments		
Interest rate related transactions	15,982	19,499
Liabilities held for trading	**15,982**	**19,499**

Provisions

Euro thousand	30 Jun 2025	31 Dec 2024
Provisions for employment benefits	133,760	132,528
Provisions for off-balance sheet and other risks	30,585	29,119
Stage 1	4,810	5,408
Stage 2	13,819	10,667
Stage 3	11,956	13,043
Other provisions	26,649	22,834
Provisions	**190,995**	**184,481**

Other liabilities

Euro thousand	30 Jun 2025	31 Dec 2024
Deferred items	4,434	2,866
Other liabilities	594,338	334,746
Negative fair values of derivative instruments	206,865	248,492
Other liabilities	**805,637**	**586,104**

Subordinated liabilities

Euro thousand	30 Jun 2025	31 Dec 2024
Subordinated capital	1,262,300	1,271,733
Supplementary capital	978	1,555
Subordinated liabilities	**1,263,279**	**1,273,288**

Subordinated liabilities are measured at amortised cost.

Equity

The following table shows the breackdown and developement of the retained earnings and other reserves:

		Other reserves						
Euro thousand	Retained earnings	IAS 19 reserve	Revaluation reserve	Fair value reserve - equity instruments	Fair value reserve - debt instruments	Cash flow hedge reserve	Own credit risk reserve	Retained earnings and other reserves
As at 01 Jan 2024	**2,619,463**	**-16,174**	**2,545**	**-864,332**	**-4,947**	**1,871**	**1,899**	**1,740,325**
Consolidated net income	72,436							72,436
Other comprehensive income				16,084	-708	-1,704	-78	13,595
Redemption of AT1 emission	-2,278							-2,278
Dividends paid	-13,039							-13,039
Coupon for the AT1 emission	-8,525							-8,525
Purchase Association of Volksbanks own shares	-5,062							-5,062
Change in cooperative capital and participation capital	-254							-254
Reclassification fair value reserve due to sale	-1,570			1,570				0
As at 30 Jun 2024	**2,661,171**	**-16,174**	**2,545**	**-846,678**	**-5,656**	**168**	**1,822**	**1,797,198**
As at 01 Jan 2025	**2,058,797**	**-11,731**	**2,545**	**-233,162**	**-4,001**	**2,317**	**1,842**	**1,816,606**
Consolidated net income	84,013							84,013
Other comprehensive income				-7,115	956	-728	-87	-6,974
Redemption of AT1 emission	0							0
Dividends paid	-31							-31
Coupon for the AT1 emission	0							0
Purchase Association of Volksbanks own shares	0							0
Change in cooperative capital and participation capital	-317							-317
Reclassification fair value reserve due to sale	-11			11				0
As at 30 Jun 2025	**2,142,452**	**-11,731**	**2,545**	**-240,266**	**-3,044**	**1,589**	**1,755**	**1,893,297**

5) Own funds

The table below shows the own funds of the association of credit institutions, determined in accordance with the Capital Requirements Regulation (CRR, Regulation (EU) No 575/2013), as well as the supplementary regulations CRR II (EU 2019/876), CRR Quick Fix (EU 2020/873), and CRR III (EU 2024/1623). The reported capital ratios take into account the unaudited interim profits, which cannot yet be included for regulatory purposes. The CET1 capital ratio without allocation of profits during the year is 14.68 %, the Tier 1 capital ratio 14.68 %, and the equity ratio 21.76 %.

Euro thousand	30 Jun 2025	31 Dec 2024
Common Tier 1 capital: Instruments and reserves		
Capital instruments including share premium accounts	766,590	766,616
Retained earnings	1,398,058	1,398,385
Interim profit	84,013	
Accumulated other comprehensive income (and other reserves)	422,427	429,390
Common Tier 1 capital before regulatory adjustments	2,671,089	2,594,390
Common Tier 1 capital: regulatory adjustments		
Intangible assets (net of related tax liability)	-585	-677
Cash flow hedge reserve	-1,589	-2,317
Cumulative gains and losses due to changes in own credit risk on fair valued liabilities	-1,755	-1,842
Fair value gains and losses arising from the institution's own credit risk related to derivative liabilities	3	3
Value adjustments due to the requirement for prudent valuation	-1,113	-1,209
Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	-84,534	-62,200
Insufficient coverage for non-performing exposures	-17,921	-13,156
Other foreseeable tax charges	-201	-201
Regulatory adjustments - transitional provisions	0	14,107
Adjustments required on the basis of transitional arrangements under IFRS 9	0	14,107
Additional CET1 deductions pursuant to article 3 CRR	-126,853	-118,702
Total regulatory adjustments	-234,549	-186,195
Common Equity Tier 1 capital - CET1	**2,436,540**	**2,408,196**
Tier 1 capital (CET1 + AT1)	**2,436,540**	**2,408,196**
Tier 2 capital - instruments and provisions		
Capital instruments including share premium accounts	1,134,891	1,162,135
Tier 2 capital before regulatory adjustments	1,134,891	1,162,135
Tier 2 capital - T2	**1,134,891**	**1,162,135**
Own funds total - TC (T1 + T2)	**3,571,431**	**3,570,331**

Common Equity Tier I capital ratio	15.20%	15.46%
Tier I capital ratio	15.20%	15.46%
Equity ratio	22.28%	22.92%
each in relation to total risk exposure		

The risk-weighted amounts as defined in CRR can be broken down as follows:

Euro thousand	30 Jun 2025	31 Dec 2024
Risk weighted exposure amounts - credit risk	14,539,257	14,101,551
Total risk exposure amount for position, foreign exchange and commodities risks	18,343	20,354
Total risk exposure amount for operational risk (OpR)	1,459,356	1,446,516
Total risk exposure amount for credit valuation adjustment (cva)	9,406	8,855
Total risk exposure amount	**16,026,362**	**15,577,276**

VBW has concluded a banking association agreement with the Volksbanks in accordance with section 30a of the Austrian Banking Act. The purpose of this banking association agreement is to create a joint liability scheme between the primary sector institutions and to monitor and ensure compliance with the standards of the Austrian Banking Act at association level. According to article 10 CRR in conjunction with article 11 (4) CRR the CO must comply with the CRR´s own funds requirements based on the consolidated overall position of the CO and its affiliated institutions. The own funds of the Association of Volksbanks are calculated by aggregating VBW's own funds and those of the member institutions. When aggregating the included companies investments in Volksbanks and VBW, the aggregated carrying amounts of the investments are deducted from the aggregated equity components. Superior financial holding companies and holding companies, provided they fulfil the requirements of section 30a of the Austrian Banking Act, are also added and participations in these deducted. The aggregation as a group of companies which are legally separate entities, but under unified control without a parent company, means that the capital consolidation does not result in any minority interests. Subordinated companies are included in accordance with the method described below.

According to the CRR, companies in the financial sector that are under the control of the parent or where the Group holds a majority of shares either direct or indirect, are fully consolidated. Institutions, financial institutions and providers of ancillary services that are subject to control but are not material for the presentation of the credit institution group in accordance with Article 19(1) CRR are deducted from own funds provided that they exceed the threshold value.

Subsidiaries which are managed jointly with non-Group companies are consolidated proportionately. Shares in companies in the financial sector with a stake of between 10 % and 50 % where there is no joint management, as well as participations in companies in the financial sector with a stake of less than 10 %, are also deducted from own funds if the threshold is exceeded, unless they are included voluntarily on a pro rata basis. All other participations are included in the assessment basis at their carrying amounts.

All credit institutions under control or where the Group holds a majority of shares either directly or indirectly are considered in the scope of consolidation under the CRR.

In the first half of the 2025 business year, no substantial, practical or legal obstacles existed which would have prevented the transfer of equity or the repayment of liabilities between the parent institution and companies subordinated to the former.

6) Financial assets and liabilities

The table below shows financial assets and liabilities in accordance with their individual categories and their fair values:

Euro thousand	Amortised cost	Fair value through OCI	Fair value through profit or loss	Carrying amount - total	Fair value
30 Jun 2025					
Liquid funds	3,641,891	0	0	3,641,891	3,641,891
Loans and receivables to credit institutions	237,835	0	0	237,835	236,153
Loans and receivables to customers	23,077,916	0	336,478	23,414,394	23,062,578
Assets held for trading	0	0	15,043	15,043	15,043
Financial investments	4,071,110	116,241	4,835	4,192,186	4,130,426
Participations	0	107,092	0	107,092	107,092
Derivative instruments	0	0	199,398	199,398	199,398
Financial assets total	**31,028,752**	**223,333**	**555,754**	**31,807,839**	**31,392,581**
Liabilities to credit institutions	493,670	0	0	493,670	491,629
Liabilities to customers	23,341,396	0	0	23,341,396	23,345,105
Liabilities evidenced by certificates	3,557,993	0	71,461	3,629,454	3,642,424
Lease liabillities	173,931	0	0	173,931	173,931
Liabilities held for trading	0	0	15,982	15,982	15,982
Derivative instruments	0	0	206,865	206,865	206,865
Subordinated liabilities	1,263,279	0	0	1,263,279	1,255,956
Financial liabilities total	**28,830,269**	**0**	**294,308**	**29,124,576**	**29,131,890**
31 Dec 2024					
Liquid funds	4,007,513	0	0	4,007,513	4,007,513
Loans and receivables to credit institutions	228,634	0	0	228,634	229,285
Loans and receivables to customers	22,871,947	0	351,866	23,223,813	22,821,959
Assets held for trading	0	0	19,419	19,419	19,419
Financial investments	3,433,461	95,381	6,397	3,535,239	3,448,867
Participations	0	115,896	0	115,896	115,896
Derivative instruments	0	0	241,414	241,414	241,414
Financial assets total	**30,541,556**	**211,277**	**619,096**	**31,371,929**	**30,884,354**
Liabilities to credit institutions	471,243	0	0	471,243	467,723
Liabilities to customers	23,255,897	0	0	23,255,897	23,284,039
Liabilities evidenced by certificates	3,418,849	0	71,069	3,489,918	3,497,251
Lease liabillities	177,905	0	0	177,905	177,905
Liabilities held for trading	0	0	19,499	19,499	19,499
Derivative instruments	0	0	248,492	248,492	248,492
Subordinated liabilities	1,273,288	0	0	1,273,288	1,271,004
Financial liabilities total	**28,597,181**	**0**	**339,060**	**28,936,241**	**28,965,913**

Fair value hierarchy

Financial instruments recognised at fair value are allocated to the three IFRS fair value hierarchy categories.

Level 1 – Financial instruments measured at quoted prices in active markets, whose fair value can be derived directly from prices on active, liquid markets and where the financial instrument observed on the market is representative of the financial instrument owned by the Group that requires measurement.

Level 2 – Financial instruments measured using procedures based on observable market data, whose fair value can be determined using similar financial instruments traded on active markets or using procedures whose inputs are observable.

Level 3 – Financial instruments measured using procedures based on unobservable parameters, whose fair value cannot be determined using data observable on the market. Financial instruments in this category have a value component that is not observable and which has a significant influence on fair value.

The table below shows financial assets and liabilities measured at fair value according to their fair value hierarchy:

Euro thousand	Level 1	Level 2	Level 3	Total
30 Jun 2025				
Loans and receivables to customers	0	0	336,478	336,478
Assets held for trading	525	14,518	0	15,043
Financial investments	116,656	1,233	3,186	121,076
Fair value through profit or loss	1,023	626	3,186	4,835
Fair value through OCI	115,633	608	0	116,241
Participations	0	0	106,799	106,799
Fair value through OCI - designated	0	0	106,799	106,799
Derivative instruments	0	199,398	0	199,398
Financial assets total	**117,181**	**215,149**	**446,463**	**778,794**
Liabilities evidenced by certificates	0	71,461	0	71,461
Liabilities held for trading	0	15,982	0	15,982
Derivative instruments	0	206,865	0	206,865
Financial liabilities total	**0**	**294,308**	**0**	**294,308**
31 Dec 2024				
Loans and receivables to customers	0	0	351,866	351,866
Assets held for trading	1,335	18,085	0	19,419
Financial investments	97,835	1,227	2,716	101,778
Fair value through profit or loss	3,083	599	2,716	6,397
Fair value through OCI	94,753	628	0	95,381
Participations	0	0	115,572	115,572
Fair value through OCI - designated	0	0	115,572	115,572
Derivative instruments	0	241,414	0	241,414
Financial assets total	**99,170**	**260,726**	**470,154**	**830,050**
Liabilities evidenced by certificates	0	71,069	0	71,069
Liabilities held for trading	0	19,499	0	19,499
Derivative instruments	0	248,492	0	248,492
Financial liabilities total	**0**	**339,060**	**0**	**339,060**

Participations in the amount of euro 293 thousand (31 Dec 2024: euro 324 thousand) were measured at amortised cost due to their immateriality.

When determining fair values for level 2 financial investments, the Association only uses prices based on observable market data. If systems deliver price information for positions which are not actively traded, this is checked based on secondary market data or transactions in comparable products performed on active markets. The system prices are then adjusted accordingly if necessary. The main level 2 input factors are interest rates including associated interest rate volatilities, foreign exchange swap points, exchange rates, share prices, index rates, including related volatilities and credit spreads obtained directly from brokers on a daily basis. Market valuation adjustments are made through linear interpolations of the directly obtained broker data. The input factors used undergo daily quality assurance and are archived in the valuation system.

In the first half of 2025, as in the previous year, there were no reclassifications of financial instruments between level 1 and level 2.

Development of level 3 fair values of financial assets and liabilities:

Euro thousand	Loans and receivables to customers	Financial investments	Participations	Financial assets total	Liabilities evidenced by certificates	Financial liabilities total
As at 01 Jan 2024	**390,007**	**0**	**163,530**	**553,536**	**70,126**	**70,126**
Reallocation	0	0	0	0	0	0
Additions	22,973	0	0	22,973	999	999
Disposals	-20,628	0	-1,101	-21,729	0	0
Valuations						
Through profit or loss	-6,609	0	0	-6,609	-1,588	-1,588
Through OCI	0	0	15,102	15,102	101	101
As at 30 Jun 2024	**385,743**	**0**	**177,531**	**563,274**	**69,638**	**69,638**
As at 01 Jan 2025	**351,866**	**2,716**	**115,572**	**470,154**	**0**	**0**
Reallocation	0	0	29	29	0	0
Additions	5,695	471	0	6,165	0	0
Disposals	-21,530	0	-638	-22,168	0	0
Valuations						
Through profit or loss	448	0	0	448	0	0
Through OCI	0	0	-8,165	-8,165	0	0
As at 30 Jun 2025	**336,478**	**3,186**	**106,799**	**446,463**	**0**	**0**

The valuations shown in the table above are included in the item income from financial instruments and investment properties (income statement) or the fair value reserve (other comprehensive income). The valuations recorded in the income statement include holdings of financial assets and liabilities to the amount of euro 414 thousand (1-6/2024: euro -4,939 thousand) at the reporting date.

Liabilities evidenced by certificates were reclassified to Level 2 category as at 31 December 2024 following a revaluation.

The value of loans and receivables is assessed by discounting the cash flows of these loans using the risk-free swap curve plus markup. The value of loans and receivables is assessed by discounting the cash flows of these loans using the risk-free swap curve plus markup. The markups used for discounting are the standard risk costs and the liquidity costs. The liquidity costs are derived from the market (spreads of senior unsecured bank issues in Austria and Germany; spreads of covered bonds for loans in the coverage fund and loans eligible for credit claims). The standard risk costs are used after clustering of the loans according to rating. The remaining components of the preliminary calculation are summarised in one factor (epsilon factor) upon conclusion of the deal and frozen for subsequent measurement.

7) Number of staff

Number of staff employed during the business year:

	Average number of staff		Number of staff at end of period	
	1-6/2025	1-6/2024	30 Jun 2025	31 Dec 2024
Employees	3.129	3.099	3.133	3.139
Workers	19	20	18	19
Total number of staff	**3.149**	**3.119**	**3.151**	**3.158**

All staff are employed in Austria. The figures are determined based on full-time equivalents.

8) Branches

	30 Jun 2025	31 Dec 2024
Total number of domestic branches	**231**	**231**

9) Related party disclosure

Euro thousand	Unconsolidated affiliates	Companies in which the Group has a participating interest	Companies measured at equity
30 Jun 2025			
Loans and receivables to customers	24	0	0
Liabilities to customers	4,931	16,623	6,481
Provisions	0	0	0
Contingent liabilities arising from guarantees	0	0	0
Transactions	6,410	14,674	20,509
31 Dec 2024			
Loans and receivables to customers	21	0	0
Liabilities to customers	5,209	8,441	13,861
Provisions	4	0	0
Contingent liabilities arising from guarantees	1,500	0	0
Transactions	9,160	14,197	32,106

Business transactions are measured as the average receivables and liabilities from/to credit institutions and customers. The calculation is based on the figures at the quarterly reporting dates during the period under review, which are summed together irrespective of whether they are plus or minus figures.

Transfer prices between the Association of Volksbanks and its related parties are geared to usual market conditions. As in previous year, the Association does not have any other liabilities for unconsolidated affiliates or associated companies on the balance sheet date.

10) Segment reporting by bussiness segments

1-6/2025

Euro thousand	CO	Vienna	Lower Austria	Styria	Carinthia
Net interest income	-18,394	81,215	40,801	33,422	19,178
Risk provision	268	-14,487	-20,191	-6,134	-1,589
Net fee and commission income	3,810	35,567	19,460	13,666	8,314
Net trading income	1,087	71	25	83	95
Result from financial instruments and investment properties	974	4,095	1,036	1,383	719
Other operating result	125,593	1,184	1,303	-335	-2,677
General administrative expenses	-89,679	-87,433	-47,036	-33,416	-22,072
Result from companies measured at equity	76	628	-14	164	146
Result for the period before taxes	**23,735**	**20,840**	**-4,616**	**8,834**	**2,113**
Income taxes	-1,847	11,385	2,646	-1,757	-306
Result for the period after taxes	**21,888**	**32,225**	**-1,970**	**7,078**	**1,807**
30 Jun 2025					
Total assets	**9,744,385**	**7,453,763**	**3,790,093**	**2,899,290**	**1,646,333**
Loans and receivables to customers	15,548	6,171,734	3,088,315	2,458,633	1,199,684
Companies measured at equity	1,548	16,481	6,675	4,266	5,465
Liabilities to customers	530,287	5,955,247	3,358,997	2,161,543	1,449,884
Liabilities evidenced by certificates, including subordinated liabilities	4,423,793	298,326	1,717	1,300	7,026

1-6/2024					
Net interest income	-7,419	87,695	46,221	37,468	22,438
Risk provision	245	-26,876	-24,960	-6,567	-610
Net fee and commission income	3,123	35,102	19,172	12,494	8,333
Net trading income	3,832	109	137	84	111
Result from financial instruments and investment properties	6,808	1,540	-1,318	-2,150	-314
Other operating result	103,264	-1,643	-388	-814	-9,521
General administrative expenses	-82,158	-78,154	-43,844	-30,325	-19,939
Result from companies measured at equity	0	779	0	0	0
Result for the period before taxes	**27,696**	**18,552**	**-4,981**	**10,190**	**499**
Income taxes	3,338	-2,345	1,257	-2,224	-115
Result for the period after taxes	**31,034**	**16,207**	**-3,724**	**7,965**	**384**
31 Dec 2024					
Total Assets	**9,894,326**	**7,799,902**	**3,898,165**	**2,844,166**	**1,616,299**
Loans and receivables to customers	14,448	6,055,841	3,096,464	2,406,829	1,199,736
Companies measured at equity	1,523	16,273	6,670	4,212	5,417
Liabilities to customers	769,623	5,915,912	3,420,631	2,142,880	1,425,225
Liabilities evidenced by certificates, including subordinated liabilities	4,335,906	350,957	115,824	38,336	6,873

Upper Austria	Salzburg	Tyrol	Vorarlberg	ÖÄAB	Consolidation	Total
24,768	41,972	36,115	16,234	12,960	-297	287,975
-3,471	-9,804	-4,865	-3,499	-3,551	0	-67,322
15,294	16,667	19,326	9,136	4,936	354	146,531
116	-6	100	169	18	-22	1,735
826	1,680	1,568	813	424	-68	13,451
-314	-530	-232	-690	-60	-132,533	-9,292
-33,369	-37,466	-42,472	-23,881	-12,984	132,498	-297,312
318	357	2	1	123	0	1,800
4,168	**12,868**	**9,543**	**-1,717**	**1,866**	**-69**	**77,566**
-346	-2,377	-1,930	1,287	-309	2	6,447
3,822	**10,491**	**7,613**	**-430**	**1,557**	**-67**	**84,013**
2,702,123	**3,180,002**	**3,520,774**	**2,111,795**	**1,167,135**	**-5,618,694**	**32,597,000**
2,129,924	2,604,139	2,961,018	1,816,941	974,349	-5,890	23,414,394
15,934	9,684	40	18	4,666	0	64,777
2,286,632	2,708,663	2,547,612	1,354,795	995,203	-7,469	23,341,396
48,687	6,693	131,186	19,275	0	-45,270	4,892,733

26,672	44,346	38,492	16,909	14,151	4	326,977
-7,495	-7,423	-6,702	-2,386	-1,190	0	-83,965
14,869	15,700	18,794	8,581	4,390	-507	140,051
120	-1	100	370	16	-2	4,877
1,231	536	524	-78	280	-11,011	-3,954
-731	-776	-492	-763	-386	-107,634	-19,883
-31,512	-34,533	-38,386	-21,563	-11,569	108,140	-283,842
0	0	0	0	0	0	779
3,154	**17,849**	**12,330**	**1,069**	**5,692**	**-11,011**	**81,040**
-463	-3,930	-2,662	-186	-1,273	-2	-8,605
2,691	**13,919**	**9,668**	**883**	**4,420**	**-11,013**	**72,436**
2,771,713	**3,149,623**	**3,480,315**	**2,059,739**	**1,212,877**	**-6,661,632**	**32,065,493**
2,165,276	2,590,241	2,940,086	1,779,288	982,837	-7,233	23,223,813
15,828	9,566	40	18	4,625	0	64,173
2,364,672	2,583,818	2,398,436	1,253,578	993,100	-11,978	23,255,897
78,046	6,789	75,669	27,843	32,022	-305,060	4,763,206

11) Subsequent events

There were no significant operational risk events after the end of the reporting period.

12) Quarterly financial data

Euro thousand	4-6/2025	1-3/2025	10-12/2024	7-9/2024	4-6/2024
Net interest income	144,003	143,971	161,354	157,835	163,404
Risk provision	-41,908	-25,415	-99,412	-37,169	-56,285
Net fee and commission income	71,642	74,889	72,717	66,807	69,494
Net trading income	514	1,221	981	1,200	3,644
Result from financial instruments and investment properties	3,838	9,613	-1,671	-1,746	-1,279
Other operating result	-3,146	-6,145	11,311	8,482	-6,445
General administrative expenses	-151,667	-145,645	-162,159	-142,570	-142,994
Result from companies measured at equity	915	886	39,884	46	595
Result for the period before taxes	**24,190**	**53,376**	**23,006**	**52,884**	**30,134**
Income taxes	5,327	1,120	5,594	-22,464	-1,780
Result for the period after taxes	**29,517**	**54,496**	**28,600**	**30,420**	**28,354**
Result for the period attributable to shareholders of the parent company	**29,517**	**54,496**	**28,600**	**30,420**	**28,354**

Vienna, 21. August 2025

DI Gerald Fleischmann
Chairman of the Managing Board

Mag. Dr. Rainer Borns
Deputy Chairman of the Managing Board

Dr. Thomas Uher
Deputy Chairman of the Managing Board

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