

Report on the loan portfolio

August 2025



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Effect of the economic
environment on the loan portfolio

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



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

Retail Private:

- The private customers loan portfolio remains stable, default rates are low
- Significant increase in lending in the first half of 2025 – the Association's production of new private residential mortgage loans has more than doubled compared with H1 2024, reaching roughly the same level as before the introduction of KIM-VO¹⁾

Corporate/SME:

- The weak economic development continues, and forecasts for 2025 have been revised downward. The subdued economic environment has a clear impact on companies – currently in particular on the export-oriented industry - which are further burdened by uncertainties (e.g. tariff discussions)
- In the first half year 2025, the number of insolvencies in Austria rose further from an already high level (+6%), the construction, retail and accommodation/gastronomy sectors were particularly affected

Real Estate:

- Increased demand for private residential mortgage loans has not yet led to a noticeable recovery in the commercial real estate market, but, with a certain delay, is expected to lead to an improvement, presumably from 2026 onwards
- High construction costs are still weighing on the market (completion forecasts for new buildings have been revised downward), and realisation periods (completion and sale of projects) have lengthened, mainly in the Eastern parts of Austria, i.e. in the region of Vienna
- Continued strong rental demand and rise in rental prices

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

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



- Specific loan portfolios of the Association of Volksbanks are affected to different degrees by the current economic environment
- KRIs in the **Retail Private** risk segment remain at good levels, they are low and stable.
- The **Corporate/SME** segment was stable compared to the previous year, with higher NPL ratios in particular in the accommodation/gastronomy, retail and manufacturing sectors
- **Real Estate** (i.e. commercial real estate financing) is the risk segment showing the most significant impact on asset quality, in particular in the area of real estate developers
- The distortions on the domestic real estate market - triggered by high inflation, rising construction costs, high interest rates and a generally weak economic environment - led to above-average total risk costs and an increase in non-performing loans
- As of 30 June 2025, the Association's total risk costs including PMAs were EUR 67 mn (Volksbank Wien: EUR 15 mn), and the Association's NPL volume increased slightly from EUR 1,362 mn to an amount of EUR 1,443 mn (Volksbank Wien: from EUR 455 mn to EUR 485 mn) in the first half of 2025
- Within the RE risk segment, the sub-portfolios of category B (residential real estate; total exposure of EUR 3.3 bn), category C (retail and commercial real estate; EUR 2.5 bn) and category "other" (holding companies and loans not directly attributable to other categories; EUR 0.5 bn) are affected
- Within these categories, real estate developers (purchase of land or properties, their development or renovation and subsequent profitable sale) are most affected by the above-mentioned distortions (regulatory so-called projects for sale; exposure of EUR 1.3 bn; largest share of category B - residential real estate)
- There are no NPLs in category A (social housing and owner/developer schemes; exposure of EUR 1.5 bn)



Information on the
Retail Private portfolio

Growth and main KRIs

Retail Private segment



EUR million		AcV	VB W
Association of Volksbanks 06/2025	total	27,746.6	7,342.0
	% Δ YTD 2025	1.6%	3.2%
	% Δ YTD 2024	1.9%	4.1%
	% Δ YTD 2023	0.7%	3.7%
Collateralization ratio 2025		78.2%	80.3%
Coverage ratio I total 2025		2.2%	2.4%
- Coverage ratio I in stage 1 2025		0.10%	0.08%
- Coverage ratio I in stage 2 2025		2.33%	1.81%
- Coverage ratio I in stage 3 2025		30.49%	30.24%
NPL ratio 2025		5.2%	6.6%
Avg. PD (perf.) 2025		1.2%	0.9%
Avg. EL (perf.) 2025		0.2%	0.1%
Stage 2 (perf.) 2025		23.0%	20.1%
Forbearance ratio 2025		4.7%	5.4%
Retail Private 06/2025	total	9,807.9	2,553.1
	% Δ YTD 2025	3.7%	5.8%
	% Δ YTD 2024	0.0%	2.2%
	% Δ YTD 2023	-4.1%	-4.0%
Retail Private - total customer exposure		35.3%	34.8%
Collateralization ratio 2025		87.0%	86.8%
Coverage ratio I total 2025		0.6%	0.6%
- Coverage ratio I in stage 1 2025		0.06%	0.07%
- Coverage ratio I in stage 2 2025		2.81%	2.81%
- Coverage ratio I in stage 3 2025		24.53%	23.17%
NPL ratio 2025		1.3%	1.6%
Avg. PD (perf.) 2025		0.6%	0.5%
Avg. EL (perf.) 2025		0.1%	0.1%
Stage 2 (perf.) 2025		8.1%	7.4%
Forbearance ratio 2025		1.1%	1.1%

- The Retail Private segment consists primarily of private residential mortgages
- Clear increase of exposure in the first half year 2025 of +3.7%, compared to 0.0% in 2024 and -4.1% in 2023
- NPLs in the Retail Private segment remain very low, borrowers have sufficient buffer for repayment and set priorities for expenditure

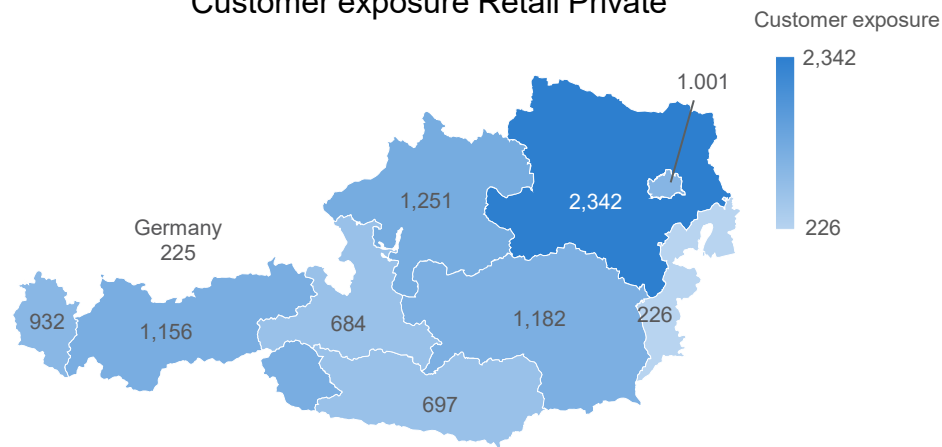
Regional distribution

Retail Private segment



Segment	EUR million	Customer exposure 06/2025
Retail Private		9,807.9
Austria		9,473.0
Lower Austria		2,341.9
Upper Austria		1,251.1
Tyrol		1,155.9
Styria		1,182.4
Vienna		1,000.9
Vorarlberg		931.6
Carinthia		697.0
Salzburg		684.4
Burgenland		226.1
n.a.		1.6
Foreign countries		334.9
Germany		224.6
Netherlands		39.4
Switzerland		29.3
Other		41.5

Customer exposure Retail Private



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- 96.6% of the Retail Private portfolio is located in Austria, foreign customers are primarily from Germany (in which case the financed properties are also predominantly in Austria)



Information on the
Corporate/SME portfolio

Growth and main KRIs

Corporate/SME segment



EUR million		AcV	VB W
Association of Volksbanks 06/2025	total	27,746.6	7,342.0
	% Δ YTD 2025	1.6%	3.2%
	% Δ YTD 2024	1.9%	4.1%
	% Δ YTD 2023	0.7%	3.7%
Collateralization ratio 2025		78.2%	80.3%
Coverage ratio I total 2025		2.2%	2.4%
- Coverage ratio I in stage 1 2025		0.10%	0.08%
- Coverage ratio I in stage 2 2025		2.33%	1.81%
- Coverage ratio I in stage 3 2025		30.49%	30.24%
NPL ratio 2025		5.2%	6.6%
Avg. PD (perf.) 2025		1.2%	0.9%
Avg. EL (perf.) 2025		0.2%	0.1%
Stage 2 (perf.) 2025		23.0%	20.1%
Forbearance ratio 2025		4.7%	5.4%
Corp/SME 06/2025	total	9,514.0	1,664.6
	% Δ YTD 2025	-0.1%	-1.6%
	% Δ YTD 2024	0.5%	5.0%
	% Δ YTD 2023	2.4%	7.2%
Corp/SME - total customer exposure		34.3%	22.7%
Collateralization ratio 2025		66.8%	65.4%
Coverage ratio I total 2025		2.7%	2.7%
- Coverage ratio I in stage 1 2025		0.16%	0.14%
- Coverage ratio I in stage 2 2025		2.81%	2.40%
- Coverage ratio I in stage 3 2025		32.94%	33.40%
NPL ratio 2025		5.6%	6.4%
Avg. PD (perf.) 2025		1.4%	1.1%
Avg. EL (perf.) 2025		0.3%	0.2%
Stage 2 (perf.) 2025		26.8%	21.1%
Forbearance ratio 2025		4.6%	4.2%

- Minimal decrease of the exposure in the Corporate/SME segment of ca. -0.1% in the first half of 2025
- The NPL ratio of 5.6% as of 06/2025 slightly exceeds the Associations average NPL ratio of 5.2%
- As a result of lower collateralisation, the coverage ratio 1 – stage 3 is higher than in the total portfolio

Distribution by industries

Corporate/SME segment



Corporate/SME segment: distribution by industries	Association	NPL ratio	Avg. PD (perf.)	Avg. EL	Forbearance ratio	Rating 4 EWS/PLM	Stage 2 (perf.)	Collateralization
Association	27,746.61	5.2%	1.2%	1.3%	4.7%	5.7%	23.0%	78.2%
Segment Real Estate	7,795.38	10.1%	1.9%	2.3%	9.7%	11.1%	40.5%	86.9%
A: Social housing, owner/developer schemes	1,487.41	0.0%	0.4%	0.0%	0.6%	0.6%	7.5%	84.5%
B: Residential RE	3,257.95	16.6%	2.8%	3.2%	16.1%	17.6%	54.0%	93.5%
C: Commercial RE	2,508.92	7.1%	2.1%	1.6%	7.5%	11.8%	47.8%	89.5%
Real Estate - Other	541.09	12.0%	1.2%	7.0%	6.8%	3.7%	31.2%	41.8%
Segment Corp/SME	9,514.02	5.6%	1.4%	1.6%	4.6%	6.6%	26.8%	66.8%
Accommodation & gastronomy	1,985.62	9.3%	1.7%	2.1%	8.1%	10.6%	28.9%	82.5%
Retail	1,586.97	5.1%	1.6%	1.7%	3.6%	5.9%	29.9%	63.2%
Scientific and technical services	919.10	7.5%	1.4%	1.9%	4.0%	6.4%	27.4%	64.9%
Manufacturing	891.37	6.3%	1.4%	2.1%	4.3%	6.9%	22.8%	55.4%
Construction	799.77	4.8%	1.5%	2.0%	3.2%	6.4%	40.7%	54.8%
Healthcare and social services	647.57	2.7%	1.0%	0.9%	5.0%	4.3%	17.9%	54.7%
Agriculture	612.62	5.7%	1.6%	1.2%	4.5%	7.6%	24.4%	81.5%
Transport and logistics	413.74	3.2%	1.0%	1.3%	4.3%	5.2%	18.3%	58.7%
Supply of energy	380.58	1.3%	1.3%	0.4%	1.7%	1.8%	24.2%	67.9%
Financial services & insurance	292.77	0.5%	0.8%	0.3%	1.2%	2.2%	15.0%	68.1%
Other services	276.83	2.5%	1.3%	0.8%	1.2%	2.6%	16.7%	71.0%
Other commercial services	271.33	3.5%	1.4%	1.3%	3.4%	5.0%	25.8%	61.0%
Art, sports and recreation	84.51	2.8%	1.4%	1.0%	2.6%	3.8%	13.9%	72.0%
Telecom., software development, IT consulting	84.79	2.2%	1.5%	0.8%	4.1%	6.0%	18.6%	49.3%
Mining	64.99	0.1%	1.3%	0.4%	0.0%	3.0%	71.5%	47.4%
Other	60.39	3.5%	1.6%	0.9%	2.3%	5.2%	22.5%	75.3%
Water supply, sewage, waste disposal	56.98	3.6%	0.9%	1.4%	3.5%	8.4%	34.8%	52.6%
Education, teaching	41.42	17.1%	1.9%	4.9%	21.5%	8.3%	35.2%	62.0%
Publishing, broadcasting, media	31.68	5.2%	1.4%	1.7%	4.5%	6.7%	20.5%	72.2%
Public administration, defense, social security	1.70	0.0%	0.1%	0.0%	0.0%	0.0%	8.9%	9.8%
Private households with domestic staff	9.26	0.6%	2.0%	0.3%	4.0%	18.7%	20.8%	89.1%

- Highly heterogeneous distribution of industries
- Industry limit of 10% of total customer loans as defined in the risk strategy
- With a volume of EUR 1,986 mn and a share of 9.3% of the Association's total customer loans, accommodation&gastronomy represents the top industry



Information on the
Real Estate portfolio

Growth and main KRIs

Real Estate segment



EUR million		AoV	VB W
Association of Volksbanks 06/2025	total	27,746.6	7,342.0
	% Δ YTD 2025	1.6%	3.2%
	% Δ YTD 2024	1.9%	4.1%
	% Δ YTD 2023	0.7%	3.7%
Collateralization ratio 2025		78.2%	80.3%
Coverage ratio I total 2025		2.2%	2.4%
- Coverage ratio I in stage 1 2025		0.10%	0.08%
- Coverage ratio I in stage 2 2025		2.33%	1.81%
- Coverage ratio I in stage 3 2025		30.49%	30.24%
NPL ratio 2025		5.2%	6.6%
Avg. PD (perf.) 2025		1.2%	0.9%
Avg. EL (perf.) 2025		0.2%	0.1%
Stage 2 (perf.) 2025		23.0%	20.1%
Forbearance ratio 2025		4.7%	5.4%
Real Estate 06/2025	total	7,795.4	2,948.1
	% Δ YTD 2025	-0.3%	1.7%
	% Δ YTD 2024	4.4%	3.3%
	% Δ YTD 2023	6.4%	9.8%
Collateralization ratio 2025		86.9%	87.6%
Coverage ratio I total 2025		3.7%	3.9%
- Coverage ratio I in stage 1 2025		0.10%	0.07%
- Coverage ratio I in stage 2 2025		1.77%	1.36%
- Coverage ratio I in stage 2025		29.75%	30.06%
NPL ratio 2025		10.1%	11.5%
Avg. PD (perf.) 2025		1.9%	1.3%
Avg. EL (perf.) 2025		0.2%	0.1%
Stage 2 (perf.) 2025		40.5%	33.0%
Forbearance ratio 2025		9.7%	10.1%

- The NPL ratio on the level of the Association's total portfolio of 5.2% as of 06/2025 results from the default of large-volume exposures in the Real Estate segment (reflected in a NPL ratio of 10.1% in the RE segment)
- Slight decline of exposure in the Real Estate segment due to the development of residential RE, as well as retail and commercial RE in the first half of 2025
- The RE segment's average PD (performing) of 1.9% and forbearance ratio of 9.7% exceed the total exposure's average ratios, primarily due to concessions made and to the deterioration of ratings following delayed payments (sales proceeds and/or rental income) from real estate projects

Real Estate portfolio - categories A and B



EUR million		AoV	VB W
Sub-category A 06/2025	total	1,487.4	1,150.8
	% Δ YtD 2025	8.4%	8.8%
	% Δ YtD 2024	10.4%	11.4%
	% Δ YtD 2023	5.0%	7.5%
Collateralization ratio 2025		84.5%	83.5%
Coverage ratio I total 2025		0.1%	0.1%
- Coverage ratio I in stage 1 2025		0.04%	0.03%
- Coverage ratio I in stage 2 2025		0.93%	0.82%
- Coverage ratio I in stage 3 2025		0.00%	0.00%
NPL ratio 2025		0.0%	0.0%
Avg. PD (perf.) 2025		0.4%	0.4%
Avg. EL (perf.) 2025		0.0%	0.0%
Stage 2 (perf.) 2025		7.5%	8.3%
Forbearance ratio 2025		0.6%	0.4%
Sub-category B 06/2025	total	3,257.9	1,006.8
	% Δ YtD 2025	-2.8%	-1.3%
	% Δ YtD 2024	-1.2%	-4.5%
	% Δ YtD 2023	5.7%	9.7%
Collateralization ratio 2025		93.5%	95.8%
Coverage ratio I total 2025		5.3%	6.0%
- Coverage ratio I in stage 1 2025		0.12%	0.12%
- Coverage ratio I in stage 2 2025		1.55%	1.37%
- Coverage ratio I in stage 3 2025		27.58%	27.42%
NPL ratio 2025		16.6%	19.5%
Avg. PD (perf.) 2025		2.8%	2.4%
Avg. EL (perf.) 2025		0.3%	0.3%
Stage 2 (perf.) 2025		54.0%	53.8%
Forbearance ratio 2025		16.1%	17.5%

- Further strong growth in sub-category A (social housing, owner/developer schemes) in H1 2025, whereas sub-category C (commercial real estate) and sub-category B (residential real estate) show a negative development
- With respect to ratios, sub-category A stands out, despite the current crisis of the Austrian real estate market, it still has excellent risk indicators - no NPLs, forbearance ratio of 0.6% and avg. PD of 0.4%
- Sub-category B (residential real estate) shows high NPL, avg. PD (perf.) and forbearance ratios, resulting from the high share of development for sale projects, which account for 32.3%

Real Estate portfolio - categories C and Other



EUR million		AoV	VB W
Sub-category C 06/2025	total	2,508.9	626.8
	% Δ YTD 2025	-2.0%	-6.5%
	% Δ YTD 2024	8.4%	1.4%
	% Δ YTD 2023	13.3%	17.4%
Collateralization ratio 2025		89.5%	92.6%
Coverage Ratio I total 2025		3.0%	5.7%
- Coverage ratio I in stage 1 2025		0.13%	0.11%
- Coverage ratio I in stage 2 2025		2.02%	1.43%
- Coverage ratio I in stage 3 2025		28.41%	31.26%
NPL ratio 2025		7.1%	16.1%
Avg. PD (perf.) 2025		2.1%	1.7%
Avg. EL (perf.) 2025		0.3%	0.2%
Stage 2 (perf.) 2025		47.8%	55.4%
Forbearance ratio 2025		7.5%	14.2%
Other 06/2025	total	541.1	163.8
	% Δ YTD 2025	0.3%	7.7%
	% Δ YTD 2024	8.5%	18.2%
	% Δ YTD 2023	-12.5%	-5.4%
Collateralization ratio 2025		41.8%	46.6%
Coverage ratio I total 2025		7.1%	10.6%
- Coverage ratio I in stage 1 2025		0.20%	0.16%
- Coverage ratio I in stage 2 2025		2.84%	2.03%
- Coverage ratio I in stage 3 2025		51.43%	39.69%
NPL ratio 2025		12.0%	25.2%
Avg. PD (perf.) 2025		1.2%	1.0%
Avg. EL (perf.) 2025		0.4%	0.2%
Stage 2 (perf.) 2025		31.2%	31.8%
Forbearance ratio 2025		6.8%	17.5%

- After significant growth in the years 2023 and 2024, sub-category C (commercial RE) showed a downward trend in the first half of 2025
- NPL and forbearance ratios in sub-category C are high, but remain below the ratios of sub-category B, which is, among other factors, due to a lower share of development for sale projects of 8.1%
- Category “Other” includes loans that can not be allocated unambiguously to categories A, B, or C

Downturn of the RE market affects RE portfolio – distribution by rating



Segments EUR million	Customer exposure 06/2025	in %	Customer exposure YE 24	in %	Customer exposure YE 23	in %
Real Estate	7,795.4		7,822.3		7,490.1	
Sub-category A (social housing, owner/developer schemes)	1,487.4		1,372.6		1,243.1	
1A - 3E	1,478.5	99.4%	1,366.4	99.5%	1,242.9	100.0%
4A - 4B	0.0	0.0%	0.0	0.0%	0.1	0.0%
4C - 4E	8.8	0.6%	6.2	0.4%	0.0	0.0%
5A - 5E	-	0.0%	-	0.0%	-	0.0%
NR	0.0	0.0%	0.0	0.0%	0.0	0.0%
Sub-category B (residential RE)	3,257.9		3,351.3		3,389.2	
1A - 3E	2,192.2	67.3%	2,404.9	71.8%	3,047.3	89.9%
4A - 4B	93.3	2.9%	102.0	3.0%	71.1	2.1%
4C - 4E	431.1	13.2%	349.4	10.4%	107.5	3.2%
5A - 5E	541.1	16.6%	494.8	14.8%	163.1	4.8%
NR	0.2	0.0%	0.2	0.0%	0.3	0.0%
Sub-category C (commercial RE)	2,508.9		2,559.1		2,360.6	
1A - 3E	2,042.8	81.4%	2,166.3	84.7%	2,239.7	94.9%
4A - 4B	89.2	3.6%	83.4	3.3%	14.8	0.6%
4C - 4E	198.5	7.9%	140.9	5.5%	23.6	1.0%
5A - 5E	178.4	7.1%	168.4	6.6%	82.5	3.5%
NR	0.0	0.0%	0.1	0.0%	0.1	0.0%
Other	541.1		539.3		497.2	
1A - 3E	454.5	84.0%	443.9	82.3%	471.9	94.9%
4A - 4B	10.6	2.0%	12.4	2.3%	5.2	1.0%
4C - 4E	11.0	2.0%	9.1	1.7%	11.4	2.3%
5A - 5E	65.0	12.0%	73.9	13.7%	8.6	1.7%
NR	0.1	0.0%	0.1	0.0%	0.1	0.0%

- RE sub-category A (social housing, owner/developer schemes):
No defaults, hardly any rating downgrades, acyclical portfolio, as of 06/2025 highest growth rate of all sub-categories
- RE sub-category B (residential RE):
Clear deterioration of portfolio quality, shift towards lower rating categories due to forbearance measures and early warning indicators, clear increase of NPLs (ratings 5A and below) from 4.8% in 2023 to 16.6% as of 06/2025, the share of rating category 4C-4E rose from 3.2% in 2023 to 13.2% at the end of H1 2025
- RE sub-category C (commercial RE):
Development similar to sub-category B, but less pronounced, still ca. 81% of exposure in rating category 1A – 3E, lower forbearance and early warning indicators, but clear increase in NPLs in this sub-category as well (from 3.5% in 2023 to 7.1% as of 06/2025)

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



Segments	Customer exposure 06/2025	in %	Customer exposure YE 24	in %	Customer exposure YE 23	in %
EUR million						
Real Estate	7,795.4		7,822.3		7,490.1	
Sub-category A	1,487.4		1,372.6		1,243.1	
Performing	1,458.4	98.0%	1,305.4	95.1%	1,222.2	98.3%
Early warning	1.3	0.1%	29.5	2.1%	15.6	1.3%
Problem loans, special monitoring, work-out/legal	27.7	1.9%	37.7	2.7%	5.3	0.4%
--- of which special monitoring	27.7	1.9%	37.7	2.7%	5.3	0.4%
--- of which work-out/legal	-	0.0%	-	0.0%	-	0.0%
--- of which performing	-	0.0%	-	0.0%	-	0.0%
Sub-category B	3,257.9		3,351.3		3,389.2	
Performing	1,539.6	47.3%	1,498.0	44.7%	2,991.1	88.3%
Early warning	45.6	1.4%	97.6	2.9%	66.1	2.0%
Problem loans, special monitoring, work-out/legal	1,672.7	51.3%	1,755.7	52.4%	332.0	9.8%
--- of which special monitoring	1,109.7	34.1%	1,262.1	37.7%	176.0	5.2%
--- of which work-out/legal	563.0	17.3%	493.5	14.7%	156.0	4.6%
--- of which performing	43.0	1.3%	36.6	1.1%	9.7	0.3%
Sub-category C	2,508.9		2,559.1		2,360.6	
Performing	1,584.5	63.2%	1,626.6	63.6%	2,175.8	92.2%
Early warning	80.9	3.2%	58.1	2.3%	30.6	1.3%
Problem loans, special monitoring, work-out/legal	843.5	33.6%	874.4	34.2%	154.2	6.5%
--- of which special monitoring	652.5	26.0%	689.8	27.0%	73.0	3.1%
--- of which work-out/legal	191.0	7.6%	184.6	7.2%	81.2	3.4%
--- of which performing	12.7	0.5%	25.9	1.0%	2.4	0.1%
Other	541.1		539.3		497.2	
Performing	384.3	71.0%	359.6	66.7%	444.5	89.4%
Early warning	10.2	1.9%	19.5	3.6%	24.5	4.9%
Problem loans, special monitoring, work-out/legal	146.5	27.1%	160.3	29.7%	28.2	5.7%
--- of which special monitoring	81.8	15.1%	84.6	15.7%	19.1	3.8%
--- of which work-out/legal	64.7	12.0%	75.7	14.0%	9.1	1.8%
--- of which performing	0.3	0.1%	3.1	0.6%	0.7	0.1%

- In line with the development of ratings, a deterioration of portfolio quality in terms of loan status has been evident in the Real Estate segment since 2023, in particular due to an allocation of all residential real estate development loans to special monitoring in H1 2024
- Sub-category B (residential real estate) is particularly affected (PLM portfolio 51.3%, of which loans in special monitoring 34.1%); a deterioration can also be seen in sub-category C (commercial real estate) with a PLM portfolio of 33.6% (of which 26.0% in the special monitoring category)
- Driver of the increase of loans in the work-out/legal category are defaults of several large-volume real estate developers following delayed returns (sales proceeds and/or rental income) from real estate projects

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



Segments EUR million	Customer exposure 06/25	in %	in % dev. for sale proj.	% dev. for sale proj. completed	Customer exposure YE 24	in %	in % dev. for sale proj.	% dev. for sale proj. completed	Customer exposure YE 23	in %	in % dev. for sale proj.	% dev. for sale proj. completed
Real estate	7,795.4		16.6%		7,822.3		18.1%		7,490.1		19.9%	
of which under construction	1,124.8	14.4%	32.3%	47.8%	1,252.1	16.0%	37.2%	49.7%	1,517.7	20.3%	40.5%	42.5%
of which completed or not secured by properties	6,333.8	81.3%	11.0%		6,262.2	80.1%	11.8%		5,652.5	75.5%	11.6%	
of which land	336.8	4.3%	68.5%		308.0	3.9%	68.9%		319.9	4.3%	68.1%	
Sub-category A	1,487.4		0.0%		1,372.6		0.4%		1,243.1		0.0%	
of which under construction	265.9	17.9%	0.0%		166.0	12.1%	0.6%	17.8%	194.1	15.6%	0.0%	
of which completed or not secured by properties	1,201.6	80.8%	0.0%		1,182.3	86.1%	0.0%		1,036.2	83.4%	0.0%	
of which land	19.9	1.3%	0.0%		24.3	1.8%	18.5%		12.8	1.0%	0.0%	
Sub-category B	3,257.9		32.4%		3,351.3		34.1%		3,389.2		37.2%	
of which under construction	575.4	17.7%	55.6%	46.6%	697.5	20.8%	59.1%	50.6%	821.8	24.2%	66.7%	43.9%
of which completed or not secured by properties	2,489.9	76.4%	23.5%		2,474.0	73.8%	23.7%		2,378.2	70.2%	23.7%	
of which land	192.7	5.9%	77.9%		179.8	5.4%	78.8%		189.2	5.6%	78.5%	
Sub-category C	2,508.9		8.1%		2,559.1		8.5%		2,360.6		8.2%	
of which under construction	225.0	9.0%	10.9%	57.6%	333.6	13.0%	12.3%	42.3%	451.5	19.1%	11.0%	29.1%
of which completed or not secured by properties	2,163.3	86.2%	4.5%		2,124.8	83.0%	5.2%		1,794.6	76.0%	4.1%	
of which land	120.6	4.8%	66.8%		100.7	3.9%	65.7%		114.6	4.9%	60.7%	
Other	541.1		6.7%		539.3		9.6%		497.2		7.5%	
of which under construction	58.4	10.8%	32.6%	52.4%	55.0	10.2%	22.0%	61.7%	50.2	10.1%	33.9%	48.9%
of which completed or not secured by properties	479.0	88.5%	3.6%		481.2	89.2%	8.2%		443.6	89.2%	4.5%	
of which land	3.6	0.7%	0.0%		3.2	0.6%	0.0%		3.4	0.7%	0.0%	

- The volume of financings in the “under construction” category has decreased continuously, from EUR 1,518 mn at year-end 2023 to EUR 1,125 nm in H1 2025
- Within sub-category B (residential RE), 55.6% of loans collateralised with projects under construction are development for sale projects, this share has also decreased compared to 2023. Ca. 5.9% of the loans in sub-category B relate to financings for land, for which no construction activity is planned in the short term

Stock of NPLs – details RE segment



Segments	EUR million	AoV	VB W	VB Vbg	VB T	VB Stm	VB S	VB OÖ	VB NÖ	VB K	ÄAB
Real estate		784.44	338.04	13.41	42.10	81.39	29.29	61.54	205.16	13.47	0.04
of which development for sale projects		412.35	206.70	7.57	28.29	13.00	7.74	33.21	114.32	1.52	-
% development for sale projects		52.6%	61.1%	56.5%	67.2%	16.0%	26.4%	54.0%	55.7%	11.3%	0.0%
of which land		79.2	46.4	-	15.0	3.8	3.0	8.0	2.9	-	-
% land		19.2%	22.4%	0.0%	53.1%	29.3%	38.5%	24.2%	2.6%	0.0%	0.0%
of which completed or not secured by properties		210.6	77.8	4.1	12.2	6.6	4.8	25.2	79.9	-	-
% completed or not secured by properties		51.1%	37.6%	54.1%	43.3%	51.0%	61.5%	75.8%	69.9%	0.0%	0.0%
of which under construction		122.6	82.5	3.5	1.0	2.6	-	-	31.5	1.5	-
% under construction		29.7%	39.9%	45.9%	3.6%	19.8%	0.0%	0.0%	27.5%	100.0%	0.0%
of which other projects		372.08	131.34	5.84	13.81	68.39	21.55	28.33	90.84	11.95	0.04
% other projects		47.4%	38.9%	43.5%	32.8%	84.0%	73.6%	46.0%	44.3%	88.7%	100.0%
of which land		3.8	0.1	0.4	0.9	0.4	0.1	-	1.9	-	-
% land		1.0%	0.1%	7.4%	6.5%	0.5%	0.5%	0.0%	2.1%	0.0%	0.0%
of which completed or not secured by properties		336.8	110.5	5.4	12.9	66.5	18.6	28.3	82.7	11.7	0.0
% completed or not secured by properties		90.5%	84.2%	91.7%	93.5%	97.3%	86.5%	100.0%	91.1%	98.1%	100.0%
of which under construction		31.4	20.7	0.1	-	1.5	2.8	-	6.2	0.2	-
% under construction		8.4%	15.7%	0.9%	0.0%	2.2%	13.0%	0.0%	6.8%	1.9%	0.0%

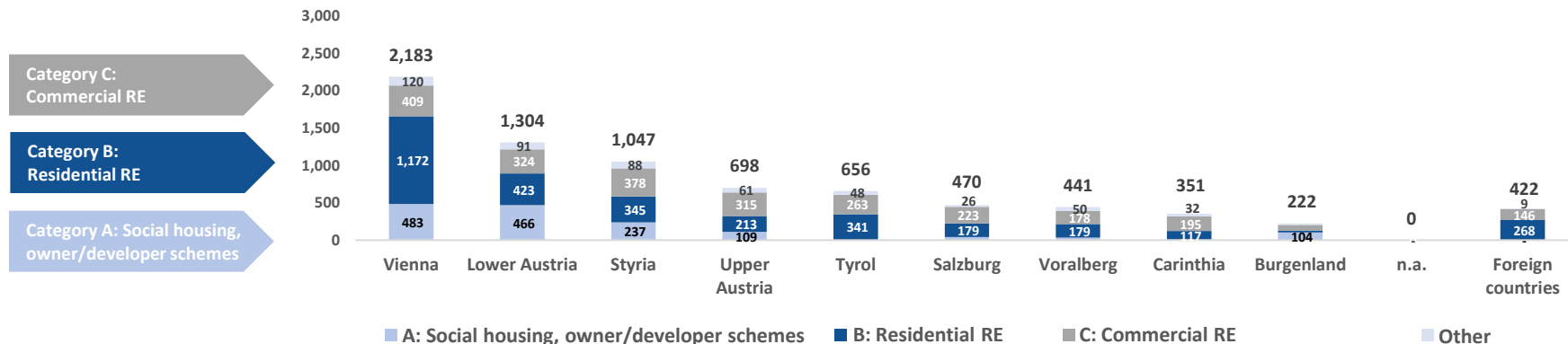
- 52.6% of NPLs or EUR 412 mn in the RE segment are development for sales projects, of which ca. 51% are completed
- 50.1% or EUR 206.7 mn of the development for sales projects are attributable to Volksbank Wien, 27.7% or EUR 114.3 mn to Volksbank Niederösterreich
- In total, the stock of NPLs in the “under construction” and “financings for land” parts of the RE segment amount to EUR 237.0 mn (of which EUR 201.7 mn are attributable to development for sale projects), 67% (EUR 103.2 mn) are attributable to Volksbank Wien and 24.4% (EUR 37.6 mn) to Volksbank Niederösterreich

Regional distribution by federal states¹⁾

Real Estate segment



Regional distribution (EUR mn)



- The Real Estate portfolio is concentrated in Austria (ca. 95%), the remaining portfolio is mainly in Germany²⁾ (Volksbank Oberösterreich)
- Sub-category A is a low-default portfolio which consists predominantly of loans for social housing, primarily in the federal states of Vienna, Lower Austria and Styria (rest of sub-category A: mainly owner/developer schemes)
- Sub-categories B and C: traditional commercial real estate financings for residential properties (multi-residential buildings in particular) and commercially used properties (including a broadly diversified real estate portfolio of offices, commercial properties, retail properties, etc.)

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

²⁾ 99% in Germany

Distribution of exposure by type of collateral



Segments	Customer exposure 06/25	in %	Customer exposure YE 24	in %	Customer exposure YE 23	in %
Real estate	7,795.4		7,822.3		7,490.1	
Sub-category A	1,487.4		1,372.6		1,243.1	
Multi-residential building	1,167.0	78.5%	1,078.4	78.6%	964.9	77.6%
Residential building	19.6	1.3%	19.7	1.4%	20.4	1.6%
Apartment	1.9	0.1%	16.1	1.2%	13.9	1.1%
Residential property	17.3	1.2%	21.8	1.6%	10.2	0.8%
Other real estate	84.9	5.7%	63.7	4.6%	59.2	4.8%
Not collateralized	196.7	13.2%	172.9	12.6%	174.4	14.0%
Sub-category B	3,257.9		3,351.3		3,389.2	
Multi-residential building	2,149.7	66.0%	2,204.1	65.8%	2,207.8	65.1%
Apartment	264.8	8.1%	284.2	8.5%	295.6	8.7%
Luxury real estate	287.0	8.8%	310.2	9.3%	308.2	9.1%
Residential building	264.8	8.1%	284.2	8.5%	295.6	8.7%
Residential property	191.8	5.9%	178.9	5.3%	188.8	5.6%
Other real estate	99.8	3.1%	89.6	2.7%	93.0	2.7%
Not collateralized	0.1	0.0%	0.1	0.0%	0.1	0.0%
Sub-category C	2,508.9		2,559.1		2,360.6	
Office building	549.2	21.9%	570.9	22.3%	532.4	22.6%
Commercial real estate	384.0	15.3%	414.0	16.2%	360.2	15.3%
Residential/commercial building (mixed use)	373.0	14.9%	386.4	15.1%	331.8	14.1%
Accommodation	319.1	12.7%	319.6	12.5%	308.1	13.1%
Retail property	280.7	11.2%	295.1	11.5%	302.4	12.8%
Other real estate	602.9	24.0%	572.9	22.4%	523.9	22.2%
Not collateralized	-	0.0%	0.0	0.0%	1.9	0.1%
Other	541.1		539.3		497.2	
Social property	47.1	8.7%	40.9	7.6%	29.5	5.9%
Commercial real estate	33.6	6.2%	31.0	5.8%	29.0	5.8%
Multi-residential building	15.6	2.9%	16.6	3.1%	16.0	3.2%
Accommodation	23.5	4.3%	16.7	3.1%	12.5	2.5%
Logistics property	9.0	1.7%	10.8	2.0%	11.6	2.3%
Other real estate	53.5	9.9%	56.6	10.5%	45.7	9.2%
Not collateralized	358.7	66.3%	366.7	68.0%	353.0	71.0%

- The real estate portfolio is dominated by residential properties, particularly multi-residential buildings, which account for the biggest shares of sub-categories A (78.5%) and B (66.0%)
- In sub-category C, the structure is highly heterogeneous and well diversified



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