

Bank Austria



Bank Austria – Cover Pool of Covered Bonds

(Mortgage Covered Bonds / Public Sector Covered Bonds / Fundierte Bankschuldverschreibungen)

Investor Relations

Vienna, May 2018

Welcome to
Bank Austria
Member of  UniCredit

Agenda

- 1 Public Sector Covered Bonds of Bank Austria**
- 2 Mortgage Covered Bonds of Bank Austria
- 3 Fundierte Bankschuldverschreibungen



Executive Summary Bank Austria

Public Sector Cover Pool

1 2 3

- **Aaa Rating** by Moody's
- **ECBC Covered Bond Label** has been granted to the Public Sector Cover Pool of Bank Austria
- Cover Pool Volume as of 31 Dec. 2017 amounts to EUR 5,912 mn
- Average volume of loans is approx. € 1.6 mn
- Average seasoning is 7.6 years



Public Sector

Parameters of Cover Pool and Issues

1 2 3

- Total Value of the Cover Pool as of 31 December 2017 in EUR equivalent: 5,912 mn
 - thereof in EUR: 3,870 mn
 - thereof in CHF: 589 mn
 - thereof public sector bonds in EUR equivalent: 1,453 mn

Parameters of Cover Pool	
Weighted Average Life (in years incl. Amortization)	6,4
Contracted Weighted Average Life (in years)	9,0
Average Seasoning (in years)	7,6
Total Number of Loans	3.669
Total Number of Debtors	1.392
Total Number of Guarantors	283
Average Volume of Loans (in EUR)	1.611.253
Stake of 10 Biggest Loans	30,8%
Stake of 10 Biggest Guarantors	29,1%
Stake of Bullet Loans	56,8%
Stake of Fixed Interest Loans	45,5%
Amount of Loans 90 Days Overdue	0
Average Interest Rate	1,4%

Parameters of Issues:	
Total Number	34
Average Maturity (in years)	3,6
Average Volume (in EUR)	146.901.635

- Moody's Rating: Aaa



Public Sector

Maturity Structure of Cover Pool and Issues

1 2 3

Maturity of Assets in the Cover Pool	in mn EUR	in %
Maturity up to 12 months	1.091	18,4%
Maturity 12 - 60 months	1.340	22,7%
thereof Maturity 12 - 36 months	934	15,8%
thereof Maturity 36 - 60 months	406	6,9%
Maturity 60 - 120 months	1.359	23,0%
Maturity longer than 120 months	2.122	35,9%
Total	5.912	100,0%







Maturity of Issued Covered Bonds	in mn EUR	in %
Maturity up to 12 months	1.010	20,2%
Maturity 12 - 60 months	3.592	71,9%
thereof Maturity 12 - 36 months	1.075	21,5%
thereof Maturity 36 - 60 months	2.517	50,4%
Maturity 60 - 120 months	113	2,3%
Maturity longer than 120 months	280	5,6%
Total	4.995	100,0%

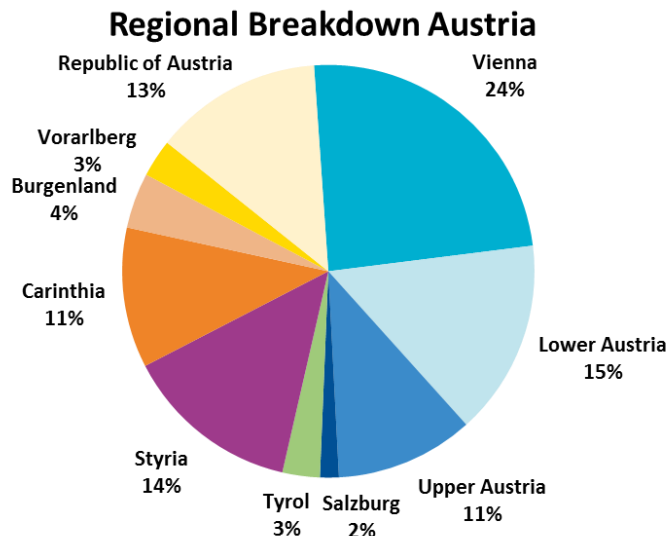


Public Sector

Regional Breakdown of Assets^{*)} in Austria

1 2 3

Regional Breakdown Austria		in mn EUR	in %
	Vienna	1.426	24,1%
	Lower Austria	905	15,3%
	Upper Austria	642	10,9%
	Salzburg	87	1,5%
	Tyrol	174	2,9%
	Styria	818	13,8%
	Carinthia	650	11,0%
	Burgenland	257	4,3%
	Vorarlberg	175	3,0%
	Republic of Austria	779	13,2%
Total Austria		5.912	100,0%

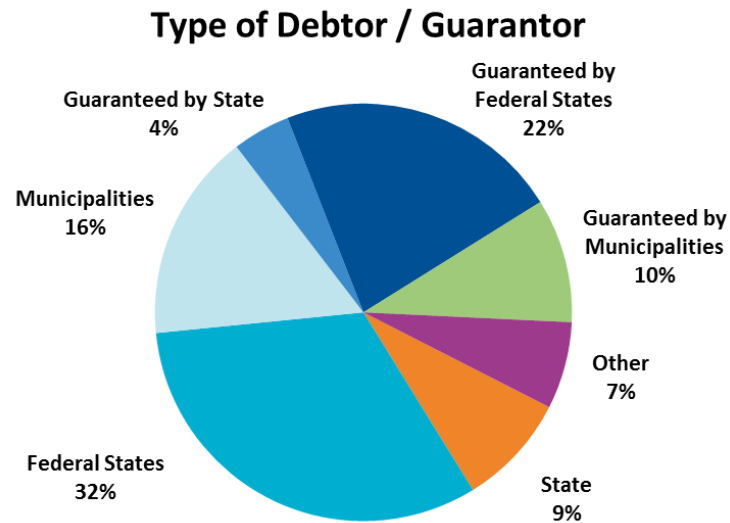


Public Sector

Assets Volume Breakdown by Type of Debtor / Guarantor

1 2 3

Assets: Type of Debtor / Guarantor	in mn EUR	Number
State	514	4
Federal States	1.905	45
Municipalities	956	2.161
Guaranteed by State	265	144
Guaranteed by Federal States	1.305	237
Guaranteed by Municipalities	569	441
Other	399	637
Total	5.912	3.669



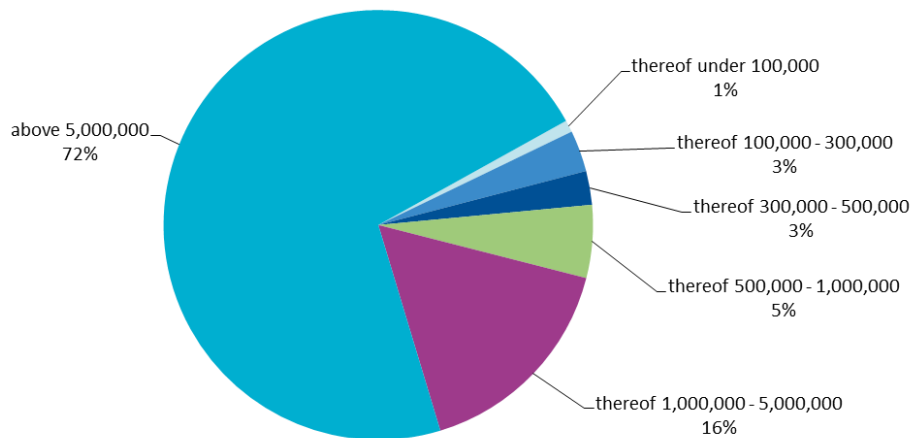
Public Sector

Volume Breakdown by Size of Assets

1 2 3

Volume Breakdown by Size of Assets	in mn EUR	Number
below 300,000	237	2.232
thereof under 100,000	53	1.210
thereof 100,000 - 300,000	184	1.022
300,000 - 5,000,000	1.441	1.318
thereof 300,000 - 500,000	150	387
thereof 500,000 - 1,000,000	324	450
thereof 1,000,000 - 5,000,000	967	481
above 5,000,000	4.234	119
Total	5.912	3.669

Breakdown by Size of Assets



Agenda

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- **Aaa Rating by Moody's**
- Bank Austria decided to streamline its **Mortgage Cover Pool targeting a simple and transparent pool composition:**
 - focus on **Austrian mortgages only**
 - change to whole loan reporting instead of collateral volume
- **Benefit:**
 - **pure Austrian risk offer** to our investor base
 - no blending of risk, diversification to be decided by investor
 - simple pricing logic
- **ECBC Covered Bond Label** has been granted to the BA Mortgage Cover Pool



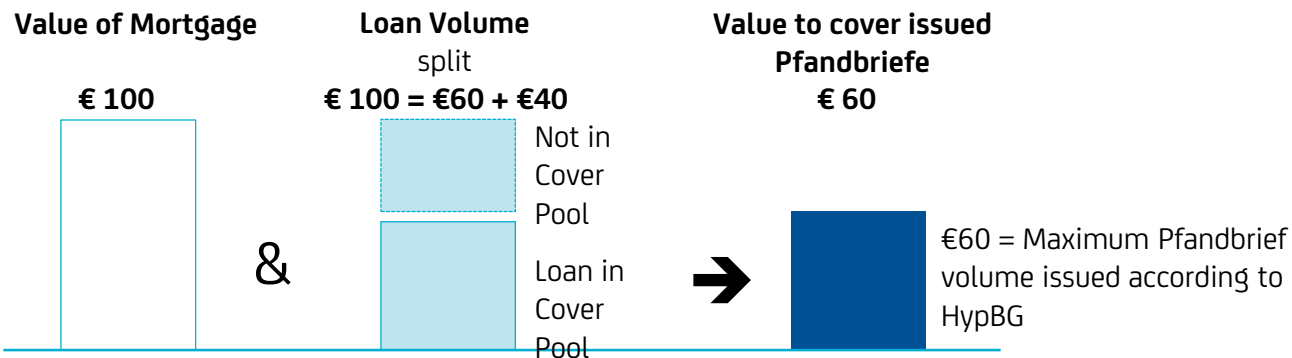
Bank Austria's Whole Loan Approach

Whole Loan Approach and its Benefits for Investors

1 2 3

According to the Austrian Mortgage Banking Act (HypBG), the maximum coverage volume of "Beleihungswert" is 60% (maximum current outstanding of the loan)

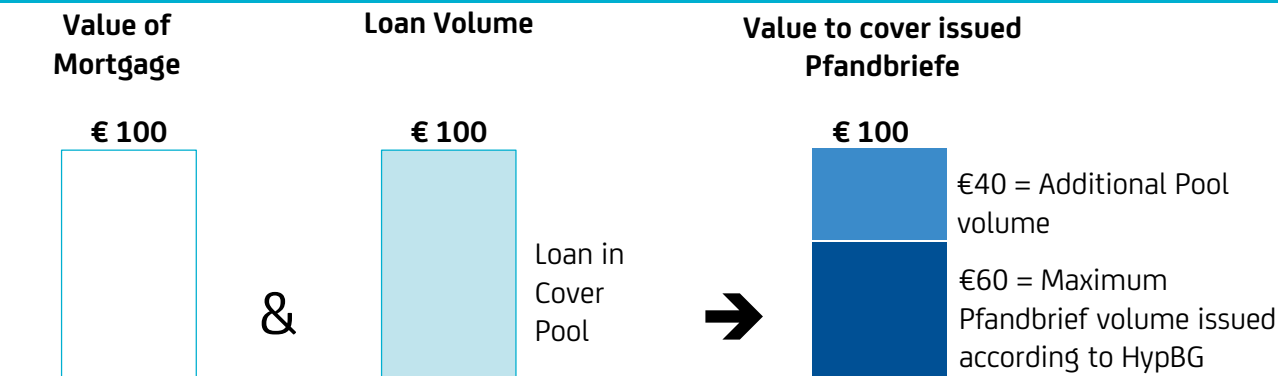
Scenario I: Split Loan Approach = Minimum Approach



For optimization of its collateral value loans are split into 2 parts:

1. included in cover pool and
2. not included in cover pool

Scenario II = Approach of Bank Austria = Whole Loan Approach



The whole loan – and not only its legally assigned value – is included in the cover pool to collateralize BA's issued Mortgage Pfandbriefe.

Thus, investors benefit from collateralization above legal requirement in BA's cover pool.



Mortgage Cover Pool

Parameters of the Cover Pool and Issues

1 2 3

- Total Value of the Cover Pool as of 31 December 2017 in EUR equivalent: 10,792 mn
 - thereof in EUR: 9,456 mn
 - thereof in CHF: 1,207 mn
 - thereof substitute cover in EUR: 129 mn

Parameters of Cover Pool	
Weighted Average Life (in years incl. Amortization)	9,3
Contracted Weighted Average Life (in years)	15,3
Average Seasoning (in years)	6,2
Total Number of Loans	38.769
Total Number of Debtors	34.514
Total Number of Mortgages	36.470
Average Volume of Loans (in EUR)	292.386
Stake of 10 Biggest Loans	12,3%
Stake of 10 Biggest Debtors	14,8%
Stake of Bullet Loans	24,7%
Stake of Fixed Interest Loans	25,6%
Amount of Loans 90 Days Overdue	0
Average Interest Rate	1,3%
Parameters of Issues:	
Total Number	90
Average Maturity (in years)	4,1
Average Volume (in EUR)	52.801.959

- Moody's Rating: Aaa



Mortgage Cover Pool

Maturity Structure of Cover Pool and Issues

1 2 3

Maturity of Assets in the Cover Pool	in mn EUR	in %
Maturity up to 12 months	216	2,0%
Maturity 12 - 60 months	1.227	11,4%
thereof Maturity 12 - 36 months	623	5,8%
thereof Maturity 36 - 60 months	603	5,6%
Maturity 60 - 120 months	2.194	20,3%
Maturity longer than 120 months	7.155	66,3%
Total	10.792	100,0%
Maturity of Issued Covered Bonds		
	in mn EUR	in %
Maturity up to 12 months	955	20,1%
Maturity 12 - 60 months	2.197	46,2%
thereof Maturity 12 - 36 months	1.646	34,6%
thereof Maturity 36 - 60 months	550	11,6%
Maturity 60 - 120 months	1.269	26,7%
Maturity longer than 120 months	332	7,0%
Total	4.752	100,0%



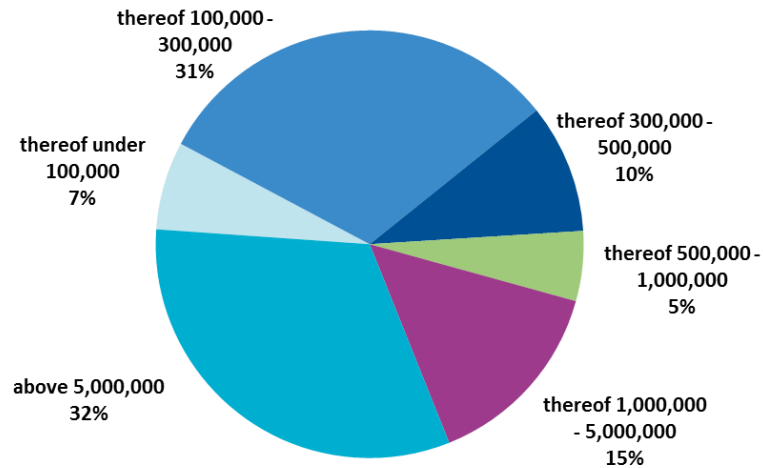
Mortgage Cover Pool

Assets Volume Breakdown

1 2 3

Volume Breakdown by Size of Mortgages	in mn EUR	Number
below 300,000	4.114	31.829
thereof under 100,000	720	12.707
thereof 100,000 - 300,000	3.394	19.122
300,000 - 5,000,000	3.206	4.494
thereof 300,000 - 500,000	1.054	2.884
thereof 500,000 - 1,000,000	571	839
thereof 1,000,000 - 5,000,000	1.581	771
above 5,000,000	3.472	147
Total	10.792	36.470








Breakdown by Size of Loans



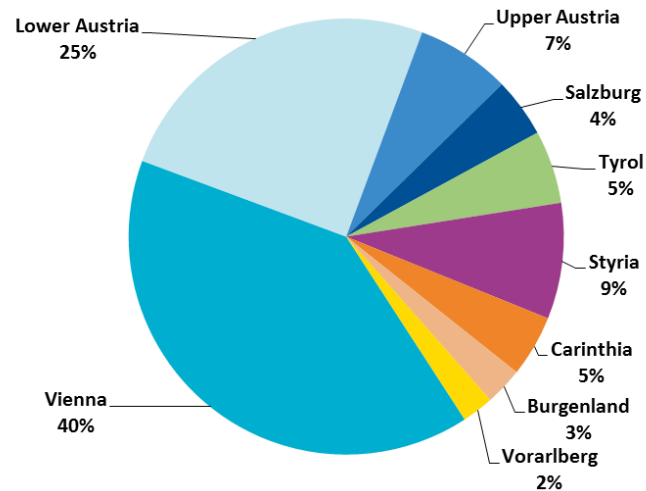
Mortgage Cover Pool

Regional Breakdown ^{*)} of Mortgages in Austria

1 2 3

Regional Breakdown Austria		in mn EUR	%
	Vienna	4.246	39,8%
	Lower Austria	2.669	25,0%
	Upper Austria	747	7,0%
	Salzburg	470	4,4%
	Tyrol	579	5,4%
	Styria	917	8,6%
	Carinthia	487	4,6%
	Burgenland	299	2,8%
	Vorarlberg	251	2,4%
Total		10.663	100,0%

Regional Breakdown Austria

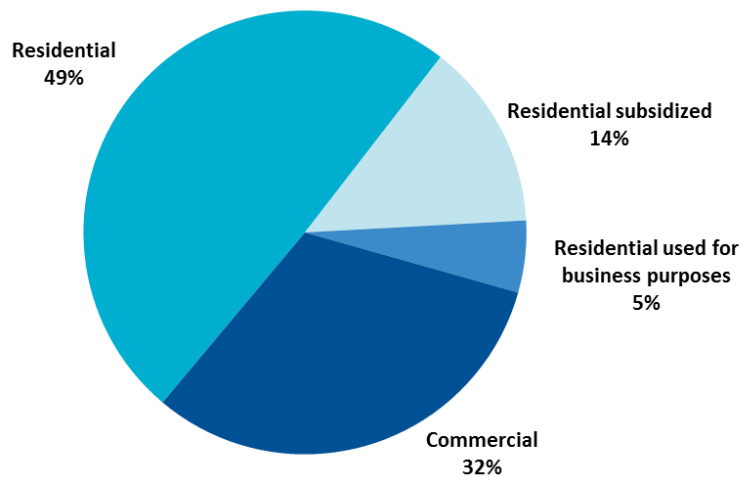


Mortgage Cover Pool Breakdown^{*)} by Type of Use

1 2 3

Mortgages Breakdown by Type of Use	in mn EUR	Number
Residential	5.266	32.503
Residential subsidized	1.455	1.864
Residential used for business purposes	558	1.151
Commercial	3.385	952
thereof Office	1.411	146
thereof Trade	895	68
thereof Tourism	241	136
thereof Agriculture	32	162
thereof mixed Use / Others	807	440
Total	10.663	36.470

Mortgages / Type of Use



Mortgage Cover Pool

Breakdown^{*)} by Type of Use

1 2 3

- Bank Austria's Mortgage **Cover Pool Value** accounts for **€ 10,663 mn** as of 31 December 2017 (without substitute cover)
- **All mortgages in cover pool are located in Austria**
 - The main concentration is in the City of Vienna 39.8% and the state of Lower Austria 25.0%
- **Breakdown of cover pool by type of use:**
 - 68.3% residential real estate (thereof 13.6% subsidized)
 - 31.7% commercial real estate, divides as follows:
 - Office 13.2%
 - Trade 8.4%
 - Tourism 2.3%
 - Other / Mixed use 7.8%



Agenda

- 1 Public Sector Covered Bonds of Bank Austria
- 2 Mortgage Covered Bonds of Bank Austria
- 3 Fundierte Bankschuldverschreibungen**



Executive Summary Bank Austria

Cover Pool of „Fundierte Bankschuldverschreibungen“

1 2 3

- The cover pool of „Fundierte Bankschuldverschreibungen“ includes only mortgages from member states of the European Economic Area and Switzerland
- Borrowers are mostly Austrian and international real estate companies, respectively their local subsidiaries
- Cover Pool Volume as of 31 Dec. 2017 amounts to EUR 720.7 mn
- Average volume of loans is approx. € 7.1 mn
- Average seasoning is 6.6 years
- Currently, there is no rating by a rating agency



Cover Pool of „Fundierte Bankschuldverschreibungen“

Parameters of the Cover Pool and Issues

1 2 3

- Total Value of the Cover Pool as of 31 December 2017 in EUR equivalent: 720.7 mn
 - thereof in EUR: 720.7 mn

Parameters of Cover Pool	
Weighted Average Life (in years incl. Amortization)	1.8
Contracted Weighted Average Life (in years)	3.3
Average Seasoning (in years)	6.6
Total Number of Loans	101
Total Number of Debtors	57
Total Number of Mortgages	111
Average Volume of Loans (in EUR)	7,135,232
Stake of 10 Biggest Loans	57.3%
Stake of 10 Biggest Debtors	61.3%
Stake of Bullet Loans	3.2%
Stake of Fixed Interest Loans	26.8%
Amount of Loans 90 Days Overdue	0
Average Interest Rate	2.1%

Parameters of Issues:	
Total Number	2
Average Maturity (in years)	3.0
Average Volume (in EUR)	250,000,000



Cover Pool of „Fundierte Bankschuldverschreibungen“

Maturity Structure of Cover Pool and Issues

1 2 3

Maturity of Assets in the Cover Pool	in mn EUR	in %
Maturity up to 12 months	85.9	11.9%
Maturity 12 - 60 months	495.8	68.8%
thereof Maturity 12 - 36 months	357.3	49.6%
thereof Maturity 36 - 60 months	138.4	19.2%
Maturity 60 - 120 months	132.8	18.4%
Maturity longer than 120 months	6.2	0.9%
Total	720.7	100.0%

Maturity of Issued Covered Bonds	in mn EUR	in %
Maturity up to 12 months	250	50.0%
Maturity 12 - 60 months	250	50.0%
thereof Maturity 12 - 36 months	0	0.0%
thereof Maturity 36 - 60 months	250	50.0%
Maturity 60 - 120 months	0	0.0%
Maturity longer than 120 months	0	0.0%
Total	500	100.0%



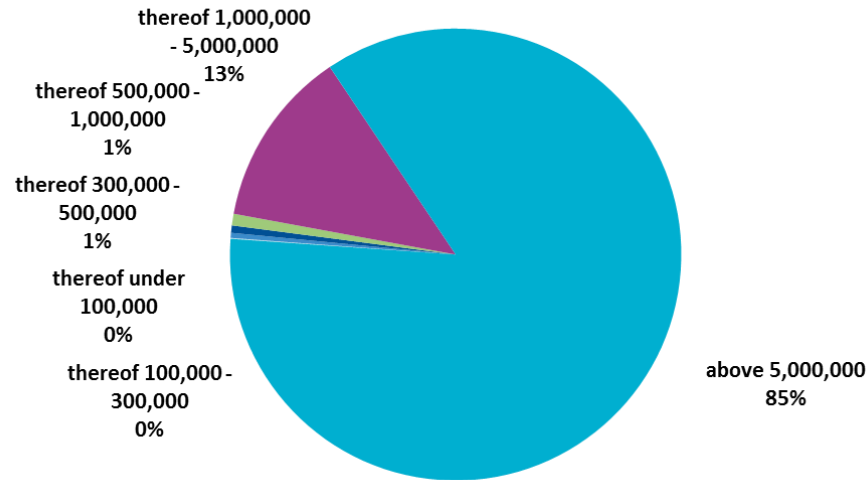
Cover Pool of „Fundierte Bankschuldverschreibungen“

Assets Volume Breakdown

1 2 3

Volume Breakdown by Size of Loans	in mn EUR	Number
below 300,000	3,1	19
thereof under 100,000	0,5	6
thereof 100,000 - 300,000	2,6	13
300,000 - 5,000,000	101,3	52
thereof 300,000 - 500,000	3,8	10
thereof 500,000 - 1,000,000	6,0	8
thereof 1,000,000 - 5,000,000	91,5	34
above 5,000,000	616,3	30
Total	720,7	101






Breakdown by Size of Loans

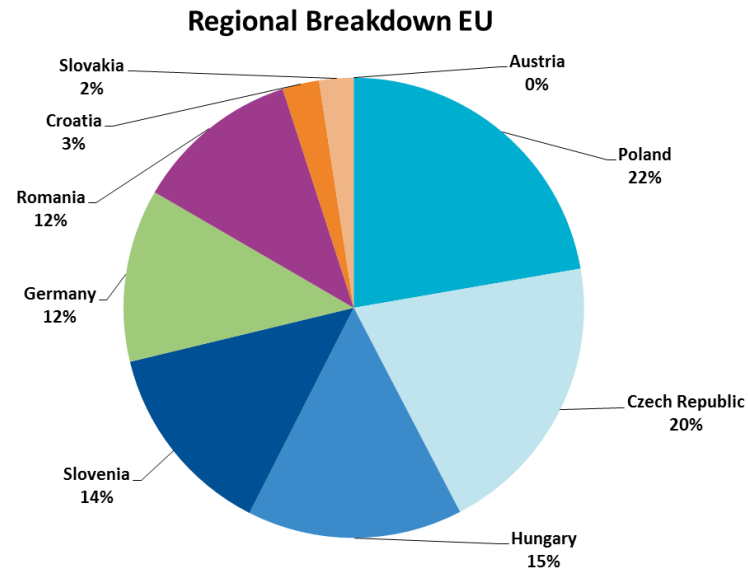


Cover Pool of „Fundierte Bankschuldverschreibungen“

Regional Breakdown of Mortgages in EU

1 2 3

Regional Breakdown EU		in mn EUR	in %
	Austria	0.0	0.0%
	Poland	160.5	22.3%
	Czech Republic	144.7	20.1%
	Hungary	109.0	15.1%
	Slovenia	99.1	13.7%
	Germany	87.5	12.1%
	Romania	83.8	11.6%
	Croatia	18.6	2.6%
	Slovakia	17.4	2.4%
Total EU		720.7	100.0%



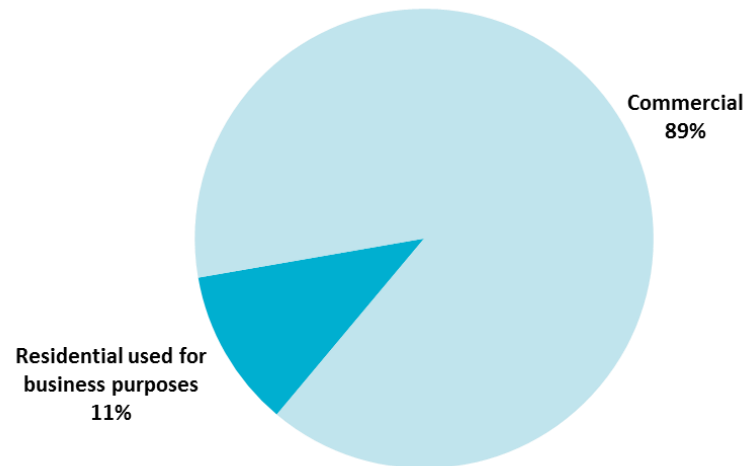
Cover Pool of „Fundierte Bankschuldverschreibungen“

Breakdown by Type of Use

1 2 3

Mortgages Breakdown by Type of Use	in mn EUR	Number
Residential used for business purposes	80.4	55
Commercial	640.2	56
thereof Office	248.6	22
thereof Trade	351.2	23
thereof Tourism	18.1	1
thereof Agriculture	0.0	0
thereof mixed Use / Others	22.3	10
Total	720.7	111

Mortgages / Type of Use



Cover Pool of „Fundierte Bankschuldverschreibungen“

Breakdown by Type of Use

1 2 3

- Bank Austria's Mortgage **Cover Pool Value** accounts for **€ 720.7 mn** as of 31 December 2017
 - **All mortgages in cover pool are located outside Austria**
 - Main concentration in Poland 22.3% and the Czech Republic 20.1%
- **Breakdown of cover pool by type of use:**
 - 11.2% residential real estate (thereof 0% subsidized)
 - 88.8% commercial real estate, divided as follows:
 - Office 34.5%
 - Trade 48.7%
 - Tourism 2.5%
 - Other / Mixed use 3.1%



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