Oberbank

Interim Report to Shareholders as at 30 June 2025

Key Performance Indicators

Income statement in € m	Q1-Q2 2025	Change	Q1-Q2 2024
Net interest income	313.5	-4.8%	329.4
Income from entities recognised using the equity	21.6	-36.7%	34.2
Charges for losses on loans and advances	-22.4	-7.2%	-24.2
Net fee and commission income	113.8	11.9%	101.7
Administrative expenses	-199.3	0.8%	-197.6
Profit/loss for the period before tax	234.8	-9.2%	258.7
Profit/loss for the period after tax	179.2	-11.0%	201.4

Balance sheet in €m	30/06/2025	Change	31/12/2024
Total assets	28,849.7	1.6%	28,382.6
Loans and advances to customers	21,454.8	3.3%	20,769.0
Primary funds	20,216.4	2.6%	19,700.3
thereof securitised liabilities incl. subordinated debt capital	4,011.1	9.6%	3,660.0
Shareholders' equity	4,176.8	1.5%	4,115.6
Customer funds under management	41,670.9	3.8%	40,158.0

Own funds pursuant to CRR in € m	30/06/2025	Change	31/12/2024
Common equity tier 1 capital (CET1)	3,550.3	-1.6%	3,609.4
Tier 1 capital	3,570.3	-2.4%	3,659.4
Own funds	3,899.9	-2.3%	3,991.8
CET 1 in %	18.69%	-0.56 ppt	19.25%
Tier 1 capital ratio in %	18.80%	-0.72 ppt	19.52%
Total capital ratio in %	20.53%	-0.76 ppt	21.29%

Risk indicators	Q1-Q2 2025	Change	Q1-Q2 2024
Liquidity coverage ratio in %	164.82	-3.30 ppt	168.12
Net stable funding ratio in %	127.36	-0.42 ppt	127.78
Leverage ratio in %	11.59	0.19 ppt	11.40

Performance indicators	Q1-Q2 2025	Change	Q1-Q2 2024
Cost/income ratio in %	43.65	2.52 ppt	41.13
Return on equity before tax in %	11.27	-1.92 ppt	13.19
Return on equity after tax in %	8.60	-1.67 ppt	10.27
Risk/earnings ratio (credit risk/net interest) in %	7.16	-0.18 ppt	7.34

Resources	30/06/2025	Change	31/12/2024
Average number of staff (weighted)	2,183	-44	2,227
Number of branches	171	-5	176

Development of Business of the Oberbank Group in HY1 2025

Dear shareholders,

Economically, the first half of 2025 was quite challenging. The ECB continued its interest rate cutting cycle and the effects are starting to show, with economic forecasts becoming more encouraging. However, for us as a bank, this also means greater pressure on interest margins as well as the additional burden caused by the sudden introduction of a banking tax.

Against this backdrop, the results achieved are excellent. Despite the decline in net interest income and income from equity investments, we attained solid earnings through a double-digit increase in net fee and commission income, an excellent risk result and stable administrative expenses.
Important: All comparative figures refer to the period 30/06/2024 to 30/06/2025.

Strong growth in lending: volume up by +4.2% to EUR 21.5 billion

The bank's business operations performed very robustly again. A major contribution to this development was the increase in lending volume by 4.2% to EUR 21.5 billion. At 5%, commercial loans grew much more strongly than the market, with investments being made into automation, digitalisation and efficiency improvements, while there is still a backlog in capacity increases.

Excellent risk management: NPL ratio falls to 2.99%

We are proud of our very healthy and broadly diversified loan portfolio. Risk provisions decreased from EUR 24.2 million to EUR 22.4 million. The NPL ratio dropped by 0.65 percentage points to 2.99%, which is significantly better than that of many of our peers. Credit risk is not an issue in Retail Banking.

Primary funds break new record: +5.6% to EUR 20.2 billion

Even more important than credit growth are primary funds, which are an indication of the trust customers place in Oberbank. Trust is a bank's most important asset. Primary funds increased more robustly than loans in the first half of the year, which is a very pleasing development. Primary funds gained EUR 1.1 billion (+5.6%), increasing to EUR 20.2 billion, thus posting a new high. When one adds the volumes on securities accounts, the volume of customer assets under management rose to EUR 41.7 billion.

Best half-year performance in Private Banking, +18% in commission and fee income

Oberbank Private Banking broke new records, with the number of customers exceeding 10,000 for the first time and the volume of customer assets under management reaching a new all-time high of EUR 13.5 billion. Commissions from the securities business attained EUR 41 million (+18%), all of which contributed to the best half-year result in the history of Oberbank.

Robust Retail Banking: +80% in housing loans

Private residential construction is definitely back, and the volume of new housing loans rose 80%. The savings rate remains at record levels and demand for private financial planning and retirement products increased again.

Profit for the period before taxes at a high level of EUR 234.8 million

The significantly lower interest rates are causing interest spreads to narrow, thus lowering net interest income, which fell by 4.8% to EUR 313.5 million. The fee and commission business is broadly diversified and continued to advance from an already high level to EUR 113.8 million (+11.9%). The main contributions came from Private Banking and payment services, but the foreign exchange business also performed excellently.

The decline in investment income was due to our investment in voestalpine.
As a result, **pre-tax profit for the period in the amount of EUR 234.8 million** remained high and just slightly below the preceding year's level. **Profit after tax was EUR 179.2 million.**

Equity rose by a further 5.4% to EUR 4.2 billion

At a tier 1 capital ratio of 18.80% and a total capital ratio of 20.53%, Oberbank ranks among the top performing universal banks in Europe. Shareholders' equity pursuant to IFRS increased to EUR 4.2 billion as at 30 June 2025. This represents an increase of 5.4%, thus ensuring funding for further growth.

Strategy 2030 – on course for sustained growth

In May, we presented our Strategy 2030 to the Annual General Meeting and subsequently to all of our employees in all markets. The Strategy 2030 places a stronger focus on the bank's ability to access capital markets. The clearly defined **dividend policy** provides for a stable, gradual increase in dividends towards EUR 2.00. This will increase total dividend distributions from EUR 70 million to EUR 140 million, which is double the amount compared to financial year 2023.

Oberbank has been growing faster than the market for years, and we aim for sustainable and profitable growth. Specifically, we plan to increase the lending volume by 5.5% per year until 2030, which will enable us to finance growth for both customers and the economy. Our strong equity base provides us with the leeway we need to achieve this.

Outlook

We are confident that the spectre of recession in Austria and Germany is now slowly receding. The ECB's interest rate cuts are starting to have an effect and the propensity to invest is reviving. As a bank, demand for loans is the most important economic indicator and we are seeing a clear recovery which makes us optimistic about the second half of the year.
We expect very good operating results. However, net profit may also be influenced strongly by market movements impacting our fair value measurements. Therefore, from today's perspective it is not possible to provide a more precise outlook.

Linz, August 2025

CEO Franz Gasselsberger

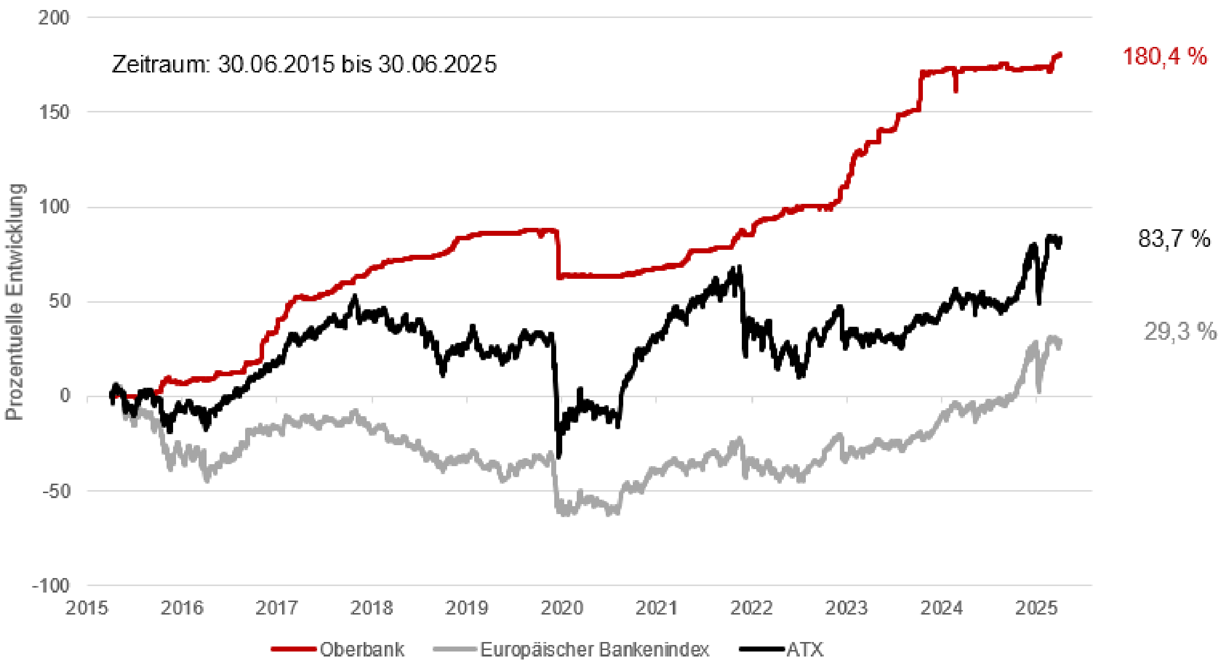
Oberbank's shares

Oberbank's ordinary shares were quoted at EUR 71.80 at the close of the first half-year 2025. The price of Oberbank's ordinary shares gained +2.87%, while performance was up +4.57%. Market capitalisation amounted to EUR 5,070.13 million at the close of HY1 2025 compared to EUR 4,943.02 million at the close of HY1 2024.

Oberbank shares – key figures	Q1-Q2 2025	Q1-Q2 2024
Number of ordinary no-par shares	70,614,600	70,614,600
High, ordinary shares in €	71.80	70.00
Low, ordinary shares in €	69.40	64.60
Close, ordinary share in €	71.80	70.00
Market capitalisation in € m	5,070.13	4,943.02
IFRS earnings per share in €, annualised	5.08*	5.71*
P/E ratio, ordinary shares	14.13	12.26

*Earnings per share annualised. This is calculated as follows: profit for the period after tax in HY1 divided by the average number of ordinary shares in circulation multiplied by two (projection for the full year).

Oberbank's ordinary and preference shares vs. ATX and the European banking index



Source: Bloomberg, 30/06/2025

Texts in chart: Period of observation: 31/06/2015 to 31/06/2025; red line = Oberbank ordinary share, grey line = STOXX Europe 600 banks, black line = ATX; The figures use the German notation, i.e., commas are periods

This chart compares the development of Oberbank's ordinary shares, the Austrian stock index ATX, and the European banking index STOXX Europe 600 Banks. In the chart, the prices have been adjusted by indexing the daily closing prices of the relevant stock and the indices to 0. This means the starting prices were all set to 0% at the starting time. Therefore, the chart presents the relative development in percentage. The figures given refer to the past. These cannot be used to derive future trends.

Segments in HY1 2025

Corporate and Business Banking

Corporate and Business Banking in € million	Q1-Q2 2025	Q1-Q2 2024	± amount	± in %
Net interest income	229.7	255.4	-25.7	-10.1%
Charges for losses on loans and advances	-20.2	-23.8	3.6	-15.2%
Net fee and commission income	60.5	54.9	5.6	10.3%
Net trading income	0.4	0.3	0.1	28.9%
Administrative expenses	-106.7	-107.0	0.3	-0.3%
Other operating income	-2.6	1.4	-4.0	>-100.0%
Profit/loss for the period	161.2	181.2	-20.0	-11.0%
Risk equivalent	13,825.7	13,152.3	673.4	5.1%
Average allocated equity	2,799.3	2,607.2	192.1	7.4%
Return on equity before tax (RoE)	11.5%	13.9%	-2.4 ppt	
Cost/income ratio	37.0%	34.3%	2.7 ppt	

Earnings in Corporate and Business Banking

Profit in the Corporate and Business Banking segment was EUR 161.2 million which is EUR -20.0 million lower (-11.0%) year on year.

Net interest income decreased by EUR -25.7 million (-10.1%) to EUR 229.7 million.

The allocation to risk provisions decreased by EUR -3.6 million, from EUR 23.8 million to EUR 20.2 million.

At EUR 60.5 million, net fee and commission income was EUR 5.6 million or 10.3% higher than in the preceding year.

Net trading income increased by EUR 0.1 million year on year.

Administrative expenses decreased by EUR -0.3 million (-0.3%) to EUR 106.7 million.

Other operating income decreased by EUR -4.0 million to EUR -2.6 million.

RoE in Corporate and Business Banking declined by 11.5%, and the cost/income ratio worsened to 37.0%.

Commercial loans

Oberbank's commercial lending volume increased by EUR 842.6 million (+5.0%), from EUR 16,930.4 million to EUR 17,773.0 million.

Commercial loans		YoY change	
As at 30/06/2025	As at 30/06/2024	amount	in %
EUR 17,773.0 m	EUR 16,930.4 m	EUR 842.6 m	5.0%

Investment and innovation finance

At 721 projects, the number of applications for subsidised loan schemes submitted in all five Oberbank markets in the first half of this year for the purpose of investments and innovation and to secure liquidity was 4.5% lower than in the same period of the preceding year. This was due to the economic uncertainty that weighed on investment propensity among businesses and also to the meagre appeal in Q1 2025 of interest rates on subsidised loans.

The volume of subsidised loans granted through Oberbank amounted to EUR 2.1 billion as at 30 June 2025, which is 13.7% higher than the average of the past three years.

Leasing

The volume of new business in the first half of the financial year 2024/25 was EUR 612.5 million, thus again at an all-time high, up by +14% compared to the same period of the preceding year. The portfolio exceeded the EUR 3 billion threshold for the first time and now stands at EUR 3.01 billion. This corresponds to an increase of 9% year on year.

Structured finance and syndication

The number of transactions in structured finance was around the same level as in the preceding year. Demand in the segment of renewable energy increased – especially in Austria – in a year-on-year comparison. Demand for finance is still solid in the segment company acquisitions and changes of ownership, albeit slightly lower year on year. Demand for tourism loans was livelier.

Total exposure in the segment of syndicated loans, special loans and borrowers' notes increased versus HY1 2024 both with respect to exposure and number of transactions.

Growth was driven by demand for large-volume borrowers' notes of Austrian and German issuers with strong credit ratings, as well as for borrowers' notes issued by public sector entities and interest in syndicated finance in the Austrian and German markets.

Oberbank Opportunity Fund

In HY 2025, the Oberbank Opportunity Fund recorded some 80 inquiries, which was more or less unchanged year on year. The Oberbank Opportunity Fund finalised five new transactions during this period. Since the inception of the Oberbank Opportunity Fund, 130 transactions involving equity and/or mezzanine capital or high-yield capital have been completed (plus debt financing), alongside ten supplementary finance transactions for portfolio companies. The volume of capital committed as at 30 June 2025 was EUR 397 million distributed across equity, mezzanine capital and high-yield capital

Payment services

Income from payment services in Corporate and Business Banking developed well despite the difficult economic environment and gained 5.5% over the preceding year.

The replacement of the ELBA MBS software product in Austria is under way. Following the successful launch of the new, modern business banking solution "oBusiness" for new customers, the task of migrating current customers was started in the first quarter. The changeover project was well advanced in HY1 and customer feedback on the new application has been very positive.

Export finance

The Austrian exporting sector is still struggling with decreased competitiveness. Total exports declined by 3.6% already in 2024 due primarily to higher energy costs and higher unit labour costs in Austria. However, the international economic environment, e.g. the recession in Germany, the only gradual recovery in the other EU countries and the erratic trade policy of the US government are also factors that dampen demand. In its June forecast, Oesterreichische Nationalbank (OeNB) estimates that Austria's exports will decline by a further 1.2% in 2025. In this harsh environment, Oberbank was able to keep market shares more or less constant during the first half of the year.

Only in the case of OeKB refinanced working capital credit facilities for large companies did the market share of some large industrials decline by 0.8% to 12.7% at the end of June 2025 due to the macroeconomic developments. The volume of OeKB-refinanced investment loans in Austria even increased slightly in the first half of 2025 despite regular repayments.

Factoring

In factoring, Oberbank recorded a significant increase in income by 17.0% versus the same period in the preceding year. Given an increase of 2.0% in credit facilities, revenue was up by 6.0% year on year.

Documentary business

International trade remained under considerable pressure in the first half of 2025. Companies are still experiencing insufficient utilization of production capacities. The situation in international trade therefore remains challenging.

For successful companies to manage risks effectively, they need to manage default and country risk, build trust and secure liquidity. In doing so, these companies rely on Oberbank's expertise in international trade. In the first half of the year, income in the documentary business increased by a pleasing 23.5% year on year. However, the pace of development of new business was in line with the sluggish economy. As regards guarantees, however, demand remained unbroken, and income earned on guarantees for foreign trade deals increased by 11.8% year on year.

International network of partner banks and institutions

The "Global Financial Institutions" unit responsible for the international banking and financial institutions network was integrated into the "Treasury" department at the start of 2025. Thanks to the professionalism of everyone involved, the combination of the two entities went smoothly. In the meantime, the processes and ICS controls have been transferred to the new department.

At the beginning of the year, the focus was once again on bank balance confirmations. A clear trend has evolved in recent years that auditors of financial institutions are placing increasing emphasis on security when reconciling balance sheet items. The number of requests for balance confirmations has increased.

Against the backdrop of high geopolitical tension and the associated uncertainty for the general economic outlook, de-risking is still evident in the banking network. In the first half of 2025, financial institutions continued their practice of reducing and/or terminating their relationships with correspondent banks. Large banks, under pressure from regulators and the rising cost of compliance (complex KYC processes), reduced the number of correspondent banks, which disproportionately affected smaller banks and high-risk regions. As an alternative to cutting back on partner bank relationships, banks that use the services of major banks were charged additional fees to compensate for the higher expenses. Oberbank consolidated its partner bank relationships again this year, working to maintain smooth collaboration with them in order to be able to offer customers an optimal international network. In this context, it is important to ensure that the network of partner banks is sufficiently comprehensive in the major currencies. To lower risk, an additional account for CHF payments was opened in the first half of the year.

Oberbank received the Crystal Award from its USD clearer, Wells Fargo, in HY1 for the high quality of its clearing and settlement services. Among other things, the award was conferred for Oberbank's straight-through processing rate of 100%. This means that Oberbank manages its USD payment transactions optimally and processes run smoothly.

Primary deposits

Interest rates in the euro area continued to decline in the reporting period. The ECB carried out a total of four rate cuts, which came to 2% in total. The benchmark interest rate for deposits with the ECB was therefore 2% at the end of June.

Oberbank followed suit and lowered interest rates on overnight deposits for corporate customers in line with the ECB's cuts. Primary deposits have risen from EUR 19.7 billion to EUR 20.216 billion since the beginning of the year, which corresponds to an increase of over EUR 500 million or 2.6%. Compared to HY1 2024, the increase was more than EUR 1 billion or +5.6%.

Currency risk management

Trade in foreign currencies developed well in HY1 2025. The increase was almost 10% compared to HY1 2024. Uncertainty on financial markets and the weakening US dollar were one of the main reasons for this development. Considering the situation, many companies with international business hedged their currency holdings against losses. The possibility of hedging currencies digitally using Oberbank’s I-Trader platform was a supportive factor.

Retail Banking

Retail Banking in € million	Q1-Q2 2025	Q1-Q2 2024	± amount	± in %
Net interest income	90.0	116.2	-26.2	-22.6%
Charges for losses on loans and	-2.3	-0.5	-1.8	>100.0%
Net fee and commission income	53.3	46.8	6.5	13.8%
Net trading income	0.0	0.0	0.0	
Administrative expenses	-69.7	-68.1	-1.7	2.4%
Other operating income	2.3	2.3	0.0	0.4%
Profit/loss for the period	73.5	96.8	-23.2	-24.0%
Risk equivalent	1,925.0	2,034.5	-109.5	-5.4%
Average allocated equity	389.8	403.3	-13.5	-3.4%
Return on equity before tax (RoE)	37.7%	48.0%	-10.3 ppt	
Cost/income ratio	47.9%	41.2%	6.7 ppt	

Earnings trend in Retail Banking

Earnings in Retail Banking decreased year on year by EUR -23.2 million (-24.0%) to EUR 73.5 million.
Net interest income decreased by EUR -26.2 million (-22.6%) to EUR 90.0 million.
Allocations to risk provisions increased by EUR 1.8 million, from EUR 0.5 million to EUR 2.3 million.
Net commission income increased by EUR 6.5 million (+13.8%) to EUR 53.3 million.
At EUR 69.7 million, administrative expenses were EUR 1.7 million (+2.4%) higher year on year.
At EUR 2.3 million, other operating income remained at the preceding year's level.

RoE in Retail Banking dropped to 37.7%, and the cost/income ratio deteriorated to 47.9%.

Retail accounts

The number of retail accounts increased by 2,145 accounts (+1.1%) from 194,378 in the preceding year to 196,523 in 2025. The "be(e) green account", which is a sustainable current account for retail customers, has been available since June 2021 in Austria and since HY2 2023 in the Czech Republic. As at 30/06/2025, 44.3% of retail accounts in the portfolio were sustainable accounts. This corresponds to an increase by 10,563 to 87,051 sustainable accounts in the period of comparison.

Retail accounts		YoY change	
As at 30/06/2025	As at 30/06/2024	amount	in %
196,523	194,378	2,145	1.1%

Retail loan

The outstanding volume (excluding leasing) increased by EUR 17.0 million (+0.5%) from EUR 3,664.7 million on 30 June 2024 to EUR 3,681.7 million. The volume of new retail loans was 57.4% higher in HY1 than in the same period of the preceding year. Demand for housing loans has risen compared to preceding quarters. The share of foreign currency loans in the total volume of retail loans was only 0.9% at Oberbank.

Retail loans		**YoY change**	
As at 30/06/2025	**As at 30/06/2024**	**amount**	**in %**
EUR 3,681.7 m	EUR 3,664.7 m	EUR 17.0 m	0.5%

Retail customer deposits

The volume on savings, sight and term deposits rose by EUR 74.3 million (+1.1%) from EUR 6,943.8 million to EUR 7,018.1 million year on year. We would like to point out that competition for retail deposits remains fierce. Nonetheless, Oberbank aims to achieve a reasonable level of earnings in this segment. The trend of funds being deposited into online savings products continued unabated. Deposits on online savings accounts in Austria increased substantially again year on year, rising by EUR 282.1 million (+11.7%) from EUR 2,405.0 million to EUR 2,687.1 million. By contrast, deposits on savings passbooks declined year on year by EUR -172.0 million (-13.5%) from EUR 1,271.4 million to EUR 1,099.4 million.

Retail customer deposits		**YoY change**	
As at 30/06/2025	**As at 30/06/2024**	**amount**	**in %**
EUR 7,018.1 m	EUR 6,943.8 m	EUR 74.3 m	1.1%

Securities business

The first half of 2025 was very good for the securities business. Despite the difficult geopolitical conditions and the associated market volatility, positive investor sentiment has not suffered. The European stock markets performed surprisingly well; such a massive divergent trend from the US stock markets has rarely been seen in the past.

In this setting, there were significant inflows into securities, especially into investment funds and bonds. Bond and mixed funds were the most popular investment funds. The yield curve steepened even more as a result of the ECB rate cuts, thus making bond yields more attractive. This also raised demand for Oberbank's bond issues.

The inflow of funds and the good performance significantly raised securities commissions; these were up by +18.0% or EUR 6.2 million to EUR 41.0 million compared to the preceding year. A significant contribution came from the lively transaction activity as well as from management and custody fees.

Fee and commission income from securities		**YoY change**	
As at 30/06/2025	**As at 30/06/2024**	**amount**	**in %**
EUR 41.0 m	EUR 34.8 m	EUR 6.2 m	18.0%

Market value on custody accounts

Market values on customer custody accounts increased by +7.2% or EUR 1,438.3 million to EUR 21.5 billion year on year. This is also the highest market value ever recorded at the end of a first half-year.

Market value on custody accounts		YoY change	
As at 30/06/2025	**As at 30/06/2024**	**amount**	**in %**
EUR 21,454.4 m	EUR 20,016.1 m	EUR 1,438.3 m	7.2%

Private banking

Customer assets under management in Private Banking were 4.4% higher than in the same period of the preceding year at EUR 13,519.3 million. The number of Private Banking customers (private individuals and foundations) exceeded ten thousand for the first time, thereby continuing the growth trend of recent years.

Oberbank manages EUR 945.1 million under individual portfolio management (iPM) mandates. This is also a higher volume than one year ago (EUR 835.5 million) and an increase of 13.1% versus the same period of the preceding year.

Assets under management in Private Banking		YoY change	
As at 30/06/2025	**As at 30/06/2024**	**amount**	**in %**
EUR 13,519.3 m	EUR 12,955.7 m	EUR 563.6 m	4.4%

3 Banken-Generali Investment-Gesellschaft m.b.H.

3 Banken-Generali-Gesellschaft m.b.H. had EUR 12.9 billion under management at the end of HY1, which is an increase of 8.3% or EUR 0.9 billion more than in the preceding year.

The overall market grew by EUR 2.5 billion (+1.1%), from EUR 219.9 billion at the end of 2024 to EUR 222.4 billion. However, compared to 30 June 2024, the increase was EUR 9.9 billion or +4.7%. The company's market share amounted to 5.8%, putting it in 6th place in the ranking of Austrian investment fund companies.

Oberbank accounted for EUR 6.8 billion or 52.6% of the company's total fund volume and continued to generate strong inflows of funds.

Public investment funds and special funds		YoY change	
As at 30/06/2025	**As at 30/06/2024**	**amount**	**in %**
EUR 6,760.5 m	EUR 6,108.3 m	EUR 652.2 m	10.7%

Building society savings schemes

In HY1 2025, Oberbank brokered 1,567 building society savings contracts. Compared to HY1 2024, this was a decrease by 407 contracts (-20.6%).

Wüstenrot loans

In HY1 2025, a volume of EUR 0.1 million was brokered to Wüstenrot. This corresponds to a decrease of EUR -0.4 million compared to the same period of 2024.

Insurance services

Austrian market

Premium volume (= net annual premiums) for life and non-life insurance policies increased in the HY1 increased by 4.9% compared to the preceding year. The increase in premium volume in endowment life insurance was particularly pleasing.

Insurance contracts - premium volume		**YoY change**	
As at 30/06/2025	**As at 30/06/2024**	**amount**	**in %**
EUR 6.4 m	EUR 6.1 m	EUR 0.3 m	4.9%

German market

Premium volume (= premium sum) in life insurance rose by 34.2% year on year. An excellent result was achieved in the area of company pension schemes.

Insurance contracts - premium volume		**YoY change**	
As at 30/06/2025	**As at 30/06/2024**	**amount**	**in %**
EUR 19.6 m	EUR 14.6 m	EUR 5.0 m	34.2%

Financial Markets

Financial Markets in € million	Q1-Q2 2025	Q1-Q2 2024	± amount	± in %
Net interest income	-6.1	-42.1	36.0	-85.4%
Income from entities recognised using the equity method	21.6	34.2	-12.5	-36.7%
Charges for losses on loans and advances	0.1	0.1	0.0	0.0%
Net fee and commission income	0.0	0.0	0.0	
Net trading income	4.0	4.2	-0.2	-5.0%
Administrative expenses	-5.9	-6.0	0.1	-1.8%
Other operating income	1.0	6.6	-5.6	-84.7%
Profit/loss for the period	14.6	-3.0	17.7	>-100.0%
Risk equivalent	4,830.3	4,605.5	224.7	4.9%
Average allocated equity	978.0	913.0	65.0	7.1%
Return on equity before tax (RoE)	3.0%	n.a.		
Cost/income ratio	28.8%	n.a.		

n.a. – not indicative

Developments in Financial Markets

Income in the Financial Markets segment increased by EUR 17.7 million to EUR 14.6 million.
Net interest income improved by EUR 36.0 million to EUR -6.1 million. The result from companies accounted for using the equity method decreased by EUR -12.5 million, from EUR 34.2 million to EUR 21.6 million. The reversal of risk provisions was at the preceding year's level. Trading income decreased by EUR -0.2 million (-5.0%) to EUR 4.0 million. At EUR 5.9 million, administrative expenses were EUR -0.1 million lower year on year. Other operating income decreased by EUR -5.6 million, from EUR 6.6 million to EUR 1.0 million. RoE was 3.0%, and the cost/income ratio was 28.8%.

Proprietary trading

During the first half of the year, markets became accustomed to constantly changing assertions and conditions, and the overall sentiment was positive. The development of stock markets was quite remarkable in this context. Among currencies, the weaker US dollar stood out, having lost around 15% of its value versus the euro in the first half of the year. Interest rates and spreads for longer maturities fluctuated within a narrow range.
Overall, this resulted in a benign market environment that helped us achieve solid trading income.

Refinancing

Q1 saw the highly successful placement of a 10-year covered bond with a volume of EUR 250 million, and, overall, bonds – including subordinated bonds – were very popular with customers.
Oberbank's good credit rating and the attractive terms it offers helped achieve the placement of significantly more than half of the planned volume.

Own funds

Own funds of EUR 3,899.9 million as per 30 June 2025 represent a ratio of 20.5%. Tier 1 capital was EUR 3,570.3 million and the tier 1 capital ratio was 18.8%. The common equity tier 1 capital of EUR 3,550.3 million corresponds to a ratio of 18.7%.

Risk

Oberbank's risk policy takes into account the risk situation of all business areas, including the new markets. Risk management focuses on keeping customer funds entrusted to Oberbank safe, conserving own funds and guaranteeing liquidity.
The most important risk category is counterparty risk. This risk is accounted for by recognising adequate risk provisions.
Oberbank has decades of experience when it comes to assessing creditworthiness and to collateral policy. Moreover, its business model as a regional bank, professional credit management, and a balanced distribution of overall exposure across customer segments help to limit the risk to Oberbank's overall result from this category of risk exposure. Therefore, counterparty risk is expected to remain within the budgeted amounts for risk provisions also for the full financial year 2025.
The other risk categories are equity risk (risk of loss in value or foregone earnings in the equity portfolio), market risk (risk of losses due to fluctuating interest rates, foreign exchange rates or equity prices), operational risk and liquidity risk. In terms of liquidity risk, Oberbank's good position is also supported by the fact that it can refinance the total volume of loans to customers (30/06/2025: EUR 21.5 billion) by primary deposits plus own issues and deposits of investment finance banks (OeKB, LfA, KfW) amounting to EUR 23.6 billion (30/06/2025). Additionally, Oberbank has a permanent risk controlling system as well as strict process management and other efficient control and management instruments in place.

Consolidated interim financial statements pursuant to IFRS - Consolidated statement of comprehensive income for the period 01/01/2025 to 30/06/2025

Consolidated income statement *in € thousand*		01/01 to 30/06/2025	01/01 to 30/06/2024	Change in €k	Change in %
1. Interest and similar income		494,173	569,794	-75,621	-13.3
a) Interest income, effective interest rate method		471,570	555,444	-83,874	-15.1
b) Other interest income		22,603	14,350	8,253	57.5
2. Interest and similar expenses		-180,670	-240,357	59,687	-24.8
Net interest income	(1)	313,503	329,437	-15,934	-4.8
3. Income from entities recognised using the equity method	(2)	21,621	34,162	-12,541	-36.7
4. Charges for losses on loans and advances	(3)	-22,440	-24,187	1,747	-7.2
5. Fee and commission income		125,798	111,894	13,904	12.4
6. Fee and commission expenses		-11,979	-10,184	-1,795	17.6
Net fee and commission income	(4)	113,819	101,710	12,109	11.9
7. Net trading income	(5)	4,436	4,549	-113	-2.5
8. Administrative expenses	(6)	-199,265	-197,646	-1,619	0.8
9. Other operating income	(7)	3,123	10,637	-7,514	-70.6
a) Net income from financial assets - FVPL		9,027	10,842	-1,815	-16.7
b) Net income from financial assets - FVOCI		54	92	-38	-41.3
c) Net income from financial assets - AC		0	0	0	
d) Other operating income		-5,958	-297	-5,661	>100.0
Profit/loss for the period before tax		234,797	258,662	-23,865	-9.2
10. Income taxes	(8)	-55,559	-57,277	1,718	-3.0
Profit/loss for the period after tax		179,238	201,385	-22,147	-11.0
thereof attributable to the owners of the parent company and the owners of additional equity components		178,762	200,627	-21,865	-10.9
thereof attributable to non-controlling interests		476	758	-282	-37.2

Other comprehensive income in €k	01/01 to 30/06/2025	01/01 to 30/06/2024
Profit/loss for the period after tax	**179,238**	**201,385**
Items not reclassified to profit or loss for the year	**-12,995**	**-22,069**
-/+ Actuarial gain/loss IAS 19	2,941	-10,179
± Deferred taxes on actuarial gains/losses IAS 19	-676	2,341
+/- Share from entities recognised using the equity method	6,052	-1,999
+/- Value changes in own credit risk recognised in equity IFRS 9	-5,229	-14,185
+/- Deferred tax on changes recognised in equity for own credit risk IFRS 9	1,203	3,263
+/- Value changes in equity instruments recognised in equity IFRS 9	-19,015	-2,328
+/- Deferred tax on value changes in equity instruments recognised in equity IFRS 9	1,729	1,018
Items reclassified to profit or loss for the period	**-729**	**-4,841**
+/- Value changes recognised in equity for debt securities IFRS 9	1,209	-810
Amounts recognised in equity	1,231	-799
Reclassification adjustments	-23	-10
+/- Deferred tax on value changes recognised in equity for debt securities IFRS 9	-278	186
Amounts recognised in equity	-282	184
Reclassification adjustments	5	2
± Exchange differences	178	-2,820
+/- Share from entities recognised using the equity method	-1,838	-1,398

	01/01 to 30/06/2025	01/01 to 30/06/2024
Total income and expenses recognised directly in equity	-13,724	-26,910
Total comprehensive income for the period from net profit/loss and income/expenses recognised in equity	165,514	174,475
thereof attributable to the owners of the parent company and the owners of additional equity components	165,038	173,717
thereof attributable to non-controlling interests	476	758

Performance indicators	01/01 to 30/06/2025	01/01 to 30/06/2024
Cost/income ratio in %[1)]	43.65	41.13
Return on equity before tax in %[2)]	11.27	13.19
Return on equity after tax in %[3)]	8.60	10.27
Risk/earnings ratio (credit risk/net interest income) in %[4)]	7.16	7.34
Earnings per share (annualised) in €[5)6)]	5.08	5.71

1) Administrative expenses in relation to net interest income, income from entities accounted for using the equity method, net fee and commission income, net trading income and other operating income
2) Profit/loss for the period before tax in relation to average shareholders' equity
3) Profit/loss for the period after tax in relation to average shareholders' equity
4) Charges for losses on loans and advances in relation to net interest income
5) Profit/loss for the period after tax in relation to average number of shares in circulation
6) Since no financial instruments with diluting effect were issued, diluted earnings per share were identical to undiluted earnings per share.

Consolidated interim financial statements pursuant to IFRS - consolidated statement of

Consolidated income statement ***in € thousand***		**01/04 to 30/06/2025**	**01/04 to 30/06/2024**	**Change in €k**	**Change in %**
1. Interest and similar income		245,145	280,710	-35,565	-12.7
a) Interest income, effective interest rate method		233,477	273,281	-39,804	-14.6
b) Other interest income		11,668	7,429	4,239	57.1
2. Interest and similar expenses		-88,458	-118,189	29,731	-25.2
Net interest income	(1)	156,687	162,521	-5,834	-3.6
3. Income from entities recognised using the equity method	(2)	11,274	28,284	-17,010	-60.1
4. Charges for losses on loans and advances	(3)	-12,235	-14,977	2,742	-18.3
5. Fee and commission income		61,391	55,021	6,370	11.6
6. Fee and commission expenses		-5,928	-5,224	-704	13.5
Net fee and commission income	(4)	55,463	49,797	5,666	11.4
7. Net trading income	(5)	2,663	1,602	1,061	66.2
8. Administrative expenses	(6)	-100,874	-105,763	4,889	-4.6
9. Other operating income	(7)	-15	10,821	-10,836	>-100.0
a) Net income from financial assets - FVPL		2,768	5,397	-2,629	-48.7
b) Net income from financial assets - FVOCI		46	33	13	39.4
c) Net income from financial assets - AC		0	0	0	
d) Other operating income		-2,829	5,391	-8,220	>-100.0
Profit/loss for the period before tax		112,963	132,285	-19,322	-14.6
10. Income taxes	(8)	-27,878	-26,626	-1,252	4.7
Profit/loss for the period after tax		85,085	105,659	-20,574	-19.5
thereof attributable to the owners of the parent company and the owners of additional equity components		84,681	105,400	-20,719	-19.7
thereof attributable to non-controlling interests		404	259	145	56.0

Other comprehensive income in €k	**01/04 to 30/06/2025**	**01/04 to 30/06/2024**
Profit/loss for the period after tax	85,085	105,659
Items not reclassified to profit or loss for the year	-8,461	-7,972
-/+ Actuarial gain/loss IAS 19	2,941	-10,179
+/- Deferred taxes on actuarial gains/losses IAS 19	-676	2,341
+/- Share from entities recognised using the equity method	4,797	6,474
+/- Value changes in own credit risk recognised in equity IFRS 9	-241	-12,124
+/- Deferred tax on changes recognised in equity for own credit risk IFRS 9	56	2,789
+/- Value changes in equity instruments recognised in equity IFRS 9	-16,243	2,915
+/- Deferred tax on value changes in equity instruments recognised in equity IFRS 9	905	-188
Items reclassified to profit or loss for the period	-623	-4,335
+/- Value changes recognised in equity for debt securities IFRS 9	429	-144
Amounts recognised in equity	429	-143
Reclassification adjustments	0	-1
+/- Deferred tax on value changes recognised in equity for debt securities IFRS 9	-98	33
Amounts recognised in equity	-98	33
Reclassification adjustments	0	0
± Exchange differences	1,166	-2,175
+/- Share from entities recognised using the equity method	-2,120	-2,049

	01/04 to 30/06/2025	**01/04 to 30/06/2024**
Total income and expenses recognised directly in equity	-9,084	-12,307
Total comprehensive income for the period from net profit/loss and income/expenses recognised in equity	76,001	93,352
thereof attributable to the owners of the parent company and the owners of additional equity components	75,597	93,093
thereof attributable to non-controlling interests	404	259

Consolidated balance sheet as at 30/06/2025

Assets in €k			30/06/2025	31/12/2024	Change in €k	Change in %
1.	Cash and balances with central banks	(10)	2,368,478	2,803,384	-434,906	-15.5%
2.	Loans and advances to credit institutions	(11)	369,796	357,473	12,323	3.4%
3.	Loans and advances to customers	(12)	21,454,763	20,768,961	685,802	3.3%
4.	Trading assets	(13)	22,368	28,564	-6,196	-21.7%
5.	Financial investments	(14)	4,099,179	3,903,203	195,976	5.0%
	a) Financial assets FVPL		707,476	716,512	-9,036	-1.3%
	b) Financial assets FVOCI		327,595	366,201	-38,606	-10.5%
	c) Financial assets AC		1,791,969	1,574,630	217,339	13.8%
	d) Interests in entities accounted for using the equity method		1,272,139	1,245,860	26,279	2.1%
6.	Intangible assets	(15)	4,053	4,491	-438	-9.8%
7.	Property, plant and equipment	(16, 17)	330,673	336,139	-5,466	-1.6%
	a) Investment property		61,762	63,047	-1,285	-2.0%
	b) Other property, plant and equipment		268,911	273,092	-4,181	-1.5%
8.	Other assets	(18)	200,381	180,404	19,977	11.1%
	a) Deferred tax assets		1,671	1,641	30	1.8%
	b) Positive fair values of closed out derivatives in the banking book		27,866	24,603	3,263	13.3%
	c) Other		170,844	154,160	16,684	10.8%
	Total assets		**28,849,691**	**28,382,619**	**467,072**	**1.6%**

Consolidated balance sheet as at 30/06/2025

Liabilities in €k

			30/06/2025	31/12/2024	Change in €k	Change in %
1.	Amounts owed to credit institutions	(19)	3,690,434	3,803,871	-113,437	-3.0%
	a) Refinance allocated for customer loans		3,416,929	3,476,387	-59,458	-1.7%
	b) Other amounts owed to credit institutions		273,505	327,484	-53,979	-16.5%
2.	Amounts owed to customers	(20)	16,205,292	16,040,335	164,957	1.0%
3.	Securitised liabilities	(21)	3,462,724	3,162,366	300,358	9.5%
4.	Provisions for liabilities and charges	(22)	286,655	304,050	-17,395	-5.7%
5.	Other liabilities	(23)	479,399	458,784	20,615	4.5%
	a) Trading liabilities	(24)	20,791	22,788	-1,997	-8.8%
	b) Tax liabilities		61,654	39,521	22,133	56.0%
	ba) Current tax liabilities		53,928	32,227	21,701	67.3%
	bb) Deferred tax liabilities		7,726	7,294	432	5.9%
	c) Negative fair values of closed out derivatives in the banking book		98,091	94,903	3,188	3.4%
	d) Other		298,863	301,572	-2,709	-0.9%
6.	Subordinated debt capital	(25)	548,421	497,625	50,796	10.2%
7.	Shareholders' equity	(26)	4,176,766	4,115,588	61,178	1.5%
	a) Equity after minorities		4,148,343	4,057,375	90,968	2.2%
	b) Minority interests		8,423	8,213	210	2.6%
	c) Additional equity capital components		20,000	50,000	-30,000	-60.0%
	Total equity and liabilities		**28,849,691**	**28,382,619**	**467,072**	**1.6%**

Consolidated statement of changes in equity as at 30/06/2024

in €k	Subscribed capital	Capital reserves	Retained earnings	Exchange differences	Revaluation reserve			Actuarial gains/losses pursuant to IAS 19	Associates	Equity after minorities	Shares of non-controlling shareholders	Additional equity components	Shareholders' equity
					Reclassified debt securities IFRS 9	Equity instruments IFRS 9 not reclassified	Change in own credit risk IFRS 9 not reclassified						
As at 01/01/2024	**105,919**	**505,523**	**2,204,776**	**697**	**788**	**124,400**	**25,809**	**-39,401**	**875,881**	**3,804,390**	**8,683**	**50,000**	**3,863,073**
Consolidated net profit			173,796	-2,820	-624	-1,310	-10,922	-7,838	23,435	173,717	758		174,475
Net profit/loss for the year			173,796						26,831	200,627	758		201,385
Other comprehensive income				-2,820	-624	-1,310	-10,922	-7,838	-3,396	-26,910			-26,910
Dividend distribution			-70,609							-70,609			-70,609
Coupon payments on additional equity components			-1,725							-1,725			-1,725
Capital increase										0			0
Issuance / repayment of additional equity components										0			0
Repurchased own shares	-24		-1,091							-1,115			-1,115
Other changes not recognised in income			68						-412	-344	-1,257		-1,601
As at 30/06/2024	**105,895**	**505,523**	**2,305,215**	**-2,123**	**164**	**123,090**	**14,887**	**-47,239**	**898,904**	**3,904,314**	**8,184**	**50,000**	**3,962,498**

Consolidated statement of changes in equity as at 30/06/2025

					Revaluation reserve								
in €k	Subscribed capital	Capital reserves	Retained earnings	Exchange differences	Reclassified debt securities IFRS 9	Equity instruments IFRS 9 not reclassified	Change in own credit risk IFRS 9 not reclassified	Actuarial gains/losses pursuant to IAS 19	Associates	Equity after minorities	Shares of non-controlling shareholders	dditional equity components	Shareholders' equity
As at 01/01/2025	**105,820**	**505,523**	**2,437,725**	**-1,908**	**-113**	**127,085**	**11,419**	**-55,444**	**927,270**	**4,057,375**	**8,213**	**50,000**	**4,115,588**
Consolidated net profit			164,808	178	931	-17,286	-4,026	2,265	18,168	165,038	476		165,514
Net profit/loss for the year			164,808						13,954	178,762	476		179,238
Other comprehensive income				178	931	-17,286	-4,026	2,265	4,214	-13,724			-13,724
Dividend distribution			-81,184							-81,184			-81,184
Coupon payments on additional equity components			-1,725							-1,725			-1,725
Capital increase										0			0
Issuance / repayment of additional equity components										0		-30,000	-30,000
Repurchased own shares	18		725							743			743
Other changes not recognised in income			-14						8,110	8,096	-266		7,830
As at 30/06/2025	**105,838**	**505,523**	**2,520,335**	**-1,730**	**818**	**109,799**	**7,393**	**-53,179**	**953,548**	**4,148,343**	**8,423**	**20,000**	**4,176,766**

Consolidated statement of cash flows in €k	01/01 to 30/06/2025	01/01 to 30/06/2024
Profit/loss for the period	179,238	201,385
Non-cash items in profit/loss for the period and reconciliation of net cash from operating activities		
Depreciation, amortisation, impairment losses, write-ups	36,683	32,349
Change in provisions for staff benefits and other provisions for liabilities and charges	-15,131	-27,946
Change in other non-cash items	40,938	80,880
Gains and losses on financial assets, property, plant and equipment, and intangible assets	3	2
Subtotal	**241,731**	**286,670**
Change in assets and liabilities arising from operating activities after adjustments for non-cash items		
- Loans and advances to credit institutions	3,376	456,050
- Loans and advances to customers	-703,650	-558,660
- Trading assets	8,202	1,897
- Financial assets used for operating activities[1)]	-2,000	23,529
- Other assets from operating activities	32,366	-31,228
- Amounts owed to credit institutions	-145,541	-314,960
- Amounts owed to customers	126,474	-303,233
- Securitised liabilities	262,936	254,902
- Other liabilities from operating activities	-25,908	-31,699
Cash flow from operating activities	**-202,014**	**-216,732**
Proceeds from the sale of		
- Financial assets used for investing activities[2)]	211,829	38,933
- Property, plant and equipment, and intangible assets	14,692	8,029
Purchases of		
- Financial assets	-362,819	-173,950
- Property, plant and equipment, and intangible assets	-28,187	-15,144
Cash flow from investing activities	**-164,485**	**-142,132**
Redemption of additional equity components	-30,000	0
Dividend distributions	-81,184	-70,609
Coupon payments on additional equity components	-1,725	-1,725
Cash from subordinated liabilities and other financing activities		
- Issues	76,249	31,745
- Other	2,676	1,725
Outflow from subordinated debt capital and other financing activities		
- Redemptions	-25,000	-62,460
- Other	-9,423	-11,069
Cash flow from financing activities	**-68,407**	**-112,393**

Cash and cash equivalents at the end of preceding period	**2,803,384**	**2,836,294**
Cash flow from operating activities	-202,014	-216,732
Cash flow from investing activities	-164,485	-142,132
Cash flow from financing activities	-68,407	-112,393
Effects of changes in the group of consolidated companies and revaluation	0	0
Effects of foreign exchange rate changes	0	0
Cash and cash equivalents at the end of the period	**2,368,478**	**2,365,037**
Interest received	485,277	566,722
Dividends received	19,449	11,466
Interest paid	-191,172	-228,174
Coupon payments on additional equity components	-1,725	-1,725
Income tax paid	-39,768	-35,902

Cash and balances with central banks, consisting of cash in hand and credit balances with central banks of issue.

1) Financial assets not intended to be held long term

2) Financial assets intended to be held long term

Notes to the consolidated financial statements

Accounting policies

The consolidated financial statements of Oberbank AG have been prepared in accordance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) as in force and as adopted by the EU and the interpretations thereof by the International Financial Reporting Interpretations Committee (IFRIC). The consolidated financial statements cover the first half-year 2025 (1 January 2025 to 30 June 2025) and compare the results with the corresponding periods of the preceding year. This condensed interim report for the first half-year 2025 complies with IAS 34 ("Interim Reports"). No full audit or review by an auditor has been conducted of these condensed interim financial statements for the Group. We have not applied standards and interpretations that take effect as of the financial year 2026 or later.

Changes to accounting policies 2025

The consolidated financial statements of Oberbank AG for the period ended 30 June 2025 have been drafted using the same recognition and measurement policies as applied on 31 December 2024. An exception are the standards and interpretations that apply to financial years that start on or after 1 January 2025. Only those new standards and interpretations are presented that are relevant for the operating activities of Oberbank.

The following standards and interpretations, as amended, have been mandatory since January 2025.

- Amendments to IAS 21 - Lack of exchangeability

The International Accounting Standards Board (IASB) has published Amendments to IAS 21 - "Lack of exchangeability". This publication contains guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.
With the amendment to "Lack of exchangeability", IAS 21 is amended as follows:

- Specify when a currency is exchangeable into another currency and when it is not
- Specify how an entity determines the exchange rate to apply when a currency is not exchangeable
- Require the disclosure of additional information when a currency is not exchangeable

The amendments took effect as of 1 January 2025. These amendments do not have any material effects on the consolidated statements of Oberbank AG.

Actuarial assumptions

Material actuarial assumptions for calculating the present values of defined benefit obligations were updated as set out below:

	30/06/2025	31/12/2024
Interest rate applied	3.75%	3.50%
Increase under collective agreements	5.08%	5.04%
Pension increase	4.05%	3.97%

Oberbank group of consolidated companies

The group of consolidated companies as at 30 June 2025 included, apart from Oberbank AG, 27 Austrian and 14 foreign subsidiaries. The group of consolidated companies changed compared to 31 December 2024 due to the sale of the following company:

- Oberbank Jerich Immobilienleasing GmbH (100% subsidiary)

Impairment – financial assets and contract assets

IFRS 9 is based on the forward-looking model of expected credit losses. This calls for substantial discretionary decisions regarding the extent to which expected credit losses are influenced by changes in economic factors. Weighted probabilities form the basis for such assessments. The impairment model under IFRS 9 applies to financial assets designated at amortised cost or at FVOCI as well as to contract assets and off-balance sheet instruments such as guarantees and irrevocable letters of credit.

These are allocated to either stage 1, stage 2 or stage 3 depending on the change in credit risk between the time of initial recognition and the respective current credit risk on the measurement date:

- Stage 1 generally includes newly added financial instruments and those for which no significant increase in risk has been identified since initial recognition. Additionally, all financial instruments with an absolutely defined low credit risk on the reporting date (rating classes AA to 1b) are allocated to stage 1 as an exception to the relative approach (IFRS 9.5.5.10). This logic is applied only to the low-default portfolio for the Sovereigns and Banks segments. The low credit risk exemption therefore applies to a portfolio that would generally be designated as ‘investment grade’ (average PD of rating class corresponds to S&P equivalent ratings up to BBB-).

- Stage 2 includes instruments in which there has been a significant increase in credit risk since initial recognition.
  In the case of lease contracts, use is made of an IFRS 9 option, and these cases are always recognised in stage 2.

- Stage 3 is the non-performing portfolio. If a borrower is in default (internal rating classification 5a, 5b or 5c), the loan is assigned to stage 3. Oberbank AG applies the default definition pursuant to Article 178 of Regulation (EU) No 575/2013 (CRR) uniformly and consistently for all exposure classes and risk models. This definition is based on credit obligations being either 90 days past due or unlikely to be repaid.

The exemption from the three-stage approach are assets which are already impaired upon acquisition (so-called POCI assets, "purchased or originated credit impaired"). These constitute a separate category in accordance with IFRS 9 requirements.

Segmentation

Oberbank AG's loan portfolio is grouped into the following five segments in the impairment model pursuant to IFRS 9: Sovereigns, Banks, Corporates, SMEs and Retail. The reason for the segmentation is the use of different estimates for the relevant credit risk parameters. The grouping into the different segments is based on the rating method selected.

The overall classification concept of Oberbank is based on qualitative, quantitative and backstop criteria.

Impairment for stage 1 and stage 2

Under IFRS 9, impairments are measured on the basis of one of the following:

- 12-month expected credit loss: Risk provisions are allocated in the amount of the 12-month credit loss, and the calculation of interest income is based on the gross carrying amount applying the effective interest rate method (for stage 1 instruments).
- Full lifetime expected credit loss: These are expected credit losses due to potential default events over the expected life of a financial instrument. Risk provisions are allocated in the amount of the expected losses with respect to the remaining time to maturity of the financial instrument (lifetime ECL) and the calculation of interest income is based on the gross carrying amount applying the effective interest rate method (for stage 2 instruments).

<u>Quantitative criteria for a stage transfer</u>

The assessment of a significant increase in credit risk is a key factor of the 3-stage model pursuant to the impairment rules of IFRS 9, because in the event of a significant increase in credit risk, the impairment must be recognised over the entire life of the financial instrument (lifetime ECL).

The main characteristic for determining the credit risk of a financial instrument is the internal rating assigned to the borrower. ESG risks are also taken into account when preparing the rating. A borrower's rating is always based on a default ratio per rating category. For the low-default portfolio (Sovereigns and Banks), this default ratio is derived from the bank's internal master rating scale. For the key customer segments of Corporates, Retail and SME, the default ratio is derived from the ratio of actual defaults in the respective migration matrix. This is the basis for an assessment to ascertain whether or not – and if yes, when – the credit risk increased significantly.

The quantitative transfer criterion at Oberbank is based on an analysis of the cumulative default probability (lifetime PDs). The following variables influence the measurement of a relative deterioration of PD:

- Customer segment
- Current rating
- Rating at the time of initial recognition of the financial instrument
- Remaining time to maturity (comparison of reporting date and expiry of contract)
- Age of the financial instrument (comparison of initial recognition date and reporting date)

In order to assess the significance of an increase in credit risk, a comparison is made of the probability of default on initial recognition and the probability of default on the measurement date (IFRS 9.5.5.9). In this context, the lifetime PD of the current rating stage over the remaining time to maturity is applied. This is done by comparing the lifetime PD in the current rating stage over the remaining time to maturity with the forward lifetime PD in the rating stage at initial recognition over this period.
The criterion for allocation to stage 1 and stage 2 is based mainly on a relative criterion and not on an absolute credit risk estimate at every measurement point in time (IFRS 9.B5.5.9).

As a backstop and based on an analysis of the relative transfer criterion, the decision was taken – irrespective of the structure of the migration matrix – that a stage transfer must be triggered when a loan has shifted by at least three rating stages since initial recognition. In the case of very long remaining times to maturity and very good ratings, the 'drift to the middle' tendency for marginal PD may otherwise result in the relative transfer criterion not being reached even in the case of downgrades by several rating stages.

Loans are retransferred to a higher stage when the criteria which were the cause of the downgrade no longer apply. Therefore, upgrades and downgrades are treated symmetrically. A return to stage 2 will be carried out, for example, as soon as there is no longer any significant increase in the default risk. The measure used is a comparison of default risk on initial recognition with the default risk on the relevant reporting date.

The impairment model of Oberbank AG always refers to individual transactions when calculating risk provisions and also when assessing a stage transition. This means that the relevant credit risk parameters – PD (probability of default), LGD (loss given default) and EAD (exposure at default) – always refer to an individual transaction and thus to an individual borrower.

Quantitative criteria for a stage transfer
Financial instruments with the attribute forbearance are always assigned to stage 2 provided the receivable is not already in default. A lifetime expected loss is recognised for this receivable throughout the entire forbearance phase.
The rebuttable presumption of a significant increase in credit risk in the case of contractual payments being more than 30 days past due is a qualitative criterion leading to a stage transfer (IFRS 9.5.5.11). This means that instruments have to be assigned to stage 2 when the default on payment of principal and/or interest exceeds 30 days.
Likewise, foreign currency loans with income in a congruent currency and also loans with repayment vehicles classified as performing are assigned to stage 2. Currency fluctuations and movements in collateral assets in the case of repayment vehicles result in such loans having a higher risk with respect to the ability to repay the loan than conventional loan portfolios.
Problem loans, observation cases, and loans requiring very close monitoring are allocated to stage 2, because they come with emerging indicators of a change in credit risk (IFRS 9.B.5.5.17(o)).

Impairment for stage 3 (non-performing loans)

Non-performing loans are assigned to stage 3. Loan loss provisions are created throughout the group in the amount of the expected loss whenever there are grounds for believing that customers are unlikely to repay their credit obligations in full. For non-performing loans, loan loss provisions are allocated pursuant to IFRS 9 5.5 using the discounted cash flow method in the amount of the expected loss in relation to the remaining time to maturity (lifetime expected credit loss, ECL) and interest income is calculated based on the net carrying value applying the effective interest rate method. For all non-performing loans of minor significance, a loss allowance is created for the shortfall using a special procedure. The loss allowance covers 100% of the shortfall for loans already terminated where the collateral is being realised. Depending on the default reason and the default status, from 20% to 100% of the shortfall are recognised as loan loss provisions for the remaining amount.

Direct write-offs of non-performing loans

In cases in which an event occurs that prevents recovery of an exposure in full or in part from the respective customer and there are no or insufficient loan loss provisions, the non-recoverable balance is offset directly through profit or loss (direct write-off). Such events may include:

- Derecognition of the remaining balance following the dismissal or conclusion of insolvency proceedings and/or realisation of all available collateral;
- Closing of a decedent's estate with a lack of assets and collateral;
- Debt rescheduling including discount granted (composition agreement).

Calculating ECL

At Oberbank, the impairment model pursuant to IFRS 9 is applied in the following cases:

- Financial assets measured at amortised cost or at fair value through profit or loss;
- Leasing receivables;
- Irrevocable letters of credit and guarantees.

At Oberbank AG, the expected credit loss is a probability-weighted estimate of the loss over the first twelve months (stage 1) or over the expected remaining life of the financial instrument (stage 2). In other words, it is the present value of the difference between contractually-agreed cash flows and expected cash flows. The calculation of the expected loss includes:

- An amount in line with expectations and the probability-weighting that is determined on the basis of several possible scenarios
- The time value of money
- Information about past events, current conditions and forecasts of future economic conditions

The maximum time period for which the expected credit loss is determined is the life of the contract over which Oberbank is exposed to the credit risk from the financial instrument. Only in the case of revolving lines of credit is the expected credit loss determined for a period which may, under certain conditions, be longer than the life of the contract. The expected loss breaks down into three components:

$$ECL = PD \times LGD \times EAD$$

(PD: probability of default; LGD: loss given default in % of EAD; EAD: exposure at default).

In the case of an asset assigned to stage 2 and the related calculation of the lifetime expected credit loss, this corresponds to the remaining time to maturity of the contract. In the case of an asset assigned to stage 1 (12-month ECL), the maturity is limited to one year. If the term is shorter than one year, the actual remaining time to maturity is used for the calculation. The expected credit loss pursuant to IFRS 9 is a discounted value. To this end, the respective ECL per period is multiplied by the discounting factor per period. The discounting factor considers the effective interest rate on the asset.

Key input parameters

Probability of Default (PD)

For the Corporates, SME and Retail segments the probability of default is derived, in a base scenario, from the historic default rates and migration probabilities.
The probabilities of default for different maturities (lifetime PD) are calculated for each segment and rating stage based on the default vector of the migration matrix. The probability of default for the Banks and Sovereigns segments is derived directly from the internal ratings and thus from the internal banking master scale.

The historic default rates and migration probabilities for the central customer portfolio are determined based on the migration matrix for each respective segment, with the last ten years as the relevant period. The first step in determining the 1-year migration matrix is a breakdown of rating migrations by quarter.

The 1-year migration matrix is determined based on a matrix multiplication of four successive quarters. The final 1-year migration matrix is the mean value of all migration matrices determined. The cumulated and lifetime PD is ascertained based on the Markov assumption for migration matrices by applying a matrix multiplication. The cumulated maturity PDs per rating class in this case are the sum of the PDs from the three default rating classes 5a, 5b and 5c. This results in PD curves per segment and rating class.

For individual segments and maturity bands, these conditional basis PDs that result from the 'through-the-cycle migration matrix' are adjusted in order to include forward-looking information. This so-called 'point-in-time adjustment' (PIT adjustment) is done using statistical models to show the relationships between the probability of default and the explanatory macroeconomic variables.

Logistic regression is used as the statistical model to predict the probability of default. The regression parameters are estimated by maximising the likelihood function. The harmonised consumer price index (CPI) and the growth of gross domestic product (GDP) are the main macroeconomic variables used in the model. The CPI and GDP factors are weighted by country. In this context, the countries where Oberbank does business are taken into consideration, i.e. Austria, Germany, Czech Republic, Hungary and Slovakia. The factors are weighted as follows: Austria with 63.1%, Germany with 20.6%, Czech Republic with 8.5%, Hungary with 4.7% and Slovakia with 3.1%.

Based on these estimated factors, the PD is adjusted in the Corporates, SME and Retail segments by scaling. In the Corporates segment, this adjustment is made as of the second year, as the macroeconomic factors of the first year are taken into account already when preparing the balance sheet rating. No plausible correlations with macroeconomic factors were found in the Sovereigns and Banks segments.

Oberbank uses three different scenarios for ECL calculation (normal, upward and downward scenario), with the final adjustment being equivalent to a linear combination of the three different scenarios. The scenario weighting is as follows: the normal scenario is weighted at 50% and the other two scenarios at 25% each. Oberbank uses the macroeconomic data supplied by data vendor Bloomberg for these scenarios. Adjustments are made for a period of no longer than three years, as the degree of uncertainty increases with longer forecast periods, thus reducing the reliability of the data.

The following table shows the country-weighted macroeconomic factors considered in the ECL calculation for the Corporates, Retail and SME segments as at 30 June 2025:

Normal scenario	**Year 1 (Average of 4 quarters)**	**Year 2 (Average of 4 quarters)**	**Year 3 (Average of 4 quarters)**
Real GDP growth	1.04%	1.50%	1.56%
Harmonised consumer price index	2.59%	1.98%	2.04%

Pessimistic scenario	**Year 1 (Average of 4 quarters)**	**Year 2 (Average of 4 quarters)**	**Year 3 (Average of 4 quarters)**
Real GDP growth	0.51%	1.05%	1.06%
Harmonised consumer price index	3.47%	2.40%	2.38%

Optimistic scenario	**Year 1 (Average of 4 quarters)**	**Year 2 (Average of 4 quarters)**	**Year 3 (Average of 4 quarters)**
Real GDP growth	1.76%	1.93%	1.91%
Harmonised index of consumer prices	2.25%	1.61%	1.71%

Loss Given Default (LGD)

The loss given default corresponds to that share of receivables that cannot be recovered and therefore constitutes an economic loss. LGD is divided into LGD from secured parts of a loan and LGD from unsecured parts of a loan. LGD from the secured parts of a loan depends on the type of collateral and the potential development of value/depreciation over time. The development of an exposure over a time period and the development of the collateral results in effective LGDs per maturity band.

Secured LGD

The calculation of the expected credit loss includes all internal collateral based on cover assets. The difference between the market value and the cover value of the collateral corresponds to a haircut for estimation uncertainties and fluctuations in value and can therefore be implicitly interpreted as the LGD for the secured portion of a loan. The calculation of the expected credit loss thus entails an implicit splitting of the loan into a secured and an unsecured part. The secured part thus has an LGD of 0% after considering the cover value, while the unsecured part of a loan has an undefined LGD depending on the segment. When both parts of the loan are combined, they result in a type of 'mixed' LGD per maturity bandwidth.

Unsecured LGD

The unsecured LGD represents the irrecoverable portion after deducting the proceeds from the collateral and depends mainly on the proceeds obtained from the realisation or liquidation process.

Exposure at Default (EAD)

For loans with defined principal due dates, the cash flow estimates are based on the contractual redemption structure. All cash flows are determined by the transaction attributes (balance, amount of repayments, frequency of repayments, interest payment intervals, reference interest rates, due dates) as well as current market data (exchange rates and market interest rates). Cash flows from interest payments are derived from the forward interest implicit in the interest rate curves.

Revolving lines of credit do not have any contractually agreed cash flows, which is why they require an explicit cash flow estimate using a replication model.

At Oberbank, there are loans that were granted on a "until further notice" basis with respect to maturity. Such loan agreements are reassessed within the scope of the annual credit review and, if applicable, the terms are adjusted with a view to changes in credit quality. These loans can be called at any time. They are therefore assumed to have a term to maturity of one year, because every year the prolongation of such loans is subject to a renewed decision. Oberbank is thus exposed to the respective credit risk for a maximum period of one year.
In the case of overdraft facilities, the portion that is currently not being used is calculated first. To do so, the credit balance is deducted from the overdraft limit. This unused part of an overdraft facility consequently remains unchanged over the entire life of the loan. The calculation of the exposure at default (EAD) is based throughout on a credit conversion factor. The due date of the overdraft facility always corresponds to the maturity of the loan.

Development of impairment charges for performing loans
Compared to the start of the year, the amount of impairment charges for performing loans (stage 1 and stage 2) decreased by EUR 0.48 million.

Sensitivity analysis
A factor of influence for the amount of expected credit loss is the stage determined for the individual items, which is based on the qualitative and quantitative staging criteria described above. Subsequently, the effects on the expected credit loss are reported based on the assumption that all items are allocated, on the one hand, to stage 1 (12-month ECL), and on the other, to stage 2 (lifetime ECL).

Impairment by segment

in €k	100% Stage 1 12M-ECL	ECL calculation as at 30/06/2025	100% Stage 2 LT ECL
Banks	833	833	2,203
Corporates	38,393	72,613	177,455
Retail	6,157	7,847	12,886
SME	6,701	7,989	8,781
Sovereigns	474	475	2,405
Total	52,558	89,757	203,730

Impairment testing for investments accounted for using the equity method

Interests in entities accounted for using the equity method are recognised proportionately to the equity held by Oberbank in the entity. If there are objective indications of impairment for an investment measured using the equity method, an individual value-in-use is determined for this investment. Pursuant to IAS 36.6, the higher of fair value less costs to sell and value-in-use constitutes the recoverable amount, which is the value to be used for measurement. A trigger for an impairment test is given if either the fair value drops by 20% or more below the carrying amount of investments recognised using the equity method or if the fair value remains persistently below the carrying amount for a period of at least nine months.

On the measurement date 30 June 2025, a quantitative impairment was triggered for the investment in voestalpine AG, which is recognised using the equity method, as the stock market price on 30 June 2025 was EUR 23.90 and thus significantly lower – by 42.30% – than the carrying amount of EUR 41.42 based on the equity method.

This triggered an impairment test in which the individual value-in-use of voestalpine AG was determined as at 30 June 2025. The value-in-use was calculated in accordance with the discounted cash flow method and applying the WACC method (weighted average cost of capital) and resulted in a value of €k 753,648. This value-in-use, as the recoverable amount, was higher than the fair value less costs to sell and therefore used for the measurement as at 30 June 2025. A WACC of 6.55% was used as the discount rate in the terminal value. A change in the discount rate of +/-25 basis points would have resulted in a reduction by 5.77% or an increase of 6.36% in the value-in-use; a change in the discount rate of +/- 50 basis points would have resulted in a reduction by 11.86% or an increase of 13.42% in the value-in-use.

In the case of the investments in BKS Bank AG and Bank für Tirol und Vorarlberg AG accounted for using the equity method, the stock market price is not an impairment trigger due to the illiquidity of the shares. Unless there are other objective indications of impairment, the pro rata equity of these investments represents the recoverable amount.

Material events since the close of the interim reporting period

No events of material significance occurred after the reporting date 30 June 2025.

Details of the consolidated income statement in €k

1) Net interest income	01/01 to 30/06/2025	01/01 to 30/06/2024
Interest income from:		
Credit and money market operations	455,020	545,351
Shares and other variable-yield securities	4,933	1,155
Other equity investments	2,870	2,389
Affiliates	3,978	591
Fixed-interest securities and bonds	27,372	20,308
Interest and similar income	494,173	569,794
Interest expenses for		
Deposits	-137,601	-202,687
Securitised liabilities	-32,746	-28,462
Subordinated liabilities	-8,417	-7,955
Result of non-significant modifications	-1,906	-1,253
Interest and similar expenses	-180,670	-240,357
Net interest income	313,503	329,437

2) Profit from entities recognised using the equity method	01/01 to 30/06/2025	01/01 to 30/06/2024
Net amounts from proportionately recognised income	21,621	13,109
Expenses from impairments	0	0
Income from write-ups	0	21,053
Expenses from dilution	0	0
Income from entities recognised using the equity method	21,621	34,162

3) Charges for losses on loans and advances	01/01 to 30/06/2025	01/01 to 30/06/2024
Additions to loan loss provisions	-83,659	-116,899
Direct write-offs	-449	-430
Reversals of loan loss provisions	54,911	90,835
Recoveries from written-off receivables	7,218	903
Result of non-significant modifications	-1,438	-17
Result of POCI financial instruments	977	1,421
Charges for losses on loans and advances	-22,440	-24,187

4) Net fee and commission income	01/01 to 30/06/2025	01/01 to 30/06/2024
Fee and commission income:		
Payment services	42,193	38,831
Securities business	45,914	39,001
Foreign exchange, foreign bank notes and precious metals	13,280	12,069
Credit operations	22,451	20,602
Other services and advisory business	1,960	1,391
Total fee and commission income	125,798	111,894
Fee and commission expenses		
Payment services	3,570	3,502
Securities business	4,897	4,240
Foreign exchange, foreign bank notes and precious metals	351	338
Credit operations	2,963	1,792
Other services and advisory business	198	312
Total fee and commission expenses	11,979	10,184
Net fee and commission income	113,819	101,710

5) Net trading income	01/01 to 30/06/2025	01/01 to 30/06/2024
Gains/losses on interest rate contracts	436	171
Gains/losses on foreign exchange, foreign notes and numismatic business	2,003	1,653
Gains/losses on derivatives	1,997	2,725
Net trading income	4,436	4,549

6) Administrative expenses	01/01 to 30/06/2025	01/01 to 30/06/2024
Staff costs	119,988	123,110
Other administrative expenses	62,582	58,782
Write-offs and impairment allowances	16,695	15,754
Administrative expenses	199,265	197,646

7) Other operating income	**01/01 to 30/06/2025**	**01/01 to 30/06/2024**
a) Net income from financial assets - FVPL	9,027	10,842
thereof from designated financial instruments	2,807	1,632
thereof from financial instruments with mandatory measurement at FVPL	6,220	9,210
b) Net income from financial assets - FVOCI	54	92
thereof from the measurement of debt instruments	9	34
thereof from the sale and derecognition of debt instruments	45	58
c) Net income from financial assets - AC	0	0
d) Other operating income	-5,958	-297
Other operating income:	**17,443**	**15,295**
Income from operational risks	1,699	2,633
Income from private equity investments	139	139
Income from operating leases	4,762	5,169
Other income from the leasing sub-group	3,491	2,464
Brokerage fees from third parties	2,956	2,443
Other	4,396	2,447
Other operating expenses:	**-23,401**	**-15,592**
Expenses from operational risks	-560	-317
Stability tax	-9,336	-5,474
Contributions to the resolution fund and deposit protection scheme	0	-250
Expenses from operating leases	-4,438	-3,474
Other expenses from the leasing sub-group	-2,487	-2,515
Other	-6,580	-3,562
Net other operating income/expenses	3,123	10,637

8) Income taxes	**01/01 to 30/06/2025**	**01/01 to 30/06/2024**
Current income tax expenses	53,196	56,988
Deferred income tax expenses (+)/income (-)	2,363	289
Income taxes	55,559	57,277

9) Earnings per share in €	**01/01 to 30/06/2025**	**01/01 to 30/06/2024**
Number of shares on the reporting date	70,614,600	70,614,600
Average number of shares in issue	70,572,516	70,599,019
Profit/loss for the period after tax	179,238	201,385
Earnings per share in €	2.54	2.85
Annualised values	5.08	5.71

Since no financial instruments with diluting effect were issued, diluted earnings per share were identical to undiluted earnings per share.

Details of the balance sheet in €k

10) Cash and balances at central banks	30/06/2025	31/12/2024
Credit balances with central banks of issue	2,298,258	2,724,495
Other cash reserves	70,220	78,889
Cash and balances with central banks	2,368,478	2,803,384

11) Loans and advances to credit institutions	30/06/2025	31/12/2024
Loans and advances to Austrian credit institutions	115,452	98,974
Loans and advances to foreign credit institutions	254,344	258,499
Loans and advances to credit institutions	369,796	357,473

12) Loans and advances to customers	30/06/2025	31/12/2024
Loans and advances to Austrian customers	11,323,907	11,288,376
Loans and advances to foreign customers	10,130,856	9,480,585
Loans and advances to customers	21,454,763	20,768,961

13) Trading assets	30/06/2025	31/12/2024
Bonds and other fixed-interest securities		
Listed	0	0
Shares and other variable-yield securities		
Listed	671	454
Positive fair values of derivative financial instruments		
Currency contracts	2,303	6,198
Interest rate contracts	19,394	21,912
Other contracts	0	0
Trading assets	22,368	28,564

14) Financial investments	30/06/2025	31/12/2024
Bonds and other fixed-interest securities		
Listed	2,198,418	1,996,925
Unlisted	38,070	37,610
Shares and other variable-yield securities		
Listed	41,216	48,945
Unlisted	229,760	224,998
Equity investments/shares		
in subsidiaries	61,684	92,030
in entities recognised using the equity method		
Credit institutions	677,318	654,384
Non-banks	594,821	591,476
Other equity investments		
Credit institutions	55,622	55,590
Non-banks	202,270	201,245
Financial investments	4,099,179	3,903,203

a) Financial assets FVPL	707,476	716,512
b) Financial assets FVOCI	327,595	366,201
thereof equity instruments	303,637	341,516
thereof debt instruments	23,958	24,685
c) Financial assets AC	1,791,969	1,574,630
d) Interest in entities accounted for using the equity method	1,272,139	1,245,860
Financial investments	4,099,179	3,903,203

15) Intangible assets	**30/06/2025**	**31/12/2024**
Other intangible assets	3,898	4,338
Customer base	155	153
Intangible assets	4,053	4,491

16) Property, plant and equipment	**30/06/2025**	**31/12/2024**
Investment property	61,762	63,047
Land and buildings	95,075	78,159
Business equipment and furnishings	34,830	36,951
Other property, plant and equipment	11,281	21,041
Right-of-use for leased objects	127,725	136,941
Property, plant and equipment	330,673	336,139

17) Lease contracts in which Oberbank is the lessee

The lease contracts entered into by Oberbank relate mainly to rentals for branch premises and office space as well as to building rights and tenancy rights for plots of land, garages, business equipment and furnishings, and vehicles. The lease contracts do not involve any significant restrictions or commitments. There were no sale-and-leaseback transactions. The results in the consolidated balance sheet, consolidated income statement and consolidated statement of cash flows for Oberbank as a lessee are presented below for the first half of the year 2025 as at 30 June 2025:

Leasing in the consolidated balance sheet	**30/06/2025**	**31/12/2024**
Property, plant and equipment	127,792	137,087
Rights of use for land and buildings	123,687	133,219
Rights of use for business equipment and furnishings	566	651
Rights of use for other property, plant and equipment	3,473	3,072
Rights of use for investment property	66	145
Other liabilities		
Lease liabilities	129,642	138,905

Additions to rights of use in HY1 2025 were €k 7,411. Cash outflows for lease liabilities amounted to €k 8,947.

Leasing in the consolidated income statement	01/01 to 30/06/2025	01/01 to 30/06/2024
Interest expenses for lease liabilities	580	518
Administrative expenses	8,400	8,328
Amortisation for rights of use for land and buildings	7,498	7,589
Amortisation for rights of use for business equipment and furnishings	106	117
Amortisation for rights of use for other property, plant and equipment	716	535
Amortisation for rights of use for investment property	80	87
Other expenses from lease contracts	688	1,161
Other operating income		
Income from subleasing rights of use	312	356

Leasing in the consolidated statement of cash flows	01/01 to 30/06/2025	01/01 to 30/06/2024
Repayment of lease liabilities from financing activities	-8,947	-8,697
Interest expenses for lease liabilities from operating activities	580	518

18) Other assets	30/06/2025	31/12/2024
Deferred tax assets	1,671	1,641
Other assets	154,229	143,604
Positive fair values of closed out derivatives in the banking book	27,866	24,603
Accrued items	16,615	10,556
Other assets	200,381	180,404

19) Amounts owed to credit institutions	30/06/2025	31/12/2024
Amounts owed to Austrian credit institutions	1,605,956	1,652,539
Amounts owed to foreign credit institutions	2,084,478	2,151,332
Amounts owed to credit institutions	3,690,434	3,803,871

20) Amounts owed to customers	30/06/2025	31/12/2024
Savings deposits	1,099,417	1,162,120
Other	15,105,875	14,878,215
Amounts owed to customers	16,205,292	16,040,335

21) Securitised liabilities	30/06/2025	31/12/2024
Bonds issued	3,454,795	3,154,223
Other securitised liabilities	7,929	8,143
Securitised liabilities	3,462,724	3,162,366

22) Provisions for liabilities and charges	30/06/2025	31/12/2024
Provisions for termination benefits and pensions	151,102	154,246
Provisions for anniversary bonuses	18,260	18,022
Provisions for credit risks	77,139	88,656
Other provisions	40,154	43,126
Provisions for liabilities and charges	286,655	304,050

23) Other liabilities	30/06/2025	31/12/2024
Trading liabilities	20,791	22,788
Tax liabilities	61,654	39,521
thereof current tax liabilities	53,928	32,227
thereof deferred tax liabilities	7,726	7,294
Lease liabilities	129,642	138,905
Other liabilities	165,072	152,592
Negative fair values of closed out derivatives in the banking book	98,091	94,903
Deferred items	4,149	10,075
Other liabilities	479,399	458,784

24) Other liabilities (share of trading liabilities)	30/06/2025	31/12/2024
Currency contracts	1,037	1,475
Interest rate contracts	19,472	21,313
Other contracts	282	0
Trading liabilities	20,791	22,788

25) Subordinated debt capital	30/06/2025	31/12/2024
Subordinated bonds issued incl. tier 2 capital	548,421	497,625
Hybrid capital	0	0
Subordinated debt capital	548,421	497,625

26) Shareholders' equity	30/06/2025	31/12/2024
Subscribed capital	105,838	105,820
Capital reserves	505,523	505,523
Retained earnings (incl. net profit)	3,535,110	3,444,160
Negative goodwill	1,872	1,872
Additional equity capital components	20,000	50,000
Share of non-controlling shareholders	8,423	8,213
Shareholders' equity	4,176,766	4,115,588

27) Contingent liabilities and credit risks	30/06/2025	31/12/2024
Other contingent liabilities (guarantees and letters of credit)	1,731,421	1,707,712
Contingent liabilities	1,731,421	1,707,712
Liabilities arising from repos and reverse repos	0	0
Other commitments (irrevocable loan commitments)	4,075,487	4,109,665
Credit risks	4,075,487	4,109,665

28) Segment report as at 30/06/2025 Core business areas in €m	Retail Banking	Corporate and Business Banking	Financial Markets	Other	Total
Net interest income	90.0	229.7	-6.1		313.5
Income from entities accounted for using the equity method			21.6		21.6
Charges for losses on loans and advances	-2.3	-20.2	0.1		-22.4
Net fee and commission income	53.3	60.5			113.8
Net trading income		0.4	4.0		4.4
Administrative expenses	-69.7	-106.7	-5.9	-17.0	-199.3
Other operating income	2.3	-2.6	1.0	2.4	3.1
Profit/loss for the period before tax	73.5	161.2	14.6	-14.6	234.8
Average risk-weighted assets	1,925.0	13,825.7	4,830.3		20,581.0
Average allocated equity	389.8	2,799.3	978.0		4,167.1
RoE (return on equity before tax)	37.7%	11.5%	3.0%		11.3%
Cost/income ratio	47.9%	37.0%	28.8%		43.7%

Segment reporting as at 30/06/2024 Core business areas in €m	Retail Banking	Corporate and Business Banking	Financial Markets	Other	Total
Net interest income	116.2	255.4	-42.1		329.4
Income from entities recognised using the equity method			34.2		34.2
Charges for losses on loans and advances	-0.5	-23.8	0.1		-24.2
Net fee and commission income	46.8	54.9			101.7
Net trading income		0.3	4.2		4.5
Administrative expenses	-68.1	-107.0	-6.0	-16.6	-197.6
Other operating income	2.3	1.4	6.6	0.3	10.6
Profit/loss for the period before tax	96.8	181.2	-3.0	-16.2	258.7
Average risk-weighted assets	2,034.5	13,152.3	4,605.5		19,792.3
Average allocated equity	403.3	2,607.2	913.0		3,923.4
RoE (return on equity before tax)	48.0%	13.9%	n.a.		13.2%
Cost/income ratio	41.2%	34.3%	n.a.		41.1%

n.a. – not applicable

29) Human resources	30/06/2025	31/12/2024
Salaried employees	2,183	2,227
Wage earners	3	3
Total resources	2,186	2,230

30) Regulatory capital pursuant to Part 2 of Regulation (EU) No 575/2013 - Pillar I in €k	30/06/2025	31/12/2024	30/06/2024
Subscribed capital	105,922	105,922	105,922
Capital reserves	505,523	505,523	505,523
Retained earnings	3,281,156	3,286,346	2,999,700
Minority interests	0	0	0
Cumulated other comprehensive income	63,101	81,039	88,780
Regulatory adjustment items	-9,931	-14,079	-17,497
Deductions from CET 1 capital	-395,459	-355,378	-354,826
COMMON EQUITY TIER 1 CAPITAL	**3,550,312**	**3,609,373**	**3,327,602**
AT1 capital instruments	20,000	50,000	50,000
AT1 capital instruments pursuant to national implementation rules	0	0	0
Deductions from AT1 capital items	0	0	0
Additional tier 1 capital	20,000	50,000	50,000
TIER 1 CAPITAL	**3,570,312**	**3,659,373**	**3,377,602**
Qualifying supplementary capital instruments	344,861	347,690	358,247
Supplementary capital (tier 2) items pursuant to national implementation rules	0	0	0
General credit risk adjustments	0	0	0
Deductions from supplementary capital (tier 2) items	-15,313	-15,313	-16,403
Supplementary capital (tier 2)	**329,548**	**332,377**	**341,844**
OWN FUNDS	**3,899,860**	**3,991,750**	**3,719,446**

Total risk exposure pursuant to Article 92 CRR			
Credit risk	17,720,190	17,108,006	17,006,911
Market risk, settlement risk and CVA risk	11,974	13,708	16,162
Operational risk	1,262,686	1,627,401	1,428,187
Total exposure	**18,994,850**	**18,749,115**	**18,451,260**

Own funds ratio pursuant to Article 92 CRR			
Common equity tier 1 capital ratio	18.69%	19.25%	18.03%
Tier 1 capital ratio	18.80%	19.52%	18.31%
Total capital ratio	20.53%	21.29%	20.16%
Regulatory requirements own capital ratios in %			
Common equity tier 1 capital ratio	7.35%	7.32%	7.34%
Tier 1 capital ratio	8.85%	8.82%	8.84%
Total capital ratio	10.85%	10.82%	10.84%
Statutory capital requirements in €k			
Common equity tier 1 capital	1,396,121	1,372,435	1,354,322
Tier 1 capital	1,681,044	1,653,672	1,631,091
Total capital	2,060,941	2,028,654	2,000,117
Free capital components in €k			
Common equity tier 1 capital	2,154,191	2,236,938	1,973,280
Tier 1 capital	1,889,268	2,005,701	1,746,511
Total capital	1,838,919	1,963,096	1,719,329

31) Fair value of financial instruments and other items regarding reconciliation as at 30/06/2025 in €k	**AC**	**FVTPL**	**thereof designated**	**HFT**	**FVOCI**	**thereof equity instruments FVOCI**	**thereof debt instruments FVOCI**	**AC/liabilities**	**Other**	**Total**
Cash and balances with central banks								2,368,478		**2,368,478**
								2,368,478		**2,368,478**
Loans and advances to credit institutions								369,796		**369,796**
								369,923		**369,923**
Loans and advances to customers	98,152	302,060	274,108		461	0	461	21,054,089		**21,454,763**
	92,611	302,060	274,108		461	0	461	20,969,424		**21,364,557**
Trading assets				22,368						**22,368**
				22,368						**22,368**
Financial investments	1,791,969	707,476	408,125		327,595	303,637	23,958		1,272,139	**4,099,179**
	1,753,198	707,476	408,125		327,595	303,637	23,958			
Intangible assets									4,053	**4,053**
Property, plant and equipment									330,673	**330,673**
Other assets				27,866					172,516	**200,381**
				27,866						
thereof closed out				27,866						**27,866**
Derivatives in the banking book				27,866						**27,866**
Total assets	**1,890,121**	**1,009,535**	682,233	**50,234**	**328,056**	303,637	24,420	**23,792,363**	**1,779,380**	**28,849,691**
	1,845,809	**1,009,535**	682,233	**50,234**	**328,056**	303,637	24,420	**23,707,825**		

The first line item shows the carrying amount; the line below shows the fair value of the same item.

31) Fair value of financial instruments and other items regarding reconciliation as at 30/06/2025 in €k	**AC**	**FVTPL**	**thereof designated**	**HFT**	**FVOCI**	**thereof equity instruments FVOCI**	**thereof debt instruments FVOCI**	**AC/liabilities**	**Other**	**Total**
Amounts owed to credit institutions								3,690,434		**3,690,434**
								3,506,243		**3,506,243**
Amounts owed to customers		249,609	249,609					15,955,683		**16,205,292**
		249,609	249,609					15,952,127		**16,201,736**
Securitised liabilities		547,968	547,968					2,914,756		**3,462,724**
		547,968	547,968					2,798,565		**3,346,533**
Provisions for liabilities and charges									286,655	**286,655**
Other liabilities				118,882					360,518	**479,399**
				118,882						
thereof closed out				98,091						**98,091**
derivatives in the banking book				98,091						**98,091**
Subordinated debt capital		202,168	202,168					346,253		**548,421**
		202,168	202,168					338,359		**540,526**
Shareholders' equity									4,176,766	**4,176,766**
Total equity and liabilities		**999,745**	999,745	**118,882**				**22,907,126**	**4,823,938**	**28,849,691**
		999,745	999,745	**118,882**				**22,595,294**		

The first line item shows the carrying amount; the line below shows the fair value of the same item.

In the first half of the year 2025, there were no reclassifications with respect to financial assets from the measurement category recognised at fair value through other comprehensive income (FVOCI) to the measurement category at amortised cost (AC), and no reclassifications from the measurement category fair value through profit or loss (FVPL) to the measurement category recognised at amortised cost (AC) or to fair value through other comprehensive income (FVOCI).

Liabilities designated at fair value through profit or loss in €k	Cumulated changes in fair value due to a change in own default risk (recognised in OCI)	Modification to fair value due to a change in market risk (recognised in P/L)		Difference in amount between carrying amount and par value
	as at 30/06/2025	in HY1 2025	Cumulated	as at 30/06/2025
Amounts owed to credit institutions	0	0	0	0
Amounts owed to customers	2,623	1,628	-12,225	-12,225
Securitised liabilities	5,760	-3,700	-43,685	-43,685
Subordinated debt capital	1,218	-890	-4,906	-4,906

In HY1 2025, there were no reclassifications of cumulated profit or loss within equity.

Liabilities designated at fair value through profit or loss in €k	Cumulated changes in fair value due to a change in own default risk (recognised in OCI)	Modification to fair value due to a change in market risk (recognised in P/L)		Difference in amount between carrying amount and par value
	as at 31/12/2024	in financial year 2024	Cumulated	as at 31/12/2024
Amounts owed to credit institutions	0	0	0	0
Amounts owed to customers	4,570	-3,357	-12,543	-12,543
Securitised liabilities	8,184	-16,754	-49,809	-49,809
Subordinated debt capital	2,076	-5,123	-6,654	-6,654

In the financial year 2024, there were no reclassifications of cumulated profit or loss within equity.

Assets designated at fair value through profit or loss as at 30/06/2025 in €k			Modification to fair value due to adjusted default risk		Modification to the fair value of related credit derivatives or similar instruments	
	Maximum default risk	Mitigation due to related credit derivatives or similar instruments	in HY1 2025	Cumulated	in HY1 2025	Cumulated
Loans and advances to customers	274,108		—	—	—	—
Financial investments	408,125		—	240	—	—

Assets designated at fair value through profit or loss as at 31/12/2024 in €k			Modification to fair value due to adjusted default risk		Modification to the fair value of related credit derivatives or similar instruments	
	Maximum default risk	Mitigation due to related credit derivatives or similar instruments	in financial year 2024	Cumulated	in financial year 2024	Cumulated
Loans and advances to customers	276,568	—	—	—	—	—
Financial investments	423,323	—	-313	290	—	—

The maximum default risk for financial instruments within the scope of application of IFRS 9 to which, however, the impairment rules of IFRS 9 do not apply, is as follows:

in €k	**30/06/2025**	**31/12/2024**
Loans and advances to customers FVTPL	302,060	303,860
Financial assets FVTPL	707,476	716,513
Financial assets FVOCI	303,637	341,516
Trading assets	22,368	28,564
Derivatives in the banking	27,866	24,603
Total	**1,363,408**	**1,415,056**

Fair value hierarchy for financial instruments as at 30/06/2025										
	AC Carrying amount	**FVTPL carrying amount**	**HFT carrying amount**	**FVOCI carrying amount**	**AC/Liabilities carrying amount**	**Other carrying amount**	**Total carrying amount**	**Level 1 Fair value**	**Level 2 Fair value**	**Level 3 Fair value**
Financial instruments carried at fair value in €k										
Loans and advances to customers		302,060		461			**302,522**		20,883	281,639
Trading assets			22,368				**22,368**	671	21,697	
Financial assets - FVPL		707,476					**707,476**	420,562	286,914	
Financial assets - FVOCI				327,595			**327,595**	65,173	271	262.152[1]
Other assets			27,866				**27,866**		27,866	
thereof closed out derivatives in the banking book			27,866				**27,866**		27,866	
Financial instruments not carried at fair value										
Loans and advances to credit institutions					369,796		**369,796**		369,923	
Loans and advances to customers	98,152				21,054,089		**21,152,241**		92,611	20,969,424
Financial assets - AC	1,791,969						**1,791,969**	1,728,869	24,328	

1) This item consists of equity investments whose market value was measured using the discounted cash-flow method entity approach and/or mixed methods (multiples method in combination with the discounted cash-flow method) or other methods of company valuation.

Fair value hierarchy of financial instruments as at 30/06/2025										
	AC Carrying amount	**FVTPL carrying amount**	**HFT carrying amount**	**FVOCI carrying amount**	**AC/Liabilities carrying amount**	**Other carrying amount**	**Total carrying amount**	**Level 1 Fair value**	**Level 2 Fair value**	**Level 3 Fair value**
Financial liabilities carried at fair value										
Amounts owed to credit institutions							**0**			
Amounts owed to customers		249,609					**249,609**		249,609	
Securitised liabilities		547,927					**547,927**		547,927	
Other liabilities			118,882				**118,882**		118,882	
thereof closed out derivatives in the banking book			98,091				**98,091**		98,091	
Subordinated debt capital		202,168					**202,168**		202,168	
Liabilities not carried at fair value										
Amounts owed to banks					3,690,434		**3,690,434**		3,506,243	
Amounts owed to customers					15,955,683		**15,955,683**		15,952,127	
Securitised liabilities					2,914,797		**2,914,797**		2,798,606	
Other liabilities							**0**			
Subordinated debt capital					346,253		**346,253**		338,359	

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The assessment of the fair value is based on the assumption that the transaction takes place either on the principal market for the respective asset or debt instrument or, if no such principal market exists, the most advantageous active market for the respective transaction, provided the entities involved have access to such markets. Where market prices are available for identical assets or debt instruments in an active market to which access is available on the measurement date, these prices are used for the measurement (level 1). Where no such market prices are available, the fair value is determined using valuation models based on parameters that are either directly or indirectly observable (level 2). Where the fair value cannot be assessed on the basis of market prices or using valuation models fully based on directly or indirectly observable market data, individual valuation parameters that are not observable on the market are estimated on the basis of reasonable assumptions (level 3).

All fair value measurements refer to regularly performed measurements. There were no one-off fair value measurements in the reporting period.

Measurement process

The Strategic Risk Management department of Oberbank is responsible for the independent monitoring and communication of risks as well as for the measurement of financial instruments. The unit is functionally and organisationally separate from Trading, which is responsible for the initiation and conclusion of transactions. Trading book positions are marked-to-market daily at the close of business.

Valuation is based on current stock exchange prices where such quoted prices are publicly available. If direct measurement based on prices quoted on securities exchanges is not possible, model values derived from currently observable market data (yield curves, volatilities, etc.) are used. The market data is validated daily. At regular intervals, the model prices are compared with the prices actually obtainable on the market; in this context the model prices of the derivatives are compared to the model prices of the partner banks. The management is sent a daily update on risk positions and the valuation results based on the entire trading book positions. The fair value of financial instruments not carried in the trading book is measured on a quarterly basis.

Measurement methods for fair values

The measurement methods used are in compliance with recognised mathematical methods for measuring financial instruments taking into account all factors that market participants would consider appropriate for determining a price. The measurement approach applied to measure the fair value is the income-based methodology. The market-based approach is applied only in the fair value measurement of structured products.

Input factors for fair value measurement

The measurement of the fair value of financial instruments in level 1 is based on prices quoted on active markets. These instruments include listed securities and derivative instruments.

If direct measurement based on prices quoted on securities exchanges is not possible, the present value in level 2 is estimated using model values derived from current market data (yield curves, volatilities, etc.). Underlying interest-rate curves and volatilities are obtained from the Refinitiv system.
Measurements are based on generally accepted valuation models, with measurements being made under market conditions. In the case of derivatives, symmetrical products (e.g. IRS) are measured using the discounted cash flow method. The fair values of asymmetrical products (options) are calculated using standard methods (e.g. Black-Scholes, Hull & White, etc.). Structured products are measured on the basis of price information obtained from third parties.
All derivative instruments are measured on a counterparty-risk-free basis in a first step. In a second step, a credit risk markdown is determined (credit valuation adjustment, CVA) based on the internal probabilities of default and expected loss.

The fair values of non-listed securities are obtained from the Geos system. The fair value of investment fund units is obtained from the fund management companies. The present value method (discounted cash flow method) is used to calculate the fair value of securitised liabilities, subordinated debt capital and amounts owed to credit institutions and customers, with the cash flows of own issues being calculated using the contractual interest rate. The interest rates used for discounting are derived from the discount curve applicable to the respective currency, adding a premium in the form of a credit spread corresponding to the seniority of the issue. The credit rating premiums are adjusted regularly to the respective market conditions.

The fair value of level 3 assets is measured using generally accepted valuation models. The fair value measurement of loans and advances to banks and customers is based on the discounted contract cash flows (based on contractually agreed repayment structures) and the discounted expected credit loss cash flows (considering the credit rating of customers and collateral). The exchange rates used are the reference rates published by the ECB.

The potential downgrading of customers' credit ratings affects the calculation of fair values of level 3 financial instruments.
If risk premiums were to increase by 50 bp, loans and advances to customers measured at fair value would decline by EUR 8.8 million (31/12/2024 € 9.5 m), and if risk premiums were to increase by 100 bp, the fair values of these loans and advances would drop by € 17.1 million (31/12/2024: € 18.5 m).

The fair value of equity investments and shares in affiliated companies is measured primarily using the discounted cash-flow method entity approach and/or mixed methods (multiples method in combination with the discounted cash flow method) or other methods of company valuation.

Changes in the fair value hierarchy or classification take place whenever there is any change in the quality of the input parameters used in the measurement method. Classification adjustments are made at the end of the reporting period.

The following table shows the development of equity investments FVOCI measured at fair value and assigned to level 3.

Movements in €k	Equity investments FVOCI
Carrying amount as at 01/01/2025	292,301
Additions (purchases)	0
Disposals (sales / mergers)	-30,201
Value changes recognised in equity	52
Value changes recognised in income	0
Carrying amount as at 30/06/2025	262,152

These instruments accounted for a decrease of €k 11.333 in the item Other comprehensive income.

The remaining level 3 financial instruments measured at fair value comprised loans and advances to customers for which the fair value option was used.

Movements in €k	Loans and advances to customers
Carrying amount as at 01/01/2025	284,134
Transfer to level 2	0
Additions	1,296
Disposals	-1,327
Changes in fair value	-2,464
thereof disposals	0
thereof portfolio instruments	-2,464
Carrying amount as at 30/06/2025	281,639

There were no transfers between level 1 and level 2.

Major new transactions with related parties as at 30/06/2025:

Associates	€k 0
Subsidiaries	€k 0
Other related parties	€k 0

Statement by the Management Board of Oberbank AG

We confirm that to the best of our knowledge that the condensed interim financial statements prepared in accordance with the applicable accounting standards present a true and fair view of the financial position, financial performance and cash flows of the group, and that the report for the first half-year 2025 for the group presents a true and fair view of the financial position, financial performance and cash flows of the group with respect to the key events during the first six months of the financial year and their effects on the condensed interim financial statements, and regarding the key risks and uncertainties in the remaining six months of the financial year, and with respect to the material business transactions with related parties that must be disclosed.

Linz, 20 August 2025

Management Board

CEO
Franz Gasselsberger
Management Board Remit
Market

Management Board Member
Romana Thiem
Management Board Remit
Market

Management Board Member
Martin Seiter
Management Board Remit
Market

Management Board Member
Florian Hagenauer
Management Board Remit
Back Office

Management Board Member
Isabella Lehner
Management Board Remit
Back Office

Current Management Board Remits

Management Board Member **Romana Thiem**	**Management Board Member** **Martin Seiter**	**CEO** **Franz Gasselsberger**	**Management Board Member** **Florian Hagenauer**	**Management Board Member** **Isabella Lehner**
Market	**Market**	**Market**	**Back Office**	**Back Office**
General Business Policy				
Internal Audit				
Compliance				
Business and Service Departments				
(GBA) General Banking	CIF (Corporate & International Finance)	HR (Human Resources)	DSR (Data Governance & Supervisory Reporting)	ORG (Strategic Organisational Development, Digitalisation and IT)
PAM (Private Banking & Asset Management)	GFI (Global Financial Institutions)	RUC (Accounts & Controlling)	ISK (Real Estate, Safety & Security and Cost Management)	ZSP (Central Services and Production)
	TRE (Treasury)		KRM (Credit Management)	Oberbank Service GmbH[1]
	Oberbank Leasing GmbH[1]		RIS (Strategic Risk Management)	3 Banken IT GmbH[2]
			SEK (Secretariat & Communication)	
Regional Business Divisions				
Linz North	Salzburg	Innviertel	Back Office Austria	
Linz South	Vienna	Upper Austria South	Back Office Germany	
Lower Austria & Burgenland	Germany South	Germany Central	Back Office Czech Republic	
Germany Southwest	Slovakia	Czech Republic	Back Office Hungary	
	Hungary		Back Office Slovakia	

1) 100% subsidiary of Oberbank

2) 40% investee of Oberbank

Important information

Forecasts that refer to the future development of Oberbank are estimates made on the basis of information available to us on the reporting date. Should the assumptions regarding such forward-looking statements prove incorrect or should risks materialise to an extent not anticipated, the actual results may vary from those expected at the time of this writing. Information provided on market shares is based on the most recent data available at the copy deadline.
When adding up rounded figures and calculating percentage rates of change, slight differences may result compared with totals and rates arrived at by adding up component figures which have not been rounded.
This report is made available in English for the convenience of readers. Only the German-language version shall be legally binding.

Financial calendar 2025

2 April 2025	Online publication of the Annual Report for the year 2024
3 May 2025	Date of record for the 145th Annual General Meeting
13 May 2025	145th Annual General Meeting of Oberbank AG
16 May 2025	Ex-dividend date
19 May 2025	Date of record (dividend)
20 May 2025	Dividend payout date

13 May 2025	Report Q1 2025
20 August 2025	Report Q1-Q2 2025
27 November 2025	Report Q1-Q3 2025

The financial calendar is subject to change. The most recent version is available on the website of Oberbank AG.

All of the information is available online at www.oberbank.at under Investor Relations.

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