Oberbank

Interim Report to Shareholders as at 30 September 2022

Key Performance Indicators

Income statement in € m	Q1-3 2022	Change	Q1-3 2021
Net interest income	285.3	11.4%	256.2
Profit from entities recognized using the equity method	-30.5	>-100.0%	74.4
Charges for losses on loans and advances	-8.1	37.2%	-5.9
Net fee and commission income	156.4	9.3%	143.1
Administrative expenses	-247.9	8.7%	-228.1
Profit/loss for the period before tax	109.2	-51.9%	226.9
Profit/loss for the period after tax	74.1	-60.9%	189.8
Balance sheet in € m	**30/9/2022**	**Change**	**31/12/2021**
Total assets	27,910.7	1.3%	27,539.7
Loans and advances to customers	19,359.8	5.1%	18,427.9
Primary funds	17,377.0	-0.3%	17,431.6
thereof savings deposits	2,309.5	-8.9%	2,534.7
thereof securitised liabilities incl. subordinated debt capital	2,759.8	2.1%	2,703.0
Shareholders' equity	3,355.8	1.1%	3,317.9
Customer funds under management	35,643.4	-7.8%	38,636.7
Own funds pursuant to CRR in € m	**30/9/2022**	**Change**	**31/12/2021**
Common equity tier 1 capital (CET 1)	2,839.7	-4.4%	2,971.1
Tier 1 capital	2,889.7	-4.3 %	3,021.1
Own funds	3,226.1	-3.8%	3,353.2
CET 1 ratio in %	16.81	-1.54% ppt	18.35
Tier 1 capital ratio in %	17.11	-1.55% ppt	18.66
Total capital ratio in %	19.10	-1.61% ppt	20.71
Performance indicators	**Q1-3 2022**	**Change**	**Q1-3 2021**
Liquidity coverage ratio in %	158.79	-28.41% ppt	187.20
Net stable funding ratio in %	128.44	-6.37% ppt	134.81
Leverage ratio in %	9.54	-1.98% ppt	11.52
Cost/income ratio in %	67.88	18.39% ppt	49.49
Return on equity before tax in % (equity ratio)	4.34	-5.29% ppt	9.63
Return on equity after tax in %	2.95	-5.11% ppt	8.06
Risk/earnings ratio (credit risk/net interest) in %	2.84	0.54% ppt	2.30
Resources	**30/9/2022**	**Change**	**31/12/2021**
Average number of staff (weighted)	2,133	-19	2,152
Number of branches	180	2	178

Situation of the Oberbank Group in the first three quarters of 2022

Dear Shareholders,
The first nine months of the current business year was a time of high political tension, unexpectedly soaring inflation, disruptions to international supply chains and extreme market volatility. In this environment, Oberbank's operating business developed very robustly and contributed to higher earnings.

Robust business operations
Net interest income rose by 11.4% to EUR 285.3 million compared to 30 September of the preceding year. This pleasing development was supported by the steady increase in demand for loans. The lending volume rose by 6.3% to EUR 19.4 billion, however, in the third quarter the dynamic slowed.

In **Corporate and Business banking**, the lending volume rose by 7.0% to EUR 15.2 billion. Demand for investment finance among customers increased. The volume of working capital loans also rose significantly, as customers worked to master the challenges of higher prices and disrupted supply chains.

In **Personal Banking** as well, the lending volume widened year on year by 3.6% to EUR 4.1 billion. Demand for housing loans declined due to the steep increase in construction costs – especially around the end of the third quarter.

Net fee and commission income increased in the first three quarters by 9.3% to EUR 156.4 million. The driving force behind this development was the still very satisfactory trend in private banking and services for business and corporate customers, as well as foreign exchange operations.

Lower risk costs
Risk provisions for loans and advances to customers increased from an exceptionally low level by EUR 2.2 million or 37.2% to EUR 8.1 million. The risk provisions required are thus still far below the historical average.

Volatile markets trigger lower valuations
Volatile price trends on capital markets caused the market-value of financial assets to decline and also reduced income from investments accounted for using the equity method, which decreased by EUR 105.0 million to EUR 30.5 million year on year. The price trends on capital markets resulted in lower valuations due to the fair value measurement of the securities held by Oberbank and this is also reflected in the income statement.

Net profit for Q3 2022 at EUR 109.2 million
Net profit before tax for the period was EUR 109.2 million as at 30 September 2022, and therefore, EUR 117.7 million lower year on year. Taxes on income were EUR 35.0 million after EUR 37.1 million. Therefore, net profit for the period after tax was EUR 74.1 million.

Equity strengthened again
Oberbank's equity capital increased by EUR 99.7 million to EUR 3.4 billion year on year, which is a new all-time high. Thus, Oberbank more than tripled its equity capital since the financial crisis in 2009. As at Tier 1 capital ratio of 17.1% and a total capital ratio of 19.1%, the bank’s capital base is excellent compared to European banks.

Oberbank is well prepared to fulfil its function as the main bank for customers even in difficult times and to support them as a reliable partner.

CEO Franz Gasselsberger

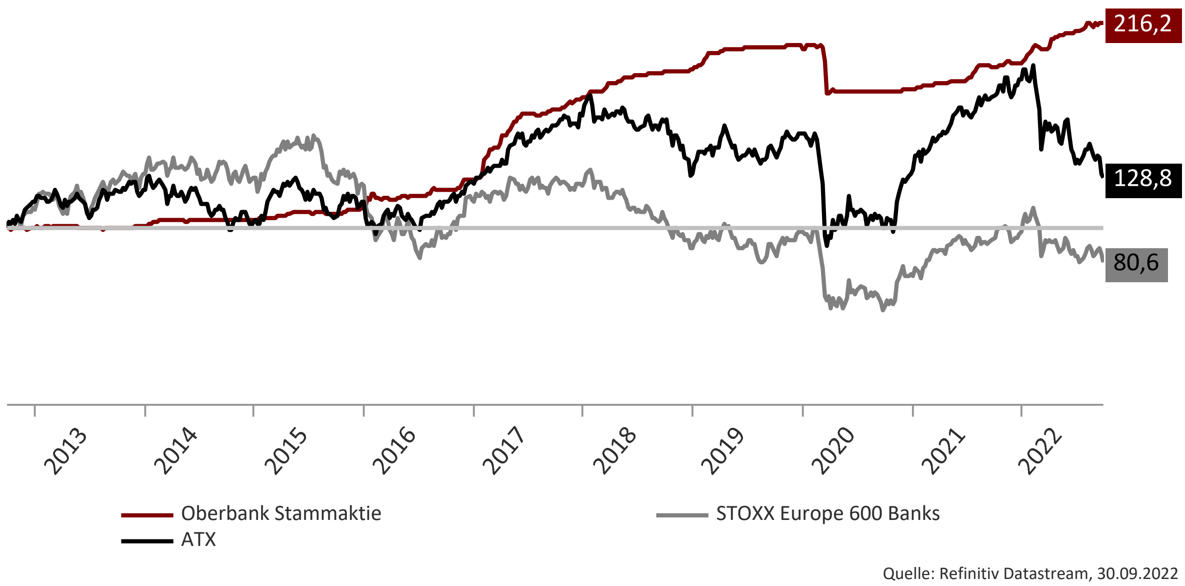
Oberbank's shares

At the end of the first three quarters of 2022, Oberbank's ordinary shares were trading at EUR 102.00. Oberbank's ordinary shares gained +11.60%. Including the dividend payouts of EUR 1 per share in May 2022, the performance of ordinary shares was +12.73%. Market capitalisation at the close of Q3 2022 was EUR 3,601.35 million as compared to EUR 3,191.78 million at the close of Q3 2021.

Oberbank's shares – key figures	Q1-3 2022*	Q1-3 2021*
Number of ordinary no-par shares	35,307,300	35,307,300
High, ordinary share in €	102.50	90.60
Low, ordinary share in €	91.60	84.40
Closing price ordinary share in €	102.00	90.40
Market capitalization in €m	3,601.35	3,191.78
IFRS earnings per share in € annualised	2.80*	7.19*
P/E ratio, ordinary shares	36.43	12.57

*Earnings per share annualised. They are calculated as follows: Profit for the period after tax in the first three quarters divided by the average number of ordinary shares in circulation divided by three, multiplied by four (projection for the full year).

Oberbank ordinary shares vs. ATX and the European banking index



Period: 28 Sept. 2012 to 30 Sept. 2022 Quelle: Refinitiv Datastream, 30 Sept. 2022

This chart compares the development of Oberbank's ordinary shares, the Austrian stock index ATX, and the European banking index STOXX Europe 600 Banks. The prices have been adjusted in the chart by indexing the daily closing prices of the relevant stock and the indices to 100. This means the starting prices were all set to 100% at the starting time. Therefore, the chart presents the relative percentage development.

The figures given refer to the past. These cannot be used to derive future trends.

Segments in the first three quarters of 2022

Corporate and Business Banking

Corporate and Business Banking in	Q1-3 2022	Q1-3 2021	± absolute	± in %
Net interest income	238.8	202.5	36.4	18.0%
Charges for losses on loans and	10.1	0.9	9.2	> 100%
Net fee and commission income	89.7	79.9	9.9	12.4%
Net trading income	-0.4	-1.0	0.5	-54.6%
Administrative expenses	-133.4	-120.3	-13.1	10.9%
Other operating income	0.7	-2.2	3.0	
Profit/loss for the period	205.6	159.7	45.8	28.7%
Risk equivalent	11,653.9	10,913.6	740.3	6.8%
Average allocated equity	1,954.7	1,871.1	83.6	4.5%
Return on equity before tax (RoE)	14.0%	11.4%	2.6% ppt	
Cost/income ratio	40.6%	43.1%	-2.5% ppt	

Earnings in Corporate and Business Banking

Profit in the Corporate and Business Banking segment was EUR 205.6 million, which is EUR 45.8 million or 28.7% higher year on year.

Net interest income rose by EUR 36.4 million or 18.0% to EUR 238.8 million.

Risk provisions decreased by EUR 9.2 million from positive EUR 0.9 million to positive EUR 10.1 million.

At EUR 89.7 million, net fee and commission income was EUR 9.9 million or 12.4% higher versus the preceding year.

Administrative expenses increased by EUR 13.1 million or 10.9% to EUR 133.4 million.

Other operating income increased by EUR 3.0 million from negative EUR 2.2 million to positive negative EUR 0.7 million.

Return-on-equity in Corporate and Business Banking rose from 11.4% by 2.6%-points to 14.0%, while the cost/income ratio improved from 43.1% by 2.5%-points to 40.6%.

Commercial loans

Oberbank's commercial lending volume increased by EUR 996.2 million or 7.0% from EUR 14,233.0 million to EUR 15,229.1 million.

Commercial loans		YoY change	
As at 30/9/2022	As at 30/9/2021	absolute	in %
€ 15,229.1 million	€ 14,233.0 million	€ 996.2 million	7.0%

Investment finance and innovation

The number of applications submitted in Austria, Germany, Czech Republic, Hungary and Slovakia for subsidised loans and innovation projects, and to secure liquidity in the first three quarters of 2022 was 2.6% higher at 1,142 projects compared to the pre-coronavirus year 2019. This recovery in funding applications after the exceptional coronavirus pandemic years 2020 and 2021 was supported by the still excellent economic forecasts in HY1 2022, and the higher willingness to invest in the business sector as well as by livelier investment activity triggered by sustainability goals. The volume of subsidised finance obtained with the intermediation of Oberbank amounted to EUR 1.92 billion as at 30 September 2022 and hence 13.5% higher than in the same period of the preceding year.

Leasing

After recording very satisfactory capitalization again in Q3 at EUR 259 million, there was further growth with a total of EUR 641.7 million in new business. From a regional perspective, Austria and Germany were the drivers of this positive trend, even though business in the Czech Republic and Slovakia also developed well.

Syndication

A minor increase in commitments in syndicated loans and borrower's notes was recorded year on year, despite slightly declining transactions.

The number of transactions in which Oberbank acted as lead manager increased moderately. At the end of the quarter, the number of requests to take part in syndicated finance lending transactions saw a very positive dynamic. With respect to borrowers' notes, only few selected transactions were supported in Q3 2022.

Oberbank Opportunity Fund

In Q1-3 2022, the Oberbank Opportunity Fund recorded 117 inquiries, which is significantly higher than in the same period of the preceding year. During this period, the Oberbank Opportunity Fund finalized nine new transactions as well as six exclusively lending transactions. Since the inception of the Oberbank Opportunity Fund, 106 transactions with equity and/or mezzanine capital or high-yield capital (plus debt financing) have been supported, and ten supplementary finance transactions were also carried out for portfolio companies. The total volume of capital committed as at 30 September 2022 was roughly EUR 320 million distributed across equity, mezzanine and high-yield capital.

Primary deposits

The ECB initiated the end of negative interest in mid-July when it took the decision to start raising key lending rates. The ECB's move in September confirmed that a new era in interest rates has started. At the latest with the hike in key lending rates in September, it became clear that the era of negative interest at Oberbank was also over. However, movements in daily customer deposits in response to these changes were rather timid.

Currency risk management

The sustained high level of foreign currency transactions resulted in excellent results in the area of foreign exchange. Additionally, a tendency toward euro loans was noticeable in the Czech market. As a result, conversions from Czech koruna into euro rose sharply and yielded the solid returns. In the traditional foreign currency business, the strength of the dollar was a strong factor of influence for transactions. The high volatility of the US currency was behind many hedging transactions.

Payment services

In an economic environment in which uncertainty prevails, income from payment transactions by corporate and business customers developed very positively, and as at 30 September 2022 it was +12.9% higher compared to the same period of the preceding year.

With respect to digitalization, we benefited from the general discontinuation of clearing for cheques in Austria starting from the end of 2022. Oberbank will no longer issue cheques in Austria starting as of 1 October 2022, and will no longer accept national cheques as of 1 January 2023. The customers concerned were informed of these changes in the past quarter and advised on alternative digital payment methods.

Since July 2022, Oberbank has been offering an online banking service on its customer portal with the option of integrating accounts of third-party banks via the PSD2 interface (XS2A). This function gives clients the possibility to view credit and debit transactions on these accounts and execute transactions.

Documentary business

Throughout the world, companies are learning to deal with the global uncertainties. One of the few positive aspects were prices for cargo space. These prices returned to pre-crisis levels. Some internationally operating industries took the opportunity to reactivate their trade contacts overseas. Businesses are increasingly relying on Oberbank's expertise when comes to hedging international trade. Traditional hedging instruments such as letters of credit, documentary collection, and guarantees have proven very valuable especially in the past few years of crisis. Transaction volumes in the documentary business increased by a remarkable 19.8% compared to the same period of the preceding year.

Export finance

The first half of 2022 was dominated by two "mega trends". In the beginning, we saw a rebound driven by the catchup effects after the past two years of crisis. Subsequently, the Russian war of aggression against Ukraine weighed on the economy. The data of the OeNB Export Indicator for September 2022 showed a noticeable cooling in the export sector.

Rising inflation rates, material shortages, sinking export order quotas, and volatile interest rates determined the general conditions. This required reliable and comprehensive advisory services for foreign transactions all of which are traditionally provided by Oberbank. Apart from securing and financing foreign investments, supporting customers with domestic investment projects to facilitate export activities (OeKB Auftrags-/Exportinvest schemes) gained significance. The focus was always also on securing liquidity by means of revolving OeKB loans, and Oberbank expanded its market share in this market segment. As at 30 September 2022, Oberbank's market share in export loans to SMEs reached 11.7%, and over 11.5% for loans to large corporates under the KRR procedure.

Factoring

Demand for factoring as a finance alternative continued to be in high demand. The positive trend in volumes continued for the seventh business year in a row. Year on year, factoring facilities granted increased by 9%, factoring sales by 40%, and income by 25%. Positive feedback from corporate and business customers also confirms this trend.

International network of partner banks and institutions

The uncertainty prevailing on international markets continued in the third quarter unfortunately. Apart from the familiar challenges such as a secure energy supply, disrupted supply chains and rising inflation, the third quarter also saw the emergence of new challenges relating to higher risk and compliance requirements.

This trend motivated international banks to readjust their lending and trade limits. The general tenor in bank communications was to increase the efficiency of the international banking network while at the same time eliminating risks. Oberbank has been aware of the issue and compliant with this requirement for years. The focus was on services such as the processing of payment transactions, trade hedging and foreign currency finance.

Personal Banking

Personal Banking in €m	Q1-3 2022	Q1-3 2021	± absolute	± in %
Net interest income	58.5	47.2	11.3	23.9%
Charges for losses on loans and advances	-12.2	-1.0	-11.2	> 100%
Net fee and commission income	66.7	63.2	3.4	5.4%
Net trading income	0.0	0.0	0.0	0.0%
Administrative expenses	-83.0	-76.4	-6.6	8.6%
Other operating income	3.6	4.2	-0.6	-13.8%
Profit/loss for the period	33.6	37.3	-3.6	-9.8%
Risk equivalent	2,152.8	2,035.1	117.7	5.8%
Average allocated equity	361.1	348.9	12.2	3.5%
Return on equity before tax (RoE)	12.4%	14.2%	-1.8% ppt	
Cost/income ratio	64.4%	66.6%	-2.2% ppt	

Earnings in Personal Banking

Profit in the Personal Banking segment was EUR 33.6 million, which is EUR 3.6 million or 9.8% lower year on year.
Net interest income rose by EUR 11.3 million or 23.9% to EUR 58.5 million.
Risk provisions increased by EUR 11.2 million to EUR 12.2 million.
Net fee and commission income was up by EUR 3.4 million or 5.4% to EUR 66.7 million higher than in the preceding year.
At EUR 83.0 million, administrative expenses were EUR 6.6 million or 8.6% higher than in the preceding year.
Other operating income decreased by EUR 0.6 million or 13.8% to EUR 3.6 million.
Return-on-equity in Personal Banking decreased by 1.8%-points from 14.2% to 12.4%, while the cost/income ratio improved by 2.2%-points from 66.6% to 64.4%.

Personal accounts

The portfolio of personal accounts expanded year on year by 1,849 to a total of 194,541 accounts. The "be(e) green account", a sustainable giro account for retail customers, was introduced in Austria in June 2021. As at 30 September 2022, 22.3% of accounts were sustainable accounts.

Personal accounts		YoY change	
As at 30/9/2022	**As at 30/9/2021**	**absolute**	**in %**
194,541	192,692	1,849	1.00%

Personal loans

The volume of personal loans increased by EUR 142.8 million or 3.6% to EUR 4,130.7 million compared to 30 September 2021 despite the challenging market environment.
However, demand for residential property loans and thus also new lending has slumped since August 2022. The main reason for the downturn is the significantly deteriorated macroeconomic environment and the resultant uncertainties (higher costs of living, energy prices, construction costs and real estate prices).
The share of foreign currency loans in the total volume of personal loans of Oberbank was only 1.3%.

Personal loans		YoY change	
As at 30/9/2022	**As at 30/9/2021**	**absolute**	**in %**
€ 4,130.7 million	€ 3,987.9 million	€ 142.8 million	3.6%

Savings deposits

The volume of savings deposits decreased by EUR 269.9 million or 10.5% to EUR 2,309.5 million year on year. However, EUR 55.2 million of this amount is attributable to an adjustment in the reporting system.
There are still large volumes of funds on bank accounts and/or in daily callable investment forms. Online savings products continue to be in high demand. The trend of switching funds from savings passbooks to online savings products remains intact. Since the beginning of the year, online savings products recorded an increase of EUR 86.8 million or 8.3%. Since June of last year, Oberbank has been offering a sustainable savings account in Austria, the "be green Sparkonto" account. In mid-August 2022, another sustainable product, the "be green Sparkonto Festzins", a fixed-interest savings account was added to the product range of online savings products.

Savings deposits		YoY change	
As at 30/9/2022	As at 30/9/2021	absolute	in %
€ 2,309.5 million	€ 2,579.4 million	-€ 269.9 million	-10.5%

Securities business

The year 2022 – at least until the end of the 3rd quarter – was exceptional compared to past decades on account of the market environment and price trends on both stock and bond markets. While in the past, solid government bonds, for example, German and Austrian government bonds, were stabilising elements, the situation was dramatically different in the year 2022. Steeply rising inflation rates and key lending rates triggered major price losses for bonds.
Generally, investor sentiment was also very subdued, but we did not see any panic selling. However, transaction volumes were lower than in the previous year, both on the buy side and the sell side. In Q3, the higher interest rates correlated with rising demand for Oberbank issues.
Despite these adverse circumstances, the securities business increased again by EUR 3.8 million or 7.7% to EUR 53.5 million as at 30 September 2022. An isolated comparison of the third quarter of 2022 shows a decline; therefore, the increase is a result of the strong first half-year.

Commission income from securities		YoY change	
As at 30/9/2022	As at 30/9/2021	absolute	in %
€ 53.5 million	€ 49.7 million	€ 3.8 million	7.7%

Market value on custody accounts

The volume of funds on customer accounts decreased by EUR -733.6 million or -3.9% to EUR 18.3 billion year on year. This is a direct consequence of the difficult market conditions in the current year.

Market value on custody accounts		YoY change	
As at 30/9/2022	As at 30/9/2021	absolute	in %
€ 18,266.4 million	€ 19,000.0 million	-€ 733.6 million	-3.9%

Private banking

Assets under management in Private Banking (demand deposits and custody accounts) decreased by EUR -490.6 million or -4.2% to EUR 11.2 billion year on year.

The inflow of funds into individual portfolio management mandates continued to be positive, but the currently managed volume of EUR 720.9 million was also 3.2% below the preceding year's level. This service is offered in three variants with different features, with a classic or a sustainable focus.

Assets under management - private banking		YoY change	
As at 30/9/2022	As at 30/9/2021	absolute	in %
€ 11,193.5 million	€ 11,684.1 million	-€ 490.6 million	-4.2%

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

Oberbank's assets under management by 3 Banken-Generali-Gesellschaft m.b.H. (3BG) decreased by EUR 277.3 million or 5.0% to EUR 5.3 billion compared to the same period of the preceding year. The company manages total assets of EUR 10.8 billion. As at 30 September 2022, the total volume of the market was EUR 186.3 billion, which means the company accounts for a market share of 5.8%. Therefore, the company expanded its market share and is now the fifth largest investment fund company in Austria.

In the first three quarters, Oberbank's funds under management in sustainable retail funds of 3BG amounted to EUR 92.6 million, which is a share of 26.9% of the total fund volume.

Retail investment funds and special funds		YoY change	
As at 30/9/2022	**As at 30/9/2021**	**absolute**	**in %**
€ 5,280.9 million	€ 5,558.2 million	-€ 277.3 million	-5.0%

Building society savings

In the first half of 2022, Oberbank acted as intermediary for 6,542 building society savings contracts. This is a decrease of 2,170 contracts or 24.9% compared to the same period of the preceding year. On the one hand, this significant decline was due to a very strong year 2021, and on the other hand, a similar decline was seen across the entire Austrian market for building society savings.

Wüstenrot loans

With respect to Wüstenrot loans, the very strong achievement of the preceding year was again surpassed. In the first three quarters of 2022, a loan volume of EUR 79.4 million was brokered for Wüstenrot. This corresponded to an increase of EUR 39.8 million or 100.5%.

Insurance business

In the insurance business, the total premium volume (life insurance and non-life insurance) declined by 6.5% year on year. The decline was caused mainly by the trend in the German market (-34.0%) due to restructuring measures. In Austria, premium volumes declined by only 5.0% in life insurance year on year despite the tense market setting. In the non-life insurance segment, the year-on-year increase of 8.1% was significant.

Insurance contracts - premium volume		YoY change	
As at 30/9/2022	**As at 30/9/2021**	**absolute**	**in %**
€ 115.9 million	€ 123.9 million	-€ 8.0 million	-6.5%

Financial Markets

Financial Markets in € m	Q1-3 2022	Q1-3 2021 Q1-	± absolute	± in %
Net interest income	-12.0	6.5	-18.5	
Profit from entities recognized using the equity method	-30.5	74.4	-105.0	
Charges for losses on loans and	-6.0	-5.8	-0.2	3.3%
Net fee and commission income	0.0	0.0	0.0	0%
Net trading income	8.4	5.4	3.0	56.8%
Administrative expenses	-9.0	-8.0	-1.0	12.0%
Other operating income	-42.3	1.1	-43.4	
Profit/loss for the period	-91.4	73.5	-165.0	
Risk equivalent	6,174.6	5,365.5	809.1	15.1%
Average allocated equity	1,035.7	919.9	115.8	12.6%
Return on equity before tax (RoE)	n.a.	10.7%	n.a.	
Cost/income ratio	n.a.	9.2%	n.a.	

n.a. – not indicative

Earnings in Financial Markets

Profit in Financial Markets decreased by EUR 165.0 million from EUR 73.5 million to a negative EUR 91.4 million.
Net interest income decreased by EUR 18.5 million to a negative EUR 12.0 million.
Income from equity investments decreased by EUR 105.0 million from EUR 74.4 million to EUR 30.5 million.
Risk provisions increased by EUR 0.2 million from EUR 5.8 million to EUR 6.0 million.
Net trading income rose by EUR 3.0 million from EUR 5.4 million to EUR 8.4 million.
At EUR 9.0 million, administrative expenses were EUR 1.0 million higher year on year.
Other operating income decreased by EUR 43.4 million from positive EUR 1.1 million to negative EUR 42.3 million.
Both RoE and the cost/income ratio are not indicative due to the segment result.

Proprietary trading

In the first nine months of the year, the financial markets were dominated by the Russian war against Ukraine and the steep rise in inflation. Especially bond markets saw rising interest rates – which came as a complete surprise – with a momentum not seen in decades. Therefore, bond prices dropped steeply, and this also affected other financial markets. Stock markets always suffer when interest rates rise, and fears of recession and a strong US dollar were also negative factors. The euro depreciated by 15% versus the US dollar. As this made imports to the EU even more expensive, it also fuelled inflation. Moreover, the Hungarian forint lost 15% versus the euro at the peak of this movement, thereby, depreciating by around 30% versus the US dollar. The National Bank of Hungary raised interest rates to 13% to support the currency.

Refinancing

After issuing the most successful bond to date at the end of April, the situation deteriorated substantially. Rising interest rates, higher inflation, interest rate hikes by central banks, and fears of recession made investors very cautious, thus making the situation on capital markets very difficult.

Own funds

Own funds were EUR 3,226.1 million as at 30 September 2022, which is a ratio of 19.1%. Tier 1 capital was EUR 2,889.7 million and the tier 1 capital ratio was 17.1%. Common equity tier 1 capital was EUR 2,839.7 million which corresponds to a ratio of 16.8%.

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 recognizing the corresponding impairment charges in the balance sheet.
When assessing creditworthiness and with respect to collateral, Oberbank can rely on its decades of experience. Moreover, its business model as a regional bank, its professional credit management, and the well-balanced distribution of overall debt across customer segments help to contain the threat to Oberbank's results from this risk exposure. Therefore, no extraordinary counterparty risk events are expected for the full financial year 2022.
The other risk categories are equity risk (risk of loss in value or forgone profits 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. These risks are also covered by the corresponding funds in line with the principle of conservatism. In terms of 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 (30/09/2022: EUR 19.4 billion) by primary deposits, own issues and deposits of investment finance banks (OeKB, LfA, KfW) amounting to EUR 20.6 billion (30/09/2022). Additionally, Oberbank has a permanent risk controlling system in place as well as strict process management and other efficient control and management instruments.

Outlook

Oberbank's management expects demand for loans to weaken and risk costs to increase. Price volatility on commodity and energy markets as well as on capital markets make it impossible to assess future trends, and therefore, it is not possible to give a reliable outlook.

Consolidated Interim Financial Statements pursuant to IFRS for the period 1/1/2022 to 30/9/2022

Consolidated income statement in €k		1/1 to 30/2022	1/1 to 30/2021	Change in €k	Change in %
1. Interest and similar income		332,843	280,550	52,293	18.6
a) Interest income purs. to effective interest rate method		317,874	265,747	52,127	19.6
b) Other net interest income		14,969	14,803	166	1.1
2. Interest and similar expenses		-47,515	-24,351	-23,164	95.1
Net interest income	(1)	285,328	256,199	29,129	11.4
3. Profit from entities recognized using the equity method	(2)	-30,540	74,426	-104,966	>-100.0
4. Charges for losses on loans and advances	(3)	-8,097	-5,902	-2,195	37.2
5. Fee and commission income		172,159	158,016	14,143	9.0
6. Fee and commission expenses		-15,750	-14,913	-837	5.6
Net fee and commission income	(4)	156,409	143,103	13,306	9.3
7. Net trading income	(5)	7,965	4,393	3,572	81.3
8. Administrative expenses	(6)	-247,875	-228,085	-19,790	8.7
9. Other operating income	(7)	-54,015	-17,256	-36,759	> 100.0
a) Net income from financial assets - FVPL		-35,816	4,032	-39,848	>-100.0
b) Net income from financial assets - FVOCI		-1,973	-307	-1,666	> 100.0
c) Net income from financial assets - AC		0	-79	79	-100.0
d) Other operating income		-16,226	-20,902	4,676	-22.4
Profit/loss for the period before tax		109,175	226,878	-117,703	-51.9
10. Income taxes	(8)	-35,043	-37,100	2,057	-5.5
Profit/loss for the period after tax		74,132	189,778	-115,646	-60.9
of which attributable to the owners of the parent company and the owners of additional equity components		73,281	188,928	-115,647	-61.2
thereof attributable to non-controlling interests		851	850	1	0.1

Other comprehensive income in €k	1/1 to 30/9/2022	1/1 to 30/9/2021
Profit/loss for the period after tax	74,132	189,778
Items not reclassified to profit/loss for the period	-578	24,942
-/+ Actuarial gain/loss IAS 19	16,823	13,351
+/- Deferred taxes on actuarial gains/losses IAS 19	-4,974	-3,338
+/- Share from entities recognised using the equity method	19,062	10,122
+/- Value changes in own credit risk recognised in equity IFRS 9	23,396	-18,155
+/- Deferred tax on changes recognised in equity for own credit risk	-5,565	4,539
+/- Value changes in equity instruments recognised in equity IFRS 9	-68,265	24,564
+/- Deferred tax on value changes in equity instruments recognised in equity IFRS 9	18,945	-6,141
Items reclassified to profit/loss for the year	-7,560	8,792
+/- Value changes recognised in equity for debt securities IFRS 9	-2,366	204
Amounts recognised in equity	-2,853	255
Reclassification adjustments	487	-52
+/- Deferred tax on value changes recognised in equity for debt securities IFRS 9	549	-51
Amounts recognised in equity	661	-64
Reclassification adjustments	-112	13
± Exchange differences	-239	4,219
+/- Share from entities recognised using the equity method	-5,504	4,420

	1/1 to 30/9/2022	1/1 to 30/9/2021
Total income and expenses recognised directly in equity	-8,138	33,734
Total comprehensive income for the period from net profit/loss and income/expenses not recognised in profit/loss	65,994	223,512
of which attributable to the owners of the parent company and the owners of additional equity components	65,143	222,662
thereof attributable to non-controlling interests	851	850

Performance indicators	1/1 to 30/9/2022	1/1 to 30/9/2021
Cost/income ratio in %1)	67.88	49.49
Return on equity before tax in %2)	4.34	9.63
Return on equity after tax in %3)	2.95	8.06
Risk-earnings ratio (credit risk/net interest income) in %4)	2.84	2.30
Earnings per share (annualised) in €5)6)	2.80	7.19

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 year before tax in relation to average shareholders' equity
3) Profit/loss for the year 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 year 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, 1/7/2022 to 30/9/2022

Consolidated income statement in €k		1/7 to 30/9/2022	1/7 to 30/9/2021	Change in €k	Change in %
1. Interest and similar income		120,918	93,540	27,378	29.3
a) Interest income purs. to effective interest rate method		115,947	88,495	27,452	31.0
b) Other net interest income		4,971	5,045	-74	-1.5
2. Interest and similar expenses		-25,124	-4,122	-21,002	> 100.0
Net interest income	(1)	95,794	89,418	6,376	7.1
3. Profit from entities recognized using the equity method	(2)	-53,276	30,628	-83,904	>-100.0
4. Charges for losses on loans and advances	(3)	-4,544	2,393	-6,937	>-100.0
5. Fee and commission income		51,951	51,054	897	1.8
6. Fee and commission expenses		-4,782	-4,826	44	-0.9
Net fee and commission income	(4)	47,169	46,228	941	2.0
7. Net trading income	(5)	-1,915	413	-2,328	>-100.0
8. Administrative expenses	(6)	-80,776	-76,715	-4,061	5.3
9. Other operating income	(7)	-2,021	-2,223	202	-9.1
a) Net income from financial assets - FVPL		-3,077	-789	-2,288	> 100.0
b) Net income from financial assets - FVOCI		-515	-142	-373	> 100.0
c) Net income from financial assets - AC		0	-72	72	-100.0
d) Other operating income		1,571	-1,220	2,791	>-100.0
Profit/loss for the period before tax		431	90,142	-89,711	-99.5
10. Income taxes	(8)	-12,694	-14,078	1,384	-9.8
Profit/loss for the period after tax		-12,263	76,064	-88,327	>-100.0
of which attributable to the owners of the parent company and the owners of additional equity components		-12,617	75,861	-88,478	>-100.0
thereof attributable to non-controlling interests		354	203	151	74.4

Other comprehensive income in €k	1/7 to 30/9/2022	1/7 to 30/9/2021
Profit/loss for the period after tax	-12,263	76,064
Items not reclassified to profit/loss for the period	-974	9,917
-/+ Actuarial gain/loss IAS 19	5,608	4,451
+/- Deferred taxes on actuarial gains/losses IAS 19	-1,290	-1,113
+/- Share from entities recognised using the equity method	12,832	4,718
+/- Value changes in own credit risk recognised in equity IFRS 9	-1,753	104
+/- Deferred tax on changes recognised in equity for own credit risk IFRS 9	403	-26
+/- Value changes in equity instruments recognised in equity IFRS 9	-21,785	2,376
+/- Deferred tax on value changes in equity instruments recognised in equity IFRS 9	5,011	-594
Items reclassified to profit/loss for the year	-14,328	4,992
+/- Value changes recognised in equity for debt securities IFRS 9	-1,714	109
Amounts recognised in equity	-1,715	110
Reclassification adjustments	1	-1
+/- Deferred tax on value changes recognised in equity for debt securities IFRS 9	395	-28
Amounts recognised in equity	395	-28
Reclassification adjustments	0	0
± Exchange differences	-2,083	1,964
+/- Share from entities recognised using the equity method	-10,926	2,946

	1/7 to 30/9/2022	1/7 to 30/9/2021
Total income and expenses recognised directly in equity	-15,302	14,909
Total comprehensive income for the period from net profit/loss and income/expenses not recognised in profit/loss	-27,565	90,973
of which attributable to the owners of the parent company and the owners of additional equity components	-27,919	90,770
thereof attributable to non-controlling interests	354	203

Balance sheet at 30/9/2022

Assets

	in €k		30/9/2022	31/12/2021	Change in €k	Change in %
1.	Cash and balances at central banks	(10)	3,483,211	4,400,915	-917,704	-20.9%
2.	Loans and advances to credit	(11)	815,557	873,561	-58,004	-6.6%
3.	Loans and advances to customers	(12)	19,359,826	18,427,927	931,899	5.1%
4.	Trading assets	(13)	76,408	37,380	39,028	> 100.0%
5.	Financial investments	(14)	3,550,003	3,180,410	369,593	11.6%
	a) Financial assets - FVPL		473,562	481,966	-8,404	-1.7%
	b) Financial assets FVOCI		574,461	414,571	159,890	38.6%
	c) Financial assets - AC		1,520,501	1,283,109	237,392	18.5%
	d) Interests in entities accounted for by the equity method		981,479	1,000,764	-19,285	-1.9%
6.	Intangible assets	(15)	3,313	3,221	92	2.9%
7.	Property, plant and equipment	(16, 17)	363,165	382,622	-19,457	-5.1%
	a) Investment property		76,753	84,234	-7,481	-8.9%
	b) Other property, plant and equipment		286,412	298,388	-11,976	-4.0%
8.	Other assets	(18)	259,180	233,627	25,553	10.9%
	a) Deferred tax assets		3,380	1,390	1,990	> 100.0%
	b) Positive fair values of closed out derivatives in the banking book		75,905	102,159	-26,254	-25.7%
	c) Other		179,895	130,078	49,817	38.3%
	Total assets		**27,910,663**	**27,539,663**	**371,000**	**1.3%**

Equity and liabilities

	in €k		30/9/2022	31/12/2021	Change in €k	Change in %
1.	Amounts owed to credit institutions	(19)	6,074,090	5,893,338	180,752	3.1%
	a) Refinance allocated for customer loans		3,237,214	3,042,865	194,349	6.4%
	b) Other amounts owed to credit institutions		2,836,876	2,850,473	-13,597	-0.5%
2.	Amounts owed to customers	(20)	14,617,149	14,728,589	-111,440	-0.8%
3.	Securitised liabilities	(21)	2,279,304	2,206,647	72,657	3.3%
4.	Provisions for liabilities and charges	(22)	340,097	364,802	-24,705	-6.8%
5.	Other liabilities	(23)	763,674	532,058	231,616	43.5%
	a) Trading liabilities	(24)	50,725	35,539	15,186	42.7%
	b) Tax liabilities		34,187	16,983	17,204	> 100.0%
	ba) Current tax liabilities		31,404	1,738	29,666	> 100.0%
	bb) Deferred tax liabilities		2,783	15,245	-12,462	-81.7%
	c) Negative fair values of closed out derivatives in the banking book		183,245	34,077	149,168	> 100.0%
	d) Other		495,517	445,459	50,058	11.2%
6.	Subordinated debt capital	(25)	480,531	496,368	-15,837	-3.2%
7.	Shareholders' equity	(26)	3,355,818	3,317,861	37,957	1.1%
	a) Equity after minorities		3,298,397	3,260,068	38,329	1.2%
	b) Minority interests		7,421	7,793	-372	-4.8%
	c) Additional equity capital components		50,000	50,000	0	0.0
	Total equity and liabilities		**27,910,633**	**27,539,663**	**371,000**	**1.3%**

Consolidated statement of changes in equity as at 30/9/2022

in €k	Subscribed capital	Capital reserves	Retained earnings	Exchange differences	Revaluation reserve			Actuarial gains/losses IAS 19	Associates	Equity after minorities	Shares of non-controlling shareholders	Additional equity capital 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 1/1/2021	**105,381**	**505,523**	**1,717,804**	**-5,663**	**242**	**112,620**	**6,128**	**-54,292**	**593,474**	**2,981,215**	**7,651**	**50,000**	**3,038,866**
Consolidated net profit			121,143	4,219	153	18,423	-13,616	10,013	82,327	222,662	850		223,512
Net profit/loss for the year			121,143						67,785	188,928	850		189,778
Other comprehensive income				4,219	153	18,423	-13,616	10,013	14,542	33,734			33,734
Dividend distribution			-20,408							-20,408			-20,408
Coupon payments on additional equity components			-1,725							-1,725			-1,725
Capital increase													
Issuance of additional equity components													
Repurchased own shares	483		12,856							13,339			13,339
Other changes not recognised in income			15						3,569	3,584	-1,055		2,529
As at 30/9/2021	**105,864**	**505,523**	**1,829,685**	**-1,444**	**395**	**131,043**	**-7,488**	**-44,279**	**679,370**	**3,198,667**	**7,446**	**50,000**	**3,256,113**
As at 1/1/2022	**105,863**	**505,523**	**1,844,816**	**-1,927**	**161**	**156,878**	**-6,905**	**-41,432**	**697,093**	**3,260,068**	**7,793**	**50,000**	**3,317,861**
Consolidated net profit			117,015	-239	-1,817	-49,320	17,831	11,849	-30,176	65,143	851		65,994
Net profit/loss for the year			117,015						-43,734	73,281	851		74,132
Other comprehensive income				-239	-1,817	-49,320	17,831	11,849	13,558	-8,138			-8,138
Dividend distribution			-35,306							-35,306			-35,306
Coupon payments on additional equity components			-1,725							-1,725			-1,725
Capital increase													
Issuance of additional equity components													
Repurchased own shares	-17		-745							-762			-762
Other changes not recognised in income			89						10,890	10,979	-1,223		9,756
As at 30/9/2022	**105,846**	**505,523**	**1,924,144**	**-2,166**	**-1,656**	**107,558**	**10,926**	**-29,583**	**677,807**	**3,298,397**	**7,421**	**50,000**	**3,355,818**

Consolidated statement of cash flows in €k	1/1 to 30/9/2022	1/1 to 30/9/2021
Profit/loss for the period	74,132	189,778
Non-cash items in profit/loss for the period and reconciliation of net cash from operating activities		
Write-offs, impairment losses, write-ups	116,550	-29,483
Change in provisions for staff benefits and other provisions for liabilities and charges	-12,857	-4,409
Change in other non-cash items	-34,305	-4,616
Gains and losses on financial investments, property, plant and equipment and intangible assets		
	4	-361
Subtotal	**143,524**	**150,909**
Change in assets and liabilities arising from operating activities after corrections for non-cash positions		
- Loans and advances to credit institutions	72,925	464,441
- Loans and advances to customers	-928,718	-950,657
- Trading assets	-37,352	10,219
- Financial assets for operating activities[1)]	-223,145	94,895
- Other assets from operating activities	47,738	2,068
- Amounts owed to credit institutions	212,254	977,226
- Amounts owed to customers	-52,355	845,270
- Securitised liabilities	171,049	353,823
- Other liabilities from operating activities	-43,344	-38,567
Cash flow from operating activities	**-637,424**	**1,909,625**
Proceeds from the sale of		
- Financial assets held as investments[2)]	161,314	516,171
- Property, plant and equipment, and intangible assets	11,309	6,771
Outlay on purchases of		
- Financial investments	-403,562	-212,939
- Property, plant and equipment, and intangible assets	-19,869	-22,335
Cash flow from investing activities	**-250,808**	**287,667**
Capital increase	0	0
Dividend distributions	-35,306	-20,408
Coupon payments on additional equity components	-1,725	-1,725
Inflow from subordinated debt capital and other financing activities		
- Issues	49,860	41,700
- Other	963	15,064
Outflow from subordinated debt capital and other financing activities		
- Redemptions	-30,000	-25,600
- Other	-13,265	-13,099
Cash flow from financing activities	**-29,472**	**-4,069**
Cash and cash equivalents at the end of preceding period	**4,400,915**	**2,105,984**
Cash flow from operating activities	-637,424	1,909,625
Cash flow from investing activities	-250,808	287,667
Cash flow from financing activities	-29,472	-4,069
Effects of changes in the consolidation scope and revaluation	0	0
Effects of foreign exchange rate changes	0	0
Cash and cash equivalents at the end of the period	**3,483,211**	**4,299,208**
Interest received	297,823	278,576
Dividends received	21,870	13,597
Interest paid	-64,310	-61,583
Coupon payments on additional equity components	-1,725	-1,725
Income tax paid	-36,967	-30,135

Cash and cash equivalents comprise the line item cash reserves, consisting of cash in hand and credit balances with central banks of issue.
1) Financial investments not intended to be held long term
2) Financial investments 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) and International Accounting Standards (IAS) 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 three quarters of 2022 (1 January 2022 to 30 September 2022) and compare the results with the corresponding periods of the preceding year. This condensed interim report for the first three quarters of 2022 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 2023 or later.

Changes to accounting policies 2022

The interim report of Oberbank AG has been drafted using the same recognition and measurement policies as applied on 31 December 2021. An exception are the standards and interpretations that apply to financial years that start on or after 1 January 2022. 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 2022.

- Annual Improvements to IFRS - Cycle 2018 – 2020
- Amendments to IAS 16 - Proceeds before intended use
- Amendments to IAS 37 - Onerous contracts — Cost of fulfilling a contract
- Amendments to IFRS 3 - Reference to the Conceptual Framework

The **annual improvements** cycle for IFRS refers to amendments to IFRS 1, IFRS 9, IAS 16 and IAS 41. This does not result in any material effects on the consolidated financial statements of Oberbank.
Amendments to **IAS 16 "Property, Plant and Equipment"** now explicitly prohibit the deduction of possible net income from the acquisition cost of an item of property, plant and equipment. If goods are produced and sold while an item of property, plant and equipment is being brought to its intended location or to its intended working condition, the income resulting from the sale of these goods as well as their production costs must be recognised in profit or loss in accordance with the applicable standards. As the Group does not have any property, plant and equipment where goods are produced as part of trial runs, there is no impact from these changes on the consolidated financial statements.
The amendments to **IAS 37 "Provisions and Contingent Liabilities"** specify the costs for the fulfilment onerous contracts. All directly attributable costs are to be taken into account as fulfilment costs. The above change has no effect on the consolidated financial statements.

IFRS 3 "Business Combinations" is updated so that the references now refer to the current 2018 conceptual framework for financial reporting rather than the 1989 conceptual framework. This does not result in any material effects on the consolidated financial statements.

Actuarial assumptions

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

	30/9/2022	31/12/202
Interest rate applied	2.75%	1.25%
Increase under collective agreements	2.84%	2.63%
Pension increase	1.89%	1.67%

Oberbank group of consolidated companies

The group of consolidated companies as at 30 September 2022 included, apart from Oberbank AG, 29 Austrian and 16 foreign subsidiaries. The group of consolidated companies changed compared to 31/12/2021 due to the first-time inclusion of the following companies:

Oberbank Frank Immobilienleasing GmbH	Share in %	90%

Impairment – financial assets and contract assets

IFRS 9 replaces the "incurred loss model" by a forward-looking "expected loss impairment model". This calls for substantial discretionary decisions regarding the extent to which expected loss impairment is influenced by changes in economic factors. This measurement is done on the basis of weighted probabilities. The impairment model under IFRS 9 applies to financial assets designated at amortised costs or at FVOCI – with the exception of dividend-paying securities held as financial assets – and contract assets.

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

- 12-month expected credit losses: These are expected credit losses due to potential default events within twelve months of the reporting date.
- Full lifetime expected credit losses: These are expected credit losses due to potential default events over the expected life of a financial instrument.

Segmentation

Oberbank's loan portfolio is grouped into the following five segments in the impairment model pursuant to IFRS 9: sovereigns, banks, corporates, SME and retail. The reasons for the segmentation are the different estimates of the relevant credit risk parameters. The grouping into the different segments is done on the basis of the rating method selected.

Stage model

The calculation of the expected loss according to IFRS 9 is carried out by means of a dual approach, which leads either to an impairment in the amount of the expected 12-month credit loss or the credit loss related to the entire credit term. Decisive for determining the relevant credit loss is the approach based on the stage model. On every reporting date, for a financial instruments recognised at amortised cost

- an impairment is recognised in the amount of the lifetime expected credit loss if the credit risk has increased significantly since initial recognition or if the borrower has defaulted;
- an impairment is recognised in the amount of the 12-month expected credit loss if the credit risk has not increased significantly since initial recognition or is very low on the reporting date.

The three stages of the impairment model differ in the following respects:

- Stage 1: Allocation of risk provisions in the amount of the 12-month credit loss and calculation of the interest income based on the gross carrying amount applying the effective interest rate method;
- Stage 2: Allocation of risk provisions in the amount of the expected losses with respect to the remaining time to maturity of the financial instrument (lifetime ECL) and calculation of the interest income based on the gross carrying amount applying the effective interest rate method;
- Stage 3: Allocation of risk provisions in the amount of the lifetime ECL loss and calculation of the interest income based on the net carrying amount applying the effective interest rate method.

The main characteristic for determining the credit risk of a financial instrument is the internal rating of 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.

This default ratio is derived from the Bank's internal master rating scale for the low-default portfolio (sovereigns and banks). For the key customer segments of Corporates, Retail and SME, the default ratio is derived from the ratio of actual defaults of the respective migration matrix.
The assessment of the significant increase in credit risk is a key factor of the 3-stage model in the impairment rules of IFRS 9, because when there is a significant increase in credit risk, the impairment must be recognised over the entire life of the financial instrument (lifetime ECL).
The stage assessment is used to classify the loans into two stages for performing loans and one stage for the non-performing loan portfolio (stage 3).
The overall classification concept of Oberbank is based on qualitative, quantitative and backstop criteria.
At the time of initial recognition on the balance sheet, every instrument is assigned to stage 1 at first. An exception is made for assets that are already impaired at the time of recognition (so-called POCI assets). On subsequent reporting dates, the transition to stage 2 occurs when there is a significant increase in credit risk. However, if the conditions of significant deterioration of creditworthiness are no longer given, a retransfer to stage 1 is carried out.
The main characteristic for determining the current credit risk of a financial instrument is the internal rating of the borrower. This is the basis for the assessment to ascertain whether – and if yes, when – a significant increase in credit risk took place.

<u>Qualitative criteria for a stage transfer</u>
If the borrower is in default (internal rating classification 5a, 5b or 5c), credit stage 3 is assigned. Oberbank AG uses the default definition of Article 178 Regulation (EU) No 575/2013 (CRR) uniformly and consistently for all classes of receivables and risk models. This is based on the 90-day default or the probability of an irrecoverable debt. Therefore, the default definition of CRR is applied to all IFRS 9 model estimates and calibrations.

Financial instruments with the attribute forbearance are always assigned to stage 2 provided the receivable is not already in default. The lifetime expected loss is recognised for this receivable throughout the entire forbearance phase.

A rebuttable presumption when contractual payments are more than 30 days past due results in a stage transfer as a qualitative criterion (IFRS 9.5.5.11). This means that instruments are assigned to stage 2 when the default on payment of capital and/or interest exceeds 30 days. As soon as the debt is 90 days past due, the borrower is assigned a default rating and the financial instrument is transferred to stage 3.
In the case of leasing contracts, use is made of an IFRS 9 option and impairment is always recognised in the amount of the lifetime expected credit loss. Therefore, these transactions are automatically assigned to stage 2.

All financial instruments, which had an absolute low credit risk on the balance sheet date may always be assigned to stage 1 as an exception to the relative approach (IFRS 9.5.5.10). When a borrower is in a rating class with a very low credit risk (rating classes AA to 1b), the financial instrument is also assigned to stage 1. This logic is applied only to the low-default portfolio for the segments of sovereigns and banks. 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 to BBB-).

Likewise, foreign currency loans with income in a congruent currency and also loans with special purpose vehicles classified as performing are assigned to stage 2. Currency fluctuations and movements in collateral assets in the case of special purpose vehicles have a higher risk with respect to the ability to service a loan than in the case of conventional loan portfolios.

Apart from qualitative factors inherent to the model for a stage transfer, as at 30/09/2022 Oberbank applied the collective stage transfer to stage 2 for certain sub-portfolios with the continuation of the coronavirus crisis.

The principal reasons for this are the massive economic distortions accompanied by extraordinary government interventions. On the one hand, the modelled correlation between economic performance and credit default rates are subject to a break in the system, and on the other hand, the possible long-term consequences have not yet been fully taken into account in the banks' internal ratings. Before this backdrop, it appears necessary to temporarily represent the expected higher credit risk by a collective stage transfer.

In this management overlay, additional risks are identified with an influence on impairment charges, especially crisis-induced risk and that are probably of temporary nature. Collective staging is applied in the following portfolios:

- Receivables from borrowers in industries severely affected by lockdowns
  (travel industry, hotel industry, gastronomy ...)
- Receivables from borrowers in the area of real estate projects with commercial mortgage-backed collateral
- Receivables from borrowers classified as severely affected by the coronavirus based on a case-by-case analysis

When collective staging is to end or be reduced depends primarily on the further development of the coronavirus pandemic. Likewise decisive for the assessment is the possible return to a direct cause-and-effect relationship between economic performance and credit defaults.

In this context, the following factors play a key role:

- Discontinuation of government support measures and direct subsidies
- The degree to which the coronavirus-induced effects on the business model of corporate customers are reflected in the bank's internal rating
- Degree of vaccination coverage
- Infection figures and severity of measures taken by governments

<u>Qualitative criteria for a stage transfer</u>
The transfer criterion at Oberbank is based mainly on an analysis of the cumulated default probabilities (lifetime PDs). The following variables influence the determination of a relative deterioration of PD:

- Customer segment;
- Rating at the time of recognition of the financial instrument;
- Remaining time to maturity (comparison between balance sheet date and expiry of contract);
- Age of the financial instrument (comparison of initial recognition date and balance sheet date).

In order to assess the significance of an increase in credit risk, a comparison is made of the default probability on initial recognition and the default probability on the valuation date (IFRS 9.5.5.9). In this context, the lifetime PD of the current rating stage over the remaining time to maturity is to be used. 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 thus based on a relative criterion and not on an absolute credit risk estimate at every point in time of an assessment (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 would have to be triggered in any case if the 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, it is possible that due to the 'drift to the middle' tendency, it may happen in marginal PDs that even for downgrades by several rating stages, the relative transfer criterion would otherwise not be reached.

The return to a higher stage is done when the criteria which were the cause of the downgrade no longer apply. Thus, upgrades and downgrades are treated symmetrically. The return to stage 2 is 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 at initial recognition with the default risk on the relevant balance sheet 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 parameter PD (default probability), LGD (loss given default) and EAD (exposure at default) always refers to the individual borrower and is derived from an individual transaction.

Calculating ECL

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

- financial assets measured at amortised costs or directly in equity at fair value;
- leasing receivables;
- irrevocable letters of credit and guarantees.

Expected credit loss at Oberbank is a probability-weighted estimate of the loss over the expected remaining time to maturity of the financial instrument. In other words, it is the present value of the difference between the contractually-agreed cash flows and expected cash flows. Where 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 on 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 under certain conditions may be longer than the life of the contract.

$$EL = PD \times LGD \times EAD$$

(PD: Probability of default; LGD: loss given default in % of EAD; EAD: exposure at default

When an asset is assigned to stage 2 and the related calculation of the lifetime expected credit loss, it corresponds to the remaining time to maturity of the contract. In the case of assets 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 here. To this end, the respective EL per period is multiplied by the discounting factor per period. The discounting factor considers the effective interest rate of the asset.

Key input parameters

<u>Probability of Default (PD)</u>

The probability of default is derived for the segments Corporates, SME and Retail in a base scenario from the historic default rates and the migration probability.

The default probabilities for different maturities (lifetime PD) is calculated for each segment and rating stage based on the default vector of the migration matrix. The default probability for the segments Banks and Sovereigns is derived directly from the internal ratings and thus from the internal banking master scale.
The determination of the historic default rates and migration probabilities for the central customer portfolio is based on the migration matrix for each respective segment. In such cases, the last ten-year period is used. The basis for determining the 1-year migration matrix is in a first step the quarterly view for rating migrations.

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 1-year PD per rating class is the sum of the PD from the three default rating classes 5a, 5b and 5c. The cumulated and lifetime PD is formed based on the Markov assumption for migration matrices by applying matrix multiplication. This results in PD curves per segment and rating class.

For individual segments and maturity bands, these conditional basis PD 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 attempt to relate the default probability with 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 of Austria, Germany, Czech Republic, Hungary and Slovakia are considered which is where Oberbank has business operations. The factors are weighted as follows: Austria with 65%, Germany with 15%, Czech Republic with 10%, Hungary and Slovakia each with 5%.
The model selection is based on the information criterion pursuant to Akaike (AIC), with the variables being chosen in a step-wise selection process.

Based on these estimated factors, the PD is adjusted in the segments Corporates and SME by scaling. For the segments of Sovereigns, Banks and Retail it was not possible to establish a plausible correlation with macroeconomic factors.

Oberbank uses three different scenarios for the ECL calculation (normal, upward and downward scenario), with the final adjustment of a linear combination being equivalent to the three different scenarios. The scenario weighting is oriented on the common practice of weighting the normal scenario with 50% and the two other scenarios each with 25%.
Oberbank uses the macroeconomic data of the data vendor Bloomberg for the scenarios. In this context, it is pointed out that economically plausible forecasts are only available for three years. The forecast values for the calculation can be found in the special section "Impact of the Covid 19 pandemic on the consolidated financial statements".

Loss Given Default (LGD)
The loss in the event of default corresponds to that share of receivables that cannot be recovered and therefore constitutes an economic loss. LGD is divided into an LGD from secured parts of a loan and an LGD from unsecured parts of a loan. LGD from the secured portions 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 bandwidth over a time period.

Secured LGD

The calculation of the expected credit loss includes all internal collateral based on cover values. The difference between the market value and the cover value of collateral corresponds to a haircut for estimation uncertainties and fluctuations in value, and can therefore implicitly be 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 unsecured part. The secured part thus has an LDG of 0% after considering the cover value and 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 LDG represents the irrecoverable portion after deducting the proceeds from the collateral and depends mainly on the proceeds from the realization or liquidation process.

Exposure at Default (EAD)

For loans with certain 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 curve.

Revolving lines of credit do not have any contractually agreed cash flows. Therefore, an explicit cash flow estimate using a replication model is needed.

At Oberbank, there are loans that were granted on a “until further notice” basis with respect to maturity. Within the scope of the annual credit review, the credit agreement is reassessed and, if applicable, the terms are adjusted with a view to the changes in credit quality. These loans can be called at any time. Therefore, with respect to maturity, it is assumed that the period is one year, because every year a decision is made on the prolongation of the line of credit. Oberbank is thus exposed to the credit risk for a maximum period of one year.
In the case of overdraft facilities, the portion is calculated first that is currently not being used. In this case, 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.

Sensitivity analysis

A major driver for the magnitude of the expected credit loss is the stage determined for each of the positions. This results from the aforementioned qualitative and quantitative staging criteria. Subsequently, the effects on the expected credit loss are reported based on the assumption that all positions are allocated, on the one hand, to Stage 1 (12-month ECL), and on the other, to Stage 2 (lifetime ECL).

Impairment charges by segment

in €k	**100% Stage 1 12M ECL**	**ECL calculation as at 30/09/2022**	**100% Stage 2 LT ECL**
Banks	-1,127	-1,129	-2,041
Corporate	-26,362	-55,167	-124,263
Retail	-15,527	-17,227	-25,461
SME	-5,970	-7,404	-8,627
Sovereign	-507	-733	-2,158
TOTAL	-49,492	-81,655	-162,550

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 by the equity method, an individual value-in-use is determined for this investment. The higher of the stock market price and the value-in-use represents the recoverable amount pursuant to IAS 36.6 and this is used for the valuation. A trigger for an impairment test is given if either the fair value drops by at least 20% below the carrying amount of investments recognized using the equity method or if the fair value remains persistently below its carrying amount for a period of at least nine months.
On the measurement date 30 September 2022, the quantitative impairment trigger was released for the investment in voestalpine AG recognized using the equity method, because at a stock market price of EUR 17.51 on 30 September 2022, the price was significantly lower – by 59.31% – than the carrying value of EUR 43.03 based on the equity method.

An impairment test was therefore triggered, in which the individual value-in-use of voestalpine AG was determined as at 30 September 2022. The value-in-use was calculated in accordance with the discounted cash flow procedure and applying the WACC method (weighted average cost of capital) and resulted in a value of EURk 454,123. This value was used as the recoverable amount as the higher value from the comparison of the right-of-use value and the fair value minus cost of sale, which resulted in an impairment amount of EURk 163,747. The discount rate used in the terminal value was the WACC (Weighted Average Cost of Capital) of 7.82%. A change to the discount interest rate by +/- 25 basis points would result in a reduction in the right-of-use value by 5.75% or an increase by 6.20%, respectively, while a change to the discount interest rate by +/- 50 basis points would reduce the right-of-use value by 11.07% or increase it by 12.93%. The requirements for an impairment test were not met for the remaining companies measured using the equity method.

Effects of the coronavirus pandemic on the consolidated interim financial statements

1. Background
The coronavirus pandemic has created enormous uncertainty in the world economy and global markets. The following explanations present updated information and the key aspects of the current effects of the coronavirus pandemic on the consolidated interim financial statements of Oberbank AG.

2. Discretionary decisions, assumptions and estimates
These consolidated financial statements contain values whose amounts were arrived at based on discretionary decisions, assumptions and estimates. These assumptions and estimates are based on past experience, budgets and forecasts regarding future events that appear likely from today's perspective.

These estimates and judgements are subject to increased uncertainty due to the still prevailing insecurity over the development of the coronavirus pandemic. The actual amounts may differ from the estimates and judgements made, and may have a material impact on the consolidated financial statements. The updated estimates and discretionary decisions took into consideration all available information on the probable further development of the economy.

The updated discretionary decisions, assumptions and estimates contained in these consolidated financial statements relate essentially to the items presented below.

<u>Risk provisions</u>
The measurement of risk provisions depends mainly on expectations regarding future loan losses and the structure and quality of the loan portfolio.

In addition, the calculation of any future charges for impairment losses requires estimates of the amounts and dates of future cash flows. More details are given in 3. Risks from financial instruments.

Fair value of financial instruments
Where the fair value of financial assets and financial liabilities cannot be measured using current stock market prices, because no publicly quoted market prices are available, model values are used. The measurement models, input parameters, the fair value hierarchy and the fair values of financial instruments are described in detail in Note 31) Fair value of financial instruments and other reconciliation items as at 30 September 2022.

3. Risks from financial instruments
Effects of the coronavirus pandemic on the impairment model for financial instruments pursuant to IFRS 9
In Q3 2022, the economic upswing in Austria came to an end and shifted into a downturn. The reasons continue to be the after-effects of the coronavirus pandemic, constant supply bottlenecks, high commodity and energy prices due to the Ukraine war, the slowing of the global economy and the related export of goods, as well as the tightening of monetary policy by central banks.

Government subsidy and financial assistance programmes have been prolonged in some cases until December 2022 (coronavirus short-time work scheme, etc.) and continue to hold insolvencies in check. This continues to make it difficult to estimate the true impact of the coronavirus pandemic on potential business failures.

Oberbank’s impairment model contains, among other things, a modification of the default probability (PD) to take leading macroeconomic indicators into account. The government's support measures are mitigating the negative economic effects on our customers, thereby making the early detection of potential deteriorations in credit quality difficult. The FLI model is based on a time-series that does not take into account these economic aberrations, government aid-induced distortions and extreme macroeconomic trends.
The following table shows the country-weighted macroeconomic factors considered in the ECL calculation for the segments Corporates, Retail and SME as at 30 September 2022:

Normal scenario	Year 1 (4 quarterly average)	Year 2 (4 quarterly average)	Year 3 (4 quarterly average)
Real GDP growth	0.72%	2.06%	2.34%
Harmonised Index of Consumer Prices	10.16%	2.15%	1.49%

Pessimistic scenario	Year 1 (4 quarterly average)	Year 2 (4 quarterly average)	Year 3 (4 quarterly average)
Real GDP growth	-1.80%	1.11%	1.75%
Harmonised Index of Consumer Prices	12.19%	4.45%	2.69%

Optimistic scenario	Year 1 (4 quarterly average)	Year 2 (4 quarterly average)	Year 3 (4 quarterly average)
Real GDP growth	2.25%	2.93%	4.06%
Harmonised Index of Consumer Prices	6.55%	0.42%	0.37%

A collective stage transfer has been carried out for certain segments of the portfolio to account for the higher default risks expected. For the assessment, additional risks are identified that influence impairment charges, especially crisis-induced risks and those of a probably temporary nature. The collective stage transfer is applied to the following portfolios:

- Receivables from borrowers in industries severely affected by lockdowns: Based on the allocation to branches using the NACE code system, a structural analysis of both the supply and the demand side with respect to the severity of the shock is conducted and the companies are categorised according to a 5-tier scale. Based on this categorisation, receivables with the highest ranking regarding the severity of the economic impact of the lockdowns are transferred to stage 2. As a consequence, the NACE Code serves as a further qualitative criterion in the stage transfer model, and therefore, a lifetime expected loss is used as basis for defining impairment charges for all receivables of the sectors concerned (accommodations, gastronomy, travel, aerospace).
- Receivables from borrowers in the segment of real estate project finance with commercial mortgage-backed collateral: As the credit risk of these loans are directly related to the earnings opportunities from the sale or rental of real estate, any distortions on the real estate market due to the coronavirus crisis have an effect on creditworthiness.
- Receivables from borrowers classified as severely affected by the coronavirus based on case-by-case analyses conducted in Q1 2021 of coronavirus vulnerability of customers with high risk exposure and that are still affected: As a management overlay measure, risk provisions in the amount of the lifetime expected loss were allocated for these customers.

Compared to the start of the year, the amount of the impairment charges for performing loans (stage 1 and stage 2) increased by EUR 0.87 million.

Macroeconomic risks and consequences of the Russia/Ukraine crisis
Apart from the macroeconomic risks, the Russia/Ukraine crisis hardly has any direct consequences for Oberbank. Oberbank does not hold any Russian, Ukrainian or Belarus government bonds. Furthermore, Oberbank does not provide financing to Russian, Ukrainian or Belarus companies. Export finance, such as receivables purchased, takes place only with OeKB cover. Support for Austrian exporters and the setting up of the related letters of credit is of minor importance.

Outlook
Oberbank's management expects credit demand to weaken and risk costs to increase. The volatile developments in commodity and energy prices as well as the capital markets cannot be estimated and do not allow for a reliable outlook.

Material events after the close of the interim reporting period
No events of material significance occurred after the reporting date 30 September 2022.

Consolidated income statement in €k

1) Net interest income	1/1 to 30/9/2022	1/1 to 30/9/2021
Interest income from		
Credit and money market operations	301,530	248,721
Shares and other variable-yield securities	4,661	2,682
Other equity investments	2,984	3,078
Subsidiaries	1,030	1,196
Fixed-interest securities and bonds	22,638	24,873
Interest and similar income	332,843	280,550
Interest expenses for		
Deposits	-23,483	70
Securitised liabilities	-15,562	-13,437
Subordinated liabilities	-9,528	-10,138
Result of non-significant modifications	1,058	-846
Interest and similar expenses	-47,515	-24,351
Net interest income	285,328	256,199

2) Profit from entities recognized using the equity method	1/1 to 30/9/2022	1/1 to 30/9/2021
Net amounts from proportionately recognised income	133,207	67,967
Expenses from impairments and income from additions	-163,747	6,459
Income from additions due to purchases	0	0
Profit from entities recognized using the equity method	-30,540	74,426

3) Charges for losses on loans and advances	1/1 to 30/9/2022	1/1 to 30/9/2021
Additions to charges for losses on loans and advances	-63,434	-61,210
Direct write-offs	-1,156	-1,106
Reversals of charges for losses on loans and advances	54,434	54,984
Recoveries from written-off receivables	1,570	1,682
Result of non-significant modifications	32	30
Result of POCI financial instruments	457	-282
Charges for losses on loans and advances	-8,097	-5,902

4) Net commission income	1/1 to 30/9/2022	1/1 to 30/9/2021
Net commission income:		
Payment services	51,999	48,742
Securities business	60,491	56,126
Foreign exchange, foreign bank notes and precious metals	18,929	14,426
Credit operations	37,523	34,287
Other services and advisory business	3,217	4,435
Total net fee and commission income	172,159	158,016
Net fee and commission expenses		
Payment services	4,133	3,457
Securities business	7,004	6,465
Foreign exchange, foreign bank notes and precious metals	499	427
Credit operations	3,666	4,376
Other services and advisory business	448	188
Total fee and commission expenses	15,750	14,913
Net fee and commission income	156,409	143,103

5) Net trading income	1/1 to 30/9/2022	1/1 to 30/9/2021
Gains/losses on interest rate contracts	320	1,222
Gains/losses on foreign exchange, foreign notes and numismatic business	2,504	997
Gains/losses on derivatives	5,141	2,174
Net trading income	7,965	4,393

6) Administrative expenses	1/1 to 30/9/2022	1/1 to 30/9/2021
Staff costs	150,471	134,927
Other administrative expenses	75,364	70,926
Write-offs and impairment allowances	22,040	22,232
Administrative expenses	247,875	228,085

7) Other operating income	1/1 to 30/9/2022	1/1 to 30/9/2021
a) Net income from financial assets - FVPL	-35,816	4,032
thereof from designated financial instruments	-7,715	-5,263
thereof financial instruments with mandatory measurement FVPL	-28,101	9,295
b) Net income from financial assets - FVOCI	-1,973	-307
thereof from the measurement of debt instruments	-1,503	-368
thereof from the sale and derecognition of debt instruments	-470	61
c) Net income from financial assets - AC	0	-79
d) Other operating income	-16,226	-20,902
Other operating income:	**24,225**	**26,538**
Income from operational risks	3,737	3,324
Gains from the sale of land and buildings	0	0
Income from private equity investments	1,109	140
Income from operating leases	8,031	10,775
Other income from the leasing sub-group	5,057	5,605
Brokerage fees from third parties	3,580	3,497
Other	2,711	3,197
Other operating expenses	**-40,451**	**-47,440**
Expenses from operational risks	-1,772	-4,273
Stability tax	-4,822	-3,776
Contributions to the resolution fund and deposit protection scheme	-16,958	-21,960
Expenses from operating leases	-7,056	-11,278
Other income from the leasing sub-group	-5,005	-3,749
Other	-4,838	-2,404
Other operating income net of other operating expenses	-54,015	-17,256

8) Income taxes	1/1 to 30/9/2022	1/1 to 30/9/2021
Current income tax expense	40,618	37,825
Deferred income tax expense (income)	-5,575	-725
Income taxes	35,043	37,100

9) Earnings per share in €	1/1 to 30/9/2022	1/1 to 30/9/2021
Number of shares as at 30/09	35,307,300	35,307,300
Average number of shares in issue	35,297,302	35,217,322
Profit/loss for the period after tax	74,132	189,778
Earnings per share in €	2.10	5.39
Annualised values	2.80	7.19

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

Details of the balance sheet in €k

10) Cash and balances with central banks	30/9/2022	31/12/2021
Credit balances with central banks of issue	3,387,188	4,193,765
Other cash reserves	96,023	207,150
Cash and balances at central banks	3,483,211	4,400,915

11) Loans and advances to credit institutions	30/9/2022	31/12/2021
Loans and advances to Austrian credit institutions	133,054	120,338
Loans and advances to foreign credit institutions	682,503	753,223
Loans and advances to credit institutions	815,557	873,561

12) Loans and advances to customers	30/9/2022	31/12/2021
Loans and advances to domestic customers	10,822,018	10,620,908
Loans and advances to foreign customers	8,537,808	7,807,019
Loans and advances to customers	19,359,826	18,427,927

13) Trading assets	30/9/2022	31/12/2021
Bonds and other fixed-interest securities		
Listed	25,766	0
Shares and other variable-yield securities		
Listed	2	1,617
Positive fair values of derivative financial instruments		
Currency contracts	14,325	5,768
Interest rate contracts	36,315	29,995
Other contracts	0	0
Trading assets	76,408	37,380

14) Financial investments	30/09/2022	31/12/2021
Bonds and other fixed-interest securities		
Listed	1,961,454	1,503,759
Unlisted	74,695	59,949
Shares and other variable-yield securities		
Listed	63,066	131,319
Unlisted	198,518	220,311
Equity investments/shares		
in subsidiaries	83,473	84,003
in entities recognized using the equity method		
Banks	527,356	508,392
Non-banks	454,123	492,372
Other equity investments		
Credit institutions	49,695	49,695
Non-banks	137,623	130,610
Financial investments	3,550,003	3,180,410
a) Financial assets - FVPL	473,562	481,966
b) Financial assets FVOCI	574,461	414,571
thereof equity instruments	305,234	373,483
thereof debt instruments	269,227	41,088
c) Financial assets - AC	1,520,501	1,283,109
d) Interests in entities recognized using the equity method	981,479	1,000,764
Financial investments	3,550,003	3,180,410

15) Intangible assets	30/9/2022	31/12/2021
Other intangible assets	3,031	2,912
Customer base	282	309
Intangible assets	3,313	3,221

16) Property, plant and equipment	30/9/2022	31/12/2021
Investment property	76,753	84,234
Land and buildings	88,337	87,800
Business equipment and furnishings	43,709	46,022
Other property, plant and equipment	14,503	22,299
Right of use for leased objects	139,863	142,267
Property, plant and equipment	363,165	382,622

17) Lease contracts in which Oberbank is 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 leasing 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 three quarters of 2022 as at 30 September 2022:

Leasing in the consolidated balance sheet	30/9/2022	31/12/2021
Property, plant and equipment	140,309	142,832
Right-of-use for land and buildings	137,370	139,545
Right-of-use for business equipment and furnishings	811	850
Right-of-use for other property, plant and equipment	1,682	1,872
Right-of-use in investment property	446	565
Other liabilities		
Leasing liabilities	141,509	143,833

Additions to right-of-use in the three quarters of 2022 amounted to EUR €k 11,220. Cash outflows for leasing liabilities amounted to EURk 12,042.

Consolidated income statement in €k	1/1 to 30/9/2022	1/1 to 30/9/2021
Interest expenses for leasing liabilities	597	562
Administrative expenses	11,644	11,692
Depreciation/amortisation for rights-of-use to land and buildings	10,576	10,601
Depreciation/amortisation for rights-of-use to business equipment and furnishings	227	236
Depreciation/amortisation for rights-of-use to other property, plant and equipment	721	737
Depreciation/amortisation for rights-of-use to investment property	120	118
Other expenses from lease contracts	1,142	867
Other operating income		
Income from subleasing rights-of-use	575	641

Leasing in the consolidated statement of cash flows	1/1 to 30/9/2022	1/1 to 30/9/2021
Repayment of leasing liabilities from finance activities	-12,042	-12,044
Interest expenses for leasing liabilities from operating activities	597	562

18) Other assets	30/9/2022	31/12/2021
Deferred tax assets	3,380	1,390
Other assets	172,660	127,011
Positive fair values of closed out derivatives in the banking book	75,905	102,159
Deferred items	7,235	3,067
Other assets	259,180	233,627

19) Amounts owed to credit institutions	30/9/2022	31/12/2021
Amounts owed to domestic banks	4,041,919	3,980,517
Amounts owed to foreign banks	2,032,171	1,912,821
Amounts owed to credit institutions	6,074,090	5,893,338

The item amounts owed to credit institutions contains an amount of EUR 2,300 million from the TLTRO III refinancing programme of the ECB. These loans were obtained between June 2020 and September 2021, and were subject to the ECB interest on deposits valid at the time of -0.5% until the end of June. The interest rate applied from June 2022 to 23 November 2022 was the average deposit rate since the beginning of the transaction. As of 23 November 2022, the applicable interest rate is the ECB's average deposit rate applied from this time onwards until the end of the term of the respective refinancing programme.

The interest rate is in conformity with market refinancing when compared with the deposits of our customers and other comparable secured refinancing. Therefore, we recognized the finance liability as a financial instrument pursuant to IFRS 9. Additionally, we achieved the required credit growth and received a bonus of 0.5% until the end of June 2022 in addition to the interest. The interest income received for the negative refinancing interest for the first three months of 2022 was EUR 7.1 million, which in addition to the bonus recognized for HY1 2022 resulted in net interest income of EUR 15.6 million.

Future interest depends on the further development of deposit interest rates of the ECB, and therefore, the impact on future interest income cannot yet be estimated.

20) Amounts owed to customers	30/9/2022	31/12/2021
Savings deposits	2,309,485	2,534,685
Other	12,307,664	12,193,904
Amounts owed to customers	14,617,149	14,728,589

21) Securitised liabilities	30/9/2022	31/12/2021
Bonds issued	2,269,679	2,192,883
Other securitised liabilities	9,625	13,764
Securitised liabilities	2,279,304	2,206,647

22) Provisions for liabilities and charges	30/9/2022	31/12/2021
Provisions for termination benefits and pensions	159,811	179,295
Provisions for anniversary bonuses	13,777	14,908
Provisions for credit risks	133,492	135,250
Other provisions	33,017	35,349
Provisions for liabilities and charges	340,097	364,802

23) Other liabilities	30/9/2022	31/12/2021
Trading liabilities	50,725	35,539
Tax liabilities	34,187	16,983
Current tax liabilities	31,404	1,738
Deferred tax liabilities	2,783	15,245
Leasing liabilities	141,509	143,833
Other liabilities	281,542	244,459
Negative fair values of closed out derivatives in the banking book	183,245	34,077
Deferred items	72,466	57,167
Other liabilities	763,674	532,058

24) Other liabilities (trading liabilities)	30/9/2022	31/12/2021
Currency contracts	11,834	7,122
Interest rate contracts	37,288	28,417
Other contracts	1,603	0
Trading liabilities	50,725	35,539

25) Subordinated debt capital	30/9/2022	31/12/2021
Subordinated bonds issued incl. tier 2 capital	480,531	496,368
Hybrid capital	0	0
Subordinated debt capital	480,531	496,368

26) Shareholders' equity	30/9/2022	31/12/2021
Subscribed capital	105,846	105,863
Capital reserves	505,523	505,523
Retained earnings (incl. net profit)	2,685,156	2,646,810
Negative goodwill	1,872	1,872
Additional equity capital components	50,000	50,000
Share of non-controlling shareholders	7,421	7,793
Shareholders' equity	3,355,818	3,317,861

27) Contingent liabilities and credit risks	30/9/2022	31/12/2021
Other contingent liabilities (guarantees and letters of credit)	1,570,374	1,404,392
Contingent liabilities	1,570,374	1,404,392
Liabilities arising from non-genuine repos	0	0
Other commitments (irrevocable loan commitments)	4,295,301	4,551,763
Credit risks	4,295,301	4,551,763

28) Segment report as at 30/9/2022 Core business segments in €m	Personal Banking	Corporates	Financial Markets	Other	Total
Net interest income	58.5	238.8	-12.0		285.3
Profit from entities accounted for using the equity method			-30.5		-30.5
Charges for losses on loans and advances	-12.2	10.1	-6.0		-8.1
Net fee and commission income	66.7	89.7	0		156.4
Net trading income		-0.4	8.4		8.0
Administrative expenses	-83.0	-133.4	-9.0	-22.5	-247.9
Other operating income	3.6	0.7	-42.3	-16.1	-54.0
Profit/loss for the period before tax	33.6	205.6	-91.4	-38.6	109.2
Average risk-weighted assets	2,152.8	11,653.9	6,174.6		19,981.3
Average allocated equity	361.1	1,954.7	1,035.7		3,351.4
RoE (return on equity before tax)	12.4%	14.0%	n.a.		4.3%
Cost/income ratio	64.4%	40.6%	n.a.		67.9%

n.a. – not indicative

Segment report as at 30/9/2021 Core business segments in €m	Personal Banking	Corporates	Financial Markets	Other	Total
Net interest income	47.2	202.5	6.5		256.2
Profit from entities recognized using the equity method			74.4		74.4
Charges for losses on loans and advances	-1.0	0.9	-5.8		-5.9
Net fee and commission income	63.2	79.9			143.1
Net trading income		-1.0	5.4		4.4
Administrative expenses	-76.4	-120.3	-8.0	-23.3	-228.1
Other operating income	4.2	-2.2	1.1	-20.3	-17.3
Profit/loss for the period before tax	37.3	159.7	73.5	-43.6	226.9
Average risk-weighted assets	2,035.1	10,913.6	5,365.5		18,314.2
Average allocated equity	348.9	1,871.1	919.9		3,139.9
RoE (return on equity before tax)	14.2%	11.4%	10.7%		9.6%
Cost/income ratio	66.6%	43.1%	9.2%		49.5%

29) Human resources	30/9/2022	31/12/2021
Salaried employees	2,133	2,152
Blue-collar	5	6
Total resources	2,138	2,158

30) Regulatory capital purs. to Part 2 of Regulation (EU) No 575/2013 - Pillar I in €k	30/9/2022	31/12/2021	30/9/2021
Subscribed capital	105,922	105,922	105,922
Capital reserves	505,523	505,523	505,523
Retained earnings	2,456,641	2,505,296	2,371,568
Minority interests	0	0	0
Cumulated other comprehensive income	85,078	108,702	79,671
Regulatory adjustment items	-13,666	4,169	4,728
Deductions from common equity tier 1 capital items	-299,791	-258,504	-261,635
COMMON EQUITY TIER 1 CAPITAL	**2,839,707**	**2,971,108**	**2,805,777**
AT1 capital instruments	50,000	50,000	50,000
AT1 capital instruments purs. to national implementation rules	0	0	0
Deductions from AT1 capital items	0	0	0
Additional tier 1 capital	**50,000**	**50,000**	**50,000**
TIER 1 CAPITAL	**2,889,707**	**3,021,108**	**2,855,777**
Qualifying supplementary capital instruments	350,254	345,098	359,306
Supplementary capital (tier 2) items purs. to national impl. rules	0	865	1,431
General credit risk adjustments	0	0	0
Deductions from tier 2 capital items	-13,893	-13,893	-14,698
Supplementary capital (tier 2)	336,361	332,070	346,039
OWN FUNDS	**3,226,068**	**3,353,178**	**3,201,816**
Total risk exposure purs. Art. 92 CRR			
Credit risk	15,795,374	15,071,679	14,956,729
Market risk, settlement risk and CVA risk	25,134	45,612	48,406
Operational risk	1,070,966	1,070,996	1,053,164
Total exposure	**16,891,504**	**16,188,287**	**16,058,299**
Own funds ratio purs. Art. 92 CRR			
Common equity tier 1 capital ratio	16.81%	18.35%	17.47%
Tier 1 capital ratio	17.11%	18.66%	17.78%
Total capital ratio	19.10%	20.71%	19.94%
Regulatory requirement, own capital ratios in %			
Common equity tier 1 capital ratio	7.09%	7.06%	7.05%
Tier 1 capital ratio	8.59%	8.56%	8.55%
Total capital ratio	10.59%	10.56%	10.55%
Regulatory capital requirements purs. to transition rules in €k			
Common equity tier 1 capital	1,197,608	1,142,893	1,132,110
Tier 1 capital	1,450,980	1,385,717	1,372,985
Total capital	1,788,810	1,709,483	1,694,151
Free capital components			
Common equity tier 1 capital	1,642,099	1,828,215	1,673,667
Tier 1 capital	1,438,727	1,635,391	1,482,792
Total capital	1,437,258	1,643,695	1,507,665

31) Fair value of financial instruments and other items regarding reconciliation as at 30/9/2022 in €k	AC	FVTPL	thereof designated	HFT	FVOCI	thereof equity instruments FVOCI	thereof debt instruments FVOCI	AC/liabilities	Other	Total
Cash and balances at central banks								3,483,211		**3,483,211**
								3,483,211		**3,483,211**
Loans and advances to credit institutions								815,557		**815,557**
								812,111		**812,111**
Loans and advances to customers	54,782	32,882	6,816		35,095		35,095	19,237,067		**19,359,826**
	46,284	32,882	6,816		35,095		35,095	18,786,708		**18,900,969**
Trading assets				76,408						**76,408**
				76,408						**76,408**
Financial investments	1,520,501	473,562	232,288		574,461	305,234	269,226		981,479	**3,550,003**
	1,393,198	473,562	232,288		574,461	305,234	269,226			
Intangible assets									3,313	**3,313**
Property, plant and equipment									363,165	**363,165**
Other assets				75,905					183,275	**259,180**
				75,905						
thereof closed out				75,905						**75,905**
derivatives in the banking book				75,905						**75,905**
Total assets	**1,575,284**	**506,444**	**239,104**	**152,313**	**609,556**	**305,234**	**304,322**	**23,535,835**	**1,531,231**	**27,910,663**
	1,439,482	**506,444**	**239,104**	**152,313**	**609,556**	**305,234**	**304,322**	**23,082,031**		
Amounts owed to credit institutions								6,074,090		**6,074,090**
								5,673,720		**5,673,720**
Amounts owed to customers		286,056	286,056					14,331,093		**14,617,149**
		286,056	286,056					14,320,449		**14,606,505**
Securitised liabilities		649,655	649,655					1,629,649		**2,279,304**
		649,655	649,655					1,384,312		**2,033,967**
Provisions for liabilities and charges									340,097	**340,097**
Other liabilities				233,971					529,703	**763,674**
				233,971						
thereof closed out				183,245						**183,245**
derivatives in the banking book				183,245						**183,245**
Subordinated debt capital		282,735	282,735					197,796		**480,531**
		282,735	282,735					171,535		**454,269**
Capital									3,355,818	**3,355,818**
Total equity and liabilities	**-**	**1,218,446**	**1,218,446**	**233,971**	**-**	**-**	**-**	**22,232,628**	**4,225,618**	**27,910,663**
	-	**1,218,446**	**1,218,446**	**233,971**	**-**	**-**	**-**	**21,550,016**		

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

In the first three quarters of 2022, there were no reclassifications with respect to financial assets from the measurement category recognised at fair value plus or minus through other comprehensive income (FVOCI) to the measurement category at amortised cost (AC), and no reclassification from the measurement category at fair value through profit or loss (FVPL) to the category at amortised cost (AC) or at fair value plus or minus through other comprehensive income (FVOCI).

Liabilities designated at fair value through profit or loss in €k	Cumulated changes to fair value due to a change to 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 value and par value
	as at 30/9/2022	Q1-Q3 2022	Cumulated	as at 30/9/2022
Amounts owed to credit institutions	0	420	0	0
Amounts owed to customers	6,722	60,668	-26,127	-26,127
Securitised liabilities	9,851	99,072	-99,211	-99,211
Subordinated debt capital	-2,384	32,845	-17,418	-17,418

In the first three quarters of 2022, there were no reclassifications of cumulated profit or loss within equity.

Liabilities designated at fair value through profit or loss in €k	Cumulated changes to fair value due to a change to 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 value and par value
	at 31/12/2021	in FY 2021	Cumulated	at 31/12/2021
Amounts owed Banks	-48	587	468	468
Amounts owed to customers	-3,082	21,888	44,346	44,346
Securitised liabilities	-3,062	25,466	12,774	12,774
Subordinated debt capital	-3,015	9,084	16,057	16,057

In the financial year 2021, there were no reclassifications of cumulated profit or loss within equity.

Assets designated at fair value through profit or loss as at 30/9/2022 in €k			Modification to fair value due to adjusted default risk		Modification to fair value of related credit derivatives or similar instruments	
	Maximum default risk	Mitigation due to related credit derivatives or similar instruments	Q1-Q3 2022	Cumulated	Q1-Q3 2022	Cumulated
Loans and advances to customers	6,816	-	-	-	-	-
Financial investments	232,288	-	-	295	-	-

Assets designated at fair value through profit or loss as at 31/12/2021 in €k			Modification to fair value due to adjusted default risk		Modification to fair value of related credit derivatives or similar instruments	
	Maximum default risk	Mitigation due to related credit derivatives or similar instruments	in FY 2021	Cumulated	in FY 2021	Cumulated
Loans and advances to customers	10,625	-	-	-	-	-
Financial investments	233,985	-	-	281	-	-

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	**30/9/2022**	**31/12/2021**
Loans and advances to customers FVTPL	32,882	36,972
Financial investments FVTPL	473,562	481,966
Financial investments FVOCI	305,234	373,483
Trading assets	76,408	37,380
Derivatives in the banking book	75,905	102,159
Total	**963,991**	**1,031,960**

Fair value hierarchy of financial instruments as a 30/9/2022	AC Carrying value	FVTPL Carrying value	HFT Carrying value	FVOCI Carrying value	AC/Liabilities carrying value	Other carrying value	Total carrying value	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		32,882		35,095			**67,977**		54,060	13,917
Trading assets			76,408				**76,408**	25,768	50,640	
Financial assets - FVPL		473,562					**473,562**	246,421	227,141	
Financial assets - FVOCI				574,461			**574,461**	328,425	4,102	241,933
Other assets			75,905				**75,905**		75,905	
thereof closed out derivatives in the banking book			75,905				**75,905**		75,905	
Financial assets not carried at fair value										
Loans and advances to credit institutions					815,557		**815,557**		812,111	
Loans and advances to customers	54,782				19,237,067		**19,291,849**		46,284	18,786,708
Financial assets - AC	1,520,501						**1,520,501**	1,324,401	68,798	
Financial liabilities carried at fair value										
Amounts owed to credit institutions										
Amounts owed to customers		286,056					**286,056**		286,056	
Securitised liabilities		649,655					**649,655**		649,655	
Other liabilities			233,971				**233,971**		233,971	
thereof closed out derivatives in the banking book			183,245				**183,245**		183,245	
Subordinated debt capital		282,735					**282,735**		282,735	

[1)]This item consists of equity investments whose market value was measured using the discounted cash-flow entity method 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 30/9/2022										
	AC Carrying value	**FVTPL Carrying value**	**HFT Carrying value**	**FVOCI Carrying value**	**AC/Liabilities carrying value**	**Other carrying value**	**Total carrying value**	**Level 1 Fair value**	**Level 2 Fair value**	**Level 3 Fair value**
Liabilities not carried at fair value										
Amounts owed to credit institutions					6,074,090		**6,074,090**		5,673,720	
Amounts owed to customers					14,331,093		**14,331,093**		14,320,449	
Securitised liabilities					1,629,649		**1,629,649**		1,384,312	
Other liabilities										
Subordinated debt capital					197,796		**197,796**		171,535	

The fair value corresponds to the amount at which an asset can be sold or a liability settled by market participants in a transaction under market conditions on the balance sheet date or at which a debt can be transferred.

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 balance sheet 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
Responsibility for independent monitoring and communication of risks as well as the measurement of financial instruments lies with Strategic Risk Management Department of Oberbank. 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 current 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.

Valuation methods for measuring 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 income-based methodology applied is the fair value measurement approach. The market-based approach is applied only in the fair value measurement of structured products.

Input factors for the 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. the 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 default probabilities of an 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 capital and amounts owed to banks 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 receivables from banks and customers is based on the discounted contract cash flow (based on contractually-agreed repayment structures) and the discounted expected credit loss cash flows (considers the credit rating of customers and collateral). The exchange rates used are the reference rates published by the ECB.
The coronavirus pandemic no longer has a material impact on the current valuation of the financial instruments.
The potential downgrading of customers' credit ratings affects the calculation of fair values of level 3 financial instruments.

If measurements based on risk premiums were to increase by 50 bp, receivables from customers measured at fair value would decline by EUR 0.3 million (31/12/2021: EUR 0.4 million), and if risk premiums were to increase by 100 bp, the fair values of these receivables would decrease by EUR 0.5 million (31/12/2021: EUR 0.7 million).

The fair value of equity investments and shares in affiliated companies is measured primarily using the discounted cash flow entity method 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 valuation method. Classification adjustments are made at the end of the reporting period.

Movements in €k	Equity investments FVOCI
Carrying value as at 1/1/2022	241,933
Additions (purchases)	0
Disposals (sales)	0
Value changes recognised in equity	0
Value changes recognised in income	0
Carrying value as at 30/9/2022	241,933

The item Other comprehensive income from these instruments increased by EUR 0.0.

Movements in €k	Loans and advances to customers
Carrying value as at 1/1/2022	16,513
Transfer to level 2	0
Additions	1,332
Disposals	-3,119
Changes in fair value	-809
thereof disposals	-105
thereof portfolio instruments	-704
Carrying value as at 30/9/2022	13,917

There were no transfers between Level 1 and Level 2.

Major transactions in the financial year with related parties as at 30/9/2022:

Associated companies	€k 0
Subsidiaries	€k 0
Other related parties	€k 23,828

STATEMENT BY THE MANAGEMENT BOARD PURSUANT TO §125 STOCK EXCHANGE ACT

The Management Board confirms that

- these condensed interim financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the International Accounting Standards (IAS) currently in force and published by the International Accounting Standards Board (IASB) as applicable in the EU and the interpretations thereof by the International Financial Reporting Interpretations Committee (IFRIC); they present a true and fair view of the assets, liabilities, financial position and profit or loss of the Oberbank Group;

- these consolidated interim financial statements cover the first three quarters of 2022 (1 January 2022 to 30 Sept. 2022) and present a true and fair view of the assets, liabilities, financial position and profit or loss of the Oberbank Group in compliance with the principles of IFRS for interim financial reports.

The undersigned members of the management board in their function as legal representatives of Oberbank confirm that

a) these condensed interim financial statements have been prepared in accordance with the relevant accounting standards and to the best of their knowledge present a true and fair view of the assets, liabilities, financial position and result of operations of the issuer and of all companies included in the group of consolidated companies;

b) the management report for the first three quarters presents a true and fair view of the assets, liabilities, financial position and profit or loss with respect to key events during the first nine months of the financial year and their effects on the condensed interim financial statements, with respect to the key risks and uncertainties in the remaining three months of the financial year, and with respect to material business transactions with related parties subject to mandatory disclosure.

Linz, 25 November 2022

The Management Board

Franz Gasselsberger	Josef Weißl	Florian Hagenauer	Martin Seiter
CEO Personnel and Accounting	Management Board Member Personal Banking	Management Board Member Overall Risk Management	Management Board Member Corporate and Business Banking

Current Management Board Remits

CEO **Franz Gasselsberger**	**Management Board Member** **Josef Weißl**	**Management Board Member** **Florian Hagenauer**	**Management Board Member** **Martin Seiter**
General Business Policy			
Internal Audit			
Compliance			
Business and Service Departments			
RUC (Accounts & Controlling)	PKU (Personal Banking)	KRM (Credit Management)	CIF (Corporate & International Finance)
HRA (Human Resources)	PAM (Private Banking & Asset Management)	RIS (Strategic Risk Management)	TRE (Treasury & Trade)
		OSG[1)] (Payment Systems and Central Production)	GFI (Global Financial Institutions)
		SEK (Corporate Secretary & Communication)	
		ORG (Organisational Development, Strategy and Process Management)	
		ZSP (Payment Systems and Central Production CEE[2)], securities settlement)	
Regional Business Divisions			
Upper Austria South	Linz South		Vienna
Linz North	Innviertel		Germany South
Germany Central	Salzburg		Slovakia
	Lower Austria		
	Czech Republic		
	Hungary		

1) Oberbank Service GmbH, 100% subsidiary of Oberbank
2) CEE as defined by Oberbank comprises the regions of Czech Republic, Slovakia and Hungary.

Note

The forecasts that refer to the future development of Oberbank are estimates made on the basis of all the 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 currently expected.
Information provided on market shares are 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.

The ‘n/a’ in the charts and tables means that the respective provision was not applicable in the relevant financial year.

Financial calendar 2022

5 April 2022	Online publication of the Annual Report for the year 2021
5 April 2022	Publication of the financial statements 2021 in the Official Gazette “Wiener Zeitung”
7 May 2022	Record date for the 142nd Annual General Meeting
17 May 2022	142nd Annual General Meeting of Oberbank AG
20 May 2022	Ex dividend day
23 May 2022	Record date
24 May 2022	Dividend payout day
19 May 2022	Report for Q1 2022
25 August 2022	Report for Q1-2 2022
25 November 2022	Report for Q1-3 2022

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

Publication Details
Media owner and publisher: Oberbank AG, 4020 Linz, Untere Donaulände 28
Internet: www.oberbank.at, e-mail: sek@oberbank.at
Editing: Corporate Secretary and Communication, phone +43 732 78 02-0