Bank Austria

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Bank Austria – Cover Pool of Covered Bonds

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

Investor Relations

Vienna, February 2020

Banking that matters. | 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
Public Sector Cover Pool of Bank Austria

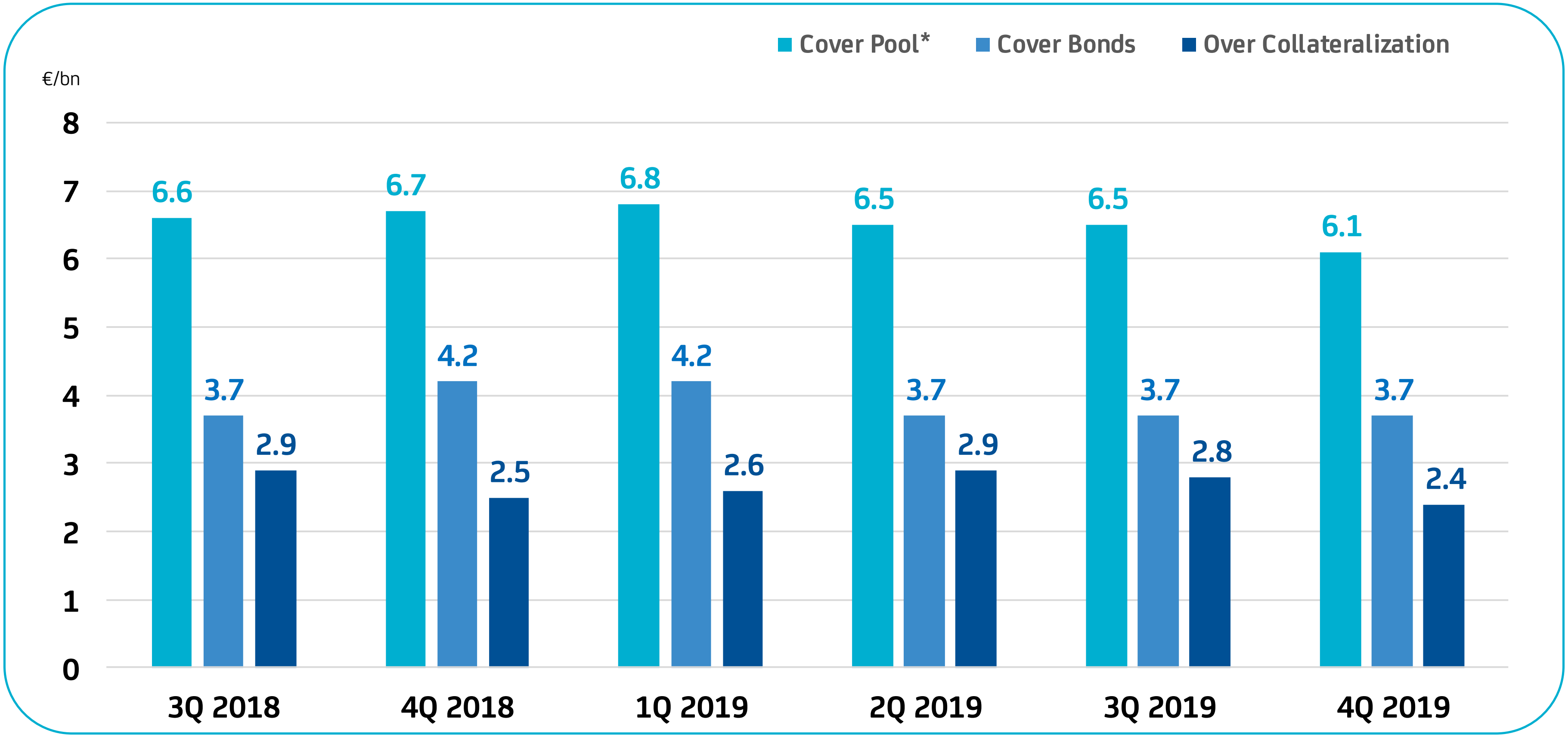
1 2 3

- **Aaa Rating by Moody's**
- Focus on **purely Austrian claims**
- Cover Pool Volume* as of 31 December 2019 amounts to **€ 6,094 mn**
- Average volume of loans is approx. **€ 1.4 mn**
- Average seasoning is **7.8 years**
- **ECBC Covered Bond Label** has been granted to the Public Sector Cover Pool of Bank Austria

* Including substitute cover

Public Sector Cover Pool
Historical trend

1 2 3



* Including substitute cover

Public Sector Cover Pool

Parameters of Cover Pool* and Issues

1 2 3

Parameters of Cover Pool	4Q19
Weighted Average Life (in years incl. Amortization)	8.3
Contracted Weighted Average Life (in years)	12.4
Average Seasoning (in years)	7.8
Total Number of Loans	4,211
Total Number of Debtors	1,445
Total Number of Mortgages	324
Average Volume of Loans (in €/mn)	1.4
Stake of 10 Biggest Loans	19.8%
Stake of 10 Biggest Debtors	47.0%
Stake of Bullet Loans	45.8%
Stake of Fixed Interest Loans	45.1%
Amount of Loans 90 Days Overdue (in €/mn)	-
Average Interest Rate	1.5%

Parameters of Issues	4Q19
Total Number	30
Average Maturity (in years)	2.9
Average Volume (in €/mn)	122.2

- Total Value of the **Cover Pool*** as of **31 Dec. 2019** (€-equivalent): **6,094 mn**
  - thereof in €: 4,621 mn (75.8%)
  - thereof in CHF: 166 mn (2.7%)
  - thereof public sector bonds* (€-equivalent): 1,307 mn (21.5%)
- **Moody's Rating: Aaa**

* Including substitute cover

Public Sector Cover Pool

Maturity Structure of Cover Pool* and Issues

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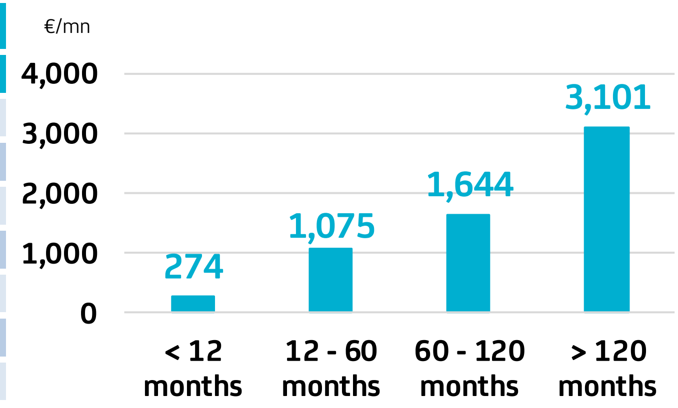
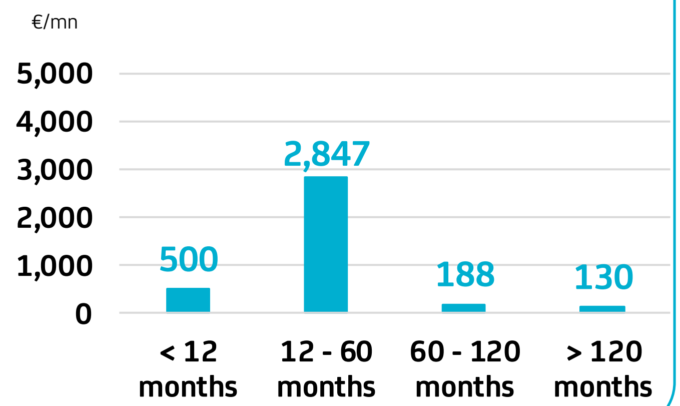
Maturity of assets in the cover pool – December 2019

*Maturity of Assets in the Cover Pool***	*Total*	
	€/mn	*%*
< 12 months	274	4.5%
12 - 60 months	1,075	17.6%
12 - 36 months	736	12.1%
36 - 60 months	339	5.5%
60 - 120 months	1,644	27.0%
> 120 months	3,101	50.9%
Total	**6,094**	**100%**



Maturity of issued covered bonds – December 2019

Maturity of Issued Covered Bonds	*Total*	
	€/mn	*%*
< 12 months	500	13.6%
12 - 60 months	2,847	77.7%
12 - 36 months	2,292	62.5%
36 - 60 months	555	15.1%
60 - 120 months	188	5.1%
> 120 months	130	3.5%
Total	**3,665**	**100%**



* Including substitute cover

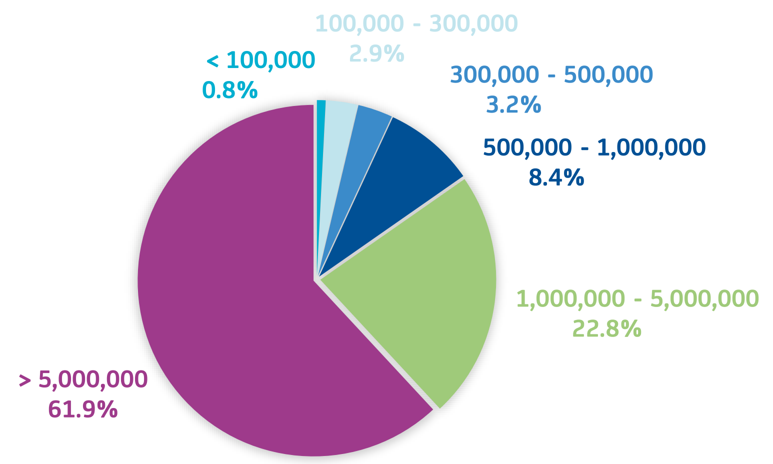
** Without consideration of the repayment

Public Sector Cover Pool
Volume* breakdown by Size of Assets

1 2 3

Breakdown by size of assets – December 2019

Volume Breakdown by Size of Assets	*Total*	
	€/mn	*Number*
< 300,000	228	2,135
< 100,000	51	1,171
100,000 - 300,000	177	964
300,000 - 5,000,000	2,097	1,933
300,000 - 500,000	195	500
500,000 - 1,000,000	513	714
1,000,000 - 5,000,000	1,389	719
> 5,000,000	3,769	143
Total	**6,094**	**4,211**



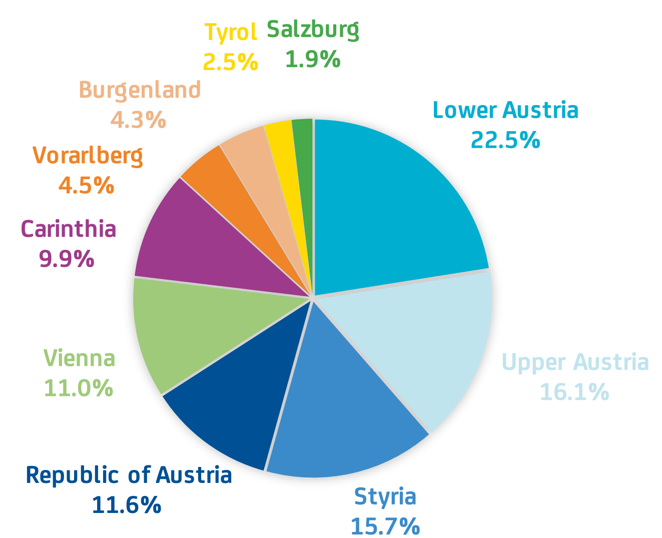
* Including substitute cover

Public Sector Cover Pool
Regional Breakdown of Assets* in Austria

1 2 3

Regional Breakdown Austria – December 2019

Regional Breakdown Austria	*Total*	
	€/mn	*%*
Lower Austria	1,369	22.5%
Upper Austria	979	16.1%
Styria	958	15.7%
Republic of Austria	706	11.6%
Vienna	671	11.0%
Carinthia	606	9.9%
Vorarlberg	277	4.5%
Burgenland	261	4.3%
Tyrol	150	2.5%
Salzburg	117	1.9%
Total Austria	**6,094**	**100%**



* Considering Guarantors and Including substitute cover

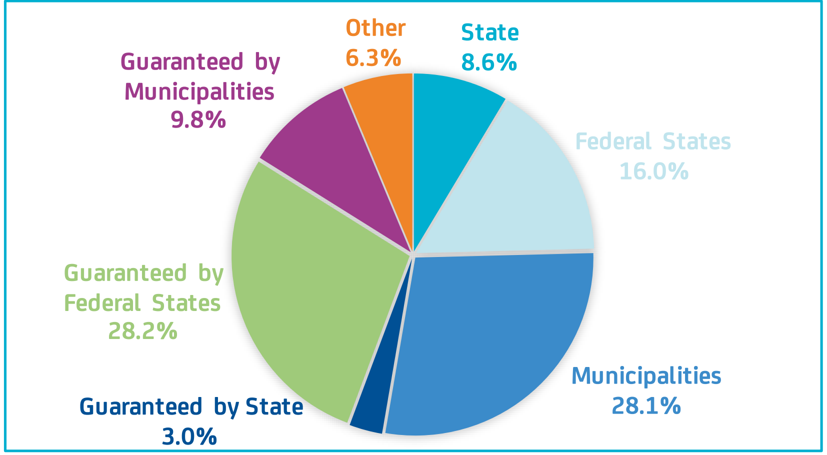
Public Sector Cover Pool

Assets Volume* Breakdown by Type of Debtor / Guarantor

1 2 3

Breakdown by type of debtor / guarantor – December 2019

Assets: Type of Debtor / Guarantor	*Total*	
	€/mn	*Number*
State	526	4
Federal States	974	38
Municipalities	1,715	2,625
Guaranteed by State	180	111
Guaranteed by Federal States	1,716	377
Guaranteed by Municipalities	599	541
Other	384	515
Total	**6,094**	**4,211**



* Including substitute cover

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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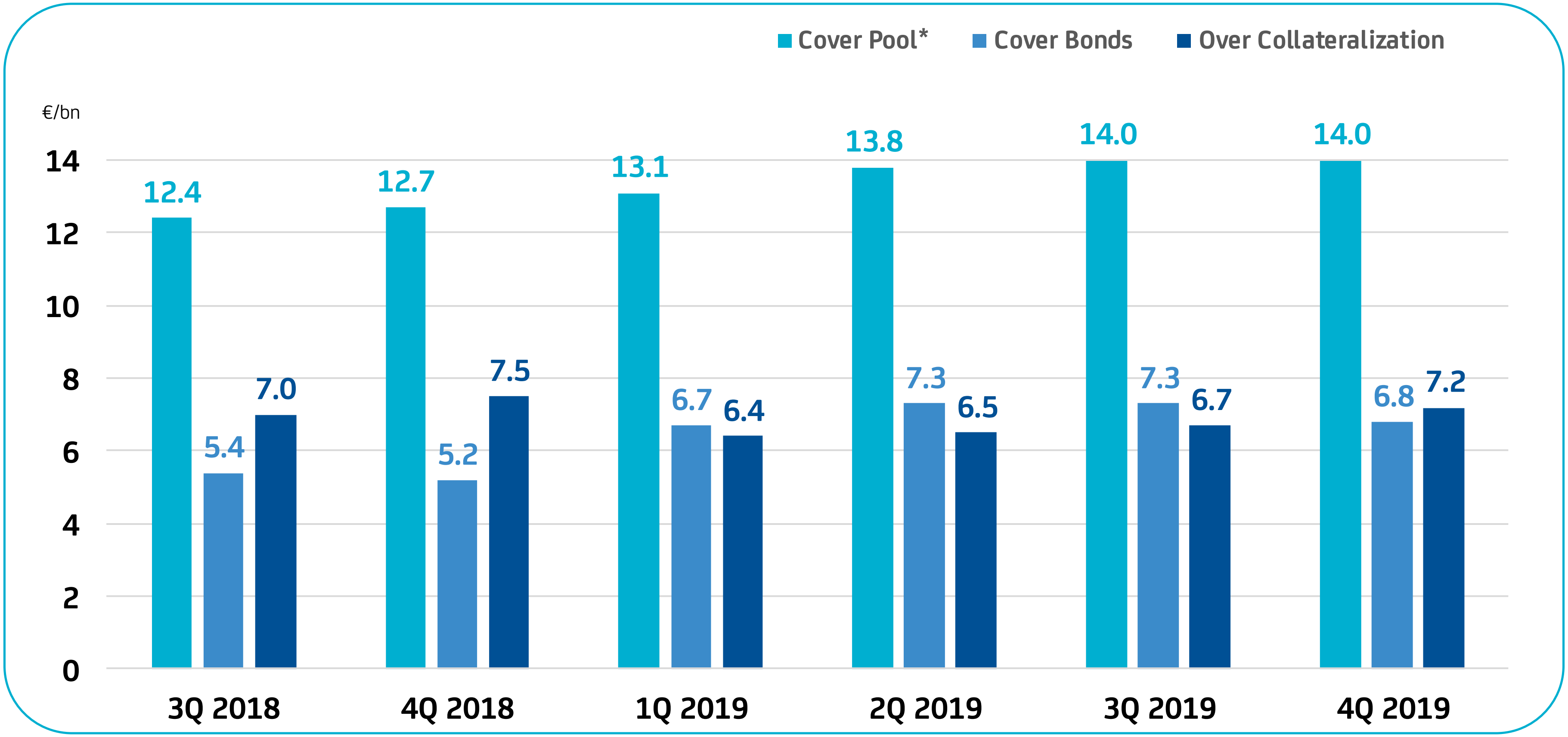
- **Aaa Rating by Moody‘s**
- The **Mortgage Cover Pool** is characterized by a **simple and transparent structure**:
  - focus on **Austrian mortgages only**
  - change to whole loan reporting instead of collateral volume
- **Benefit**:
  - **pure Austrian risk offer** to our investor base
  - no blending of risk, diversification to be decided by investor
  - simple pricing logic and valuation
- **Decrease of total value of CHF cover assets** over the last three years (2Q15: € 1,796 mn – 4Q19: € 1,000 mn; no new CHF assets since 2010)
- Steady increase of the cover pool (ca. € 1,300 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

1 2 3

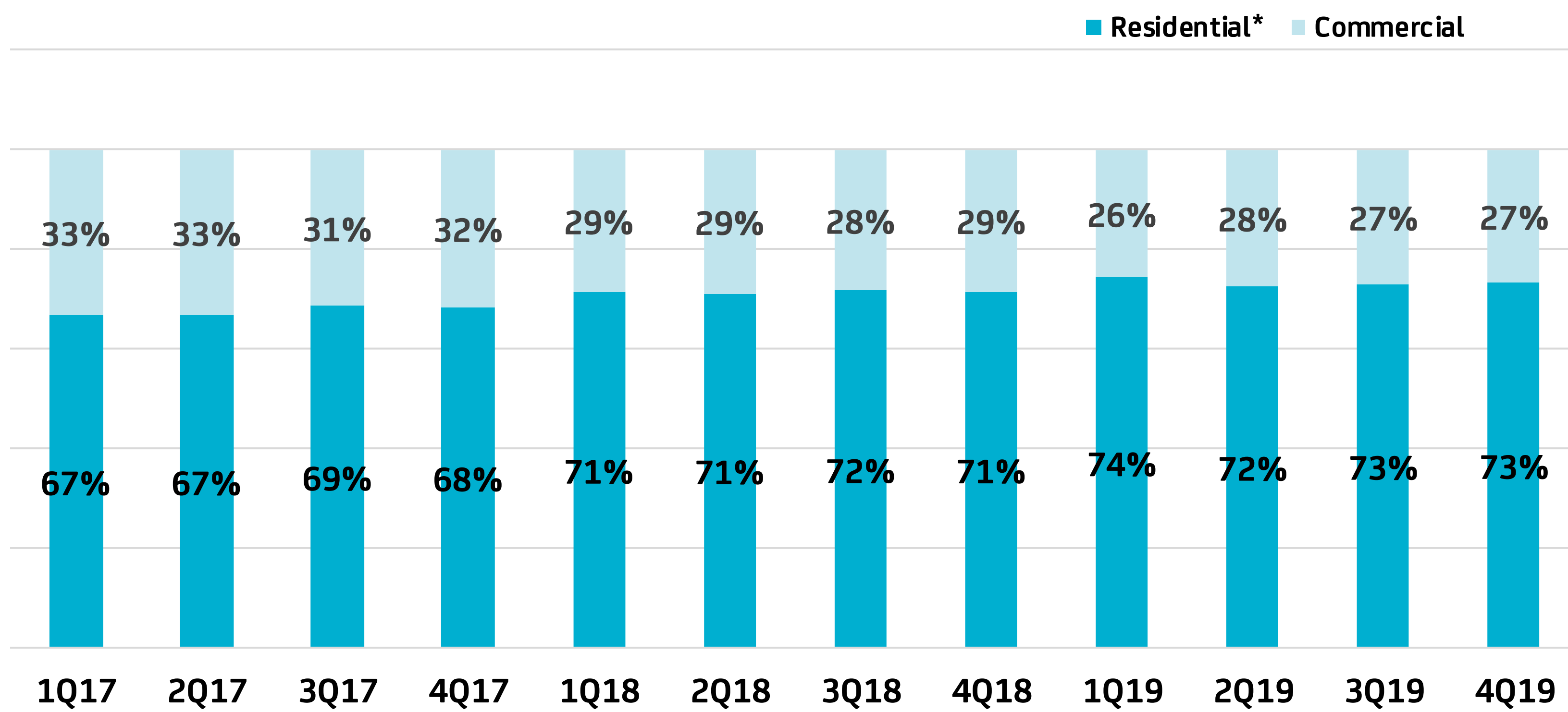


* Including substitute cover

Mortgage Cover Pool

Breakdown by type of use - Historical trend

1 2 3



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

* Residential share including Residential subsidized and Residential used for business purposes

Mortgage Cover Pool

Parameters of Cover Pool* and Issues

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Parameters of Cover Pool	4Q19
Weighted Average Life (in years incl. Amortization)	9.7
Contracted Weighted Average Life (in years)	16.2
Average Seasoning (in years)	6.1
Total Number of Loans	50,155
Total Number of Debtors	43,635
Total Number of Mortgages	46,270
Average Volume of Loans (in €/mn)	0.3
Stake of 10 Biggest Loans	10.5%
Stake of 10 Biggest Debtors	12.0%
Stake of Bullet Loans	22.0%
Stake of Fixed Interest Loans	33.6%
Amount of Loans 90 Days Overdue (in €/mn)	-
Average Interest Rate	1.2%

Parameters of Issues	4Q19
Total Number	86
Average Maturity (in years)	4.6
Average Volume (in €/mn)	84.4

- Total Value of the **Cover Pool*** as of **31 Dec. 2019** (€-equivalent): **14,020 mn**
  - thereof in €: 12,811 mn (91.4%)
  - thereof in CHF: 1,000 mn (7.1%)
  - thereof substitute cover in €: 209 mn (1.5%)
- **Moody's Rating: Aaa**

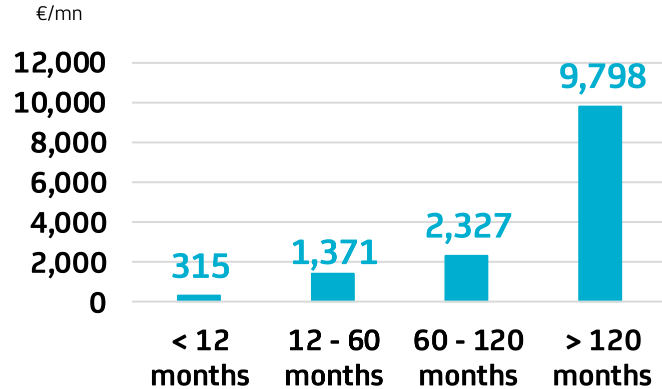
* Including substitute cover

Mortgage Cover Pool

Maturity Structure of Cover Pool* and Issues

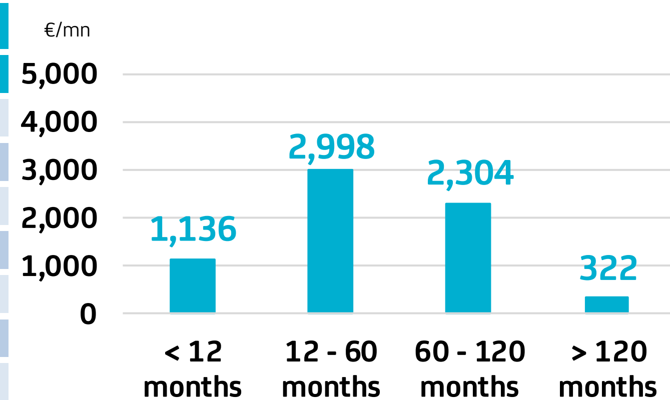
Maturity of assets in the cover pool – December 2019

Maturity of Assets in the Cover Pool**	Total		Commmercial		Residential	
	€/mn	%	€/mn	%	€/mn	%
< 12 months	315	2.3%	203	5.4%	112	1.1%
12 - 60 months	1,371	9.9%	882	23.6%	489	4.9%
12 - 36 months	431	3.1%	281	7.5%	150	1.5%
36 - 60 months	940	6.8%	601	16.1%	339	3.4%
60 - 120 months	2,327	16.9%	1,241	33.2%	1,086	10.8%
> 120 months	9,798	70.9%	1,410	37.4%	8,388	83.2%
Total	**13,811**	**100%**	**3,736**	**100%**	**10,075**	**100%**



Maturity of issued covered bonds – December 2019

Maturity of Issued Covered Bonds	Total	
	€/mn	%
< 12 months	1,136	16.8%
12 - 60 months	2,998	44.4%
12 - 36 months	551	8.2%
36 - 60 months	2,447	36.2%
60 - 120 months	2,304	34.1%
> 120 months	322	4.7%
Total	**6,760**	**100%**



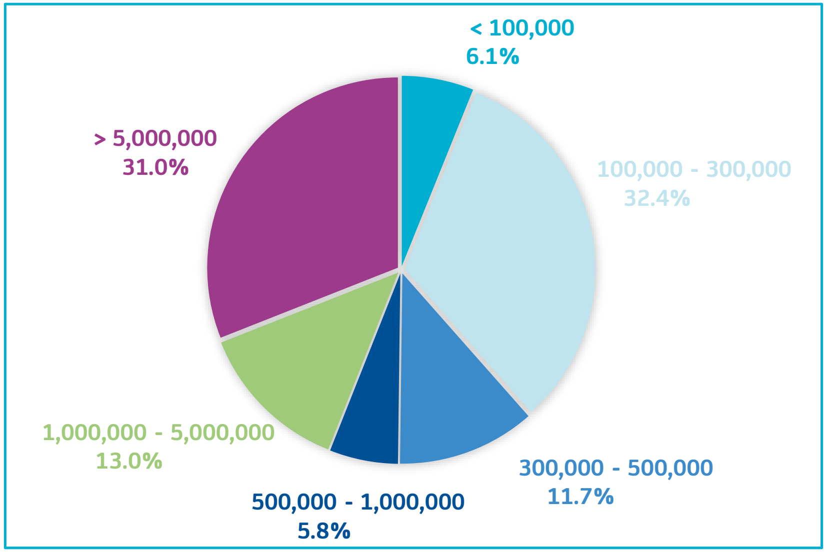
* Without substitute cover (consists of bonds)
** Without consideration of the repayment

Mortgage Cover Pool

Assets Volume* Breakdown

1 2 3

Volume Breakdown by Size of Mortgages	Total		Commmercial		Residential	
	€/mn	Number	€/mn	Number	€/mn	Number
< 300,000	5,322	39,580	74	508	5,248	39,072
< 100,000	848	14,944	10	167	837	14,777
100,000 - 300,000	4,474	24,636	64	341	4,411	24,295
300,000 - 5,000,000	4,210	6,488	566	464	3,643	6,024
300,000 - 500,000	1,620	4,441	49	123	1,571	4,318
500,000 - 1,000,000	793	1,176	103	144	689	1,032
1,000,000 - 5,000,000	1,797	871	414	197	1,383	674
> 5,000,000	4,279	202	3,096	99	1,184	103
Total	**13,811**	**46,270**	**3,736**	**1,071**	**10,075**	**45,199**



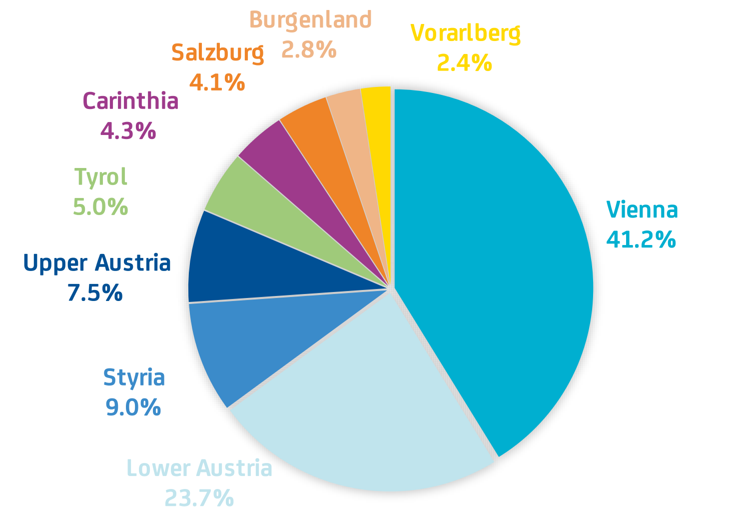
* Without substitute cover (consists of bonds)

Mortgage Cover Pool
Regional Breakdown* of Mortgages in Austria

1 2 3

Regional Breakdown Austria – December 2019

Regional Breakdown Austria	*Total*	
	€/mn	*%*
Vienna	5,685	41.2%
Lower Austria	3,271	23.7%
Styria	1,238	9.0%
Upper Austria	1,033	7.5%
Tyrol	699	5.0%
Carinthia	598	4.3%
Salzburg	563	4.1%
Burgenland	384	2.8%
Vorarlberg	340	2.4%
Total Austria	**13,811**	**100%**



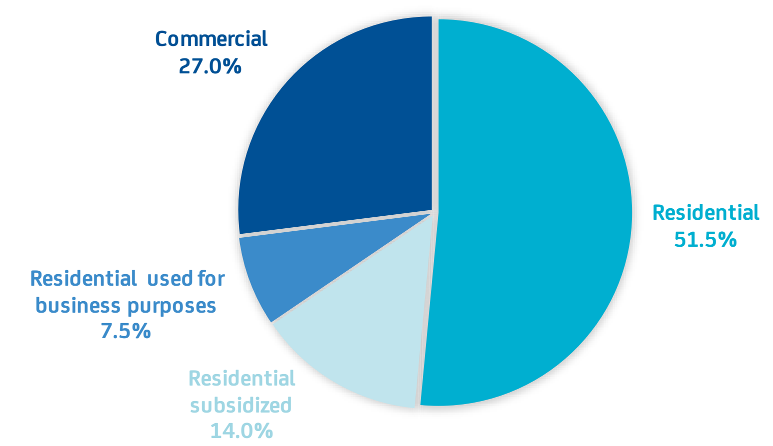
* Without substitute cover (consists of bonds)

Mortgage Cover Pool

Breakdown* by Type of Use and LTV

Breakdown by type of use – December 2019

Mortgages Breakdown by Type of Use	Total	
	€/mn	Number
Residential	7,114	42,186
Residential subsidized	1,928	2,121
Residential used for business purposes	1,033	892
Commercial	3,736	1,071
thereof Office	1,646	166
thereof Trade	1,012	68
thereof Tourism	240	151
thereof Agriculture	49	240
thereof mixed Use / Others	789	446
Total	**13,811**	**46,270**



	Residential	Commmercial	Total
Total	10,075	3,736	13,811
Weighted Average LTV	53.4%	48.3%	52.0%

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

Mortgage Cover Pool
Breakdown* by Type of Use

1 2 3

- Bank Austria's Mortgage **Cover Pool Value** accounts for **€ 13,811 mn** as of 31 December 2019 (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 (23.7%)
- **Breakdown of cover pool by type of use**:
  - 73.0% residential real estate (thereof 14.0% subsidized)
  - 27.0% commercial real estate, of which:
    - Office 11.9%
    - Trade 7.3%
    - Tourism 1.7%
    - Other / Mixed use 6.1%

* all percent values are respective cover pool value without substitute cover

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"

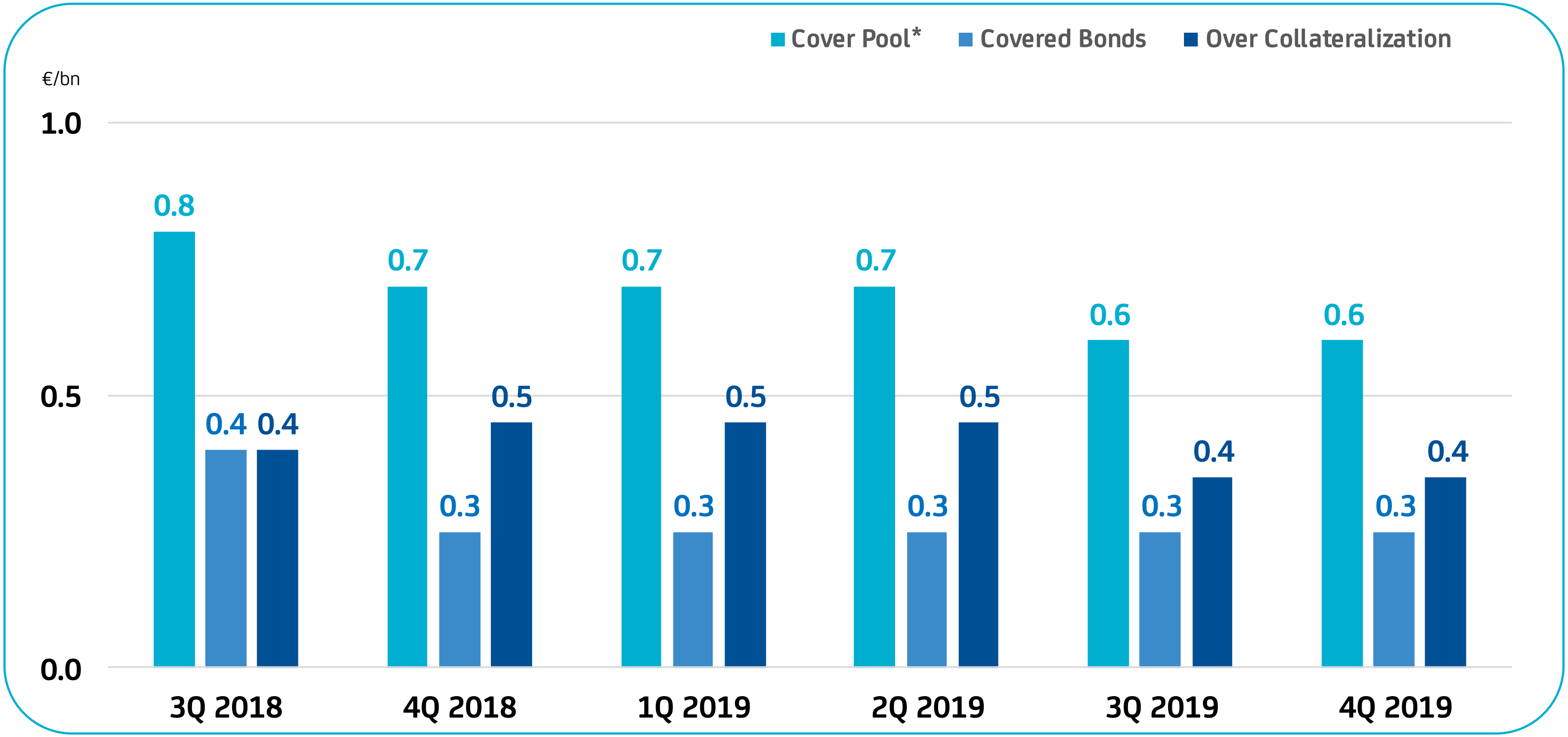
1 2 3

- 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 December 2019** amounts to **€ 601.5 mn**
- Average volume of loans is approx. **€ 6.4 mn**
- Average seasoning is **7.2 years**
- Currently, there is no rating by a rating agency

* Including substitute cover

Cover Pool of "Fundierte Bankschuldverschreibungen"
Historical trend

1 2 3



* Including substitute cover

Cover Pool of "Fundierte Bankschuldverschreibungen"
Parameters of Cover Pool* and Issues

1 2 3

Parameters of Cover Pool	4Q19
Weighted Average Life (in years incl. Amortization)	1.7
Contracted Weighted Average Life (in years)	3.2
Average Seasoning (in years)	7.2
Total Number of Loans	94
Total Number of Debtors	53
Total Number of Mortgages	106
Average Volume of Loans (in €/mn)	6.4
Stake of 10 Biggest Loans	62.4%
Stake of 10 Biggest Debtors	66.5%
Stake of Bullet Loans	1.8%
Stake of Fixed Interest Loans	46.4%
Amount of Loans 90 Days Overdue (in €/mn)	-
Average Interest Rate	2.0%

Parameters of Issues	4Q19
Total Number	1
Average Maturity (in years)	3.2
Average Volume (in €/mn)	250.0

- Total Value of the **Cover Pool*** as of **31 Dec. 2019** (€-equivalent): **601.5 mn**
  - thereof in €: 601.5 mn (100%)

* Including substitute cover

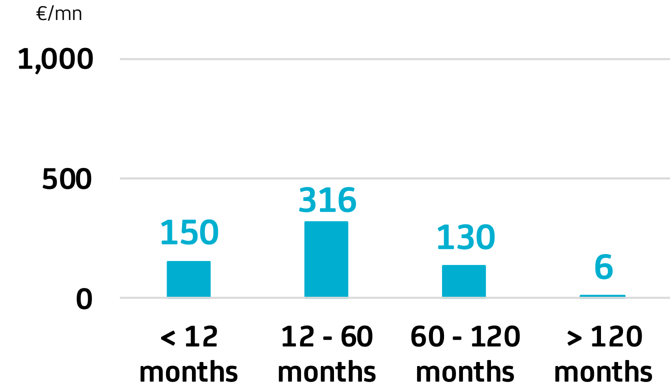
Cover Pool of "Fundierte Bankschuldverschreibungen"

Maturity Structure of Cover Pool* and Issues

1 2 3

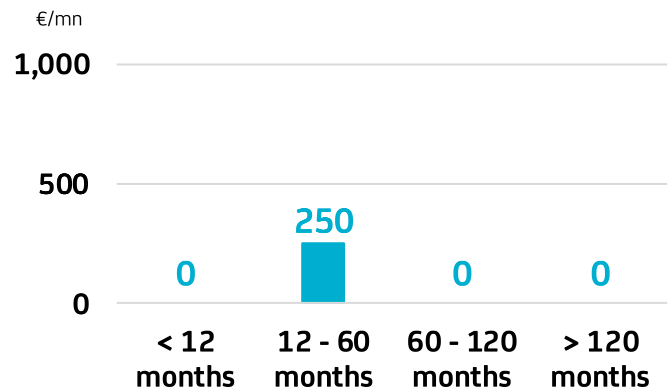
Maturity of assets in the cover pool – December 2019

*Maturity of Assets in the Cover Pool***	*Total* €/mn	*Total* %
< 12 months	150	25.0%
12 - 60 months	316	52.4%
12 - 36 months	144	23.9%
36 - 60 months	172	28.5%
60 - 120 months	130	21.6%
> 120 months	6	1.0%
Total	**602**	**100%**



Maturity of issued covered bonds – December 2019

Maturity of Issued Covered Bonds	*Total* €/mn	*Total* %
< 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%**



* Including substitute cover

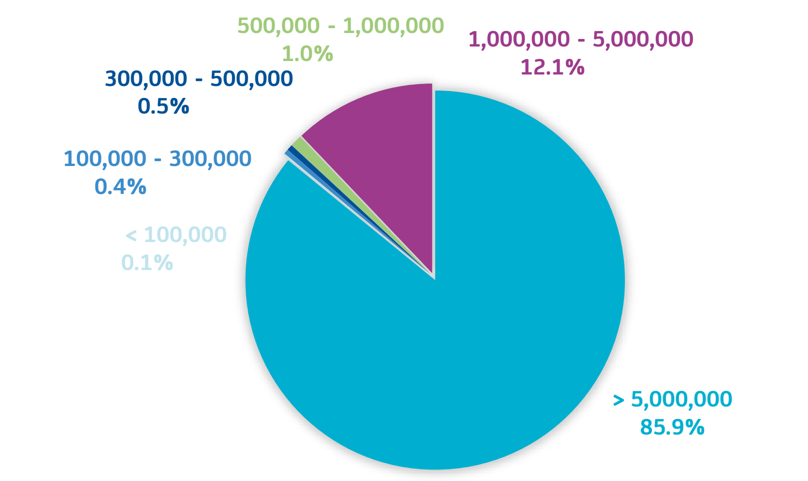
** Without consideration of the repayment

Cover Pool of "Fundierte Bankschuldverschreibungen"
Assets Volume* Breakdown

1 2 3

Volume Breakdown by Size of Mortgages – December 2019

Volume Breakdown by Size of Loans	*Total*	
	€/mn	*Number*
< 300,000	3	21
< 100,000	1	10
100,000 - 300,000	2	11
300,000 - 5,000,000	82	47
300,000 - 500,000	3	8
500,000 - 1,000,000	6	7
1,000,000 - 5,000,000	73	32
> 5,000,000	517	26
Total	**602**	**94**



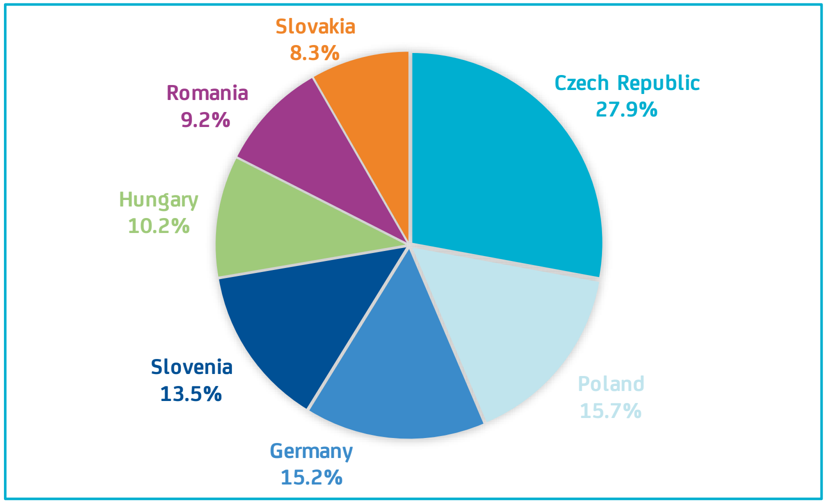
* Including substitute cover

Cover Pool of "Fundierte Bankschuldverschreibungen"
Regional Breakdown of Mortgages in EU*

1 2 3

Regional Breakdown EU – December 2019

Regional Breakdown EU	*Total*	
	€/mn	*%*
Austria	0	0.0%
Czech Republic	168	27.9%
Poland	94	15.7%
Germany	92	15.2%
Slovenia	81	13.5%
Hungary	62	10.2%
Romania	55	9.2%
Slovakia	50	8.3%
Total EU	**602**	**100%**



* Including substitute cover

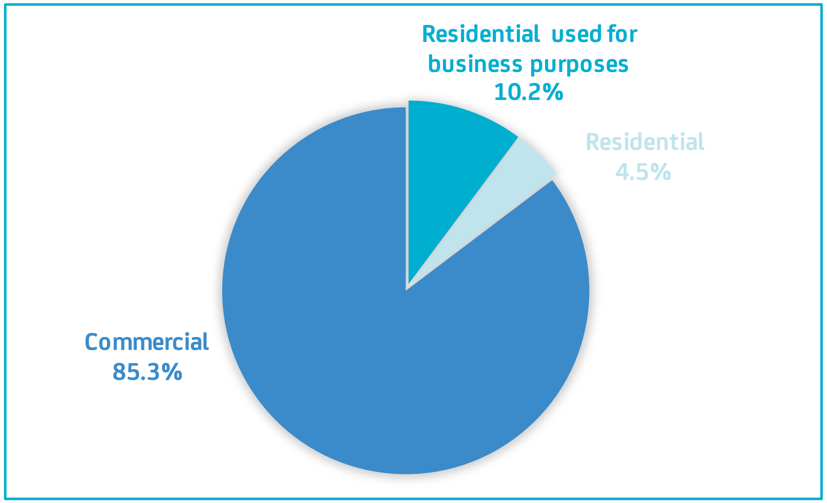
Cover Pool of "Fundierte Bankschuldverschreibungen"

Breakdown by Type of Use*

1 2 3

Breakdown by type of use – December 2019

Mortgages Breakdown by Type of Use	*Total*	
	€/mn	*Number*
Residential used for business purposes	61	44
Residential	27	19
Commercial	514	43
thereof Office	160	12
thereof Trade	306	23
thereof Tourism	18	2
thereof Agriculture	0	0
thereof mixed Use / Others	30	6
Total	**602**	**106**



* Including substitute cover

Cover Pool of "Fundierte Bankschuldverschreibungen"

Breakdown by Type of Use

1 2 3

- Bank Austria's Mortgage **Cover Pool Value** accounts for **€ 601.5 mn** as of 31 December 2019 (incl. substitute cover)
  - **All mortgages in cover pool are located outside Austria**
    - Main concentration in Czech Republic (27.9%) and the Poland (15.7%)
- **Breakdown of cover pool by type of use**:
  - 14.7% residential real estate (thereof 0% subsidized)
  - 85.3% commercial real estate, divided as follows:
    - Office 26.6%
    - Trade 50.8%
    - Tourism 3.0%
    - Other / Mixed use 4.9%

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