

Bank Austria



Bank Austria – Cover Pool of Covered Bonds

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

Investor Relations

Vienna, March 2019

Banking that matters.



Agenda

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



Executive Summary

Public Sector Cover Pool of Bank Austria



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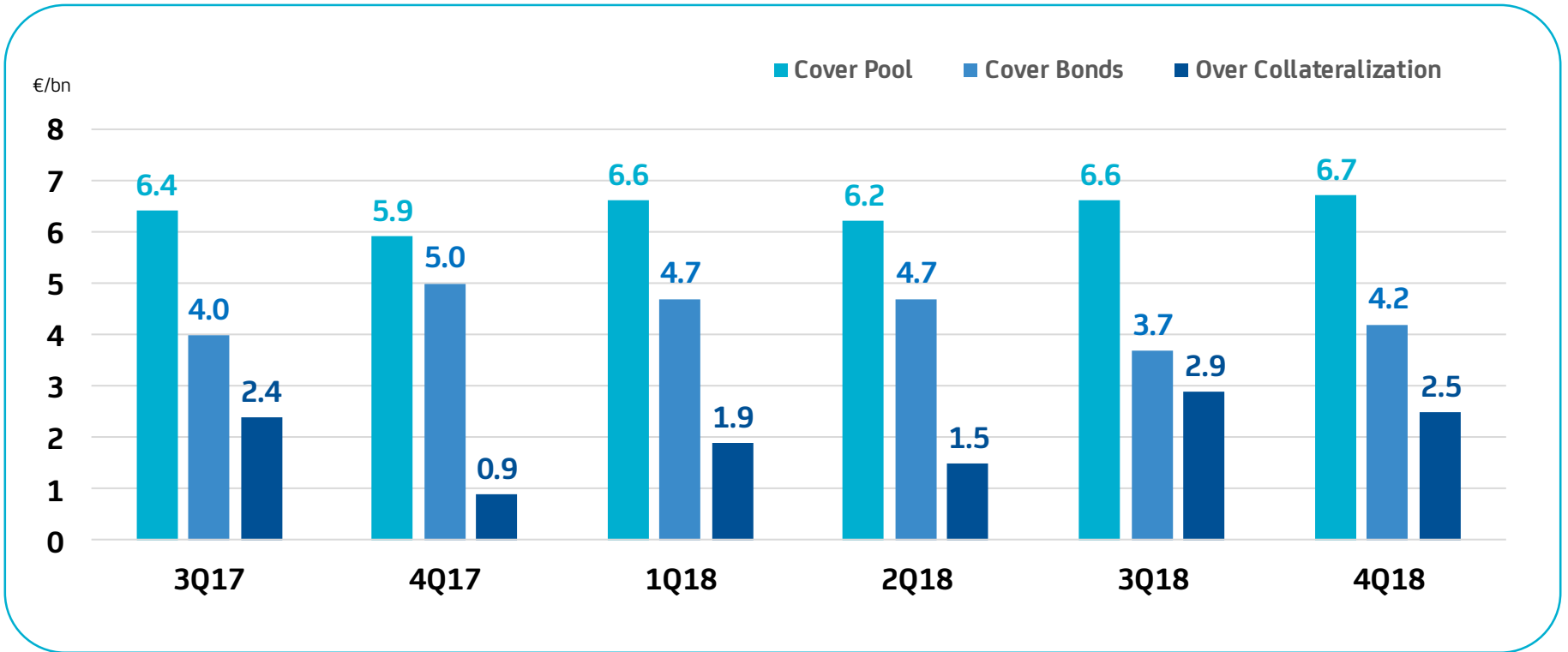
- **Aaa Rating** by Moody's
- Focus on **purely Austrian claims**
- Cover Pool Volume as of 31 December 2018 amounts to **EUR 6,660 mn**
- Average volume of loans is approx. **€ 1.6 mn**
- Average seasoning is **7.5 years**
- **ECBC Covered Bond Label** has been granted to the Public Sector Cover Pool of Bank Austria



Public Sector Cover Pool

Historical trend

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Public Sector Cover Pool

Parameters of Cover Pool and Issues

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<i>Parameters of Cover Pool</i>	<i>Dec 2018</i>
Weighted Average Life (in years incl. Amortization)	7.1
Contracted Weighted Average Life (in years)	10.2
Average Seasoning (in years)	7.5
Total Number of Loans	4,124
Total Number of Debtors	1,471
Total Number of Guarantors	319
Average Volume of Loans (in EUR)	1,614,880
Stake of 10 Biggest Loans	26.0%
Stake of 10 Biggest Guarantors	56.0%
Stake of Bullet Loans	55.7%
Stake of Fixed Interest Loans	49.6%
Amount of Loans 90 Days Overdue	-
Average Interest Rate	1.5%

<i>Parameters of Issues:</i>	<i>Dec 2018</i>
Total Number	32
Average Maturity (in years)	3.5
Average Volume (in EUR)	130,770,487.5

- Total Value of the **Cover Pool** as of **31 Dec. 2018**
(EUR equivalent): **€ 6,660 mn**
 - thereof in EUR: 4,824 mn (72.5%)
 - thereof in CHF: 175 mn (2.6%)
 - thereof public sector bonds in EUR equivalent:
1,661 mn (24.9%)
- **Moody's Rating: Aaa**



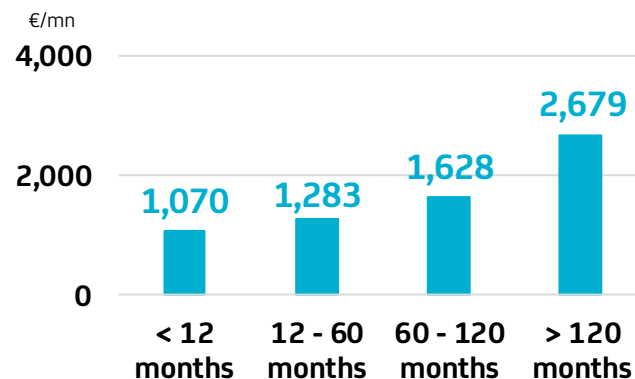
Public Sector Cover Pool

Maturity Structure of Cover Pool and Issues

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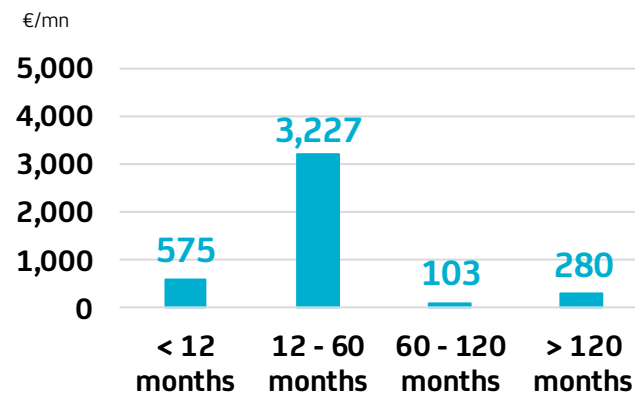
Maturity of assets in the cover pool – December 2018

Maturity of Assets in the Cover Pool	Total	
	€/mn	%
< 12 months	1,070	16.1%
12 - 60 months	1,283	19.3%
12 - 36 months	622	9.4%
36 - 60 months	661	9.9%
60 - 120 months	1,628	24.4%
> 120 months	2,679	40.2%
Total	6,660	100%



Maturity of issued covered bonds – December 2018

Maturity of Issued Covered Bonds	Total	
	€/mn	%
< 12 months	575	13.7%
12 - 60 months	3,227	77.1%
12 - 36 months	2,002	47.8%
36 - 60 months	1,225	29.3%
60 - 120 months	103	2.5%
> 120 months	280	6.7%
Total	4,185	100%



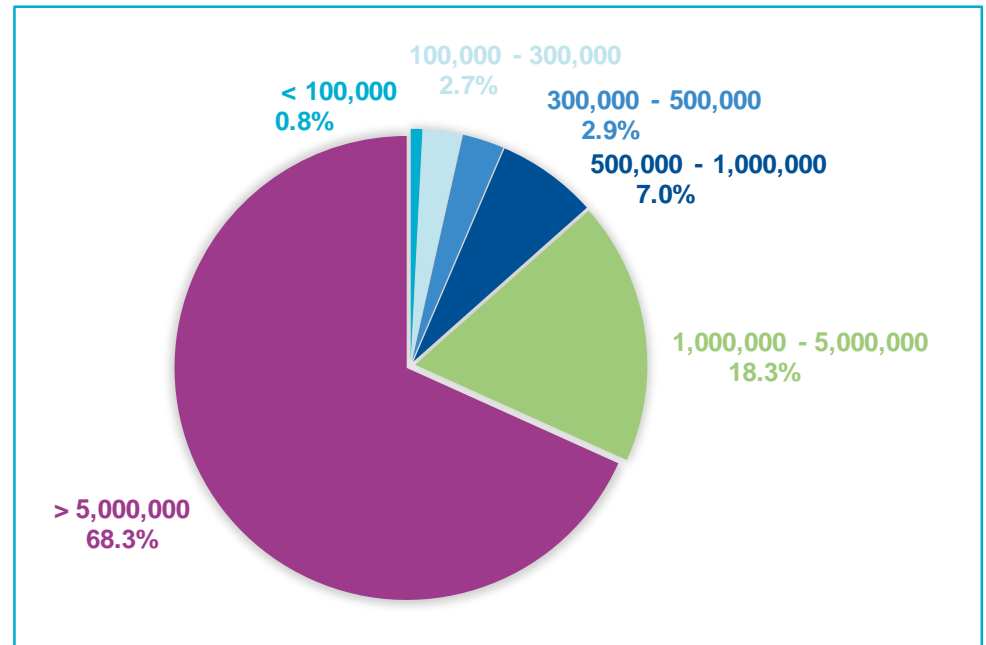
Public Sector Cover Pool

Volume breakdown by Size of Assets

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Breakdown by size of assets – December 2018

Volume Breakdown by Size of Assets	Total	
	€/mn	Number
< 300,000	235	2,224
< 100,000	53	1,227
100,000 - 300,000	181	997
300,000 - 5,000,000	1,880	1,770
300,000 - 500,000	194	495
500,000 - 1,000,000	467	650
1,000,000 - 5,000,000	1,220	625
> 5,000,000	4,544	130
Total	6,660	4,124













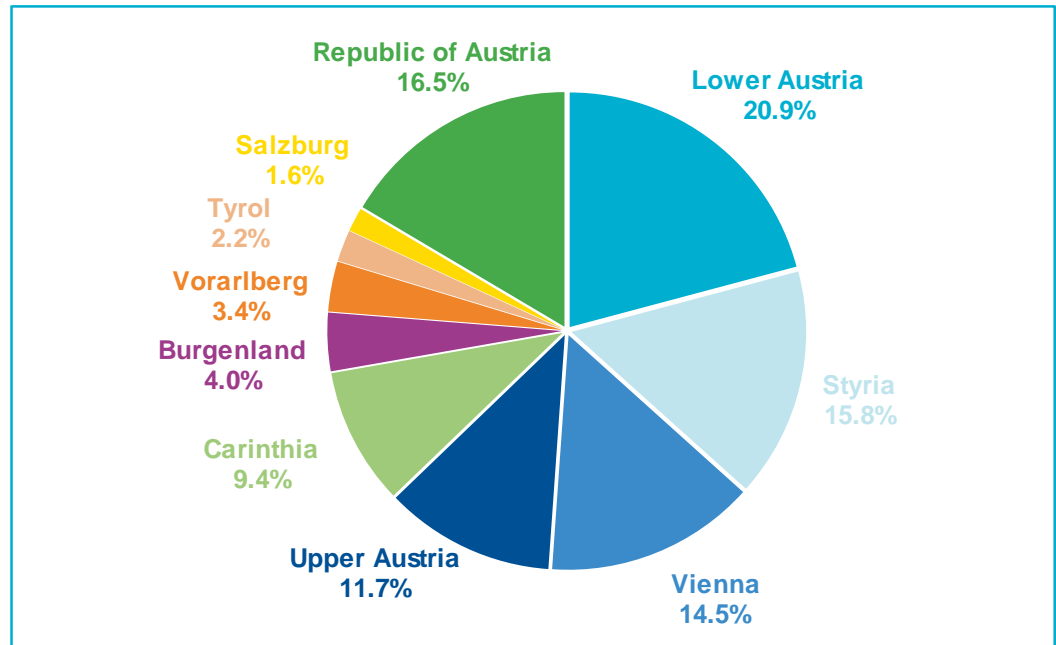
Public Sector Cover Pool

Regional Breakdown of Assets^{*)} in Austria

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Regional Breakdown Austria – December 2018

	Regional Breakdown Austria	Total	
		€/mn	%
	Lower Austria	1,389	20.9%
	Styria	1,053	15.8%
	Vienna	963	14.5%
	Upper Austria	778	11.7%
	Carinthia	629	9.4%
	Burgenland	267	4.0%
	Vorarlberg	229	3.4%
	Tyrol	145	2.2%
	Salzburg	109	1.6%
	Republic of Austria	1,098	16.5%
	Total Austria	6,660	100%



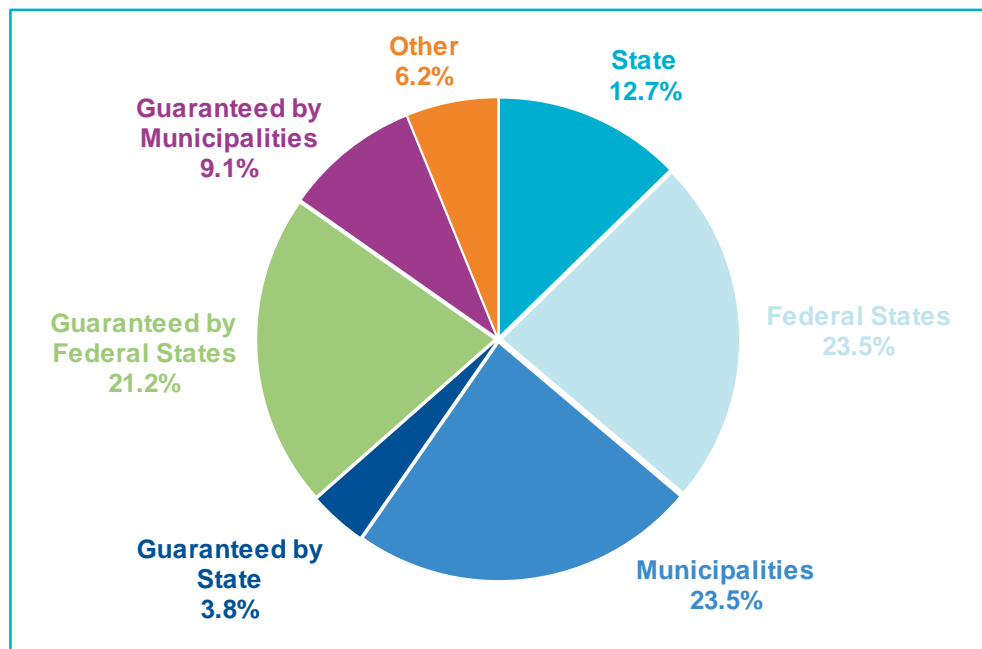
Public Sector Cover Pool

Assets Volume Breakdown by Type of Debtor / Guarantor

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Breakdown by type of debtor / guarantor – December 2018

Assets: Type of Debtor / Guarantor	Total	
	€/mn	Number
State	842	5
Federal States	1,565	46
Municipalities	1,565	2,608
Guaranteed by State	256	132
Guaranteed by Federal States	1,415	237
Guaranteed by Municipalities	607	528
Other	411	568
Total	6,660	4,124



Agenda

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



Executive Summary

Bank Austria Mortgage Cover Pool



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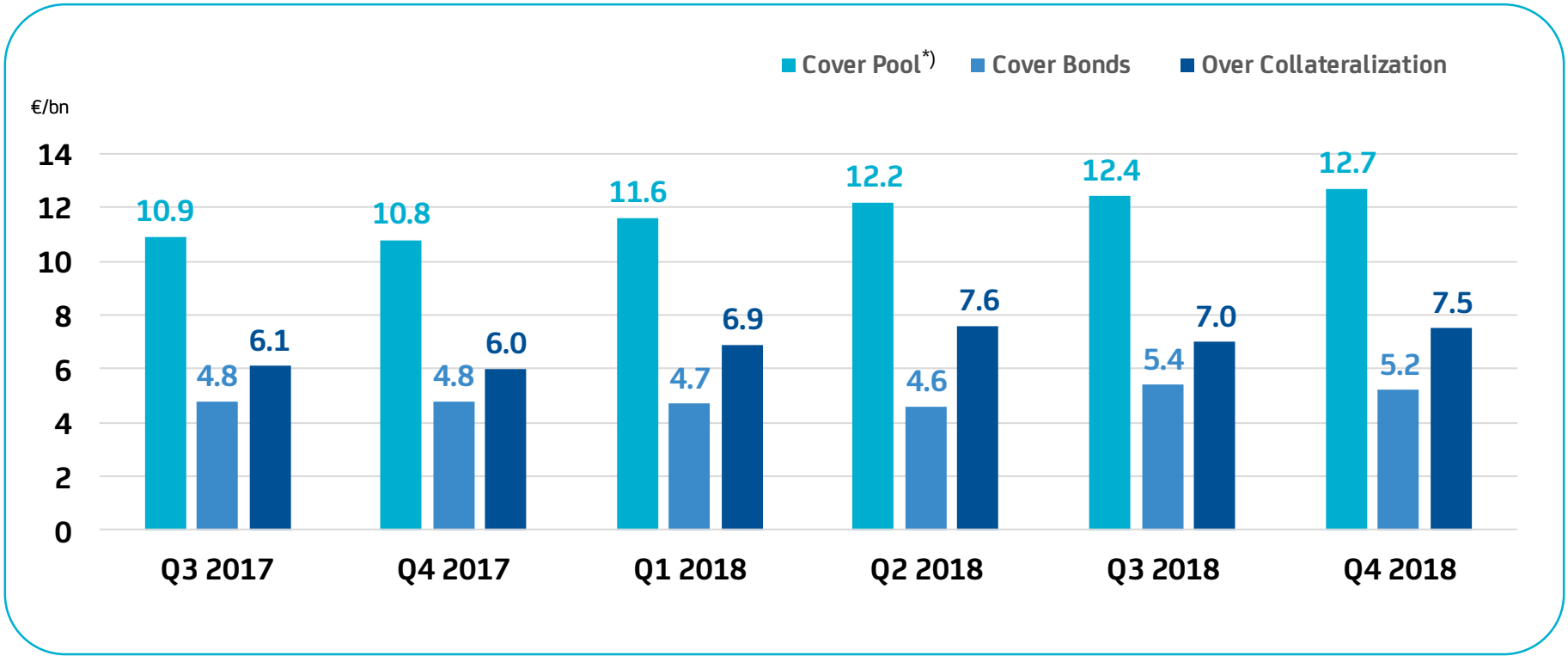
- **Aaa Rating by Moody's**
- Bank Austria decided to streamline its **Mortgage Cover Pool targeting a simple and transparent pool composition:**
 - focus on **Austrian mortgages only**
 - change to whole loan reporting instead of collateral volume
- **Benefit:**
 - **pure Austrian risk offer** to our investor base
 - no blending of risk, diversification to be decided by investor
 - simple pricing logic
- **No new CHF assets since 2010.** Decrease of total value in CHF over the last three years (2Q15: € 1,796 mn – 4Q18: € 1,110 mn)
- Steady increase of the cover pool (ca. € 2,000 mn in the last year), primarily by residential mortgages
- **ECBC Covered Bond Label** has been granted to the BA Mortgage Cover Pool



Mortgage Cover Pool

Historical trend

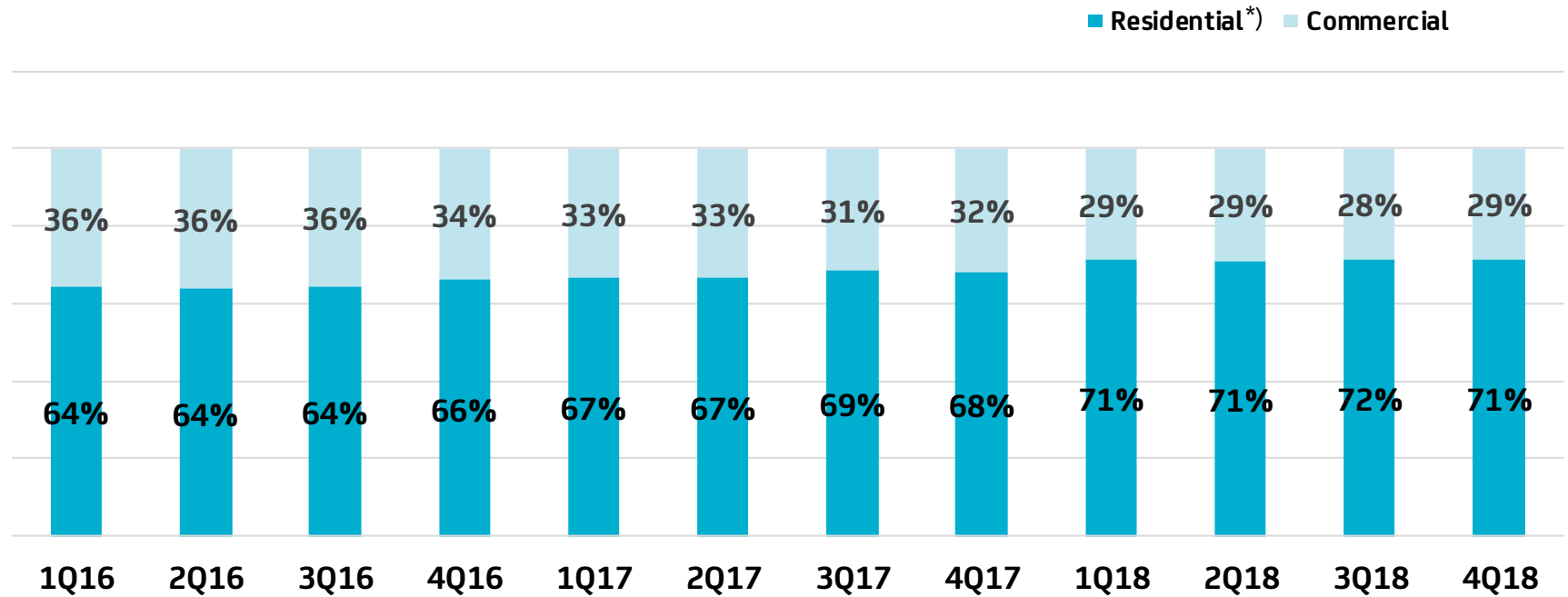
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Mortgage Cover Pool

Breakdown by type of use - Historical trend

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- Majority of cover pool consists of residential mortgages which increased steadily during the last three years



Mortgage Cover Pool

Parameters of Cover Pool and Issues

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<i>Parameters of Cover Pool</i>	<i>Dec 2018</i>
Weighted Average Life (in years incl. Amortization)	10.0
Contracted Weighted Average Life (in years)	16.2
Average Seasoning (in years)	6.1
Total Number of Loans	44,470
Total Number of Debtors	38,872
Total Number of Mortgages	41,293
Average Volume of Loans (in EUR)	283,650
Stake of 10 Biggest Loans	10.3%
Stake of 10 Biggest Debtors	13.2%
Stake of Bullet Loans	24.8%
Stake of Fixed Interest Loans	30.2%
Amount of Loans 90 Days Overdue	-
Average Interest Rate	1.3%

<i>Parameters of Issues:</i>	<i>Dec 2018</i>
Total Number	82
Average Maturity (in years)	4.2
Average Volume (in EUR)	63,977,858.5

- Total Value of the **Cover Pool** as of **31 Dec. 2018**
(EUR equivalent): **12,762 mn**
 - thereof in EUR: 11,504 mn (90.1%)
 - thereof in CHF: 1,110 mn (8.7%)
 - thereof substitute cover in EUR: 149 mn (1.2%)
- **Moody's Rating: Aaa**



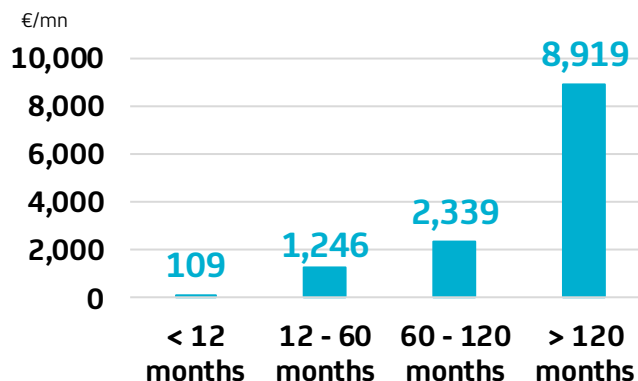
Mortgage Cover Pool

Maturity Structure of Cover Pool^{*)} and Issues

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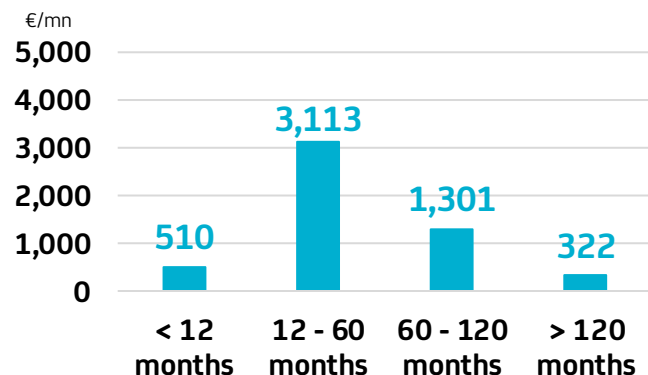
Maturity of assets in the cover pool – December 2018

Maturity of Assets in the Cover Pool	Total		Commercial		Residential	
	€/mn	%	€/mn	%	€/mn	%
< 12 months	109	0.9%	25	0.7%	84	0.9%
12 - 60 months	1,246	9.9%	859	23.6%	388	4.4%
12 - 36 months	575	4.6%	411	11.3%	164	1.9%
36 - 60 months	671	5.3%	448	12.3%	223	2.5%
60 - 120 months	2,339	18.5%	1,306	35.8%	1,034	11.5%
> 120 months	8,919	70.7%	1,453	39.9%	7,467	83.2%
Total	12,614	100%	3,642	100%	8,972	100%



Maturity of issued covered bonds – December 2018

Maturity of Issued Covered Bonds	Total	
	€/mn	%
< 12 months	510	9.7%
12 - 60 months	3,113	59.4%
12 - 36 months	1,144	21.8%
36 - 60 months	1,969	37.6%
60 - 120 months	1,301	24.8%
> 120 months	322	6.1%
Total	5,246	100%

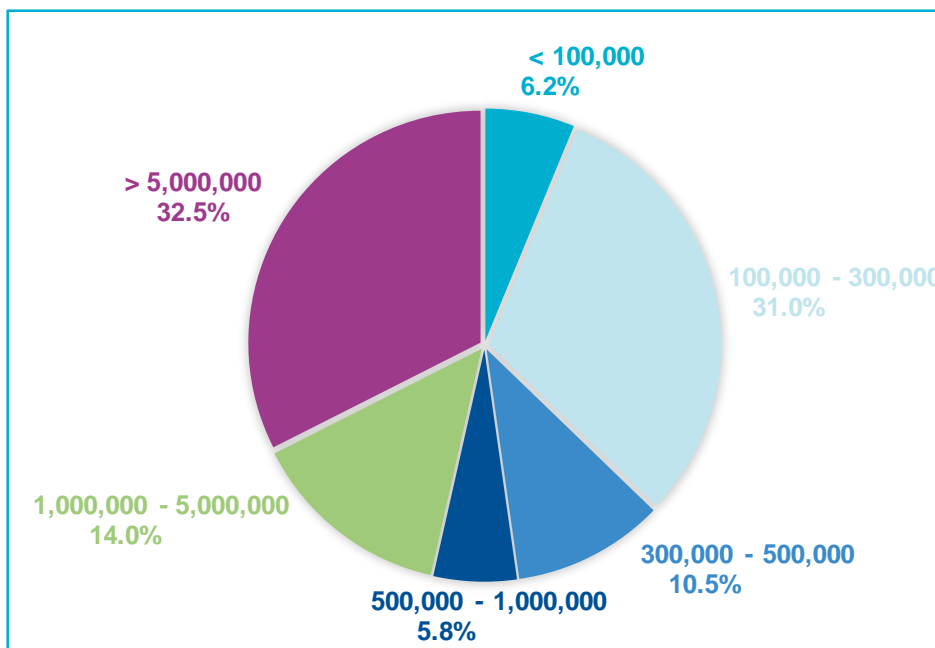


Mortgage Cover Pool

Assets Volume Breakdown^{*)}

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Volume Breakdown by Size of Mortgages	Total		Commercial		Residential	
	€/mn	Number	€/mn	Number	€/mn	Number
< 300,000	4,695	35,518	68	466	4,627	35,052
< 100,000	785	13,727	9	152	776	13,575
100,000 - 300,000	3,911	21,791	59	314	3,852	21,477
300,000 - 5,000,000	3,825	5,561	516	428	3,309	5,133
300,000 - 500,000	1,328	3,630	44	112	1,284	3,518
500,000 - 1,000,000	729	1,070	104	145	625	925
1,000,000 - 5,000,000	1,769	861	368	171	1,401	690
> 5,000,000	4,093	214	3,058	111	1,035	103
Total	12,614	41,293	3,642	1,005	8,972	40,288



^{*)} Without substitute cover (consists of bonds)












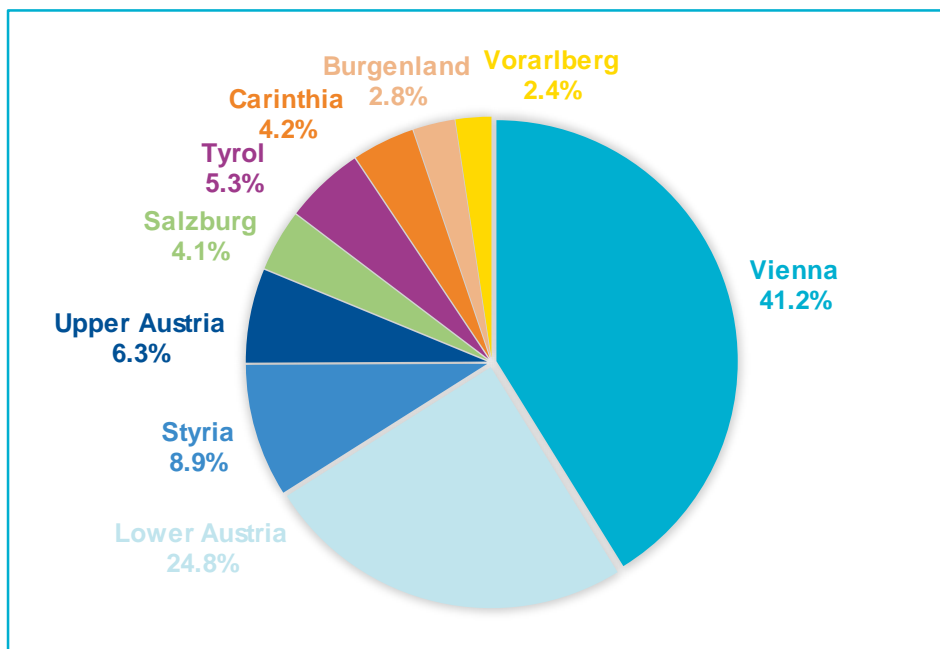
Mortgage Cover Pool

Regional Breakdown^{*)} of Mortgages in Austria

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Regional Breakdown Austria – December 2018

Regional Breakdown Austria		Total	
		€/mn	%
	Vienna	5,192	41.2%
	Lower Austria	3,131	24.8%
	Styria	1,123	8.9%
	Upper Austria	793	6.3%
	Salzburg	518	4.1%
	Tyrol	669	5.3%
	Carinthia	526	4.2%
	Burgenland	360	2.8%
	Vorarlberg	301	2.4%
	Total Austria	12,614	100%



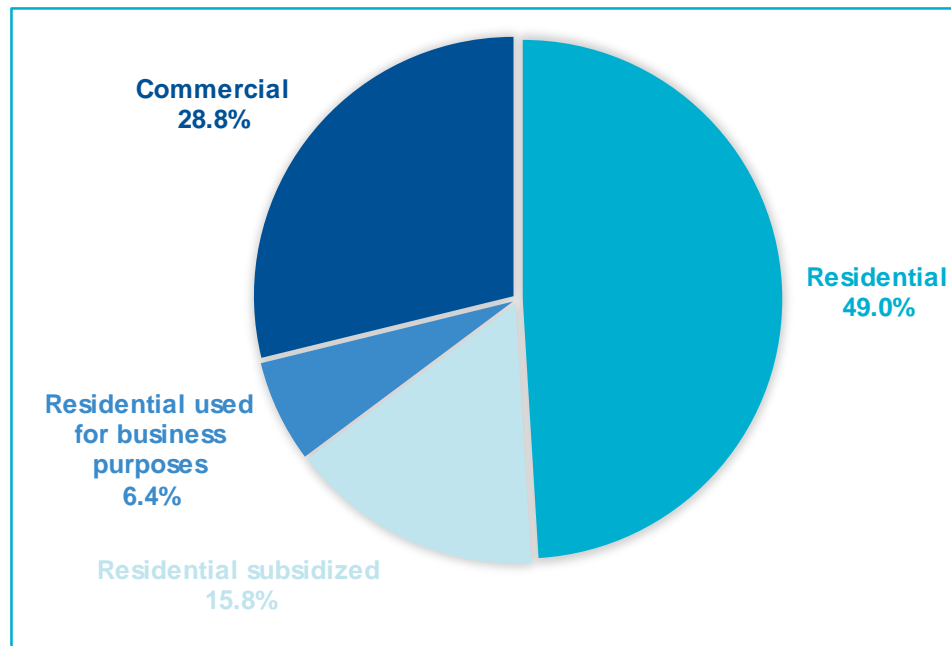
Mortgage Cover Pool

Breakdown^{*)} by Type of Use and LTV

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Breakdown by type of use – December 2018

Mortgages Breakdown by Type of Use	Total	
	€/mn	Number
Residential	6,179	36,953
Residential subsidized	1,988	2,141
Residential used for business purposes	805	1,187
Commercial	3,642	1,012
thereof Office	1,539	156
thereof Trade	952	64
thereof Tourism	299	137
thereof Agriculture	39	203
thereof mixed Use / Others	813	452
Total	12,614	41,293



	Residential	Commercial	Total
Total Amount	8,972	3,642	12,614
Weighted Average LTV	53%	51%	52%

^{*)} Without substitute cover (consists of bonds)
LTV = Loan-to-Value (ratio)



Mortgage Cover Pool

Breakdown^{*)} by Type of Use

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- Bank Austria's Mortgage **Cover Pool Value** accounts for **€12,614 mn** as of 31 December 2018 (without substitute cover)
- **All mortgages in cover pool are located in Austria**
 - The main concentration is in the City of Vienna (41.2%) and the state of Lower Austria (24.8%)
- **Breakdown of cover pool by type of use:**
 - 71.2% residential real estate (thereof 15.8% subsidized)
 - 28.8% commercial real estate, of which:
 - Office 12.2%
 - Trade 7.5%
 - Tourism 2.3% and
 - Other / Mixed use 6.8%



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“



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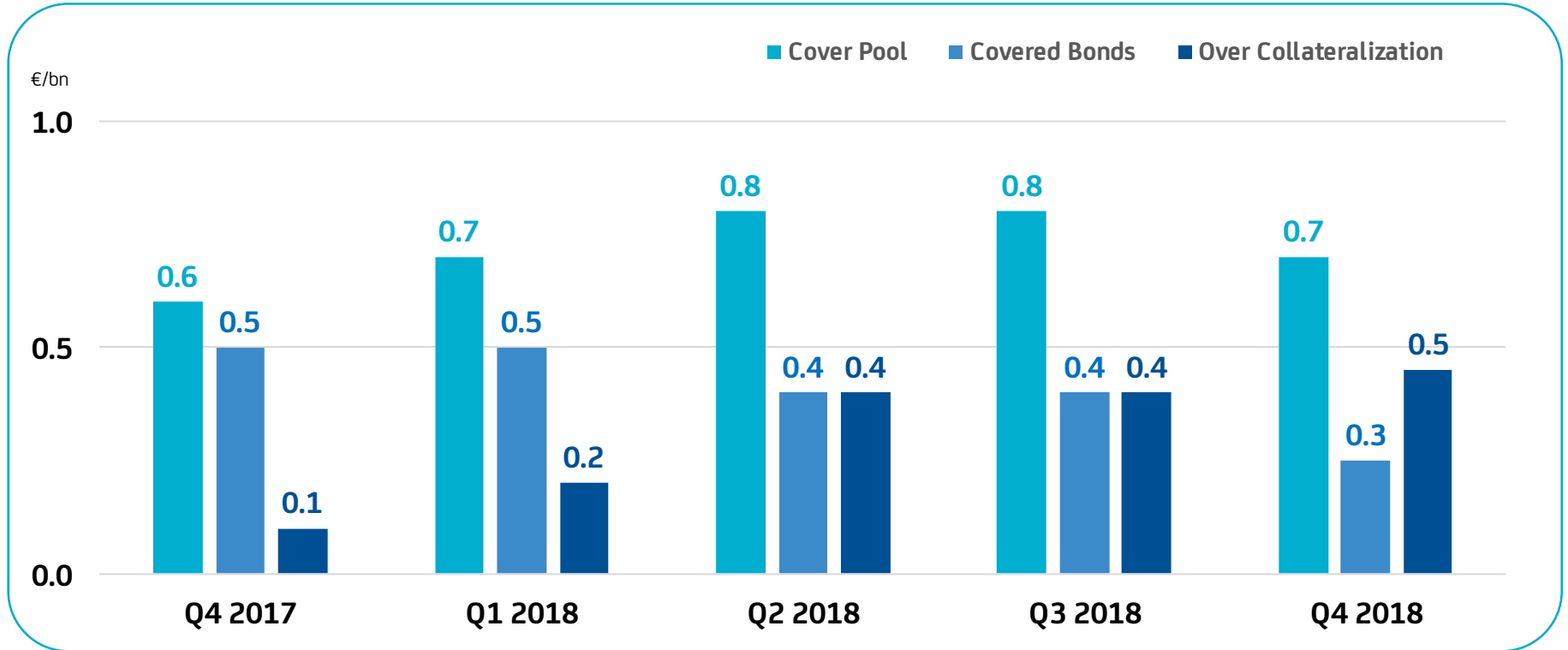
- The cover pool of „Fundierte Bankschuldverschreibungen“ includes **only mortgages from member states of the European Economic Area and Switzerland**
- Borrowers are mostly Austrian and international real estate companies, respectively their local subsidiaries
- Cover Pool Volume as of 31 December 2018 amounts to **€ 744.6 mn**
- Average volume of loans is approx. **€ 7.7 mn**
- Average seasoning is **5.9 years**
- Currently, there is no rating by a rating agency



Cover Pool of „Fundierte Bankschuldverschreibungen“

Historical trend

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Cover Pool of „Fundierte Bankschuldverschreibungen“

Parameters of Cover Pool and Issues

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<i>Parameters of Cover Pool</i>	<i>Dec 2018</i>
Weighted Average Life (in years incl. Amortization)	2.2
Contracted Weighted Average Life (in years)	3.2
Average Seasoning (in years)	5.9
Total Number of Loans	97
Total Number of Debtors	53
Total Number of Mortgages	107
Average Volume of Loans (in EUR)	7,676,185
Stake of 10 Biggest Loans	54.9%
Stake of 10 Biggest Debtors	58.0%
Stake of Bullet Loans	2.3%
Stake of Fixed Interest Loans	35.4%
Amount of Loans 90 Days Overdue	-
Average Interest Rate	1.9%

<i>Parameters of Issues:</i>	<i>Dec 2018</i>
Total Number	1
Average Maturity (in years)	4.0
Average Volume (in EUR)	250,000,000.0

- Total Value of the **Cover Pool** as of **31 Dec. 2018**
(EUR equivalent): **744.6 mn**
 - thereof in EUR: 744.6 mn (100%)



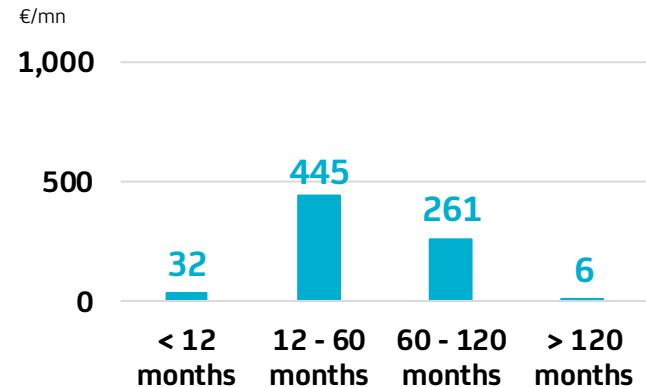
Cover Pool of „Fundierte Bankschuldverschreibungen“

Maturity Structure of Cover Pool and Issues

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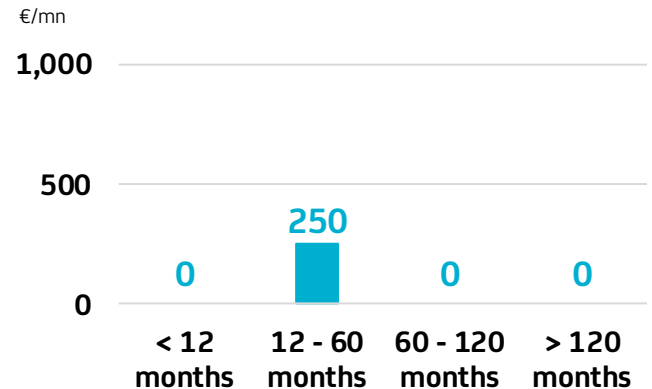
Maturity of assets in the cover pool – December 2018

Maturity of Assets in the Cover Pool	Total	
	€/mn	%
< 12 months	32	4.3%
12 - 60 months	445	59.8%
12 - 36 months	336	45.1%
36 - 60 months	109	14.7%
60 - 120 months	261	35.1%
> 120 months	6	0.8%
Total	745	100%



Maturity of issued covered bonds – December 2018

Maturity of Issued Covered Bonds	Total	
	€/mn	%
< 12 months	0	0.0%
12 - 60 months	250	100.0%
12 - 36 months	0	0.0%
36 - 60 months	250	100.0%
60 - 120 months	0	0.0%
> 120 months	0	0.0%
Total	250	100%



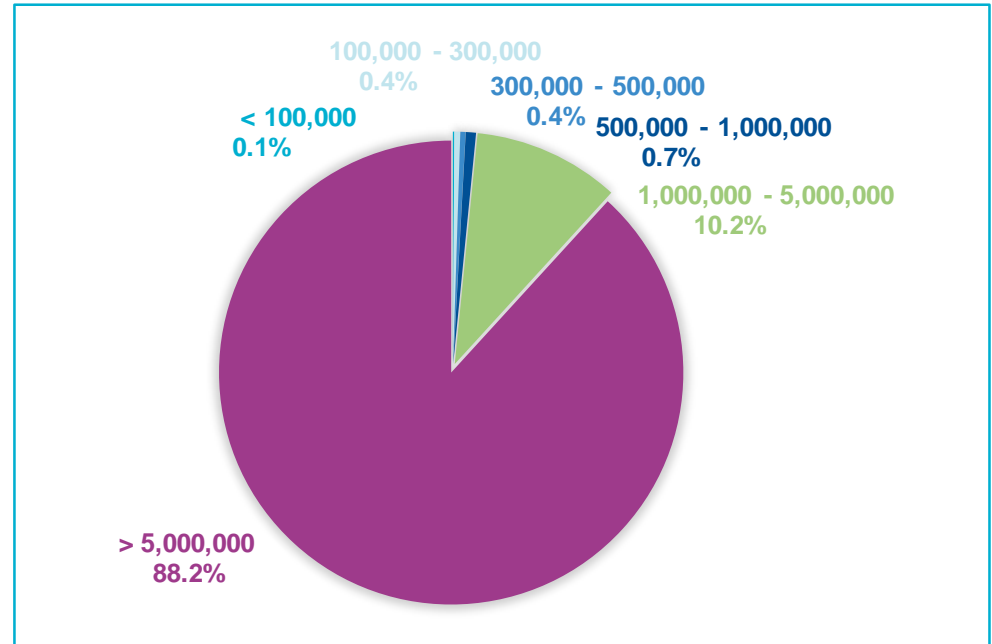
Cover Pool of „Fundierte Bankschuldverschreibungen“

Assets Volume Breakdown

1 2 3

Volume Breakdown by Size of Mortgages – December 2018

Volume Breakdown by Size of Loans	Total	
	€/mn	Number
< 300,000	3	21
< 100,000	1	9
100,000 - 300,000	3	12
300,000 - 5,000,000	85	44
300,000 - 500,000	3	7
500,000 - 1,000,000	5	7
1,000,000 - 5,000,000	77	30
> 5,000,000	657	32
Total	745	97



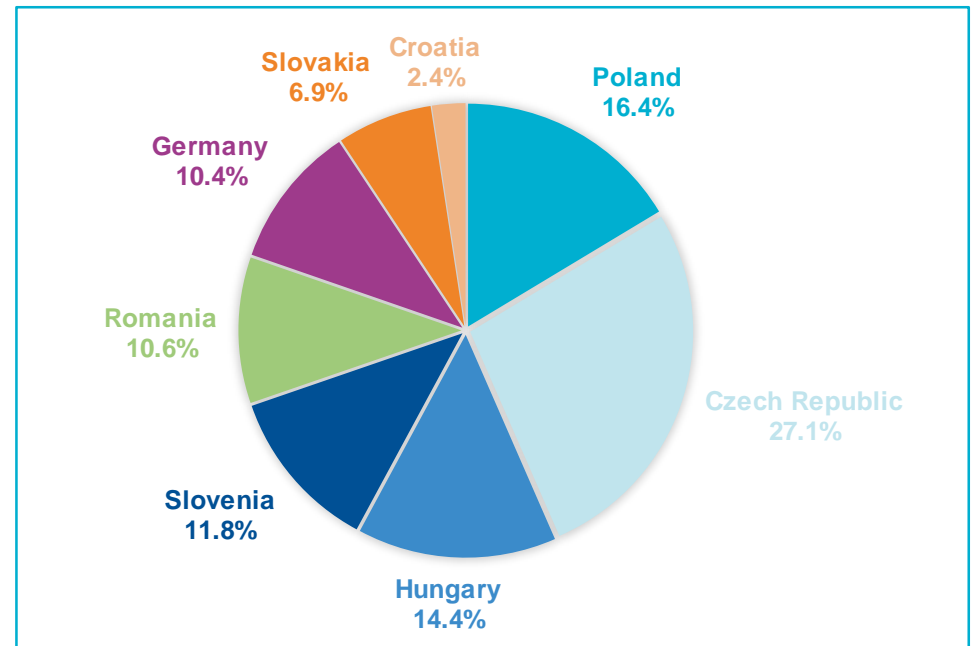
Cover Pool of „Fundierte Bankschuldverschreibungen“

Regional Breakdown of Mortgages in EU

1 2 3

Regional Breakdown EU – December 2018

Regional Breakdown EU	Total	
	€/mn	%
Austria	0	0.0%
Poland	122	16.4%
Czech Republic	201	27.1%
Hungary	107	14.4%
Slovenia	88	11.8%
Romania	79	10.6%
Germany	77	10.4%
Slovakia	52	6.9%
Croatia	18	2.4%
Total EU	745	100%



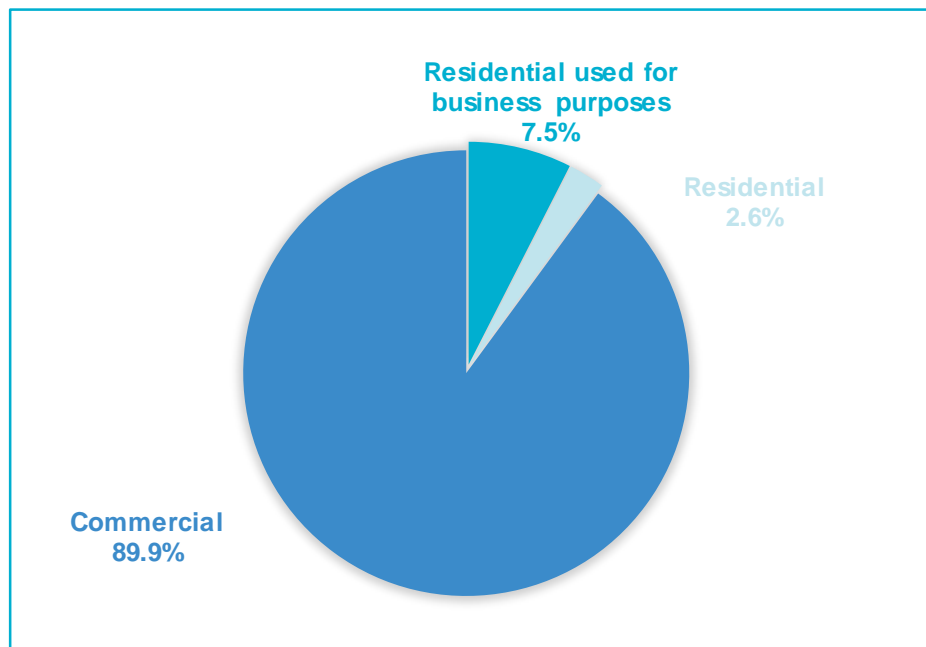
Cover Pool of „Fundierte Bankschuldverschreibungen“

Breakdown by Type of Use

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Breakdown by type of use – December 2018

Mortgages Breakdown by Type of Use	Total	
	€/mn	Number
Residential used for business purposes	56	40
Residential	19	14
Commercial	670	53
thereof Office	292	19
thereof Trade	330	27
thereof Tourism	17	1
thereof Agriculture	0	-
thereof mixed Use / Others	31	6
Total	745	107



Cover Pool of „Fundierte Bankschuldverschreibungen“

Breakdown by Type of Use

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- Bank Austria's Mortgage **Cover Pool Value** accounts for **€ 744.6 mn** as of 31 December 2018
 - **All mortgages in cover pool are located outside Austria**
 - Main concentration in Poland (16.4%) and the Czech Republic (27.1%)
- **Breakdown of cover pool by type of use:**
 - 10.1% residential real estate (thereof 0% subsidized)
 - 89.9% commercial real estate, divided as follows:
 - Office 39.2%
 - Trade 44.3%
 - Tourism 2.3%
 - Other / Mixed use 4.1%



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CFO Division

UniCredit Bank Austria AG, Vienna
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