Oberbank

Interim Report to Shareholders as at 31 March 2025

Key Performance Indicators

Income statement in € m	Q1 2025	Change	Q1 2024
Net interest income	156.8	-6.1%	166.9
Profit from entities recognised using the equity method	10.3	76.0%	5.9
Charges for losses on loans and advances	-10.2	10.8%	-9.2
Net fee and commission income	58.4	12.4%	51.9
Administrative expenses	-98.4	7.1%	-91.9
Profit/loss for the period before tax	121.8	-3.6%	126.4
Profit/loss for the period after tax	94.2	-1.6%	95.7

Balance sheet in €m	31/3/2025	Change	31/12/2024
Total assets	28,950.8	2.0%	28,382.6
Loans and advances to customers	21,071.8	1.5%	20,769.0
Primary funds	20,269.2	2.9%	19,700.3
thereof securitised liabilities incl. subordinated capital	3,941.4	7.7%	3,660.0
Shareholders' equity	4,208.9	2.3%	4,115.6
Customer funds under management	41,053.9	2.2%	40,158.0

Own funds pursuant to CRR in € m	31/3/2025	Change	31/12/2024
Common equity tier 1 capital (CET1)	3,560.1	-1.4%	3,609.4
Tier 1 capital	3,610.1	-1.3%	3,659.4
Own funds	3,971.1	-0.5%	3,991.8
CET 1 in %	18.65%	-0.60 ppt	19.25%
Tier 1 capital ratio in %	18.91%	-0.61 ppt	19.52%
Total capital ratio in %	20.80%	-0.49 ppt	21.29%

Risk indicators	Q1 2025	Change	Q1 2024
Liquidity coverage ratio in %	182.75	13.22 ppt	169.53
Net stable funding ratio in %	129.89	1.44 ppt	128.45
Leverage ratio in %	11.70	0.21 ppt	11.49

Performance indicators	Q1 2025	Change	Q1 2024
Cost/income ratio in %	42.70	2.31 ppt	40.39
Return on equity before tax in %	11.71	-1.24 ppt	12.95
Return on equity after tax in %	9.05	-0.76 ppt	9.81
Risk/earnings ratio (credit risk/net interest) in %	6.51	0.99 ppt	5.52

Resources	31/3/2025	Change	31/12/2024
Average number of staff (weighted)	2,190	-37	2,227
Number of branches	176	-2	178

Development of Business of the Oberbank Group in Q1 2025

Dear Shareholders,
The first quarter of 2025 was dominated by one person, Donald Trump. His unpredictable behaviour caused enormous volatility on capital markets and created economic uncertainty. This resulted in forecasts for the global economy being revised downwards to below 3%. Growth of less than 1% is expected for the euro area in 2025. Austria may be facing another year of recession; raising the financial stability charge for banks is a signal in the wrong direction and is already weighing on current quarterly results.
Despite the persistently adverse environment and narrowing interest spreads before a backdrop of sinking interest rates, Oberbank's business operations developed highly satisfactorily.
Note: All comparative figures refer to the period 31/03/2024 to 31/03/2025.

Lending volumes continue to grow
A major contribution to this trend was the increase in the lending volume by 3.5% to EUR 21.1 billion. Even though demand was subdued across the board, the commercial loans significantly outperformed the market achieving 4.5% to EUR 17.4 billion.

Credit risk remained below projections in Q1, but remains challenging in the current economic environment and considering the (tariffs) policy aspects. Charges for losses on loans and advances increased by EUR 1 million to EUR 10.2 million. Credit risk is not an issue in Retail Banking.

In **Retail Banking**, the market for home loans picked up again and new lending in Q1 increased considerably by more than 50% over the same period of the preceding year. The deposit business continues to be the most important source of income in the retail segment, and therefore, competition for retail deposits is fierce in the banking industry. We succeeded not only in defending interest margins but also increased deposit volumes.
Primary funds surpassed the threshold of EUR 20 billion for the first time and rose by 6.4% or EUR 1.2 billion to EUR 20.3 billion.

Excellent operating income
Net interest income reflected sinking interest rate levels and decreased by 6.1% to EUR 156.8 million.
Net fee and commission income was robust again and rose by 12.4% to EUR 58.4 million. The trend in the securities business and payment services was very good. The securities business posted the best first quarter in the bank's history, with a rise of 16.5% to EUR 21.0 million. This achievement shows Oberbank's success story Private Banking continues.
Income from entities recognised using the equity method increased by EUR 4.5 million to EUR 10.35 million. As a result, the **pre-tax profit for the period** of EUR 121.8 million was roughly on par with the prior year, making it the second-best first-quarter operating result in the history of Oberbank. Profit after tax was EUR 94.2 million.

Robust shareholders' equity

Shareholders' equity pursuant to IFRS increased to EUR 4.2 billion on 31 March 2024. This is an increase of 6.7% and marks a new all-time high; Oberbank's risk-bearing capacity rose accordingly. The tier 1 capital ratio is 18.9% and the total capital ratio is 20.8%, thereby ranking Oberbank among the top performing universal banks in Europe.

Outlook

Concerns about the economic situation have not yet abated, and it is urgent for the new governments in Austria and Germany to take specific measures to address the concerns. However, we believe the downtrend has bottomed out and are currently seeing slightly improved expectations in the business sector. Although sentiment in the construction industry is brighter and the manufacturing sector has passed the trough, we will still be seeing massive cost cuts and redundancies.

Falling interest rates are expected to have a positive effect on capital spending. The advantage of a strong euro is also that it makes energy imports cheaper. Germany's announcement of an infrastructure package will stimulate expectations of economic growth for Germany over the medium term – and this should also be good news for Austria's economy.

Due to the volatile economic and political conditions, the Management Board of Oberbank is not presenting an outlook for the full year.

Linz, May 2025

CEO Franz Gasselsberger

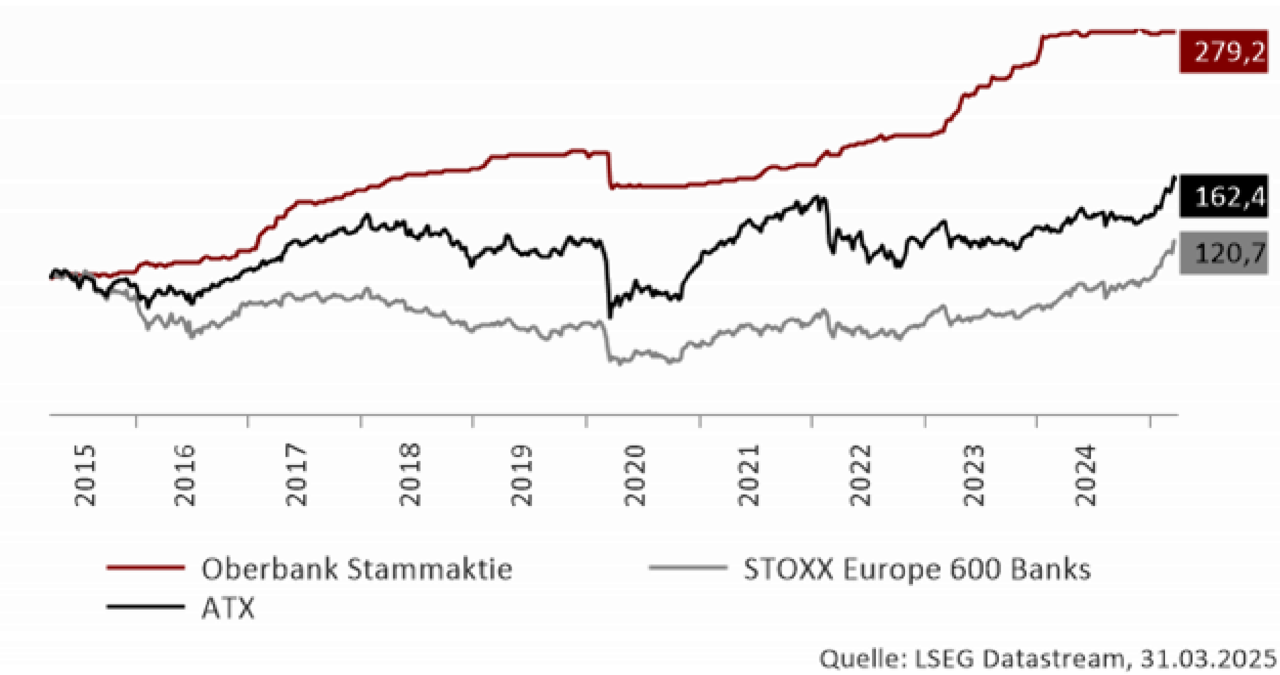
Oberbank's shares

After Q1 2025, Oberbank's ordinary shares were trading at EUR 70.20 per share. The performance of Oberbank's ordinary shares was +0.57%. Market capitalisation at the close of Q1 2025 was EUR 4,957.14 million compared to EUR 4,914.78 million at the close of Q1 2024.

Oberbank shares – key figures	Q1 2025	Q1 2024
Number of ordinary no-par shares	70,614,600	70,614,600
High, ordinary shares in €	70.20	69.60
Low, ordinary shares in €	69.80	64.60
Close, ordinary share in €	70.20	69.60
Market capitalisation in €m	4,957.14	4,914.78
IFRS earnings per share in €, annualised	5.34*	5.42*
P/E ratio, ordinary shares	13.15	12.84

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

Oberbank ordinary shares vs. ATX and the European banking index
Period of observation: 31/3/2015 to 31/3/2025



Texts in chart: Period of observation: 31/3/2015 to 31/3/2025; red line = Oberbank ordinary share, grey line = STOXX Europe 600 banks, black line = ATX; Source: LSEG Datastream, 31/3/2025. The figures use the German notation, i.e., commas are periods

This chart compares the development of Oberbank's ordinary shares, the Austrian stock index ATX, and the European banking index STOXX Europe 600 Banks. In the chart, the prices have been adjusted by indexing the daily closing prices of the relevant stock and the indices to 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 Q1 2025

Corporate and Business Banking

Corporate and Business Banking in € million	Q1 2025	Q1 2024	± amount	± in %
Net interest income	116.1	130.3	-14.2	-10.9%
Charges for losses on loans and advances	-9.7	-9.0	-0.7	7.2%
Net fee and commission income	31.1	28.0	3.1	11.0%
Net trading income	0.0	0.1	-0.1	-63.0%
Administrative expenses	-53.1	-50.4	-2.7	5.4%
Other operating income	-1.1	0.6	-1.7	>-100.0%
Profit/loss for the period	83.2	99.6	-16.4	-16.5%
Risk equivalent	13,762.3	13,159.4	602.9	4.6%
Average allocated equity	2,798.9	2,602.1	169.8	6.5%
Return on equity before tax (RoE)	11.9%	15.3%	-3.4 ppt	
Cost/income ratio	36.4%	31.7%	4.7 ppt	

Earnings in Corporate and Business Banking

Profit in the Corporate and Business Banking segment was EUR 83.2 million which is EUR -16.4 million lower (-16.5%) year on year.
Net interest income decreased by EUR -14.2 million (-10.9%) to EUR 116.1 million.
Allocations for risk provisions increased from EUR 9.0 million by EUR 0.7 million to EUR 9.7 million.
At EUR 31.1 million, net fee and commission income was EUR 3.1 million or 11.0% higher year on year.
Net trading income decreased by EUR -0.1 million year on year.
Administrative expenses increased by EUR 2.7 million (+5.4%) to EUR 53.1 million.
Other operating income decreased by EUR -1.7 million to EUR -1.1 million.
RoE in Corporate and Business Banking was 11.9%, and the cost/income ratio deteriorated to 36.4%.

Commercial loans

Oberbank's commercial lending volume expanded by EUR 756.0 million (+4.5%) from EUR 16,647.2 million to EUR 17,403.2 million.

Commercial loans		YoY change	
As at 31/3/2025	As at 31/3/2024	amount	in %
EUR 17,403.2 m	EUR 16,647.2 m	EUR 756.0 m	4.5%

Investment and innovation finance

At 463 projects, the number of applications for subsidised loan schemes submitted in all five Oberbank markets in the first quarter of this year for investments and innovation and to secure liquidity was 16.6% higher than in the same period of the preceding year. This increase, despite the continued subdued propensity to invest, is due primarily to the much more attractive terms of the subsidy loan schemes this year. The volume of subsidised loans handled by Oberbank as at 30 March 2025 decreased year on year by 5.0% to EUR 2.1 billion. The reason for this development was the difficult economic conditions in the preceding year and the resulting lower number of investment projects and funding applications.

Leasing

The volume of new business in the first quarter of the financial year 2024/25 was at an all-time high of EUR 316.2 million, up +28% year on year. The portfolio volume increased 9% to EUR 2,998 million year on year.

Structured finance and syndication

The number of applications processed in structured finance was at around the same level year on year. Momentum in company acquisitions and changes of ownership increased significantly year on year. The picture was similar for demand for tourism loans, which had recently gone up again. In commercial real estate finance demand remains restrained.
The total exposure in the segment of syndicated loans, special loans and borrowers' notes increased slightly versus Q1 of the preceding year. The number of transactions remained constant compared to the same period of the preceding year. In the first quarter, we subscribed to several borrowers' notes issued by Austrian and German issuers with strong credit ratings, as well as borrowers' notes of issuers from the public sector.

Oberbank Opportunity Fund

In Q1 2025, the Oberbank Opportunity Fund recorded 40 inquiries, which is roughly the same as in the same period of the preceding year. The Oberbank Opportunity Fund processed two new transactions in this period. Since the inception of the Oberbank Opportunity Fund, 129 transactions for equity and/or mezzanine capital or high-yield capital have been financially supported (plus debt financing) and ten supplementary financing transactions with portfolio companies were also finalized. The volume of capital committed as at 31 March 2025 was EUR 387 million distributed across equity, mezzanine capital and high-yield capital.

Payment services

Income from payment services in the Corporate and Business Banking segment developed well despite the difficult environment and gained 5.4% over the preceding year.
The process of replacing the ELBA MBS software in Austria is under way. After the successful launch of the new, modern digital business banking service "oBusiness" for new customers, the changeover for current customers was started in Q1. Initial customer feedback on the new application was generally very positive and the project is progressing according to plan.

Export finance

In its March forecast for Austria for the year 2025, Oesterreichische Nationalbank (OeNB) estimates that the Austria's economy has already passed through the worst phase. However, a noticeable recovery is not expected until the second half of the year. While low demand from major trading partners was one of the main reasons for the sluggish trend in exports in recent months, the encouraging growth prospects in important markets such as Germany contributed to positive expectations. Demand from exporting companies for working capital loans remained more or less unchanged in Q1 2025 due to the economic development. Oberbank retained its large market shares by resolutely working its markets. At the end of the quarter, Oberbank's market share in OeKB-refinanced working capital loans for large enterprises amounted to 13.3%, while its position in the SME segment even increased slightly to 11.9%.

The general restraint regarding capital spending has kept the bank's market share in investment finance for exporting companies in Austria practically unchanged at 12.9%.

Factoring

The acquisition of new customers in factoring is already showing an impact. Compared to the same period of the preceding year, Oberbank achieved growth of 6.0% in factoring volumes and 4.0% in revenues. At a rise of 18.0% year on year, this signifies an clear improvement.

Documentary business

After two years of recession, the Austrian economy started showing signs of a slight recovery at the beginning of Q1 2025. It remains to be seen what impact the US tariff increases will have on the global economy.

Oberbank's customers once again opted for security in international business. Revenue from letters of credit and collections increased very satisfactorily by 20.8% in 1Q 2025. The volume of new guarantees also increased year on year by 15.6%.

Oberbank also serves its exporting and importing customers on international markets by providing support to its customer advisors through the services of experts.

International network of partner banks and institutions

The Global Financial Institutions unit, which is responsible for the international banking and the network of credit institutions, was integrated into the Treasury department at the start of 2025. Thanks to the professionalism of everyone involved, the integration was completed without any problems.

The confirmation of international bank balances was a topic in Q1 again. A clear trend has evolved in recent years indicating that auditors of financial institutions are placing increasing emphasis on security when reconciling balance sheet items. The number of requests for confirmations has increased.

Before the backdrop of high geopolitical tension and the associated uncertainty for the general economic outlook, de-risking in the banking network is still evident. In Q1 2025, the trend among banks to reduce or terminate their correspondent banking relationships continued. Major banks, under pressure from regulators and rising compliance costs (complex KYC processes), reduced the number of correspondent banks, which considerably affected smaller banks and high-risk regions. As an alternative to reducing partner banking relationships, banks that use the services of major banks were charged additional costs to compensate for the higher expenses. Oberbank consolidated its partner banking network and will work to maintain an optimal international network for its customers through professionalism and efficient cooperation with its banking partners. Oberbank received the "Crystal Award" from its USD clearer Wells Fargo in the past quarter for the high quality of its clearing and settlement services. The award was conferred for the high straightthrough processing rate of 100%. This means that Oberbank has optimized USD payment services and processes run smoothly.

Primary deposits

The year started out with falling interest rates. The ECB reduced its key lending rate by 0.25% effective as of 5 February. In March, the ECB cut interest rates again to the same extent as at the beginning of the year. Thus, the ECB's benchmark deposit rate was 2.25% at the end of the quarter.

Oberbank followed the lead of the ECB and reduced interest rates for corporate customer deposits to the same extent. Overall, primary deposits increased in the first quarter by EUR 855.4 million (+5.5%). The prior year's trend of term deposits growing faster than sight deposits continued in the past quarter.

Currency risk management

Trade in foreign currencies developed positively in the first quarter of 2025. At a growth rate of over 10% year on year, the targets were clearly surpassed. The confusion in the first few months of Donald Trump's second presidency triggered higher volatility on markets. The US dollar, the most important currency in foreign trade for customers (apart from the euro), fluctuated by more than 12% between highs and lows in Q1. Oberbank's I-Trader, which is the digital foreign exchange trading platform of Oberbank, has been developing very well, and we are seeing new customers joining the platform.

Retail Banking

Retail Banking in € million	**Q1 2025**	**Q1 2024**	**± amount**	**± in %**
Net interest income	46.8	59.0	-12.2	-20.7%
Charges for losses on loans and advances	-0.5	-0.1	-0.4	>100.0%
Net fee and commission income	27.3	23.9	3.4	14.1%
Net trading income	0.0	0.0	0.0	
Administrative expenses	-34.0	-30.3	-3.7	12.1%
Other operating income	1.5	1.2	0.3	22.9%
Profit/loss for the period	41.1	53.7	-12.6	-23.5%
Risk equivalent	1,947.8	1,981.7	-33.9	-1.7%
Average allocated equity	396.2	391.9	4.3	1.1%
Return on equity before tax (RoE)	41.5%	54.8%	-13.3 ppt	
Cost/income ratio	45.0%	36.1%	8.9 ppt	

Earnings in Retail Banking

Profit in Retail Banking decreased year on year by EUR -12.6 million (-23.5%) to EUR 41.1 million.
Net interest income decreased by EUR -12.2 million (-20.7%) to EUR 46.8 million.
Allocations to risk provisions increased from EUR 0.1 million by EUR 0.4 million to EUR 0.5 million.
Net fee and commission income increased by EUR 3.4 million (+14.1%) to EUR 27.3 million.
At EUR 34.0 million, administrative expenses were EUR 3.7 million (+12.1%) higher year on year.
Other operating income increased by EUR 0.3 million or 22.9% to EUR 1.5 million.
RoE in Retail Banking dropped to 41.5%, and the cost/income ratio deteriorated to 45.0%.

Retail accounts

The number of retail accounts increased by 279 accounts (+0.1%) from 194,286 in the preceding year to 194,565 accounts. The "be(e) green account", which is a sustainable giro account for retail customers, was introduced in June 2021 in Austria and in the Czech Republic in the second half of 2023. As at 31 March 2025, 43.9% of retail accounts in the portfolio were sustainable accounts. This is an increase by 15,971 accounts to 85,456 sustainable accounts year on year.

Number of retail accounts		**YoY change**	
As at 31/3/2025	**As at 31/3/2024**	**amount**	**in %**
194.565	194.286	279	0.1%

Retail loans

Compared to 31 March 2024, the outstanding volume (excluding leasing) decreased by EUR -37.9 million from EUR 3,706.5 million (-1.0%) to EUR 3,668.5 million, with the volume of new retail loans granted in Q1 being 67.8% higher year on year. Demand for housing loans has risen compared to the preceding quarters. The share of foreign currency loans in the total volume of retail loans was only 0.9% at Oberbank.

Retail loans		YoY change	
As at 31/3/2025	**As at 31/3/2024**	**amount**	**in %**
EUR 3,668.5 m	EUR 3,706.5 m	EUR -37.9 m	-1.0%

Retail customer deposits

The volume of deposits on savings, sight and term accounts rose by EUR 43.1 million (+0.6%) from EUR 6,964.3 million to EUR 7,007.4 million compared to the preceding year. Although competition for retail customer deposits is fierce, Oberbank's goal is to achieve a reasonable level of income. The trend towards online savings products continues unabated. Deposits on online savings accounts in Austria increased robustly again year on year, rising by EUR 315.8 million (+13.4%) from EUR 2,351.7 million to EUR 2,667.6 million. By contrast, deposits on savings passbooks declined year on year by EUR -185.3 million (-14.1%) from EUR 1,318.1 million to EUR 1,132.9 million.

Retail customer deposits		YoY change	
As at 31/3/2025	**As at 31/3/2024**	**amount**	**in %**
EUR 7,007.4 m	EUR 6,964.3 m	EUR 43.1 m	0.6%

Securities business

Income and volumes in the securities business in the first quarter of 2025 were the strongest of all quarters to date. Compared to the preceding year, fee and commission income increased by 16.5% or EUR 3.0 million to EUR 21.0 million. The trend was driven mainly by the lively transaction activity in all asset classes, equities, bonds and investment funds. Higher share prices and positive trends compared to the prior year significantly boosted custody account and management fees. Despite the adverse economic environment, general investor sentiment was optimistic and only became gloomier towards the end of the quarter. The much lower money market interest rates certainly played a role, which is why many investors switched to fixed-interest bonds with higher returns.

In the last few weeks of the quarter, the new bond investment fund "3 Banken Bond Plus 2031" enjoyed lively demand. With a subscription volume of EUR 88.3 million, many investors took advantage of the attractive interest rates in the medium-term maturity range in the euro area.

Fee and commission income from securities		YoY change	
As at 31/3/2025	**As at 31/3/2024**	**amount**	**in %**
EUR 21.0 m	EUR 18.0 m	EUR 3.0 m	16.5%

Market value on custody accounts

The market value on custody accounts increased by EUR 633.5 million (+3.1%) to EUR 20.8 billion compared to the same quarter of the preceding year. This also marks the highest value to date at the close of a first quarter.

Market value on custody accounts		YoY change	
As at 31/3/2025	As at 31/3/2024	amount	in %
EUR 20,784.7 m	EUR 20,151.2 m	EUR 633.5 m	3.1%

Private Banking

In Private Banking, the number of customers and also the volume of assets under management reached new all-time highs. The trend was driven by the successful acquisition of new customers and the resultant inflow of new funds, as well as the effects of the high savings ratios in Austria. On 31 March 2025, the volume of customer assets under management was EUR 13.7 billion, which is 4.9% higher year on year.

Volatile stock markets were behind the steep rise in volumes in the brokerage business. High transaction volumes were also recorded in the customer portal and through the app.

In individual portfolio management (iPM), Oberbank also managed a significantly higher volume of EUR 891.5 million than in the preceding year (EUR 821.6 million). This corresponds to an increase of 8.5% year on year.

Assets under management in Private Banking		YoY change	
As at 31/3/2025	As at 31/3/2024	amount	in %
EUR 13,716.0 m	EUR 13,069.4 m	EUR 646.6 m	4.9%

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

At the end of the quarter, 3 Banken-Generali-Gesellschaft m.b.H. had EUR 12.6 billion under management, and therefore, 6.2% or EUR 0.7 billion more than in the preceding year.
The overall market declined by EUR -2.4 billion (-1.1%) from EUR 219.9 billion to EUR 217.5 billion compared to the end of 2024. However, compared to 31 March 2024, the increase was EUR 8.0 billion or +3.8%. The company's market share was 5.8%, putting it in fifth place in the ranking of Austrian investment fund companies.

Oberbank had a share of EUR 6.5 billion or 51.5% of the company's total fund volume.

Retail investment funds and special funds		YoY change	
As at 31/3/2025	As at 31/3/2024	amount	in %
EUR 6,467.7 m	EUR 6,135.4 m	EUR 332.3 m	5.4%

Building society saving schemes

In Q1 2025, Oberbank brokered 955 building society savings contracts. This is a decline by 297 contracts or minus 23.7%. There are currently attractive alternatives to building society savings products.

Wüstenrot loans

In the first quarter of 2025, a volume of EUR 0.1 million in building society loans was brokered to Wüstenrot. This product is an additional finance option for retail customers.

Insurance business

Market AT

In Q1, production (= annual net premium) for life insurance and non-life insurance increased by 11.9% year on year. A significant increase in production of 35.9% was achieved in single-premium endowment insurance.

Insurance contracts - premium volume		YoY change	
As at 31/3/2025	**As at 31/3/2024**	**amount**	**in %**
4.7 Mio. €	4.2 Mio. €	0.5 Mio. €	11.9%

Market DE

The premium volume in life insurance rose year on year by 55.1%. The premium volume in company pension schemes increased to EUR 10.9 million.

Insurance contracts - premium volume		YoY change	
As at 31/3/2025	**As at 31/3/2024**	**amount**	**in %**
13.8 Mio. €	8.9 Mio. €	4.9 Mio. €	55.1%

Financial Markets

Financial Markets in € million	Q1 2025	Q1 2024	± amount	± in %
Net interest income	-6.1	-22.3	16.2	-72.5%
Income from entities recognised using the equity method	10.3	5.9	4.5	76.0%
Charges for losses on loans and advances	0.0	-0.1	0.1	-67.5%
Net fee and commission income	0.0	0.0	0.0	
Net trading income	1.8	2.8	-1.0	-35.1%
Administrative expenses	-2.8	-3.0	0.2	-6.7%
Other operating income	2.2	2.8	-0.6	-21.6%
Profit/loss for the period	5.5	-14.0	19.5	>-100.0%
Risk equivalent	4,755.6	4,602.0	153.5	3.3%
Average allocated equity	967.2	910.0	57.2	6.3%
Return on equity before tax (RoE)	2.3%	n.a.		
Cost/income ratio	33.1%	n.a.		

n.a. – not indicative

Financial Markets – earnings trend

Income in the Financial Markets segment increased by EUR 19.5 million to EUR 5.5 million.
Net interest income increased by EUR 16.2 million to EUR -6.1 million. Income from companies accounted for using the equity method increased by EUR 4.5 million from EUR 5.9 million to EUR 10.3 million. Allocations to risk provisions decreased by EUR -0.1 million. Trading income decreased by EUR -1.0 million (-35.1%) to EUR 1.8 million. At EUR 2.8 million, administrative expenses were EUR -0.2 million lower year on year. Other operating income decreased by EUR -0.6 million from EUR 2.8 million to EUR 2.2 million. RoE was 2.3%, and the cost/income ratio was 33.1%.

Proprietary trading

In the first quarter, market trends were strongly influenced by US president Donald Trump, as his announcements and decisions created heightened volatility. On stock markets, a shift from the US to Europe took place and the USD came slightly under pressure. Movements on bond markets were more pronounced and premiums for government bonds rose markedly. In Europe, this was driven by announcements of government spending on defence and infrastructure. Volatile markets are good for trading and we took advantage of this situation to achieve solid returns, especially with respect to currencies and interest rates.

Refinancing

In the first quarter, we successfully completed the placement of a covered bond with a volume of EUR 250 million and a maturity of 10 years. The bond issue was three times oversubscribed and again has the longest maturity of all Austrian issuers. This transaction confirmed that Oberbank enjoys a high degree of trust on capital markets and is considered a solid and regular issuer. At the start of the year, there was a high issuance volume of subordinated bonds for the retail market and placement was well above the defined ratio. Demand for Oberbank’s senior bonds was also stable at a solid level.

Own funds
On 31 March 2025, own funds stood at EUR 3,971.1 million which translates into a ratio of 20.8%. Tier 1 capital was EUR 3,610.1 million, and the tier 1 capital ratio was 18.9%. Common equity tier 1 capital of EUR 3,560.1 million corresponds to a ratio of 18.7%.

Risk
Oberbank's risk policy takes into account the risk situation of all business areas including the new markets. Risk management focuses on keeping customer funds entrusted to Oberbank safe, conserving own funds and guaranteeing liquidity.

The most important risk category is counterparty risk. This risk is accounted for by recognizing the corresponding risk provisions.

When assessing creditworthiness and in collateral policy, Oberbank has decades of know-how. Moreover, the business model as a regional bank, professional credit management, and a balanced distribution of overall exposure across customer segments help to limit the risk to Oberbank's overall result from this category of risk exposure. Therefore, counterparty risks are expected to remain within the budgeted amounts for risk provisions also for the full financial year 2025.

The other risk categories are equity risk (risk of loss in value or foregone earnings in the equity portfolio), market risk (risk of losses due to fluctuating interest rates, foreign exchange rates or equity prices), operational risk and liquidity risk. In terms of liquidity risk, Oberbank's good position is also supported by the fact that it can refinance the total volume of loans to customers (31/3/2025: EUR 21.1 billion) by primary deposits, own issues and deposits of investment finance banks (OeKB, LfA, KfW) amounting to EUR 23.7 billion (31/3/2025). Additionally, Oberbank has a permanent risk controlling system in place as well as strict process management and other efficient control and management instruments.

Consolidated interim financial statements pursuant to IFRS - Statement of comprehensive income

Consolidated income statement *in €k*		1/1 to 31/3/2025	1/1 to 31/3/2024	Change in €k	Change in %
1. Interest and similar income		249,028	289,084	-40,056	-13.9
a) Interest income, effective interest rate method		238,093	282,163	-44,070	-15.6
b) Other interest income		10,935	6,921	4,014	58.0
2. Interest and similar expenses		-92,212	-122,168	29,956	-24.5
Net interest income	(1)	156,816	166,916	-10,100	-6.1
3. Income from entities recognised using the equity method	(2)	10,347	5,878	4,469	76.0
4. Charges for losses on loans and advances	(3)	-10,205	-9,210	-995	10.8
5. Fee and commission income		64,407	56,873	7,534	13.2
6. Fee and commission expenses		-6,051	-4,960	-1,091	22.0
Net fee and commission income	(4)	58,356	51,913	6,443	12.4
7. Net trading income	(5)	1,773	2,947	-1,174	-39.8
8. Administrative expenses	(6)	-98,391	-91,883	-6,508	7.1
9. Other operating income	(7)	3,138	-184	3,322	>-100.0
a) Net income from financial assets - FVPL		6,259	5,445	814	14.9
b) Net income from financial assets - FVOCI		8	59	-51	-86.4
c) Net income from financial assets - AC		0	0	0	
d) Other operating income		-3,129	-5,688	2,559	-45.0
Profit/loss for the period before tax		121,834	126,377	-4,543	-3.6
10. Income taxes	(8)	-27,681	-30,651	2,970	-9.7
Profit/loss for the period after tax		94,153	95,726	-1,573	-1.6
of which attributable to the owners of the parent company and the owners of additional equity components		94,081	95,227	-1,146	-1.2
thereof attributable to non-controlling interests		72	499	-427	-85.6

Other comprehensive income in €k	**1/1 to 31/3/2025**	**1/1 to 31/3/2024**
Profit/loss for the period after tax	**94,153**	**95,726**
Items not reclassified to profit or loss for the year	**-4,534**	**-14,097**
-/+ Actuarial gain/loss IAS 19	0	0
± Deferred taxes on actuarial gains/losses Losses IAS 19	0	0
+/- Share from entities recognised using the equity method	1,255	-8,473
+/- Value changes in own credit risk recognised in equity IFRS 9	-4,988	-2,061
+/- Deferred tax on changes recognised in equity for own credit risk Credit Risk IFRS 9	1,147	474
+/- Value changes in equity instruments recognised in equity IFRS 9	-2,772	-5,243
+/- Deferred tax on value changes in equity instruments recognised in equity IFRS 9	824	1,206
Items reclassified to profit or loss for the period	**-106**	**-506**
+/- Value changes recognised in equity for debt securities IFRS 9	779	-665
Amounts recognised in equity	802	-656
Reclassification adjustments	-23	-9
+/- Deferred tax on value changes recognised in equity for debt securities IFRS 9	-179	153
Amounts recognised in equity	-184	151
Reclassification adjustments	5	2
± Exchange differences	-988	-645
+/- Share from entities recognised using the equity method	282	651

	1/1 to 31/3/2025	**1/1 to 31/3/2024**
Total income and expenses recognised directly in equity	-4,640	-14,603
Total comprehensive income for the period from net profit/loss and income/expenses recognised in equity	89,513	81,123
thereof attributable to the owners of the parent company and the owners of additional equity components	89,441	80,624
thereof attributable to non-controlling interests	72	499

Performance indicators	**1/1 to 31/3/2025**	**1/1 to 31/3/2024**
Cost/income ratio in %1)	42.70	40.39
Return on equity before tax in %2)	11.71	12.95
Return on equity after tax in %3)	9.05	9.81
Risk/earnings ratio (credit risk/net interest income) in %4)	6.51	5.52
Earnings per share (annualised) in €5)6)	5.34	5.42

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

Consolidated balance sheet as at 31/3/2025

Assets in €k			**31/3/2025**	**31/12/2024**	**Change in €k**	**Change in %**
1.	Cash and balances with central banks	(10)	2,932,116	2,803,384	128,732	4.6%
2.	Loans and advances to credit institutions	(11)	335,968	357,473	-21,505	-6.0%
3.	Loans and advances to customers	(12)	21,071,790	20,768,961	302,829	1.5%
4.	Trading assets	(13)	24,575	28,564	-3,989	-14.0%
5.	Financial investments	(14)	4,032,712	3,903,203	129,509	3.3%
	a) Financial assets FVPL		698,421	716,512	-18,091	-2.5%
	b) Financial assets FVOCI		352,171	366,201	-14,030	-3.8%
	c) Financial assets AC		1,724,833	1,574,630	150,203	9.5%
	d) Interests in entities accounted for by the equity method		1,257,287	1,245,860	11,427	0.9%
6.	Intangible assets	(15)	4,068	4,491	-423	-9.4%
7.	Property, plant and equipment	(16, 17)	331,161	336,139	-4,978	-1.5%
	a) Investment property		62,414	63,047	-633	-1.0%
	b) Other property, plant and equipment		268,747	273,092	-4,345	-1.6%
8.	Other assets	(18)	218,373	180,404	37,969	21.0%
	a) Deferred tax assets		1,609	1,641	-32	-2.0%
	b) Positive fair values of closed out derivatives in the banking book		17,374	24,603	-7,229	-29.4%
	c) Other		199,390	154,160	45,230	29.3%
	Total assets		**28,950,763**	**28,382,619**	**568,144**	**2.0%**

Consolidated balance sheet as at 31/3/2025

Liabilities in €k

			31/3/2025	31/12/2024	Change in €k	Change in %
1.	Amounts owed to credit institutions	(19)	3,713,655	3,803,871	-90,216	-2.4%
	a) Refinance allocated for customer loans		3,425,797	3,476,387	-50,590	-1.5%
	b) Other amounts owed to credit institutions		287,858	327,484	-39,626	-12.1%
2.	Amounts owed to customers	(20)	16,327,752	16,040,335	287,417	1.8%
3.	Securitised liabilities	(21)	3,429,377	3,162,366	267,011	8.4%
4.	Provisions for liabilities and charges	(22)	295,158	304,050	-8,892	-2.9%
5.	Other liabilities	(23)	463,845	458,784	5,061	1.1%
	a) Trading liabilities	(24)	23,066	22,788	278	1.2%
	b) Tax liabilities		48,795	39,521	9,274	23.5%
	ba) Current tax liabilities		40,814	32,227	8,587	26.6%
	bb) Deferred tax liabilities		7,981	7,294	687	9.4%
	c) Negative fair values of closed out derivatives in the banking book		91,078	94,903	-3,825	-4.0%
	d) Other		300,906	301,572	-666	-0.2%
6.	Subordinated debt capital	(25)	512,052	497,625	14,427	2.9%
7.	Shareholders' equity	(26)	4,208,924	4,115,588	93,336	2.3%
	a) Equity after minorities		4,150,909	4,057,375	93,534	2.3%
	b) Minority interests		8,015	8,213	-198	-2.4%
	c) Additional equity capital components		50,000	50,000	0	
	Total equity and liabilities		**28,950,763**	**28,382,619**	**568,144**	**2.0%**

Consolidated statement of changes in equity as at 31/3/2024

in €k	Subscribed capital	Capital reserves	Retained earnings	Exchange differences	Revaluation reserve: Reclassified debt securities IFRS 9	Revaluation reserve: Equity instruments IFRS 9 not reclassified	Revaluation reserve: Change in own credit risk IFRS 9 not reclassified	Actuarial gains/losses pursuant to IAS 19	Associates	Equity after minorities	Shares of non-controlling shareholders	Additional equity components	Shareholders' equity
As at 1/1/2024	**105,919**	**505,523**	**2,204,776**	**697**	**788**	**124,400**	**25,809**	**-39,401**	**875,881**	**3,804,390**	**8,683**	**50,000**	**3,863,073**
Consolidated net profit			92,932	-645	-512	-4,037	-1,587		-5,527	80,624	499		81,123
Net profit/loss for the year			92,932						2,295	95,227	499		95,726
Other comprehensive income				-645	-512	-4,037	-1,587		-7,822	-14,603			-14,603
Dividend distribution										0			0
Coupon payments on additional equity components										0			0
Capital increase										0			0
Issuance of additional equity components										0			0
Repurchased own shares	-21		-983							-1,004			-1,004
Other changes not recognised in income			79						2,682	2,761	-1,248		1,513
As at 31/3/2024	**105,898**	**505,523**	**2,296,804**	**52**	**276**	**120,363**	**24,222**	**-39,401**	**873,036**	**3,886,771**	**7,934**	**50,000**	**3,944,705**

Consolidated statement of changes in equity as at 31/3/2025

					Revaluation reserve								
in €k	**Subscribed capital**	**Capital reserves**	**Retained earnings**	**Exchange differences**	**Reclassified debt securities IFRS 9**	**Equity instruments IFRS 9 not reclassified**	**Change in own credit risk IFRS 9 not reclassified**	**Actuarial gains/losses pursuant to IAS 19**	**Associates**	**Equity after minorities**	**Shares of non-controlling shareholders**	**Additional equity components**	**Shareholders' equity**
As at 1/1/2025	**105,820**	**505,523**	**2,437,725**	**-1,908**	**-113**	**127,085**	**11,419**	**-55,444**	**927,270**	**4,057,375**	**8,213**	**50,000**	**4,115,588**
Consolidated net profit			87,407	-988	600	-1,948	-3,841		8,211	89,441	72		89,513
Net profit/loss for the year			87,407						6,674	94,081	72		94,153
Other comprehensive income				-988	600	-1,948	-3,841		1,537	-4,640			-4,640
Dividend distribution										0			0
Coupon payments on additional equity components										0			0
Capital increase										0			0
Issuance of additional equity components										0			0
Repurchased own shares	19		862							881			881
Other changes not recognised in income			-4						3,216	3,212	-270		2,942
As at 31/3/2025	**105,839**	**505,523**	**2,525,990**	**-2,896**	**487**	**125,137**	**7,578**	**-55,444**	**938,697**	**4,150,909**	**8,015**	**50,000**	**4,208,924**

Consolidated statement of cash flows in €k	1/1 to 31/3/2025	1/1 to 31/3/2024
Profit/loss for the period	94,153	95,726
Non-cash items in profit/loss for the period and reconciliation of net cash from operating activities		
Depreciation, amortisation, impairment losses, write-ups	15,455	23,111
Change in provisions for staff benefits and other provisions for liabilities and charges	-8,892	-12,125
Change in other non-cash items	32,397	55,978
Gains and losses on financial investments, property, plant and equipment, and intangible assets	2	1
Subtotal	**133,115**	**162,691**
Change in assets and liabilities arising from operating activities after adjustments for non-cash items		
- Receivables from credit institutions	39,765	356,233
- Receivables from customers	-301,711	-278,734
- Trading assets	5,651	872
- Financial assets used for operating activities[1)]	-1,597	-2,611
- Other assets from operating activities	13,045	6,940
- Amounts owed to credit institutions	-118,697	-256,334
- Amounts owed to customers	253,282	-338,232
- Securitised liabilities	234,423	206,650
- Other liabilities from operating activities	-47,797	-23,547
Cash flow from operating activities	**209,479**	**-166,072**
Proceeds from the sale of		
- Financial assets held as investments[2)]	112,563	60,610
- Property, plant and equipment, and intangible assets	2,355	5,461
Purchases of		
- Financial assets	-203,629	-99,509
- Property, plant and equipment, and intangible assets	-6,611	-7,131
Cash flow from investing activities	**-95,322**	**-40,569**
Capital increase	0	0
Dividend distributions	0	0
Coupon payments on additional equity components	0	0
Cash from subordinated debt capital and other financing activities		
- Issues	43,470	15,776
- Other	881	0
Outflow from subordinated debt capital and other financing activities		
- Redemptions	-25,000	-37,500
- Other	-4,776	-6,578
Cash flow from financing activities	**14,575**	**-28,302**

Cash and cash equivalents at the end of preceding period	**2,803,384**	**2,836,294**
Cash flow from operating activities	209,479	-166,072
Cash flow from investing activities	-95,322	-40,569
Cash flow from financing activities	14,575	-28,302
Effects of changes in the group of consolidated companies and revaluation	0	0
Effects of foreign exchange rate changes	0	0
Cash and cash equivalents at the end of the period	**2,932,116**	**2,601,351**
Interest received	247,204	282,464
Dividends received	9,046	6,505
Interest paid	111,965	128,640
Coupon payments on additional equity components	0	0
Income tax paid	-19,040	-16,837

Cash and balances with central banks, 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 quarter of 2025 (1 January 2025 to 31 March 2025) and compare the results with the corresponding periods of the preceding year. This condensed interim report for the first quarter of 2025 complies with IAS 34 (“Interim Reports”). No full audit or review by an auditor has been conducted of these condensed interim financial statements for the group. We have not applied standards and interpretations that take effect as of the financial year 2026 or later.

Changes to accounting policies 2025

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

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

- Amendments to IAS 21 - Lack of exchangeability

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

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

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

Actuarial assumptions

Material actuarial assumptions for calculating the present values of defined benefit obligations did not change compared to 31 December 2024.

Oberbank group of consolidated companies

As at 31 March 2025, the scope of consolidation comprised 27 Austrian and 14 foreign subsidiaries in addition to Oberbank AG. The group of consolidated companies changed compared to 31/12/2024 due to the first-time inclusion of the following company:

- Oberbank Jerich Immobilienleasing GmbH (100% share)

Impairment – financial assets and contract assets

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

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

- Stage 1 generally includes newly added financial instruments and those for which no significant increase in risk has been identified since initial recognition. Additionally, all financial instruments with an absolutely defined low credit risk on the reporting date (rating classes AA to 1b) are allocated to stage 1 as an exception to the relative approach (IFRS 9.5.5.10). This logic is applied only to the low-default portfolio for the 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 up to BBB-).

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

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

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

Segmentation

Oberbank AG’s loan portfolio is grouped into the following five segments in the impairment model pursuant to IFRS 9: Sovereigns, banks, corporates, SMEs and retail. The reasons for the segmentation are the use of different estimates for the relevant credit risk parameters. The grouping into the different segments is based on the rating method selected.

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

Impairment for stage 1 and stage 2

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

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

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

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

The main characteristic for determining the credit risk of a financial instrument is the internal rating assigned to the borrower. ESG risks are also taken into account when preparing the rating. A borrower's rating is always based on a default ratio per rating category. 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 in the respective migration matrix. This is the basis for an assessment to ascertain whether or not – and if yes, when – the credit risk increased significantly.

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

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

In order to assess the significance of an increase in credit risk, a comparison is made of the default probability on initial recognition and the default probability on the measurement date (IFRS 9.5.5.9). In this context, the lifetime PD of the current rating stage over the remaining time to maturity is applied. This is done by comparing the lifetime PD in the current rating stage over the remaining time to maturity with the forward lifetime PD in the rating stage at initial recognition over this period.

The criterion for allocation to stage 1 and stage 2 is based mainly on a relative criterion and not on an absolute credit risk estimate at every measurement point in time (IFRS 9.B5.5.9).

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

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

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

<u>Quantitative criteria for a stage transfer</u>
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 qualitative criterion for a stage transfer is the rebuttable presumption that credit risk has increased significantly when contractual payments are more than 30 days past due (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. 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.
Problem loans, observation cases, and loans requiring very close monitoring are allocated to stage 2, because the emerging factors indicate a change in the default risk (IFRS 9.B.5.5.17(o)).

Impairment for stage 3 (non-performing loans)

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

Direct write-offs of non-performing loans

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

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

Calculating ECL

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

- Financial assets measured at amortised costs or at fair value through profit or loss
- Leasing receivables from customers
- Irrevocable letters of credit and guarantees

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

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

The maximum time period determined for the expected credit loss 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. The expected loss breaks down into three components:

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

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

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

Key input parameters

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

The probability of default is derived for the segments of 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 of 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 first step in determining the 1-year migration matrix is a breakdown of rating migrations by quarter.

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

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

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

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

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

The following table shows the country-weighted macroeconomic factors considered in the ECL calculation for the segments Corporates, Retail and SME as at 31 March 2025:

Normal scenario	**Year 1 (Average of 4 quarters)**	**Year 2 (Average of 4 quarters)**	**Year 3 (Average of 4 quarters)**
Real GDP growth	0.65%	1.38%	1.56%
Harmonised index of consumer prices	2.50%	2.13%	2.16%

Pessimistic scenario	**Year 1 (Average of 4 quarters)**	**Year 2 (Average of 4 quarters)**	**Year 3 (Average of 4 quarters)**
Real GDP growth	0.25%	0.96%	1.06%
Harmonised index of consumer prices	3.23%	2.54%	2.44%

Optimistic scenario	**Year 1 (Average of 4 quarters)**	**Year 2 (Average of 4 quarters)**	**Year 3 (Average of 4 quarters)**
Real GDP growth	1.18%	2.11%	1.91%
Harmonised index of consumer prices	2.05%	1.67%	1.82%

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 LGD from secured parts of a loan and 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 asset 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 be implicitly interpreted as the LGD for the secured portion of a loan. The calculation of the expected credit loss thus entails an implicit splitting of the loan into a secured and an unsecured part. After considering the cover value, the secured part has an LDG of 0%, while the unsecured part has the general default LGD of the respective 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 governed by transaction attributes (balance, amount of repayments, frequency of repayments, interest payment intervals, reference interest rates, due dates) as well as current market data (exchange rates and market interest rates). Cash flows from interest payments are derived from the forward interest implicit in the interest rate curves.

Revolving lines of credit do not have any contractually agreed cash flows. 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. To do so, the credit balance is deducted from the overdraft limit. This unused part of an overdraft facility consequently remains unchanged over the entire life of the loan. The calculation of the exposure at default (EAD) is based throughout on a credit conversion factor. The due date of the overdraft facility always corresponds to the maturity of the loan.

Development of impairment charges for performing loans

Compared to the start of the year, the amount of the impairment charges for performing loans (stage 1 and stage 2) decreased by EUR 2.19 million.

Sensitivity analysis

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

Impairment charges by segment

in €k	100% Stage 1 12M-ECL	ECL calculation as at 31/3/2025	100% Stage 2: LT ECL
Banks	1,139	1,139	3,481
Corporate	38,105	73,154	173,761
Retail	4,621	6,331	11,289
SME	5,699	6,880	7,707
Sovereigns	539	541	2,412
Total	50,103	88,045	198,649

Impairment testing for investments accounted for using the equity method

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

On the measurement date 31 March 2025, a quantitative impairment was triggered for the investment in voestalpine AG, which is recognised using the equity method, as the stock market price of EUR 22.50 on 31 March 2025 was significantly lower – by 45.65% – than the carrying amount of EUR 41.40 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 31 March 2025. The value-in-use calculated in accordance with the discounted cash flow method using the WACC method (weighted average cost of capital) came to EURk 794,952. This value-in-use as the recoverable amount was recognised as the higher value from the comparison with the fair value less selling costs for the measurement as at 31 March 2025. A WACC (weighted average cost of capital) of 6.21% was used as the discount rate in the terminal value. A change in the discount rate of +/-25 basis points would have resulted in a reduction by 6.16% or an increase of 7.14% in the value-in-use; a change in the discount rate of +/- 50 basis points would have resulted in a reduction by 11.86% or an increase of 14.98% in the value-in-use.

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

Material events after the close of the interim reporting period

No events of material significance occurred after the reporting date 31 March 2025.

Details of the consolidated income statement in €k

1) Net interest income	1/1 to 31/3/2025	1/1 to 31/3/2024
Interest income from		
Credit and money market operations	231,195	277,388
Shares and other variable-yield securities	3,940	692
Other equity investments	1,263	1,034
Affiliates	170	297
Fixed-interest securities and bonds	12,460	9,673
Interest and similar income	249,028	289,084
Interest expenses for		
Deposits	-71,811	-103,801
Securitised liabilities	-15,625	-13,919
Subordinated liabilities	-4,035	-4,016
Result of non-significant modifications	-741	-432
Interest and similar expenses	-92,212	-122,168
Net interest income	156,816	166,916

2) Profit from entities recognised using the equity method	1/1 to 31/3/2025	1/1 to 31/3/2024
Net amounts from proportionately recognised income	10,347	-15,175
Expenses from impairments	0	0
Income from additions	0	21,053
Expenses from dilution	0	0
Income from entities recognised using the equity method	10,347	5,878

3) Charges for losses on loans and advances	1/1 to 31/3/2025	1/1 to 31/3/2024
Additions to loan loss provisions	-51,867	-76,849
Direct write-offs	-101	-92
Reversals of loan loss provisions	38,306	66,395
Recoveries from written-off receivables	1,642	436
Result of non-significant modifications	-873	-134
Result of POCI financial instruments	2,688	1,034
Charges for losses on loans and advances	-10,205	-9,210

4) Net fee and commission income	1/1 to 31/3/2025	1/1 to 31/3/2024
Fee and commission income		
Payment services	20,829	19,060
Securities business	23,438	20,143
Foreign exchange, foreign bank notes and precious metals	6,955	6,110
Credit operations	12,063	10,790
Other services and advisory business	1,122	770
Total fee and commission income	64,407	56,873
Fee and commission expenses		
Payment services	1,738	1,602
Securities business	2,411	2,100
Foreign exchange, foreign bank notes and precious metals	170	172
Credit operations	1,613	835
Other services and advisory business	119	251
Total fee and commission expenses	6,051	4,960
Net fee and commission income	58,356	51,913

5) Net trading income	1/1 to 31/3/2025	1/1 to 31/3/2024
Gains/losses on interest rate contracts	295	179
Gains/losses on foreign exchange, foreign notes and numismatic business	1,049	943
Gains/losses on derivatives	429	1,825
Net trading income	1,773	2,947

6) Administrative expenses	1/1 to 31/3/2025	1/1 to 31/3/2024
Staff costs	58,866	53,776
Other administrative expenses	31,269	30,253
Write-offs and impairment allowances	8,256	7,854
Administrative expenses	98,391	91,883

7) Other operating income	1/1 to 31/3/2025	1/1 to 31/3/2024
a) Net income from financial assets - FVPL	6,259	5,445
thereof from designated financial instruments	972	989
thereof financial instruments with mandatory measurement at FVPL	5,287	4,456
b) Net income from financial assets - FVOCI	8	59
thereof from the measurement of debt instruments	0	10
thereof from the sale and derecognition of debt instruments	8	49
c) Net income from financial assets - AC	0	0
d) Other operating income	-3,129	-5,688
Other operating income:	**7,380**	**6,917**
Income from operational risks	1,088	1,181
Income from private equity investments	0	0
Income from operating leases	2,446	2,623
Other income from the leasing sub-group	1,060	970
Brokerage fees from third parties	1,427	1,256
Other	1,359	887
Other operating expenses:	**-10,509**	**-12,605**
Expenses from operational risks	-85	-156
Stability tax	-4,375	-2,140
Contributions to the resolution fund and deposit protection scheme	0	-5,000
Expenses from operating leases	-1,718	-1,754
Other expenses from the leasing sub-group	-1,131	-1,019
Other	-3,200	-2,536
Other operating income/expenses	3,138	-184

8) Income taxes	1/1 to 31/3/2025	1/1 to 31/3/2024
Current income tax expenses	25,174	29,238
Deferred income tax expenses (+)/income (-)	2,507	1,413
Income taxes	27,681	30,651

9) Earnings per share in €	1/1 to 31/3/2025	1/1 to 31/3/2024
Number of shares on the reporting date	70,614,600	70,614,600
Average number of shares in issue	70,555,380	70,595,071
Profit/loss for the period after tax	94,153	95,726
Earnings per share in €	1.33	1.36
Annualised values	5.34	5.42

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	31/3/2025	31/12/2024
Credit balances with central banks of issue	2,861,277	2,724,495
Other cash reserves	70,839	78,889
Cash and balances with central banks	2,932,116	2,803,384

11) Loans and advances to credit institutions	31/3/2025	31/12/2024
Loans and advances to Austrian credit institutions	83,009	98,974
Loans and advances to foreign credit institutions	252,959	258,499
Loans and advances to credit institutions	335,968	357,473

12) Loans and advances to customers	31/3/2025	31/12/2024
Loans and advances to Austrian customers	11,114,997	11,288,376
Loans and advances to foreign customers	9,956,793	9,480,585
Loans and advances to customers	21,071,790	20,768,961

13) Trading assets	31/3/2025	31/12/2024
Bonds and other fixed-interest securities		
Listed	0	0
Shares and other variable-yield securities		
Listed	811	454
Positive fair values of derivative financial instruments		
Currency contracts	2,563	6,198
Interest rate contracts	21,201	21,912
Other contracts	0	0
Trading assets	24,575	28,564

14) Financial investments	31/3/2025	31/12/2024
Bonds and other fixed-interest securities		
Listed	2,120,718	1,996,925
Unlisted	41,591	37,610
Shares and other variable-yield securities		
Listed	45,584	48,945
Unlisted	229,638	224,998
Equity investments/shares		
in subsidiaries	82,856	92,030
in entities recognised using the equity method		
Credit institutions	662,860	654,384
Non-banks	594,427	591,476
Other equity investments		
Credit institutions	55,622	55,590
Non-banks	199,416	201,245
Financial investments	4,032,712	3,903,203

a) Financial assets FVPL	698,421	716,512
b) Financial assets FVOCI	352,171	366,201
thereof equity instruments	328,743	341,516
thereof debt instruments	23,428	24,685
c) Financial assets AC	1,724,833	1,574,630
d) Interest in entities accounted for using the equity method	1,257,287	1,245,860
Financial investments	4,032,712	3,903,203

15) Intangible assets	**31/3/2025**	**31/12/2024**
Other intangible assets	3,915	4,338
Customer base	153	153
Intangible assets	4,068	4,491

16) Property, plant and equipment	**31/3/2025**	**31/12/2024**
Investment property	62,414	63,047
Land and buildings	82,019	78,159
Business equipment and furnishings	34,655	36,951
Other property, plant and equipment	14,528	21,041
Right-of-use for leased objects	137,545	136,941
Property, plant and equipment	331,161	336,139

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 lease contracts do not involve any significant restrictions or commitments. There were no sale-and-leaseback transactions. The results in the consolidated balance sheet, consolidated income statement and consolidated statement of cash flows for Oberbank as a lessee are presented below for the financial year 2025 and as at 31 March 2025:

Leasing in the consolidated balance sheet	**31/3/2025**	**31/12/2024**
Property, plant and equipment	137,651	137,087
Right-of-use for land and buildings	133,482	133,219
Right-of-use for business equipment and furnishings	611	651
Right-of-use for other property, plant and equipment	3,453	3,072
Right-of-use for investment property	105	145
Other liabilities		
Lease liabilities	139,546	138,905

Additions to rights-of-use in the first quarter of 2025 were EURk 5,672. The cash outflows for lease liabilities totalled EUR 4,505 thousand.

Leasing in the consolidated income statement	1/1 to 31/3/2025	1/1 to 31/3/2024
Interest expenses for lease liabilities	293	255
Administrative expenses	4,289	4,143
Amortisation for right of use for land and buildings	3,841	3,776
Depreciation/amortisation for rights-of-use to business equipment and furnishings	53	59
Depreciation/amortisation for right of use to other property, plant and equipment	355	261
Depreciation/amortisation for rights-of-use to investment property	40	47
Other expenses from lease contracts	594	562
Other operating income		
Income from subleasing rights of use	127	201

Leasing in the consolidated statement of cash flows	1/1 to 31/3/2025	1/1 to 31/3/2024
Repayment of lease liabilities from finance activities	-4,505	-4,326
Interest expenses for lease liabilities from operating activities	293	255

18) Other assets	31/3/2025	31/12/2024
Deferred tax assets	1,609	1,641
Other assets	173,662	143,604
Positive fair values of closed out derivatives in the banking book	17,374	24,603
Deferred items	25,728	10,556
Other assets	218,373	180,404

19) Amounts owed to credit institutions	31/3/2025	31/12/2024
Amounts owed to Austrian credit institutions	1,618,481	1,652,539
Amounts owed to foreign credit institutions	2,095,174	2,151,332
Amounts owed to credit institutions	3,713,655	3,803,871

20) Amounts owed to customers	31/3/2025	31/12/2024
Savings deposits	1,132,872	1,162,120
Other	15,194,880	14,878,215
Amounts owed to customers	16,327,752	16,040,335

21) Securitised liabilities	31/3/2025	31/12/2024
Bonds issued	3,421,275	3,154,223
Other securitised liabilities	8,102	8,143
Securitised liabilities	3,429,377	3,162,366

22) Provisions for liabilities and charges	31/3/2025	31/12/2024
Provisions for termination benefits and pensions	153,777	154,246
Provisions for anniversary bonuses	18,282	18,022
Provisions for credit risks	80,921	88,656
Other provisions	42,178	43,126
Provisions for liabilities and charges	295,158	304,050

23) Other liabilities	31/3/2025	31/12/2024
Trading liabilities	23,066	22,788
Tax liabilities	48,795	39,521
thereof current tax liabilities	40,814	32,227
thereof deferred tax liabilities	7,981	7,294
Lease liabilities	139,546	138,905
Other liabilities	155,399	152,592
Negative fair values of closed out derivatives in the banking book	91,078	94,903
Deferred items	5,961	10,075
Other liabilities	463,845	458,784

24) Other liabilities (share of trading liabilities)	31/3/2025	31/12/2024
Currency contracts	858	1,475
Interest rate contracts	21,085	21,313
Other contracts	1,123	0
Trading liabilities	23,066	22,788

25) Subordinated debt capital	31/3/2025	31/12/2024
Subordinated bonds issued incl. tier 2 capital	512,052	497,625
Hybrid capital	0	0
Subordinated debt capital	512,052	497,625

26) Shareholders’ equity	31/3/2025	31/12/2024
Subscribed capital	105,839	105,820
Capital reserves	505,523	505,523
Retained earnings (incl. net profit)	3,537,675	3,444,160
Negative goodwill	1,872	1,872
Additional equity capital components	50,000	50,000
Share of non-controlling shareholders	8,015	8,213
Shareholders’ equity	4,208,924	4,115,588

27) Contingent liabilities and credit risks	31/3/2025	31/12/2024
Other contingent liabilities (guarantees and letters of credit)	1,719,366	1,707,712
Contingent liabilities	1,719,366	1,707,712
Liabilities arising from repo and reverse repos	0	0
Other commitments (irrevocable loan commitments)	4,117,344	4,109,665
Credit risks	4,117,344	4,109,665

28) Segment report as at 31/3/2025 Core business segments in €m	Retail Banking	Corporate and Business Banking	Financial Markets	Other	Total
Net interest income	46.8	116.1	-6.1		156.8
Income from entities accounted for using the equity method			10.3		10.3
Charges for losses on loans and advances	-0.5	-9.7			-10.2
Net fee and commission income	27.3	31.1			58.4
Net trading income			1.8		1.8
Administrative expenses	-34.0	-53.1	-2.8	-8.5	-98.4
Other operating income	1.5	-1.1	2.2	0.5	3.1
Profit/loss for the period before tax	41.1	83.2	5.5	-8.0	121.8
Average risk-weighted assets	1,947.8	13,762.3	4,755.6		20,465.7
Average allocated equity	396.2	2,798.9	967.2		4,162.3
RoE (return on equity) before tax	41.5%	11.9%	2.3%		11.7%
Cost/income ratio	45.0%	36.4%	33.1%		42.7%

Segment report as at 31/3/2024 Core business segments in €m	Retail Banking	Corporate and Business Banking	Financial Markets	Other	Total
Net interest income	59.0	130.3	-22.3		166.9
Income from entities recognised using the equity method			5.9		5.9
Charges for losses on loans and advances	-0.1	-9.0	-0.1		-9.2
Net fee and commission income	23.9	28.0			51.9
Net trading income		0.1	2.8		2.9
Administrative expenses	-30.3	-50.4	-3.0	-8.2	-91.9
Other operating income	1.2	0.6	2.8	-4.8	-0.2
Profit/loss for the period before tax	53.7	99.6	-14.0	-13.0	126.4
Average risk-weighted assets	1,981.7	13,159.4	4,602.0		19,743.2
Average allocated equity	391.9	2,602.1	910.0		3,903.9
RoE (return on equity) before tax	54.8%	15.3%	n.a.		12.9%
Cost/income ratio	36.1%	31.7%	n.a.		40.4%

n.a. – not indicative

29) Human resources	31/3/2025	31/12/2024
Salaried employees	2,190	2,227
Wage earners	3	3
Total resources	2,193	2,230

30) Regulatory capital pursuant to Part 2 of Regulation (EU) No 575/2013 - Pillar I in €k	31/3/2025	31/12/2024	31/3/2024
Subscribed capital	105,922	105,922	105,922
Capital reserves	505,523	505,523	505,523
Retained earnings	3,284,889	3,286,346	3,002,637
Minority interests	0	0	0
Cumulated other comprehensive income	74,862	81,039	105,512
Regulatory adjustment items	-10,133	-14,079	-26,841
Deductions from CET 1 capital	-400,998	-355,378	-335,253
COMMON EQUITY TIER 1 CAPITAL	**3,560,065**	**3,609,373**	**3,357,500**
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	**3,610,065**	**3,659,373**	**3,407,500**
Qualifying supplementary capital instruments	376,385	347,690	357,372
Supplementary capital (tier 2) items pursuant to national implementation rules	0	0	0
General credit risk adjustments	0	0	0
Deductions from supplementary capital (tier 2) items	-15,313	-15,313	-16,403
Supplementary capital (tier 2)	**361,072**	**332,377**	**340,969**
OWN FUNDS	**3,971,137**	**3,991,750**	**3,748,469**

Total risk exposure pursuant Art. 92 CRR			
Credit risk	17,802,107	17,108,006	16,880,046
Market risk, settlement risk and CVA risk	23,538	13,708	19,481
Operational risk	1,262,686	1,627,401	1,428,187
Total exposure	**19,088,331**	**18,749,115**	**18,327,714**

Own funds ratio pursuant to Art. 92 CRR			
Common equity tier 1 capital ratio	18.65%	19.25%	18.32%
Tier 1 capital ratio	18.91%	19.52%	18.59%
Total capital ratio	20.80%	21.29%	20.45%
Regulatory requirement, own capital ratios in %			
Common equity tier 1 capital ratio	7.34%	7.32%	7.36%
Tier 1 capital ratio	8.84%	8.82%	8.86%
Total capital ratio	10.84%	10.82%	10.86%
Regulatory own funds requirements in €k			
Common equity tier 1 capital	1,401,083	1,372,435	1,348,920
Tier 1 capital	1,687,408	1,653,672	1,623,835
Total capital	2,069,175	2,028,654	1,990,390
Free capital components			
Common equity tier 1 capital	2,158,982	2,236,938	2,008,580
Tier 1 capital	1,922,657	2,005,701	1,783,665
Total capital	1,901,962	1,963,096	1,758,079

31) Fair value of financial instruments and other items regarding reconciliation as at 31/3/2025 in €k	**AC**	**FVTPL**	**thereof designated**	**HFT**	**FVOCI**	**thereof equity instruments FVOCI**	**thereof debt instruments FVOCI**	**AC/liabilities**	**Other**	**Total**
Cash and balances with central banks								2,932,116		**2,932,116**
								2,932,116		**2,932,116**
Loans and advances to credit institutions								335,968		**335,968**
								336,128		**336,128**
Loans and advances to customers	90,035	300,407	272,727		628	0	628	20,680,720		**21,071,790**
	84,026	300,407	272,727		628	0	628	20,587,809		**20,972,871**
Trading assets				24,575						**24,575**
				24,575						**24,575**
Financial investments	1,724,833	698,421	401,743		352,171	328,743	23.427		1,257,287	**4,032,712**
	1,665,565	698,421	401,743		352,171	328,743	23,427			
Intangible assets									4,068	**4,068**
Property, plant and equipment									331,161	**331,161**
Other assets				17,374					200,999	**218,373**
				17,374						
thereof closed out				17,374						**17,374**
Derivatives in the banking book				17,374						**17,374**
Total assets	**1,814,869**	**998,828**	674,470	**41,949**	**352,799**	328,743	24,055	**23,948,803**	**1,793,515**	**28,950,763**
	1,749,592	**998,828**	674,470	**41,949**	**352,799**	328,743	24,055	**23,856,054**		

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

31) Fair value of financial instruments and other items regarding reconciliation as at 31/3/2025 in €k	**AC**	**FVTPL**	**thereof designated**	**HFT**	**FVOCI**	**thereof equity instruments FVOCI**	**thereof debt instruments FVOCI**	**AC/liabilities**	**Other**	**Total**
Amounts owed to credit institutions								3,713,655		**3,713,655**
								3,517,285		**3,517,285**
Amounts owed to customers		258,644	258,644					16,069,108		**16,327,752**
		258,644	258,644					16,065,096		**16,323,740**
Securitised liabilities		556,965	556,965					2,872,412		**3,429,377**
		556,965	556,965					2,737,552		**3,294,516**
Provisions for liabilities and charges									295,158	**295,158**
Other liabilities				114,144					349,701	**463,845**
				114,144						
thereof closed out()				91,078						**91,078**
derivatives in the banking book				91,078						**91,078**
Subordinated debt capital		200,694	200,694					311,358		**512,052**
		200,694	200,694					302,248		**502,942**
Shareholders’ equity									4,208,924	**4,208,924**
Total equity and liabilities		**1,016,303**	1,016,303	**114,144**				**22,966,533**	**4,853,783**	**28,950,763**
		1,016,303	1,016,303	**114,144**				**22,622,181**		

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

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

Liabilities designated at fair value through profit or loss in €k	Cumulated changes in fair value due to a change in own default risk (recognised in OCI)	Modification to fair value due to a change in market risk (recognised in P/L)		Difference in amount between carrying amount and par value
	as at 31/3/2025	in Q1 2025	Cumulated	as at 31/3/2025
Amounts owed to credit institutions	0	0	0	0
Amounts owed to customers	2,496	2,559	-13,029	-13,029
Securitised liabilities	6,118	435	-48,178	-48,178
Subordinated debt capital	1,227	-8	-5,798	-5,798

In Q1 2025, there were no reclassifications of cumulated profit or loss within equity.

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

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

Assets designated at fair value through profit or loss as at 31/3/2025 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 through related credit derivatives or similar instruments	in Q1 2025	Cumulated	in Q1 2025	Cumulated
Loans and advances to customers	272,727		—	—	—	—
Financial investments	401,743		—	262	—	—

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

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

in €k	**31/3/2025**	**31/12/2024**
Loans and advances to customers FVTPL	300,407	303,860
Financial investments FVTPL	698,421	716,513
Financial investments FVOCI	328,743	341,516
Trading assets	24,575	28,564
Derivatives in the banking book	17,374	24,603
Total	**1,369,520**	**1,415,056**

Fair value hierarchy for financial instruments as at 31/3/2025										
	AC Carrying amount	FVTPL Carrying amount	HFT Carrying amount	FVOCI Carrying amount	AC/Liabilities carrying amount	Other carrying amount	Total carrying amount	Level 1 Fair value	Level 2 Fair value	Level 3 Fair value
Financial instruments carried at fair value in €k										
Loans and advances to customers		300,407		628			**301,035**		20,578	280,456
Trading assets			24,575				**24,575**	810	23,765	
Financial assets - FVPL		698,421					**698,421**	414,048	284,373	
Financial assets - FVOCI				352,171			**352,171**	69,011	271	282.889[1)]
Other assets			17,374				**17,374**		17,374	
thereof closed out derivatives in the banking book			17,374				**17,374**		17,374	
Financial assets not carried at fair value										
Loans and advances to credit institutions					335,968		**335,968**		336,128	
Loans and advances to customers	90,035				20,680,720		**20,770,755**		84,026	20,587,809
Financial assets - AC	1,724,833						**1,724,833**	1,637,368	28,197	

[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 31/3/2025										
	AC Carrying amount	FVTPL Carrying amount	HFT Carrying amount	FVOCI Carrying amount	AC/Liabilities carrying amount	Other carrying amount	Total carrying amount	Level 1 Fair value	Level 2 Fair value	Level 3 Fair value
Financial liabilities carried at fair value										
Amounts owed to credit institutions							**0**			
Amounts owed to customers		258,644					**258,644**		258,644	
Securitised liabilities		556,965					**556,965**		556,965	
Other liabilities			114,144				**114,144**		114,144	
thereof closed out derivatives in the banking book			91,078				**91,078**		91,078	
Subordinated debt capital		200,694					**200,694**		200,694	
Liabilities not carried at fair value										
Amounts owed to credit institutions					3,713,655		**3,713,655**		3,517,285	
Amounts owed to customers					16,069,108		**16,069,108**		16,065,096	
Securitised liabilities					2,872,412		**2,872,412**		2,737,552	
Other liabilities							**0**			
Subordinated debt capital					311,358		**311,358**		302,248	

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

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

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

Measurement process

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

Valuation is based on current stock exchange prices where such quoted prices are publicly available. If direct measurement based on prices quoted on securities exchanges is not possible, model values derived from 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.

Measurement methods for fair values

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

Input factors for 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 probabilities of default 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 debt capital and amounts owed to credit institutions and customers, with the cash flows of own issues being calculated using the contractual interest rate. The interest rates used for discounting are derived from the discount curve applicable to the respective currency, adding a premium in the form of a credit spread corresponding to the seniority of the issue. The credit rating premiums are adjusted regularly to the respective market conditions.

The fair value of level 3 assets is measured using generally-accepted valuation models. The fair value measurement of 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 potential downgrading of customers' credit ratings affects the calculation of fair values of level 3 financial instruments.
If risk premiums were to increase by 50 bp, receivables from customers measured at fair value would decline by EUR 9.0 million (31/12/2024: EUR 9.5 million), and if risk premiums were to increase by 100 bp, the fair values of these receivables would decrease by EUR 17.6 million (31/12/2024: EUR 18.5 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 measurement method. Classification adjustments are made at the end of the reporting period.

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

Movements in €k	Equity investments FVOCI
Carrying amount as at 1/1/2025	292,301
Additions (purchases)	0
Disposals	-10,000
Value changes recognised in equity	588
Value changes recognised in income	0
Carrying amount as at 31/3/2025	282,889

The item Other comprehensive income from these instruments increased by EUR 639 thousand

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

Movements in €k	Loans and advances to customers
Carrying amount as at 1/1/2025	284,134
Transfer to level 2	0
Additions	939
Disposals	-1,074
Changes in fair value	-3,543
thereof disposals	0
thereof portfolio instruments	-3,543
Carrying amount as at 31/3/2025	280,456

There were no transfers between level 1 and level 2.

New major transactions with related parties in the financial year as at 31/3/2025 amounted to:

Associated companies	€k 0
Subsidiaries	€k 0
Other related parties	€k 0

Statement by the Management Board of Oberbank AG

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

Linz, 13 May 2025

Management Board

CEO
Franz Gasselsberger
Management Board Remit
Market

Management Board Member
Romana Thiem
Management Board Remit
Market

Management Board Member
Martin Seiter
Management Board Remit
Market

Management Board Member
Florian Hagenauer
Management Board Remit
Back Office

Management Board Member
Isabella Lehner
Management Board Remit
Back Office

Current Management Board Remits

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

1) 100% subsidiary of Oberbank
2) 40% investee of Oberbank

Important information

Forecasts that refer to the future development of Oberbank are estimates made on the basis of information available to us on the reporting date. Should the assumptions regarding such forward-looking statements prove incorrect or should risks materialise to an extent not anticipated, the actual results may vary from those expected at the time of this writing. Information provided on market shares 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.
This report is made available in English for the convenience of readers. Only the German-language version shall be legally-binding.

Financial calendar 2025

2 April 2025	Online publication of the Annual Report for the year 2024
3 May 2025	Date of record for the 145th Annual General Meeting
13 May 2025	145th Annual General Meeting of Oberbank AG
16 May 2025	Ex-dividend date
19 May 2025	Date of record (dividend)
20 May 2025	Dividend payout date
13 May 2025	Report Q1 2025
20 August 2025	Report Q1-Q2 2025
22 November 2025	Report Q1-Q3 2025

The financial calendar is subject to change. The most recent version is available on the website of Oberbank AG.
All information is available online at www.oberbank.at under Investor Relations.

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