Oberbank

Interim Report to Shareholders as at 30 June 2022

Key Performance Indicators

Income statement in € m	HY1 2022	Change	HY1 2021
Net interest income	189.5	13.6%	166.8
Profit from entities accounted for using the equity method	22.7	-48.1%	43.8
Charges for losses on loans and advances	-3.6	-57.2%	-8.3
Net fee and commission income	109.2	12.8%	96.9
Administrative expenses	-167.1	10.4%	-151.4
Profit/loss for the period before tax	108.7	-20.5%	136.7
Profit/loss for the period after tax	86.4	-24.0%	113.7

Balance sheet in € m	30/6/2022	Change	31/12/2021
Total assets	27,315.7	-0.8%	27,539.7
Loans and advances to customers	19,007.8	3.1%	18,427.9
Primary funds	16,810.9	-3.6%	17,431.6
thereof savings deposits	2,379.0	-6.1%	2,534.7
thereof securitised liabilities incl. subordinated debt capital	2,784.4	3.0%	2,703.0
Equity	3,381.8	1.9%	3,317.9
Customer funds under management	35,964.1	-6.9%	38,636.7

Own funds pursuant to CRR in € m	30/6/2022	Change	31/12/2021
Common equity tier 1 capital (CET 1)	2,920.2	-1.7%	2,971.1
Tier 1 capital	2,970.2	-1.7%	3,021.1
Own funds	3,311.9	-1.2%	3,353.2
CET 1 ratio in %	17.35	-1.00% ppt	18.35
Tier 1 capital ratio in %	17.65	-1.01% ppt	18.66
Total capital ratio in %	19.68	-1.03% ppt	20.71

Performance indicators	HY1 2022	Change	HY1 2021
Liquidity coverage ratio in %	165.83	-32.57% ppt	198.40
Net stable funding ratio in %	129.12	-7.95% ppt	137.07
Leverage ratio in %	10.09	-1.16% ppt	11.25
Cost/income ratio in %	59.81	8.74% ppt	51.07
Return on equity before tax in % (equity ratio)	6.49	-2.33% ppt	8.82
Return on equity after tax in %	5.16	-2.17% ppt	7.33
Risk/earnings ratio (credit risk/net interest) in %	1.87	-3.1% ppt	4.97

Resources	30/6/2022	Change	31/12/2021
Average number of staff (weighted)	2,140	-12	2,152
Number of branches	180	2	178

Development of Business of the Oberbank Group – HY1 2022

Dear Readers, Dear Shareholders,
The first half of the current business year was dominated by political tension, an unexpectedly steep surge in inflation, disruptions to international supply chains and extreme market volatility. Despite this harsh environment, Oberbank's operating business developed very well.

Stable operating business
Net interest income increased 13.6% to EUR 189.5 million. This gratifying development was supported by the sustained rise in demand for loans. The lending volume increased by 5.8% to EUR 19.0 billion.

In **Corporate and Business Banking**, the lending volume went up by 5.7% to EUR 14.9 billion. The volume of investment loans increased, but demand for working capital loans was also robust as customers worked to master the challenges of higher prices and disrupted supply chains.

In **Personal Banking**, the lending volume widened by 6.6% to EUR 4.1 billion. Demand for housing loans was rather subdued due to the substantial increase in construction costs.

Net fee and commission income rose by 12.8% to EUR 109.2 million in HY 1 2022 and for the first time surpassed EUR 100 million. The driving force behind this development was the still very satisfactory trend in private banking and services for corporate customers.

Lower risk costs
The allocations to risk provisions were again more than halved from an already exceptionally low level. Provisions for credit risk in HY1 2022 were EUR 3.6 million and thus 57.2% lower than in HY1 2021, which at the time had already been lower than in 2019 at EUR 8.3 million.

Volatile markets cause market valuations to drop
Volatile price trends on capital markets caused the market-value of financial assets to decline and also reduced income from investments accounted for using the equity method, which decreased by EUR 21.1 million to EUR 22.7 million year on year. On account of the fair value measurement of the securities held by Oberbank, the price trends on capital markets lowered profits by EUR 37 million. This decrease in value is reflected in the income statement.

Net profit for HY1 2022 at EUR 108.7 million
Net profit before tax for the period was EUR 108.7 million as at 30 June 2022, and therefore, EUR 28.0 million lower year on year. Taxes on income were EUR 22.3 million after EUR 23.0 million. Consequently, net profit for the period after tax was EUR 86.4 million and earnings per share EUR 4.89.

Equity significantly stronger
Oberbank's equity capital increased by EUR 222.8 million to EUR 3.4 billion. This is a new all-time high. Oberbank has more than tripled its equity since the financial crisis in 2009.
With a core capital ratio of 17.65% and a total capital ratio of 19.68%, Oberbank ranks among European leaders in the banking industry. Oberbank is thus well prepared to serve as the principal bank and reliable partner for customers, also in difficult times.

CEO
Franz Gasselsberger

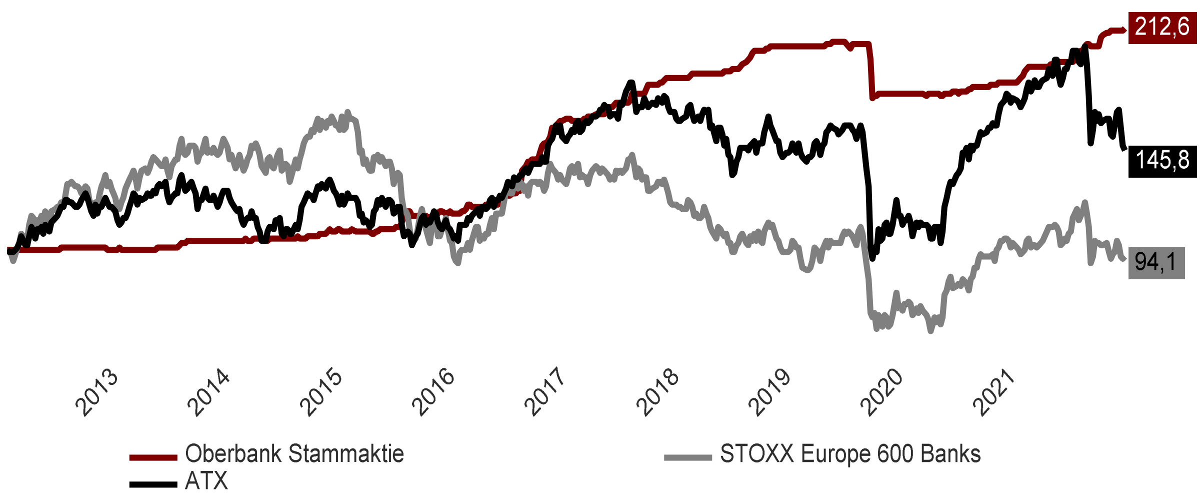
Oberbank's shares

In HY1 2022, Oberbank's ordinary shares were trading at an all-time high of EUR 99.80. Performance was +9.19%; including the dividend payment of EUR 1.00 per share in May 2022, ordinary shares gained +10.30%. Market capitalisation at the end of the first half-year 2022 was EUR 3,523.67 million as compared to EUR 3,064.67 million at the close HY1 2021.

Oberbank' shares – key figures	HY1 2022	HY1 2021
Number of ordinary no-par shares	35,307,300	35,307,300
High, ordinary share in €	99.80	86.80
Low, ordinary share in €	91.60	84.40
Closing price ordinary share in €	99.80	86.80
Market capitalization in €m	3,523.67	3,064.67
IFRS earnings per share in € annualised	4.89	6.46
P/E ratio, ordinary shares	20.41	13.44

Oberbank ordinary shares vs. ATX and the European Banking Index

Period: 30/6/2012 to 30/6/2022



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

The numbers in the chart use the German notation, i.e., periods are commas and vice versa

The figures given refer to the past, and these can not be used to derive future trends.

Segments in HY1 2022

Corporate and Business Banking

Corporate and Business Banking in €m	HY1 2022	HY1 2021	+ / - absolute	+ / - in %
Net interest income	154.6	133.7	20.9	15.6%
Charges for losses on loans and advances	8.2	-3.5	11.7	
Net fee and commission income	62.7	54.3	8.4	15.4%
Net trading income	-0.3	-0.6	0.3	-51.3%
Administrative expenses	-86.8	-79.6	-7.2	9.1%
Other operating income	-0.5	-1.6	1.1	-71.0%
Profit/loss for the period	137.9	102.7	35.2	34.2%
Risk equivalent	11,530.9	10,817.2	713.7	6.6%
Average allocated equity	1,940.9	1,848.5	92.3	5.0%
Return on equity before tax (RoE)	14.2%	11.1%	3.1% ppt	
Cost/income ratio	40.1%	42.8%	-2.7% ppt	

Earnings in Corporate and Business Banking

Profit in Corporate and Business Banking was EUR 137.9 million, which is EUR 35.2 million or 34.2% higher year on year.
Net interest income rose by EUR 20.9 million or 15.6% to EUR 154.6 million.
Risk provisions decreased by EUR 11.7 million from negative EUR 3.5 million to positive EUR 8.2 million.
At EUR 62.7 million, net commission income was EUR 8.4 million or 15.4% higher versus the preceding year.
Administrative expenses declined by EUR 7.2 million or 9.1% to EUR 86.8 million.
Other operating income fell by EUR 1.1 million from negative EUR 1.6 million to negative EUR 0.5 million.
RoE in Corporate and Business Banking rose from 11.1% by 3.1%-points to 14.2%, while the cost/income ratio improved from 42.8% by 2.7%-points to 40.1%.

Commercial loans

Oberbank's commercial lending volume increased by EUR 795.3 million or 5.7% from EUR 14,071.6 million to EUR 14,866.9 million.

Commercial loans		YoY change	
As at 30/6/2022	**As at 30/6/2021**	**absolute**	**in %**
€ 14,866.9 million	€ 14,071.6 million	EUR 795.3 million	5.7%

Investment finance and innovation

In the first half-year of 2022, the number of loan applications submitted in Austria, Germany, Czech Republic, Hungary and Slovakia for investments and innovation or to secure liquidity for 923 projects was 19.0% higher than in the pre-coronavirus year 2019. After the exceptional years 2020 and 2021 caused by the pandemic, the significant increase in the number of funding applications was supported by still very positive economic forecasts at the beginning of the year and the resulting high propensity to invest in the business sector and also by the rising investment volumes in sustainability. This development was also reflected in the market shares of loan commitments granted under the Austrian ERP Fund, a segment in which Oberbank ranked first with a market share of 22.0% in the first half-year of 2022. The volume of subsidised finance granted through Oberbank amounted to EUR 1.87 billion as at 30 June 2022, which is 16.0% higher year on year.

Structured finance

Measured in terms of the total number of applications, demand for structured finance was slightly below the level of the same period of the preceding year. There is less momentum in the segments of acquisitions, ambitious growth investments and tourism. Demand increased again in the segment of commercial real estate finance.

The number and volume of real estate projects processed increased. However, compared to the same period of the preceding year, fewer projects were realized in this segment because of business policy adjustments.

Syndication

There was a slight rise in commitments in the segment of syndicated loans and borrower's notes year on year, although volumes were just shy of the above-average performance of Q1 2022. The number of transactions in which Oberbank acted as lead manager was higher. In the field of borrowers' notes, only a narrow selection of transactions were supported in Q2 2022 due to the persistently high pressure on margins and business policy considerations. Oberbank participated in one transaction for an ESG-linked borrower's note issued by a well-known Austrian issuer.

Oberbank Opportunity Fund

In the first half of 2022, the Oberbank Opportunity Fund recorded 83 inquiries which is around 20% higher year on year. In this period, the Oberbank Opportunity Fund finalized six new transactions as well as five further exclusively lending transactions. Since the inception of the Oberbank Opportunity Fund, 103 transactions for equity, mezzanine capital and high-yield capital were supported with funding (plus external capital loans). In addition, ten supplementary financing transactions with portfolio companies were finalized. The total volume of capital committed as at 30 June 2022 was around EUR 300 million distributed across equity, mezzanine capital and high-yield capital.

Payment services

In HY1 2022, income from payment services in the corporate and business banking segment developed quite positively despite the tense economic situation and the slowing trend, rising substantially by 13.8% higher year on year.
In the past quarter, the changeover in the MultiCash bank computer was completed. The programming changeover was necessary for regulatory reasons, but also to ensure that the bank's computing system is ready for future trends.
SEPA Instant Payment gives customers a modern payments option, which displays transactions to the recipients of funds transfers within seconds and is available 24/7. Oberbank developed an attractive additional package released in the last quarter for corporate and business customers who use this payment method frequently.

Documentary business

The list of topics weighing on international trade became longer in the first half of 2022. Apart from the coronavirus crisis and disrupted supply chains, inflation started rising sharply. After the numerous sanctions imposed on Russia and Belarus, it is becoming increasingly uncertain whether Russia will continue to supply gas as agreed in the second half of the year.
Despite all of these adverse factors, the volume of transactions in the documentary business increased by 22.3% in HY1 2022. In times of uncertainty, companies with international business operations focus on risk optimisation.

Export finance

In the first half of the first quarter of 2022, material shortages and rising inflation became an issue for companies. After Russia's attack on Ukraine, these trends intensified dramatically, fuelling the uncertainty. This development is clearly documented by the plunge of the ifo Business Climate Index in March to 90.8 points. This even exceeded the decline at the outbreak of the coronavirus crisis in March 2020.

Apart from the uncertainties regarding the payment behaviour of international customers, the higher energy costs and a reduced supply of raw materials are increasingly becoming a problem for companies. Therefore, many companies are seeking to expand their credit lines for working capital. Exporting companies applied mainly for the subsidised working capital loans of Oesterreichische Kontrollbank (OeKB).
Oberbank's strength in this area is illustrated not only by the rise in commitments, but also by expanding market shares. Therefore, the market share of loans granted under the "Exportfonds" scheme of OeKB rose to over 11.6% (+0.1%). It was even higher for OeKB's Refinancing Facility (KRR) for large companies at 11.4% (+0.4%). Hedging for supply chain disruptions is currently also a predominant topic in foreign investments of our customers. Companies are increasingly investing in their suppliers to secure their own production processes.

Factoring
Demand for factoring as a finance alternative continues to be in demand. The positive trend in volumes continued for the seventh business year in a row. Factoring facilities increased by 10% year on year, factoring sales by 39% year on year, and income by 27%. Positive feedback from corporate and business customers also confirms this development.

Leasing
While new business volumes decreased sharply in the preceding year, the trend reversed this year attaining a gratifying increase of +EUR 29.3 million or +15.1%. At a volume of new business of EUR 223.5 million, the increase was nearly at the record level of 2019. The factors that supported this development were vehicle, equipment and real estate leasing.

International network of partner banks and institutions
Oberbank's global banking network of about 1,100 partner banks worldwide ensures the smooth processing of payment transactions and documentary business for customers. It guarantees access to the major global and European payment platforms in all business areas with respect to payments, security and finance.
The challenges for the banking industry comprise coping with the increasing documentation and auditing requirements for the extensive banking network, and protecting the accounts that must be maintained in the main currencies with the clearing banks.
Additionally, Russia's war in Ukraine has resulted in far-reaching sanctions. Russian state-owned and government-linked banks have been disconnected from SWIFT, the global payments platform. Consequently, transaction activities in customer payment services, in particular, in the documentary business have come practically to a standstill in this region.

Primary deposits
The ECB reversed its interest rate policy in Q2 2022 and prepared the market for rising interest rates. However, negative interest rates remained topical throughout the quarter. Before this backdrop, primary deposits at Oberbank decreased by 3.6% compared to year-end. Despite the challenging interest rate environment, Oberbank pursued a policy of finding solutions together with its customers to minimise the consequences of negative interest rates.

Currency risk management
The solid development of the economy, supply chain disruptions and interest rate movements in the major currencies were largely responsible for the excellent business in foreign exchange. Strong currency fluctuations and the personal support offered by Treasury's direct customer advisors resulted in many successful transactions for customers. Demand from customers was particularly strong for forward exchange transactions and limit orders.

Personal Banking

Personal Banking in €m	HY1 2022	HY1 2021	+ / - absolute	+ / - in %
Net interest income	36.0	31.0	5.0	16.0%
Charges for losses on loans and advances	-7.6	-1.0	-6.6	> 100
Net fee and commission income	46.6	42.6	4.0	9.4%
Net trading income	0.0	0.0	0.0	0.0%
Administrative expenses	-54.7	-50.8	-3.9	7.7%
Other operating income	3.0	2.8	0.2	8.1%
Profit/loss for the period	23.3	24.6	-1.3	-5.4%
Risk equivalent	2,146.5	2,012.5	133.9	6.7%
Average allocated equity	361.3	343.9	17.4	5.1%
Return on equity before tax (RoE)	12.9%	14.3%	-1.4% ppt	
Cost/income ratio	63.9%	66.5%	-2.6% ppt	

Earnings in Personal Banking

Profit in the Personal Banking segment was EUR 23.3 million, which is EUR 1.3 million or 5.4% lower year on year.
Net interest income rose by EUR 5.0 million or 16.0% to EUR 36.0 million.
Risk provisions increased by EUR 6.6 million to EUR 7.6 million.
Net fee and commission income was up by EUR 4.0 million or 9.4% to EUR 46.6 million higher than in the preceding year.
At EUR 54.7 million, administrative expenses were EUR 3.9 million or 7.7% higher year on year.
Other operating income increased by EUR 0.2 million or 8.1% to EUR 3.0 million.
RoE in Personal Banking dropped from 14.3% by 1.4%-points to 12.9%, while the cost/income ratio improved from 66.5% by 2.6%-points to 63.9%.

Personal accounts

The portfolio of personal accounts expanded year on year by 1,949 to a total of 193,919 accounts. The "be(e) green account", a sustainable current account for retail customers, was introduced in Austria in June 2021. As at 30 June 2022, 20.9% of accounts were sustainable accounts.

Personal accounts		YoY change	
As at 30/6/2022	As at 30/6/2021	absolute	in %
193,919	191,970	1,949	1.0%

Personal loans

Despite the difficult market environment, the volume of personal loans rose by EUR 248.3 million or 6.4% to EUR 4,140.9 million compared to 30 June 2021, with the volume of new retail loans granted in the first half-year 2022 being 2.2% lower year on year. The share of foreign currency loans in the total volume of personal loans of Oberbank is now only 1.3%.

Personal loans		YoY change	
As at 30/6/2022	As at 30/6/2021	absolute	in %
EUR 4,140.9 million	€ 3,892.6 million	EUR 248.3 million	6.4%

Savings deposits

The volume of savings deposits decreased by EUR 235.7 million or 9.0% to EUR 2,379.0 million year on year. However, EUR 55.2 million of this figure is due to an adjustment in the reporting system.

There are still many funds on accounts and/or in daily callable investment forms. Online savings products continue to be in high demand among our customers. The trend from savings passbooks to online savings products also continued. Since the beginning of the year, online savings products recorded an increase of EUR 33.7 million or 3.2%. Since June of last year, Oberbank has been offering a sustainable savings account in Austria, the "be(e) green" savings account.

Savings deposits		YoY change	
As at 30/6/2022	**As at 30/6/2021**	**absolute**	**in %**
EUR 2,379.0 million	EUR 2,614.7 million	- EUR 235.7 million	-9.0%

Securities business

The environment for the securities business was highly challenging in the first half of 2022, with significantly declining stock prices as well as bond prices. A pleasing development is the fact that despite the adverse environment, the fees and commissions from the securities business increased by EUR 5.0 million or 14.9% to EUR 38.1 million compared to the same period of the preceding year. This increase is based on inflows of additional customer funds and the stable development of the value of existing customer deposits compared to the previous year. Investors require guidance in volatile market phases. Oberbank expanded the content of its new online magazine "#jetztvermögen".

Commission income from securities		YoY change	
As at 30/6/2022	**As at 30/6/2021**	**absolute**	**in %**
EUR 38.1 million	EUR 33.1 million	EUR 5.0 million	14.9%

Market value of custody accounts

The volume of funds on customer accounts increased by EUR 413.7 million or 2.2% to EUR 19.2 billion year on year.

Market value on custody accounts		YoY change	
As at 30/6/2022	**As at 30/6/2021**	**absolute**	**in %**
EUR 19,153.2 million	EUR 18,739.5 million	EUR 413.7 million	2.2%

Private banking

Assets under management in Private Banking (demand deposits and custody accounts) increased by EUR 50.7 million or 0.4% to EUR 11.5 billion year on year.

Compared to the same period of the preceding year, the inflow of funds continued to be very satisfactory, but due to declining prices, the volume of individual portfolio management mandates decreased slightly by EUR 7.7 million or 1.0% to EUR 731.5 million year on year.

Assets under management - Private Banking		YoY change	
As at 30/6/2022	**As at 30/6/2021**	**absolute**	**in %**
EUR 11,457.9 million	€ 11,407.2 million	EUR 50.7 million	0.4%

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

Oberbank's assets under management by 3Banken-Generali-Gesellschaft m.b.H. increased by EUR 113.9 million or 2.1% to EUR 5.5 billion compared to the same period of the preceding year. The company manages total assets of EUR 11.1 billion. As at 30 June 2022, the volume of the overall market was EUR 190.7 billion, which means the company holds a market share of 5.8%. This makes it the currently fifth largest investment fund company in Austria.

Inflows into sustainable investment funds also remained very high in the first half-year 2022 at EUR 77.7 million. A share of 26.2% of the volume in investment funds at Oberbank were invested in sustainable funds.

Retail investment funds and special funds		YoY change	
As at 30/6/2022	**As at 30/6/2021**	**absolute**	**in %**
EUR 5,473.1 million	EUR 5,359.2 million	EUR 113.9 million	2.1%

Building society savings

In the first half of 2022, Oberbank brokered 4,446 building society savings contracts. This is a decrease of 2,131 contracts or 32.4% compared to the same period of the preceding year. This substantial decline is explained in part by the above-average production figures for HY1 2021.

Wüstenrot loans

The increase in Wüstenrot loans granted in the first six months of the year was significant compared to the same period of the preceding year. In HY1 2022, a loan volume of EUR 61.4 million was brokered for Wüstenrot. This corresponds to an increase of EUR 32.8 million or 87.2%. Thus, the annual projections have already been surpassed.

Insurance business

In the insurance business, the total premium volume (life insurance and non-life insurance) declined by 6.0% year on year. The decline was caused mainly by the German market (-36.0%), however, an increase in sales is expected for the second half of the year. In Austria, premium volumes declined by only 4.9% in life insurance year on year. A significant increase of 12.6% year on year was recorded in the non-life insurance segment.

Insurance contracts - premium volume		YoY change	
As at 30/6/2022	**As at 30/6/2021**	**absolute**	**in %**
EUR 94.1 million	EUR 100.0 million	- EUR 5.9 million	6.0%

Financial Markets

Financial Markets in € m	HY1 2022	HY1 2021	+ / - absolute	+ / - in %
Net interest income	-1.0	2.0	-3.1	>-100%
Profit from entities accounted for using the equity method	22.7	43.8	-21.1	-48.1%
Charges for losses on loans and advances	-4.2	-3.8	-0.4	10.0%
Net fee and commission income	0.0	0.0	0.0	**#DIV/0!**
Net trading income	10.2	4.6	5.6	> 100
Administrative expenses	-6.0	-5.9	-0.1	2.2%
Other operating income	-36.6	3.0	-39.6	>-100%
Profit/loss for the period	-14.9	43.8	-58.7	>-100%
Risk equivalent	6,225.2	5,317.6	907.6	17.1%
Average allocated equity	1,047.8	908.7	139.1	15.3%
Return on equity before tax (RoE)	n.a.	9.6%	-12.4% ppt	
Cost/income ratio	n.a.	11.0%	-138.5% ppt	

n.a. – not indicative

Earnings trend in Financial Markets

Income in Financial Markets decreased by EUR 58.7 million from positive EUR 43.8 million to negative EUR 14.9 million.
Net interest income decreased by EUR 3.1 million to a negative EUR 1.0 million.
Income from equity investments decreased from EUR 43.8 million by EUR 21.1 million to EUR 22.7 million.
Impairment charges increased by EUR 0.4 million from EUR 3.8 million to EUR 4.2 million.
Net trading income rose by EUR 5.6 million from EUR 4.6 million to EUR 10.2 million.
At EUR 6.0 million, administrative expenses were EUR 0.1 million higher year on year.
Other operating income decreased by EUR 39.6 million from positive EUR 3.0 million to negative EUR 36.6 million.
Both RoE and the cost/income ratio are not indicative due to the segment result.

Proprietary trading

The first half-year was dominated by severe turbulence on financial markets. Apart from the after-effects of the coronavirus crisis, the Russian war of aggression against Ukraine increased the stress factor. Rising energy and commodity prices caused inflation to surge and this triggered a rise in interest rates not seen for years. Stock markets also suffered from rising interest rates and economic uncertainty. Neither were currency markets unaffected. As Europe is closer to the source of conflict and is more dependent on commodities from the region concerned, Europe is more severely affected and this is creating constant pressure on the euro, above all, versus the US dollar and the Swiss franc. Eastern European currencies were even more severely affected. In this unpredictable environment, Oberbank's cautious trading strategy paid off and positive returns were attained.

Refinancing

A covered bond with a seven-year maturity and a volume of EUR 250 million was placed at the end of April. With more than 800 million orders, it was the most successful bond issue to date. Thus, half of the issues planned for this year have already been completed.

Own funds

Own funds stood at EUR 3,311.9 million on 30 June 2022, which is a ratio of 19.68%. Tier 1 capital was EUR 2,970.2 million, and the tier 1 capital ratio was 17.65%. Common equity tier 1 capital of EUR 2,920.2 million corresponds to a ratio of 17.35%.

Risk

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

The most important risk category is counterparty risk. This risk is accounted for by recognizing the corresponding impairment charges in the balance sheet.

When assessing creditworthiness and in collateral policy, Oberbank can rely on decades of know-how. Moreover, its business model as a regional bank, professional credit management and a balanced distribution of overall debt across customer segments help contain the threat to Oberbank’s overall earnings from this risk exposure. Therefore, no extraordinary counterparty risk events are expected for the full financial year 2022.

The other risk categories are equity risk (risk of loss in value or foregone profits in the equity portfolio), market risk (risk of losses due to fluctuating interest rates, foreign exchange rates or equity prices), operational risk and liquidity risk. These risks are also covered by the corresponding funds in line with the principle of conservatism. In terms of liquidity risk, Oberbank's good position is also supported by the fact that it can refinance the total credit volume (30 June 2022: EUR 19.0 billion) by primary customer deposits, own issues and deposits of investment finance banks (OeKB, LfA, KfW) in an amount of EUR 20.0 billion (as at 30 June 2022).

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 for the period 1/1/2022 to 30/6/2022

Consolidated income statement in €k		1/1 to 30/6/202	1/1 to 30/6/202	Change in €k	Change in %
1. Interest and similar income		211,925	187,010	24,915	13.3
a) Interest income purs. to effective interest rate method		201,927	177,252	24,675	13.9
b) Other interest income		9,998	9,758	240	2.5
2. Interest and similar expenses		-22,391	-20,229	-2,162	10.7
Net interest income	(1)	189,534	166,781	22,753	13.6
3. Profit from entities accounted for using the equity method	(2)	22,736	43,798	-21,062	-48.1
4. Charges for losses on loans and advances	(3)	-3,553	-8,295	4,742	-57.2
5. Fee and commission income		120,208	106,962	13,246	12.4
6. Fee and commission expenses		-10,968	-10,087	-881	8.7
Net fee and commission income	(4)	109,240	96,875	12,365	12.8
7. Net trading income	(5)	9,880	3,980	5,900	> 100.0
8. Administrative expenses	(6)	-167,099	-151,370	-15,729	10.4
9. Other operating income	(7)	-51,994	-15,033	-36,961	> 100.0
a) Net income from financial assets - FV/PL		-32,739	4,821	-37,560	>-100.0
b) Net income from financial assets - FVOCI		-1,458	-165	-1,293	> 100.0
c) Net income from financial assets - AC		0	-7	7	-100.0
d) Other operating income		-17,797	-19,682	1,885	-9.6
Profit/loss for the period before tax		108,744	136,736	-27,992	-20.5
10. Income taxes	(8)	-22,349	-23,022	673	-2.9
Profit/loss for the period after tax		86,395	113,714	-27,319	-24.0
of which attributable to the owners of the parent company and the owners of additional equity components		85,898	113,067	-27,169	-24.0
thereof attributable to non-controlling interests		497	647	-150	-23.2

Other comprehensive income in €k	1/1 to 30/6/2022	1/1 to 30/6/2021
Profit/loss for the period after tax	86,395	113,714
Items not reclassified to profit or loss for the period	396	15,025
+/- Actuarial gains/losses IAS 19	11,215	8,900
+/- Deferred taxes on actuarial gains/losses IAS 19	-3,684	-2,225
+/- Share from entities accounted for by the equity method	6,230	5,404
+/- Value changes in own credit risk recognised in equity IFRS 9	25,149	-18,259
+/- Deferred tax on changes recognised in equity for own credit risk IFRS 9	-5,968	4,565
+/- Value changes in equity instruments recognised in equity IFRS 9	-46,479	22,188
+/- Deferred tax on value changes in equity instruments recognised in equity IFRS 9	13,935	-5,547
Items reclassified to profit/loss for the year	6,768	3,800
+/- Value changes recognised in equity for debt securities IFRS 9	-652	94
Amounts recognised in equity	-1,138	145
Reclassification adjustments	486	-51
+/- Deferred tax on value changes recognised in equity for debt securities IFRS 9	154	-23
Amounts recognised in equity	266	-36
Reclassification adjustments	-112	13
+/- Exchange differences	1,843	2,255
+/- Share from entities recognised using the equity method	5,422	1,474

	1/1 to 30/6/2022	1/1 to 30/6/2021
Total income and expenses recognised directly in equity	7,164	18,825
Total comprehensive income for the period from net profit/loss and income/expenses not recognised in profit/loss	93,559	132,539
of which attributable to the owners of the parent company and the owners of additional equity components	93,062	131,892
thereof attributable to non-controlling interests	497	647

Performance indicators	**1/1 to 30/6/2022**	**1/1 to 30/6/2021**
Cost/income ratio in %[1)]	59.81	51.07
Return on equity before tax in %[2)]	6.49	8.82
Return on equity after tax in %[3)]	5.16	7.33
Risk/earnings ratio (credit risk/net interest income) in %[4)]	1.87	4.97
Earnings per share (annualised) in €[5)6)]	4.89	6.46

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

Consolidated Interim Financial Statements pursuant to IFRS for the period 1/4/2022 to 30/6/2022

Consolidated income statement in €k		**1/4 to 30/6/ 2022**	**1/4 to 30/6/ 2021**	**Change in €k**	**Change in %**
1. Interest and similar income		108,245	93,761	14,484	15.4
a) Interest income purs. to effective interest rate method		102,246	88,928	13,318	15.0
b) Other interest income		5,999	4,833	1,166	24.1
2. Interest and similar expenses		-9,331	-9,710	379	-3.9
Net interest income	(1)	98,914	84,051	14,863	17.7
3. Profit from entities accounted for using the equity method	(2)	2,937	20,395	-17,458	-85.6
4. Charges for losses on loans and advances	(3)	148	-2,484	2,632	>-100
5. Fee and commission income		56,444	53,261	3,183	6.0
6. Fee and commission expenses		-5,103	-5,288	185	-3.5
Net fee and commission income	(4)	51,341	47,973	3,368	7.0
7. Net trading income	(5)	2,650	403	2,247	> 100
8. Administrative expenses	(6)	-88,635	-76,534	-12,101	15.8
9. Other operating income	(7)	-19,189	3,763	-22,952	>-100
a) Net income from financial assets - FV/PL		-18,820	3,269	-22,089	>-100
b) Net income from financial assets - FVOCI		-919	-149	-770	> 100
c) Net income from financial assets - AC		0	-7	-7	-100.0
d) Other operating income		550	650	-100	-15.4
Profit/loss for the period before tax		48,166	77,567	-29,401	-37.9
10. Income taxes	(8)	-11,967	-13,270	1,303	-9.8
Profit/loss for the period after tax		36,199	64,297	-28,098	-43.7
of which attributable to the owners of the parent company and the owners of additional equity components		35,910	64,010	-28,100	-43.9
thereof attributable to non-controlling interests		289	287	2	0.7

Other comprehensive income in €k	1/4 to 30/6/2022	1/4 to 30/6/2021
Profit/loss for the period after tax	36,199	64,297
Items not reclassified to profit/loss for the period	21,638	5,711
+/- Actuarial gains/losses IAS 19	11,215	8,900
+/- Deferred taxes on actuarial gains/losses IAS 19	-2,579	-2,225
+/- Share from entities accounted for by the equity method	5,785	5,604
+/- Value changes in own credit risk recognised in equity IFRS 9	24,586	-2,831
+/- Deferred tax on changes recognised in equity for own credit risk IFRS 9	-5,654	708
+/- Value changes in equity instruments recognised in equity IFRS 9	-15,212	-5,925
+/- Deferred tax on value changes in equity instruments recognised in equity IFRS 9	3,499	1,481
Items reclassified to profit/loss for the year	5,916	-1,314
+/- Value changes recognised in equity for debt securities IFRS 9	66	-103
Amounts recognised in equity	-440	-66
Reclassification adjustments	506	-37
+/- Deferred tax on value changes recognised in equity for debt securities IFRS 9	-15	26
Amounts recognised in equity	101	17
Reclassification adjustments	-116	9
+/- Exchange differences	909	231
+/- Share from entities recognised using the equity method	4,955	-1,468

	1/4 to 30/6/2022	1/4 to 30/6/2021
Total income and expenses recognised directly in equity	27,554	4,397
Total comprehensive income for the period from net profit/loss and income/expenses not recognised in profit/loss	63,753	68,694
of which attributable to the owners of the parent company and the owners of additional equity components	63,464	68,407
thereof attributable to non-controlling interests	289	287

Consolidated balance sheet as at 30/6/2022 / Assets

	in €k		30/6/2022	31/12/2021	Change in €k	Change in %
1.	Cash and balances at central banks	(10)	3,683,142	4,400,915	-717,773	-16.3
2.	Loans and advances to credit	(11)	658,441	873,561	-215,120	-24.6
3.	Loans and advances to customers	(12)	19,007,811	18,427,927	579,884	3.1
4.	Trading assets	(13)	42,172	37,380	4,792	12.8
5.	Financial investments	(14)	3,314,293	3,180,410	133,883	4.2
	a) Financial assets - FVPL		473,603	481,966	-8,363	-1.7
	b) Financial assets - FVOCI		348,916	414,571	-65,655	-15.8
	c) Financial assets - AC		1,455,474	1,283,109	172,365	13.4
	d) Interests in entities recognized using the equity method		1,036,300	1,000,764	35,536	3.6
6.	Intangible assets	(15)	3,203	3,221	-18	-0.6
7.	Property, plant and equipment	(16, 17)	374,313	382,622	-8,309	-2.2
	a) Investment property		82,685	84,234	-1,549	-1.8
	b) Other property, plant and equipment		291,628	298,388	-6,760	-2.3
8.	Other assets	(18)	232,292	233,627	-1,335	-0.6
	a) Deferred tax assets		2,398	1,390	1,008	72.5
	b) Positive fair values of closed out derivatives in the banking book		62,412	102,159	-39,747	-38.9
	c) Other		167,482	130,078	37,404	28.8
	Total assets		**27,315,667**	**27,539,663**	**-223,996**	**-0.8**

Balance sheet as at 30/6/2022 / Equity and liabilities

	in €k		30/6/2022	31/12/2021	Change in €k	Change in %
1.	Amounts owed to credit institutions	(19)	6,104,090	5,893,338	210,752	3.6
	a) Refinance allocated for customer loans		3,232,215	3,042,865	189,350	6.2
	b) Other amounts owed to credit institutions		2,871,875	2,850,473	21,402	0.8
2.	Amounts owed to customers	(20)	14,026,572	14,728,589	-702,017	-4.8
3.	Securitised liabilities	(21)	2,303,530	2,206,647	96,883	4.4
4.	Provisions for liabilities and charges	(22)	352,358	364,802	-12,444	-3.4
5.	Other liabilities	(23)	666,478	532,058	134,420	25.3
	a) Trading liabilities	(24)	34,859	35,539	-680	-1.9
	b) Tax liabilities		30,377	16,983	13,394	78.9
	ba) Current tax liabilities		27,710	1,738	25,972	> 100
	bb) Deferred tax liabilities		2,667	15,245	-12,578	-82.5
	c) Negative fair values of closed out derivatives in the banking book		122,412	34,077	88,335	> 100
	c) Other		478,830	445,459	33,371	7.5
6.	Subordinated debt capital	(25)	480,827	496,368	-15,541	-3.1
7.	Shareholders’ equity	(26)	3,381,812	3,317,861	63,951	1.9
	a) Equity after minorities		3,324,735	3,260,068	64,667	2.0
	b) Minority interests		7,077	7,793	-716	-9.2
	c) Additional equity capital components		50,000	50,000	0	0.0
	Total equity and liabilities		**27,315,667**	**27,539,663**	**-223,996**	**-0.8**

Consolidated statement of changes in equity as at 30/6/2022

in €k	Subscribed capital	Capital reserves	Retained earnings	Exchange differences	Revaluation reserve			Actuarial Gains/losses under IAS 19	Associates	Equity after minorities	Shares of non-controlling shareholders	Additional equity capital components	Shareholders' equity
					Reclassified debt securities IFRS 9	Equity instruments IFRS 9 not reclassified	Change in own credit risk IFRS 9 not reclassified						
As at 1/1/2021	**105,381**	**505,523**	**1,717,804**	**-5,663**	**242**	**112,620**	**6,128**	**-54,292**	**593,474**	**2,981,215**	**7,651**	**50,000**	**3,038,866**
Consolidated net profit			72,359	2,255	70	16,641	-13,694	6,675	47,586	131,892	647		132,539
Net profit/loss for the year			72,359						40,708	113,067	647		113,714
Other comprehensive income				2,255	70	16,641	-13,694	6,675	6,878	18,825			18,825
Dividend distribution			-20,408							-20,408			-20,408
Coupon payments on additional equity components			-1,725							-1,725			-1,725
Capital increase													
Issuance of additional equity components													
Repurchased own shares	334		8,883							9,217			9,217
Other changes not recognised in income			15						1,587	1,602	-1,063		539
As at 30/6/2021	**105,715**	**505,523**	**1,776,928**	**-3,408**	**312**	**129,261**	**-7,566**	**-47,617**	**642,647**	**3,101,794**	**7,235**	**50,000**	**3,159,029**
As at 1/1/2022	**105,863**	**505,523**	**1,844,816**	**-1,927**	**161**	**156,878**	**-6,905**	**-41,432**	**697,093**	**3,260,068**	**7,793**	**50,000**	**3,317,861**
Consolidated net profit			69,076	1,843	-498	-32,545	19,181	7,531	28,474	93,062	497		93,559
Net profit/loss for the year			69,076						16,822	85,898	497		86,395
Other comprehensive income				1,843	-498	-32,545	19,181	7,531	11,652	7,164			7,164
Dividend distribution			-35,306							-35,306			-35,306
Coupon payments on additional equity components			-1,725							-1,725			-1,725
Capital increase													
Issuance of additional equity components													
Repurchased own shares	48		1,365							1,413			1,413
Other changes not recognised in income			161						7,062	7,223	-1,213		6,010
As at 30/6/2022	**105,911**	**505,523**	**1,878,387**	**-84**	**-337**	**124,333**	**12,276**	**-33,901**	**732,629**	**3,324,735**	**7,077**	**50,000**	**3,381,812**

Consolidated statement of cash flows in €k	1/1 to 30/6/2022	1/1 to 30/6/2021
Profit/loss for the period	86,395	113,714
Non-cash items in profit/loss for the period and reconciliation of net cash from operating activities		
Write-offs, impairment losses, write-ups	40,230	-17,702
Change in provisions for staff benefits and other provisions for liabilities and charges	-4,913	2,099
Change in other non-cash items	-19,791	6,924
Gains and losses on financial investments, property, plant and equipment and intangible assets		
and intangible assets	3	-434
Subtotal	**101,924**	**104,601**
Change in assets and liabilities arising from operating activities after corrections for non-cash positions		
- Loans and advances to credit institutions	225,064	81,748
- Loans and advances to customers	-575,987	-694,217
- Trading assets	-941	6,376
- Financial assets for operating activities[1)]	24,953	68,303
- Other assets from operating activities	29,959	13,603
- Amounts owed to credit institutions	240,918	516,349
- Amounts owed to customers	-656,964	659,981
- Securitised liabilities	168,302	390,662
- Other liabilities from operating activities	-52,892	-53,684
Cash flow from operating activities	**-495,664**	**1,093,722**
Proceeds from the sale of		
- Financial assets held as investments[2)]	152,326	308,961
- Property, plant and equipment, and intangible assets	1,384	2,411
Outlay on purchases of		
- Financial investments	-331,497	-149,392
- Property, plant and equipment, and intangible assets	-11,981	-16,093
Cash flow from investing activities	**-189,768**	**145,888**
Capital increase	0	0
Dividend distributions	-35,306	-20,408
Coupon payments on additional equity components	-1,725	-1,725
Inflow from subordinated debt capital and other financing activities		
- Issues	40,814	40,552
- Other	3,138	10,941
Outflow from subordinated debt capital and other financing activities		
- Redemptions	-30,000	-18,600
- Other	-9,262	-9,060
Cash flow from financing activities	**-32,341**	**1,700**
Cash and cash equivalents at the end of preceding period	**4,400,915**	**2,105,984**
Cash flow from operating activities	-495,664	1,093,722
Cash flow from investing activities	-189,768	145,888
Cash flow from financing activities	-32,341	1,700
Effects of changes in the consolidation scope and revaluation	0	0
Effects of foreign exchange rate changes	0	0
Cash and cash equivalents at the end of the period	**3,683,142**	**3,347,294**
Interest received	204,551	191,679
Dividends received	11,840	7,515
Interest paid	-49,618	-50,909
Coupon payments on additional equity components	-1,725	-1,725
Income tax paid	-22,646	-20,713

Cash and cash equivalents include the items Cash and balances at central banks, consisting of cash on hand and credit balances with central banks

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 half-year 2022 (1 January 2022 to 30 June 2022) and compare the results with the corresponding period of the preceding year. This interim report for the first quarter of 2022 complies with IAS 34 ("Interim Reports"). No full audit or review by an auditor has been conducted of these condensed interim financial statements for the Group. We have not applied standards and interpretations that take effect as of the financial year 2022 or later.

Changes to accounting policies 2022

The half-year report of Oberbank AG has been drafted using the same recognition and measurement policies as applied on 31 December 2021. An exception are the standards and interpretations that apply to financial years that start on or after 1 January 2022. Only those new standards and interpretations are presented that are relevant for the operating activities of Oberbank.

The following standards and interpretations, as amended, have been mandatory since January 2022.

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

The **annual improvements** cycle for IFRS refer to amendments to IFRS 1, IFRS 9, IAS 16 and IAS 41. This does not result in any material effects on the consolidated financial statements of Oberbank.

Amendments to **IAS 16 "Property, Plant and Equipment"** now explicitly prohibit the deduction of possible net income from the acquisition cost of an item of property, plant and equipment. If goods are produced and sold while an item of property, plant and equipment is being brought to its intended location or to its intended working condition, the income resulting from the sale of these goods as well as their production costs must be recognised in profit or loss in accordance with the applicable standards. As the Group does not have any property, plant and equipment where goods are produced as part of trial runs, there is no impact from these changes on the consolidated financial statements.

The amendments to **IAS 37 "Provisions and Contingent Liabilities"** specify the costs for the fulfilment onerous contracts. All directly attributable costs are to be taken into account as fulfilment costs. The above change has no effect on the consolidated financial statements.

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

Actuarial assumptions

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

	30/6/2022	31/12/2021
Interest rate applied	2.75%	1.25%
Increase under collective agreements	2.84%	2.63%
Pension increase	1.89%	1.67%

Oberbank group of consolidated companies

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

Oberbank Frank Immobilienleasing GmbH	Share in %	90%

Impairment – financial assets and contract assets

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

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

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

Segmentation

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

Stage model

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

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

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

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

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

Qualitative criteria for a stage transfer

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

Financial instruments with the attribute forbearance are always assigned to stage 2 provided the receivable is not already in default. The lifetime expected loss is recognised for this receivable throughout the entire forbearance phase.
A rebuttable presumption when contractual payments are more than 30 days past due results in a stage transfer as a qualitative criterion (IFRS 9.5.5.11). This means that instruments are assigned to stage 2 when the default on payment of capital and/or interest exceeds 30 days. As soon as the debt is 90 days past due, the borrower is assigned a default rating and the financial instrument is transferred to stage 3. In the case of leases, use is made of an IFRS 9 option and impairment is always recognised in the amount of the lifetime expected credit loss. Therefore, these transactions are automatically assigned to stage 2.
All financial instruments that have an absolutely defined low credit risk on the balance sheet date may always be allocated to stage 1 as an exception to the relative approach (IFRS 9.5.5.10). When a borrower is in a rating class with a very low credit risk (rating classes AA to 1b), the financial instrument is also assigned to stage 1. This logic is applied only to the low-default portfolio for the segments of sovereigns and banks. The low credit risk exemption therefore applies to a portfolio that would generally be designated as 'investment grade' (average PD of rating class corresponds to S&P equivalent ratings to BBB-). Likewise, foreign currency loans with income in a congruent currency and also loans with special purpose vehicles classified as performing are assigned to stage 2. Currency fluctuations and movements in collateral assets in the case of special purpose vehicles have a higher risk with respect to the ability to service a loan than in the case of conventional loan portfolios.
Apart from qualitative factors inherent to the model for a stage transfer, as at 30/06/2022 Oberbank applied the collective stage transfer to stage 2 for certain sub-portfolios with the continuation of the coronavirus crisis. The principal reasons for this are the massive economic distortions accompanied by extraordinary government interventions.

On the one hand, the modelled correlation between economic performance and credit default rates are subject to a break in the system, and on the other hand, the possible long-term consequences have not yet been fully taken into account in the banks' internal ratings. Before this backdrop, it appears necessary to temporarily represent the expected higher credit risk by a collective stage transfer. In this management overlay additional risks are identified with an influence on impairment charges, especially crisis-induced risk and that are probably of temporary nature. Collective staging is applied in the following portfolios:

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

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

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

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

Qualitative criteria for a stage transfer

The transfer criterion at Oberbank is based mainly on an analysis of the cumulated default probabilities (lifetime PDs). The following variables influence the determination of a relative deterioration of PD:

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

In order to assess the significance of an increase in credit risk, a comparison is made of the default probability on initial recognition and the default probability on the valuation date (IFRS 9.5.5.9). In this context, the lifetime PD over the remaining time to maturity is to be used. This is done by comparing the lifetime PD in the current rating stage over the remaining time to maturity with the forward lifetime PD in the rating stage at initial recognition over this period. The criterion for allocation to stage 1 and stage 2 is thus based on a relative criterion and not on an absolute credit risk estimate at every point in time of an assessment (IFRS 9.B5.5.9). As a backstop and based on an analysis of the relative transfer criterion, the decision was taken – irrespective of the structure of the migration matrix – that a stage transfer would have to be triggered in any case if the loan has shifted by at least three rating stages since initial recognition. In the case of very long remaining times to maturity and very good ratings, it is possible that due to the 'drift to the middle' tendency, it may happen in marginal PDs that even for downgrades by several rating stages, the relative transfer criterion would otherwise not be reached. The return to a higher stage is done when the criteria which were the cause of the downgrade no longer apply. Thus, upgrades and downgrades are treated symmetrically. The return to stage 2 is carried out, for example, as soon as there is no longer any significant increase in the default risk. The measure used is a comparison of default risk at initial recognition with the default risk on the relevant balance sheet date.

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

Calculating ECL

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

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

Expected credit loss at Oberbank is a probability-weighted estimate of the loss over the expected remaining time to maturity of the financial instrument. In other words, it is the present value of the difference between the contractually-agreed cash flows and expected cash flows. Where the calculation of the expected loss includes:

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

The maximum time period for which the expected credit loss is determined is the life of the contract over which Oberbank is exposed to the credit risk from the financial instrument. Only in the case of revolving lines of credit is the expected credit loss determined for a period which under certain conditions may be longer than the life of the contract. The expected loss breaks down into three components:

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

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

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

Key input parameters

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

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

The 1-year migration matrix is determined based on a matrix multiplication of four successive quarters. The final 1-year migration matrix is the mean value of all migration matrices determined. The 1-year PD per rating class is the sum of the PD from the three default rating classes 5a, 5b and 5c. The cumulated and lifetime PD is based on the Markov assumption for migration matrices by applying matrix multiplication. This results in PD curves per segment and rating class.
For individual segments and maturity bands, these conditional basis PD that result from the 'through-the-cycle migration matrix' are adjusted in order to include forward-looking information. This so-called 'point-in-time adjustment' (PIT adjustment) is done using statistical models to attempt to relate the default probability with the explanatory macroeconomic variables.
Logistic regression is used as the statistical model, whereby the probability of default is predicted. 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 65%, Germany with 15%, Czech Republic with 10%, Hungary and Slovakia each with 5%.
The model selection is based on the information criterion pursuant to Akaike (AIC), with the variables being chosen in a step-wise selection process.
Based on these estimated factors, the PD in the Corporate, Retail and SME segments is adjusted using a scaling method. No plausible correlations with macroeconomic factors were derived in the sovereign and banking segments.
Oberbank uses three different scenarios for the ECL calculation (normal, upward and downward scenario), with the final adjustment of a linear combination being equivalent to the three different scenarios. The scenario weighting is oriented on the common practice of weighting the normal scenario with 50% and the two other scenarios each with 25%.
Oberbank uses the macroeconomic data of the data vendor Bloomberg for the scenarios. In this context, it is pointed out that economically plausible forecasts are only available for 3 years. The forecast values for the calculation can be found in the special section "Impact of the Covid 19 pandemic on the consolidated financial statements".

Loss Given Default (LGD)

The loss in the event of default corresponds to that share of receivables that cannot be recovered and therefore constitutes an economic loss. LGD is divided into an LGD from secured parts of a loan and an LGD from unsecured parts of a loan. LGD from the secured portions of a loan depends on the type of collateral and the potential development of value/depreciation over time. The development of an exposure over a time period and the development of the collateral results in effective LGDs per bandwidth over a time period.

Secured LGD

The calculation of the expected credit loss includes all internal collateral based on cover assets. The difference between the market value and the cover value of collateral corresponds to a haircut for estimation uncertainties and fluctuations in value, and can therefore implicitly be interpreted as the LGD for the secured portion of a loan. The calculation of the expected credit loss thus entails an implicit splitting of the loan into a secured and unsecured part. The secured part thus has an LDG of 0% after considering the cover value and the unsecured part of a loan has an undefined LGD depending on the segment. When both parts of the loan are combined, they result in a type of 'mixed' LGD per maturity bandwidth.

Unsecured LGD

The unsecured LDG represents the irrecoverable portion after deducting the proceeds from the collateral and depends mainly on the proceeds from the realization or liquidation process.

Exposure at Default (EAD)

For loans with certain principal due dates, the cash flow estimates are based on the contractual redemption structure. All cash flows are determined by the transaction attributes (balance, amount of repayments, frequency of repayments, interest payment intervals, reference interest rates, due dates) as well as current market data (exchange rates and market interest rates). Cash flows from interest payments are derived from the forward interest implicit in the interest rate curve.

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

At Oberbank, there are loans that were granted on a “until further notice” basis with respect to maturity. Within the scope of the annual credit review, the credit agreement is reassessed and, if applicable, the terms are adjusted with a view to the changes in credit quality. These loans can be called at any time. Therefore, with respect to maturity, it is assumed that the period is one year, because every year a decision is made on the prolongation of the line of credit. Oberbank is thus exposed to the credit risk for a maximum period of one year.

In the case of overdraft facilities, the portion is calculated first that is currently not being used. In this case, the credit balance is deducted from the overdraft limit. This unused part of an overdraft facility consequently remains unchanged over the entire life of the loan. The calculation of the exposure at default (EAD) is based throughout on a credit conversion factor. The due date of the overdraft facility always corresponds to the maturity of the loan.

Sensitivity analysis

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

Impairment charges by segment

in €k	100% Stage 1 12M ECL	ECL calculation as at 30/06/2022	100% Stage 2 LT ECL
Banks	-1,207	-1,216	-2,007
Corporate	-27,771	-59,555	-129,828
Retail	-11,181	-12,934	-21,902
SME	-5,079	-6,374	-7,649
Sovereign	-493	-733	-2,161
TOTAL	-45,730	-80,812	-163,547

Impairment testing for investments accounted for using the equity method

Interests in entities accounted for using the equity method are recognised proportionately to the equity held by Oberbank in the entity. If there are objective indications of impairment for an investment measured by the equity method, an individual value-in-use is determined for this investment. The higher of the stock market price and the value-in-use represents the recoverable amount pursuant to IAS 36.6 and this is to be used for the valuation. A trigger for an impairment test is given if either the fair value drops by at least 20% below the carrying amount of investments recognized using the equity method or if the fair value remains persistently below its carrying amount for a period of at least nine months.
On the measurement date 30 June 2022, the quantitative impairment trigger was released for the investment in voestalpine AG recognized using the equity method, because at a stock market price of EUR 20.28 on 30 June 2022, the price was significantly lower – by 48.90% – than the carrying value of EUR 39.69 based on the equity method.
An impairment test was therefore carried out, in which the individual value-in-use of voestalpine AG was determined as at 30 June 2022. The value-in-use was calculated in accordance with the discounted cash flow procedure and applying the WACC method (weighted average cost of capital) and resulted in a value of EURk 516,788. This value was used as the recoverable amount as the higher value from the comparison of the right-of-use value and the fair value minus cost of sale, which resulted in an impairment amount of EURk 53,094. The discount rate used in the terminal value was the WACC (Weighted Average Cost of Capital) of 7.39%. A change to the discount interest rate by +/- 25 basis points would result in a reduction in the right-of-use value by 5.85% or an increase by 6.36%, respectively, while a change to the discount interest rate by +/- 50 basis points would reduce the right-of-use value by 11.25% or increase it by 13.29%.
The requirements for an impairment test were not met for the remaining companies measured using the equity method.

Effects of the coronavirus pandemic on the consolidated interim financial statements

1. Background

The coronavirus pandemic has created enormous uncertainty in the world economy and global markets. The following statements provide updated information and describe the material aspects regarding the current impact of the coronavirus pandemic on the consolidated half-year financial statements of Oberbank AG.

2. Discretionary decisions, assumptions and estimates

These consolidated financial statements contain values whose amounts were arrived at based on discretionary decisions, assumptions and estimates. These assumptions and estimates are based on past experience, budgets and forecasts regarding future events that appear likely from today's perspective. These estimates and judgements are subject to increased uncertainty due to the still prevailing insecurity over the development of the coronavirus pandemic. The actual amounts may differ from the estimates and judgements made, and may have a material impact on the consolidated financial statements. The updated estimates and discretionary decisions took into consideration all available information on the probable further development of the economy.

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

Risk provisions

The measurement of risk provisions depends mainly on expectations regarding future loan losses and the structure and quality of the loan portfolio. In addition, the calculation of any future charges for impairment losses requires estimates of the amounts and dates of future cash flows. More details are given in item 3. Risks from financial instruments.

Fair value of financial instruments

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

3. Risks from financial instruments

Effects of the coronavirus pandemic on the impairment model for financial instruments pursuant to IFRS 9

Economic growth in Austria slowed slightly in the 2nd quarter of 2022. Government subsidy and financial assistance programmes have been prolonged in some cases until December 2022 (coronavirus short-time work, etc.) and continue to check insolvencies. This continues to make it difficult to estimate the true impact of the coronavirus pandemic on potential business failures.

Massive government support measures and the still prevailing uncertainty about the further development of the pandemic, are delaying the presentation of default rates for retail and corporate customers in the macroeconomic metrics. It is generally expected that potential failures will occur with a time delay and then return to normal levels. These circumstances cannot be adequately considered in the rating models.

The Oberbank impairment model contains, among other things, a modification of the default probability (PD) to take leading macroeconomic indicators into account. The government's support measures are mitigating the negative economic effects on our customers, thereby making the early detection of potential deteriorations in credit quality difficult. The FLI model is based on a time-series that does not take into account these economic aberrations, government aid-induced distortions and extreme macroeconomic trends.

The following table shows the country-weighted macroeconomic factors considered in the ECL calculation for the segments Corporates and SME as at 30 June 2022:

Normal scenario	Year 1 (4 quarterly averages)	Year 2 (4 quarterly averages)	Year 3 (4 quarterly averages)
Real GDP growth	1.03%	2.45%	2.66%
Harmonised Index of Consumer Prices	7.87%	2.36%	2.40%

Pessimistic scenario	Year 1 (4 quarterly averages)	Year 2 (4 quarterly averages)	Year 3 (4 quarterly averages)
Real GDP growth	-0.41%	1.47%	1.68%
Harmonised Index of Consumer Prices	9.51%	3.70%	3.47%

Optimistic scenario	Year 1 (4 quarterly averages)	Year 2 (4 quarterly averages)	Year 3 (4 quarterly averages)
Real GDP growth	4.18%	3.61%	3.72%
Harmonised Index of Consumer Prices	6.17%	1.11%	1.15%

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

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

Compared with the start of the year, the amount of the impairment charges for performing loans (stage 1 and stage 2) increased by EUR 0.03 million.

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

Reliable outlook is not possible
Oberbank's management expects credit demand to weaken and risk costs to increase. However, the further development of commodity prices, money markets and capital markets cannot be estimated. Therefore, from today's perspective, it is not possible to provide a reliable outlook on the development of business until the end of the year.

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

Details of the income statement in €k

1) Net interest income	1/1 to 30/6/2022	1/1 to 30/6/2021
Interest income from		
Credit and money market operations	191,557	165,491
Shares and other variable-yield securities	3,056	1,654
Other equity investments	2,004	1,974
Subsidiaries	866	798
Fixed-interest securities and bonds	14,442	17,093
Interest and similar income	211,925	187,010
Interest expenses for		
Deposits	-6,710	-3,882
Securitised liabilities	-9,618	-8,964
Subordinated liabilities	-6,259	-6,721
Result of non-significant modifications	196	-662
Interest and similar expenses	-22,391	-20,229
Net interest income	189,534	166,781

2) Income from entities recognised using the equity method	1/1 to 30/6/2022	1/1 to 30/6/2021
Net amounts from proportionately recognised income	75,830	37,339
Expenses from impairments and income from additions	-53,094	6,459
Income from additions due to purchases	0	0
Profit from entities accounted for using the equity method	**22,736**	43,798

3) Charges for losses on loans and advances	1/1 to 30/6/2022	1/1 to 30/6/2021
Additions to charges for losses on loans and advances	-50,538	-46,882
Direct write-offs	-892	-807
Reversals of charges for losses on loans and advances	46,641	37,746
Recoveries from written-off receivables	814	877
Result of non-significant modifications	-27	116
Result of POCI financial instruments	449	655
Charges for losses on loans and advances	-3,553	-8,295

4) Net commission income	1/1 to 30/6/2022	1/1 to 30/6/2021
Net commission income:		
Payment services	34,355	32,204
Securities business	43,175	37,558
Foreign exchange, foreign bank notes and precious metals	12,018	9,405
Credit operations	28,073	24,159
Other services and advisory business	2,587	3,636
Total net fee and commission income	120,208	106,962
Net fee and commission expenses		
Payment services	2,746	2,300
Securities business	5,071	4,399
Foreign exchange, foreign bank notes and precious metals	318	275
Credit operations	2,476	2,973
Other services and advisory business	357	140
Total fee and commission expenses	10,968	10,087
Net fee and commission income	109,240	96,875

5) Net trading income	1/1 to 30/6/2022	1/1 to 30/6/2021
Gains/losses on interest rate contracts	335	774
Gains/losses on foreign exchange, foreign bank note and numismatic	1,813	428
Gains/losses on derivatives	7,732	2,778
Net trading income	9,880	3,980

6) Administrative expenses	1/1 to 30/6/2022	1/1 to 30/6/2021
Staff costs	103,152	89,723
Other administrative expenses	49,017	46,849
Write-offs and impairment allowances	14,930	14,798
Administrative expenses	167,099	151,370

7) Other operating income	1/1 to 30/6/2022	1/1 to 30/6/2021
a) Net income from financial assets - FVPL	-32,739	4,821
thereof from designated financial instruments	-11,865	-4,194
thereof financial instruments with mandatory measurement at FVPL	-20,874	9,015
b) Net income from financial assets - FVOCI	-1,458	-165
thereof from the measurement of debt instruments	-991	-214
thereof from the sale and derecognition of debt instruments	-467	49
c) Net income from financial assets - AC	0	-7
d) Other operating income	-17,797	-19,682
Other operating income:	**16,371**	**16,775**
Income from operational risks	1,974	1,901
Gains from the sale of land and buildings	0	0
Income from private equity investments	1,109	140
Income from operating leases	5,438	7,391
Other income from the leasing sub-group	2,961	2,877
Brokerage fees from third parties	2,889	2,627
Other	2,000	1,839
Other operating expenses	**-34,168**	**-36,457**
Expenses from operational risks	-1,734	-2,865
Stability tax	-2,845	-2,460
Contributions to the resolution fund and deposit protection scheme	-18,833	-19,960
Expenses from operating leases	-4,852	-6,732
Other income from the leasing sub-group	-2,882	-2,735
Other	-3,022	-1,705
Other operating income net of other operating expenses	-51,994	-15,033

8) Income taxes	1/1 to 30/6/2022	1/1 to 30/6/2021
Current income tax expense	31,604	26,039
Deferred income tax expense (income)	-9,255	-3,017
Income taxes	22,349	23,022

9) Earnings per share in €	1/1 to 30/6/2022	1/1 to 30/6/2021
Number of shares as at 30/6	35,307,300	35,307,300
Average number of shares in issue	35,299,445	35,183,248
Profit/loss for the period after tax	86,395	113,714
Earnings per share in €	2.45	3.23
Annualised values	4.89	6.46

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

Details of the balance sheet in €k

10) Cash and balances with central banks	30/6/2022	31/12/2021
Credit balances with central banks of issue	3,469,194	4,193,765
Other cash reserves	213,948	207,150
Cash and balances with central banks	3,683,142	4,400,915

11) Loans and advances to credit institutions	30/6/2022	31/12/2021
Loans and advances to Austrian credit institutions	185,202	120,338
Loans and advances to foreign credit institutions	473,239	753,223
Loans and advances to credit institutions	658,441	873,561

12) Loans and advances to customers	30/6/2022	31/12/2021
Loans and advances to domestic customers	10,741,541	10,620,908
Loans and advances to foreign customers	8,266,270	7,807,019
Loans and advances to customers	19,007,811	18,427,927

13) Trading assets	30/6/2022	31/12/2021
Bonds and other fixed-interest securities		
Listed	4,176	0
Shares and other variable-yield securities		
Listed	28	1,617
Positive fair values of derivative financial instruments		
Currency contracts	12,401	5,768
Interest rate contracts	25,529	29,995
Other contracts	38	0
Trading assets	42,172	37,380

14) Financial investments	30/6/2022	31/12/2021
Bonds and other fixed-interest securities		
Listed	1,649,969	1,503,759
Unlisted	72,879	59,949
Shares and other variable-yield securities		
Listed	84,832	131,319
Unlisted	202,055	220,311
Equity investments/shares		
Subsidiaries	83,812	84,003
Entities accounted for using the equity method		
Banks	519,512	508,392
Non-banks	516,788	492,372
Other equity investments		
Banks	49,695	49,695
Non-banks	134,751	130,610
Financial investments	3,314,293	3,180,410
a) Financial assets - FVPL	473,603	481,966
b) Financial assets FVOCI	348,916	414,571
thereof equity instruments	327,000	373,483
thereof debt instruments	21,916	41,088
c) Financial assets - AC	1,455,474	1,283,109
d) Interests in entities recognized using the equity method	1,036,300	1,000,764
Financial investments	3,314,293	3,180,410

15) Intangible assets	30/6/2022	31/12/2021
Other intangible assets	2,908	2,912
Customer base	295	309
Intangible assets	3,203	3,221

16) Property, plant and equipment	30/6/2022	31/12/2021
Investment property	82,685	84,234
Land and buildings	87,806	87,800
Business equipment and furnishings	44,068	46,022
Other property, plant and equipment	16,832	22,299
Right of use for leased objects	142,922	142,267
Property, plant and equipment	374,313	382,622

17) Lease contracts in which Oberbank is lessee

The lease contracts entered into by Oberbank relate mainly to rentals for branch premises and office space as well as to building rights and tenancy rights for plots of land, garages, business equipment and furnishings, and vehicles. The leasing contracts do not involve any significant restrictions or commitments. There were no sale-and-leaseback transactions. The results in the consolidated balance sheet, consolidated income statement and consolidated statement of cash flows for Oberbank as a lessee are presented below for the first half-year 2022 or as at 30 June 2022:

Leasing in the consolidated balance sheet	30/6/2022	31/12/2021
Property, plant and equipment	143,409	142,832
Right-of-use for land and buildings	140,228	139,545
Right-of-use for business equipment and furnishings	856	850
Right-of-use for other property, plant and equipment	1,838	1,872
Right-of-use in investment property	487	565
Other liabilities		
Leasing liabilities	144,545	143,833

Additions to rights-of-use in the first half-year of 2022 were €k 9,932. Cash outflows for leasing liabilities amounted to €k 8,050.

Leasing in the consolidated income statement	1/1 to	1/1 to
Interest expenses for leasing liabilities	398	373
Administrative expenses	7,786	7,768
Depreciation/amortisation for rights-of-use to land and buildings	7,067	7,042
Depreciation/amortisation for rights-of-use to business equipment and furnishings	157	156
Depreciation/amortisation for rights-of-use to other property, plant and	484	491
Depreciation for rights-to-use to investment property	79	79
Other expenses from lease contracts	769	589
Other operating income		
Income from subleasing rights-of-use	384	432

Leasing in the consolidated statement of cash flows	1/1 to	1/1 to
Repayment of leasing liabilities from finance activities	-8,050	-7,997
Interest expenses for leasing liabilities from operating activities	398	373

18) Other assets	30/6/2022	31/12/2021
Deferred tax assets	2,398	1,390
Other assets	152,969	127,011
Positive fair values of closed out derivatives in the banking book	62,412	102,159
Deferred items	14,513	3,067
Other assets	232,292	233,627

19) Amounts owed to credit institutions	30/6/2022	31/12/2021
Amounts owed to domestic banks	4,047,264	3,980,517
Amounts owed to foreign banks	2,056,826	1,912,821
Amounts owed to credit institutions	6,104,090	5,893,338

The item amounts owed to credit institutions contains an amount of EUR 2,300 million from the TLTRO III refinancing programme of the ECB. These loans were obtained between June 2020 and September 2021, and were subject to the ECB interest on deposits valid at the time of -0.5% until the end of June. The interest rate is in conformity with market refinancing when compared to the deposits of our customers and other comparable secured refinancing. Therefore, we recognized the finance liability as a financial instrument pursuant to IFRS 9. Additionally, we achieved the required credit growth and received a bonus of 0.5% until the end of June 2022 in addition to the interest. The interest income received for the negative refinancing interest for HY1 2022 was EUR 5.8 million, which in addition to the bonus recognized for HY1 2022 resulted in net interest income of EUR 14.3 million.
The interest rate for the remaining term ofthe TLTRO III refinancing programme is determined based on the average deposit rate of the ECB over the entire term of the transaction of three years. Future interest depends on the further development of deposit interest rates, and therefore, the impact on future interest income cannot yet be estimated.

20) Amounts owed to customers	30/6/2022	31/12/2021
Savings deposits	2,379,001	2,534,685
Other	11,647,571	12,193,904
Amounts owed to customers	14,026,572	14,728,589

21) Securitised liabilities	30/6/2022	31/12/2021
Bonds issued	2,293,251	2,192,883
Other securitised liabilities	10,279	13,764
Securitised liabilities	2,303,530	2,206,647

22) Provisions for liabilities and charges	30/6/2022	31/12/2021
Provisions for termination benefits and pensions	166,305	179,295
Provisions for anniversary bonuses	14,154	14,908
Provisions for credit risks	132,123	135,250
Other provisions	39,776	35,349
Provisions for liabilities and charges	352,358	364,802

23) Other assets	30/6/2022	31/12/2021
Trading liabilities	34,859	35,539
Tax liabilities	30,377	16,983
Current tax liabilities	27,710	1,738
Deferred tax liabilities	2,667	15,245
Leasing liabilities	144,545	143,833
Other liabilities	284,839	244,459
Negative fair values of closed out derivatives in the banking book	122,412	34,077
Deferred items	49,446	57,167
Other liabilities	666,478	532,058

24) Other liabilities (trading liabilities)	30/6/2022	31/12/2021
Currency contracts	8,923	7,122
Interest rate contracts	25,916	28,417
Other contracts	20	0
Trading liabilities	34,859	35,539

25) Subordinated debt capital	30/6/2022	31/12/2021
Subordinated bonds issued incl. tier 2 capital	480,827	496,368
Hybrid capital	0	0
Subordinated debt capital	480,827	496,368

26) Shareholders' equity	30/6/2022	31/12/2021
Subscribed capital	105,911	105,863
Capital reserves	505,523	505,523
Retained earnings (incl. net profit)	2,711,429	2,646,810
Negative goodwill	1,872	1,872
Additional equity capital components	50,000	50,000
Minorities	7,077	7,793
Shareholders' equity	3,381,812	3,317,861

27) Contingent liabilities and credit risks	30/6/2022	31/12/2021
Other contingent liabilities (guarantees and letters of credit)	1,522,620	1,404,392
Contingent liabilities	1,522,620	1,404,392
Liabilities arising from non-genuine repos	0	0
Other commitments (irrevocable loan commitments)	4,223,108	4,551,763
Credit risks	4,223,108	4,551,763

28) Segment report as at 30/6/2022 Core business segments in €m	Personal Banking	Corporates	Financial Markets	Other	Total
Net interest income	36.0	154.6	-1.0	0	189.5
Profit from entities accounted for using the equity method			22.7		22.7
Charges for losses on loans and advances	-7.6	8.2	-4.2	0	-3.6
Net fee and commission income	46.6	62.7	0	0	109.2
Net trading income		-0.3	10.2		9.9
Administrative expenses	-54.7	-86.8	-6.0	-19.6	-167.1
Other operating income	3.0	-0.5	-36.6	-18.0	-52.0
Profit/loss for the period before tax	23.3	137.9	-14.9	-37.6	108.7
Average risk-weighted assets	2,146.5	11,530.9	6,225.2	0	19,902.6
Average allocated equity	361.3	1,940.9	1,047.8	0	3,350.0
RoE (return on equity before tax)	12.9%	14.2%	n.a.		6.5%
Cost/income ratio	63.9%	40.1%	n.a.		59.8%

n.a. – not indicative

Segment report as at 30/6/2021 Core business segments in €m	Personal Banking	Corporates	Financial Markets	Other	Total
Net interest income	31.0	133.7	2.0		166.8
Profit from entities accounted for using the			43.8		43.8
Charges for losses on loans and advances	-1.0	-3.5	-3.8		-8.3
Net fee and commission income	42.6	54.3	0		96.9
Net trading income		-0.6	4.6		4.0
Administrative expenses	-50.8	-79.6	-5.9	-15.1	-151.4
Other operating income	2.8	-1.6	3.0	-19.2	-15.0
Profit/loss for the period before tax	24.6	102.7	43.8	-34.4	136.7
Average risk-weighted assets	2,012.5	10,817.2	5,317.6		18,147.3
Average allocated equity	343.9	1,848.5	908.7		3,101.2
RoE (return on equity before tax)	14.3%	11.1%	9.6%		8.8%
Cost/income ratio	66.5%	42.8%	11.0%		51.1%

n.a. – not indicative

29) Human resources	30/6/2022	31/12/2021
Salaried employees	2,140	2,152
Blue-collar	6	6
Total resources	2,146	2,158

30) Regulatory capital purs. to Part 2 of Regulation (EU) No 575/2013 - Pillar I in €k	**30/6/2022**	**31/12/2021**	**30/6/2021**
Subscribed capital	105,922	105,922	105,922
Capital reserves	505,523	505,523	505,523
Retained earnings	2,494,639	2,505,296	2,325,608
Minority interests	0	0	0
Cumulated other comprehensive income	102,371	108,702	74,390
Regulatory adjustment items	-14,750	4,169	4,746
Deductions from common equity tier 1 capital items	-273,458	-258,504	-255,615
COMMON EQUITY TIER 1 CAPITAL	**2,920,247**	**2,971,108**	**2,760,574**
AT1 capital instruments	50,000	50,000	50,000
AT1 capital instruments purs. to national implementation rules	0	0	0
Deductions from AT1 capital items	0	0	0
Additional tier 1 capital	50,000	50,000	50,000
TIER 1 CAPITAL	**2,970,247**	**3,021,108**	**2,810,574**
Qualifying supplementary capital instruments	355,586	345,098	371,419
Supplementary capital (tier 2) items purs. to national impl. rules	0	865	1,803
General credit risk adjustments	0	0	0
Deductions from tier 2 capital items	-13,893	-13,893	-14,698
Supplementary capital (tier 2)	341,693	332,070	358,524
OWN FUNDS	**3,311,940**	**3,353,178**	**3,169,098**
Total risk exposure purs. Art. 92 CRR			
Credit risk	15,734,319	15,071,679	14,768,107
Market risk, settlement risk and CVA risk	24,940	45,612	47,980
Operational risk	1,070,996	1,070,996	1,053,164
Total exposure	**16,830,255**	**16,188,287**	**15,869,251**
Own funds ratio purs. Art. 92 CRR			
Common equity tier 1 capital ratio	17.35%	18.35%	17.40%
Tier 1 capital ratio	17.65%	18.66%	17.71%
Total capital ratio	19.68%	20.71%	19.97%
Regulatory requirement, own capital ratios in %			
Common equity tier 1 capital ratio	7.06%	7.06%	7.05%
Tier 1 capital ratio	8.56%	8.56%	8.55%
Total capital ratio	10.56%	10.56%	10.55%
Regulatory capital requirements purs. to transition rules in €k			
Common equity tier 1 capital	1,188,216	1,142,893	1,118,782
Tier 1 capital	1,440,670	1,385,717	1,356,821
Total capital	1,777,275	1,709,483	1,674,206
Free capital components			
Common equity tier 1 capital	1,732,031	1,828,215	1,641,792
Tier 1 capital	1,529,577	1,635,391	1,453,753
Total capital	1,534,665	1,643,695	1,494,892

31) Fair value of financial instruments and other items regarding reconciliation as at 30/6/2022 in €k	AC	FVTPL	thereof designated	HFT	FVOCI	thereof equity instruments FVOCI	thereof debt instruments FVOCI	AC/ liabilities	Other	Total
Cash and balances at central banks								3,683,142		**3,683,142**
								3,683,142		**3,683,142**
Loans and advances to credit institutions								658,441		**658,441**
								653,223		**653,223**
Loans and advances to customers	57,369	33,164	7,957		35,014	0	35,014	18,882,264		**19,007,811**
	51,241	33,164	7,957		35,014	0	35,014	18,662,871		**18,782,290**
Trading assets				42,172						**42,172**
				42,172						**42,172**
Financial investments	1,455,474	473,603	231,207		348,916	327,000	21,916		1,036,300	**3,314,293**
	1,384,855	473,603	231,207		348,916	327,000	21,916			
Intangible assets									3,203	**3,203**
Property, plant and equipment									374,314	**374,314**
Other assets				62,412					169,880	**232,292**
				62,412						
thereof closed out derivatives in the banking book				62,412						**62,412**
				62,412						
Total assets	**1,512,843**	**506,766**	239,164	**104,584**	**383,930**	327,000	56,930	**23,223,847**	**1,583,696**	**27,315,667**
	1,436,096	**506,766**	239,164	**104,584**	**383,930**	327,000	56,930	**22,999,236**		
Amounts owed to credit institutions		25,540	25,540					6,078,550		**6,104,090**
		25,540	25,540					5,760,672		**5,786,212**
Amounts owed to customers		306,617	306,617					13,719,955		**14,026,572**
		306,617	306,617					13,720,654		**14,027,271**
Securitised liabilities		678,897	678,897					1,624,633		**2,303,530**
		678,897	678,897					1,435,114		**2,114,010**
Provisions for liabilities and charges									352,358	**352,358**
Other liabilities				157,272					509,206	**666,477**
				157,272						
thereof closed out derivatives in the banking book				122,412						**122,412**
				122,412						
Subordinated debt capital		292,518	292,518					188,309		**480,827**
		292,518	292,518					181,758		**474,277**
Capital									3,381,812	**3,381,812**
Total equity and liabilities	-	**1,303,572**	1,303,572	**157,272**	-	-	-	**21,611,447**	**4,243,376**	**27,315,667**
	-	**1,303,572**	1,303,572	**157,272**	-	-	-	**21,098,198**		

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

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

Liabilities designated at fair value through profit or loss in €k	Cumulated changes to fair value due to a change to own default risk (recognised in OCI)	Modification to fair value due to a change in market risk (recognised in P/L)		Difference in amount between carrying value and par value
	at 30/6/2022	in HY1 2022	Cumulated	at 30/6/2022
Amounts owed to credit institutions	0	297	122	122
Amounts owed to customers	7,613	44,682	-11,031	-11,031
Securitised liabilities	10,696	67,633	-68,617	-68,617
Subordinated debt capital	-2,367	21,925	-6,516	-6,516

In the first half-year 2022, there were no reclassifications of cumulated profit or loss within equity.

Liabilities designated at fair value through profit or loss in €k	Cumulated changes to fair value due to a change to own default risk (recognised in OCI)	Modification to fair value due to a change in market risk (recognised in P/L)		Difference in amount between carrying value and par value
	at 31/12/2021	in FY 2021	Cumulated	at 31/12/2021
Amounts owed to credit institutions	-48	587	468	468
Amounts owed to customers	-3,082	21,888	44,346	44,346
Securitised liabilities	-3,062	25,466	12,774	12,774
Subordinated debt capital	-3,015	9,084	16,057	16,057

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

Assets designated at fair value through profit or loss as at 30/6/2022 in €k			Modification to fair value due to adjusted default risk		Modification to the fair value of related credit derivatives or similar instruments	
	Maximum default risk	Mitigation due to related credit derivatives or similar instruments	in HY1 2022	Cumulated	in HY1 2022	Cumulated
Loans and advances to customers	7,957	-	-	-	-	-
Financial investments	231,207	-	-	162	-	-

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

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

in €k	**30/6/2022**	**31/12/2021**
Loans and advances to customers FVTPL	33,164	36,972
Financial investments FVTPL	473,603	481,966
Financial investments FVOCI	327,000	373,483
Trading assets	42,172	37,380
Derivatives in the banking book	62,412	102,159
Total	**938,350**	**1,031,960**

Fair value hierarchy of financial instruments as at 30/6/2022	AC Carrying value	FVTPL Carrying value	HFT Carrying value	FVOCI Carrying value	AC/ Liabilities carrying value	Other carrying value	Total carrying value	Level 1 Fair value	Level 2 Fair value	Level 3 Fair value
Financial instruments carried at fair value in €k										
Loans and advances to customers		33,164		35,014			68,178		56,040	12,138
Trading assets			42,172				42,172	4,205	37,967	
Financial assets - FVPL		473,603					473,603	245,458	228,145	
Financial assets - FVOCI				348,916			348,916	102,876	4,107	241,933
Other assets			62,412				62,412		62,412	
thereof closed out derivatives in the banking book			62,412				62,412		62,412	
Financial assets not carried at fair value										
Loans and advances to credit institutions					658,441		658,441		653,223	
Loans and advances to customers	57,369				18,882,264		18,939,633		51,241	18,662,871
Financial assets - AC	1,455,474						1,455,474	1,317,111	67,744	
Financial liabilities carried at fair value										
Amounts owed to credit institutions		25,540					25,540		25,540	
Amounts owed to customers		306,617					306,617		306,617	
Securitised liabilities		678,897					678,897		678,897	
Other liabilities			157,271				157,271		157,271	
thereof closed out derivatives in the banking book			122,412				122,412		122,412	
Subordinated debt capital		292,518					292,518		292,518	

[1] This item consists of equity investments whose market value was measured using the discounted cash-flow entity method and/or mixed methods (multiples method in combination with the discounted cash-flow method) or other methods of company valuation.

Fair value hierarchy of financial instruments as at 30/6/2021	AC Carrying value	FVTPL Carrying value	HFT Carrying value	FVOCI Carrying value	AC/ Liabilities carrying value	Other carrying value	Total carrying value	Level 1 Fair value	Level 2 Fair value	Level 3 Fair value
Liabilities not carried at fair value in €k										
Amounts owed to credit institutions					6,078,550		6,078,550		5,760,672	
Amounts owed to customers					13,719,955		13,719,955		13,720,654	
Securitised liabilities					1,624,633		1,624,633		1,435,114	
Other liabilities										
Subordinated debt capital					188,309		188,309		181,758	

The fair value corresponds to the amount at which an asset can be sold or a liability settled by market participants in a transaction under market conditions on the balance sheet date or at which a debt can be transferred.
The assessment of the fair value is based on the assumption that the transaction takes place either on the principal market for the respective asset or debt instrument or, if no such principal market exists, the most advantageous active market for the respective transaction, provided the entities involved have access to such markets. Where market prices are available for identical assets or debt instruments in an active market to which access is available on the balance sheet date, these prices are used for the measurement (level 1). Where no such market prices are available, the fair value is determined using valuation models based on parameters that are either directly or indirectly observable (level 2). Where the fair value cannot be assessed on the basis of market prices or using valuation models fully based on directly or indirectly observable market data, individual valuation parameters that are not observable on the market are estimated on the basis of reasonable assumptions (level 3).
All fair value measurements refer to regularly performed measurements. There were no one-off fair value measurements in the reporting period.

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

Valuation is based on current stock exchange prices where such quoted prices are publicly available. If direct measurement based on prices quoted on securities exchanges is not possible, model values derived from current market data (yield curves, volatilities, etc.) are used. The market data is validated daily; at regular intervals, the model prices are compared with the prices actually obtainable on the market; in this context the model prices of the derivatives are compared to the model prices of the partner banks. The management is sent a daily update on risk positions and the valuation results based on the entire trading book positions. The fair value of financial instruments not carried in the trading book is measured on a quarterly basis.

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

Input factors for fair value measurement
The measurement of the fair value of financial instruments in level 1 is based on prices quoted on active markets. These instruments include listed securities and derivative instruments. If direct measurement based on prices quoted on securities exchanges is not possible, the present value in level 2 is estimated using model values derived from current market data (yield curves, volatilities, etc.). Underlying interest-rate curves and volatilities are obtained from the Refinitiv system.
Measurements are based on generally-accepted valuation models, with measurements being made under market conditions. In the case of derivatives, symmetrical products (e.g. IRS) are measured using the discounted cash flow method. The fair values of asymmetrical products (options) are calculated using standard methods (e.g. the Black-Scholes, Hull & White, etc.). Structured products are measured on the basis of price information obtained from third parties.

All derivative instruments are measured on a counterparty-risk-free basis in a first step. In a second step, a credit risk markdown is determined (credit valuation adjustment, CVA) based on the internal default probabilities of an expected loss.

The fair values of non-listed securities are obtained from the Geos system. The fair value of investment fund units is obtained from the fund management companies. The present value method (discounted cash flow method) is used to calculate the fair value of securitised liabilities, subordinated capital and amounts owed to banks and customers, with the cash flows of own issues being calculated using the contractual interest rate. The interest rates used for discounting are derived from the discount curve applicable to the respective currency, adding a premium in the form of a credit spread corresponding to the seniority of the issue. The credit rating premiums are adjusted regularly to the respective market conditions.

The fair value of level 3 assets is measured using generally-accepted valuation models. The fair value measurement of receivables from banks and customers is based on the discounted contract cash flow (based on contractually-agreed repayment structures) and the discounted expected credit loss cash flows (considers the credit rating of customers and collateral). The exchange rates used are the reference rates published by the ECB.
The coronavirus pandemic no longer has a material impact on the current valuation of the financial instruments.
The potential downgrading of customers' credit ratings affects the calculation of fair values of level 3 financial instruments.
If measurements based on risk premiums were to increase by 50 bp, receivables from customers measured at fair value would decline by EUR 0.3 million (31/12/2021 EUR 0.4 million), and if risk premiums were to increase by 100 bp, the fair values of these receivables would decrease by EUR 0.6 million (31/12/2021 EUR 0.7 million).
The fair value of equity investments and shares in affiliated companies is measured primarily using the discounted cash flow entity method and/or mixed methods (multiples method in combination with the discounted cash-flow method) or other methods of company valuation.

Changes in the fair value hierarchy or classification take place whenever there is any change in the quality of the input parameters used in the valuation method. Classification adjustments are made at the end of the reporting period.

Movements in €k	**Equity investments FVOCI**
Carrying value as at 1/1/2022	241,933
Additions (purchases)	0
Disposals (sales)	0
Value changes recognised in equity	0
Value changes recognised in income	0
Carrying value as at 30/6/2022	241,933

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

The remaining level 3 financial instruments measured at fair value comprise loans and advances to customers.

Movements in €k	**Loans and advances to customers**
Carrying value as at 1/1/2022	16,513
Transfer to level 2	0
Additions	0
Disposals	-3,879
Changes in fair value	-496
thereof disposals	-54
thereof portfolio instruments	-442
Carrying value as at 30/6/2022	12,138

There were no transfers between Level 1 and Level 2.

Major transactions with related parties as at 30/6/2022:

Associated companies	€k 0
Subsidiaries	€k 0
Other related parties	€k 23,222

STATEMENT PURSUANT TO §125 STOCK EXCHANGE ACT

The Management Board confirms that

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

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

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

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

b) the half-year management report presents a true and fair view of the assets, liabilities, financial position and result of operations with respect to the key events during the first six months of the financial year and their effects on the condensed interim financial statements, with respect to the key risks and uncertainties in the remaining six months of the financial year, and with respect to material business transactions with related parties subject to mandatory disclosure.

Linz, 25 August 2022

The Management Board

CEO Franz Gasselsberger	Management Board Member Josef Weißl	Management Board Member Florian Hagenauer	Management Board Member Martin Seiter

Current Management Board Remits

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

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

Notes

The forecasts that refer to the future development of Oberbank are estimates made on the basis of all the information available to us on the reporting date. Should the assumptions regarding such forward-looking statements prove incorrect or should risks materialise to an extent not anticipated, the actual results may vary from those currently expected. Information provided on market shares are based on the most recent data available at the copy deadline. When adding up rounded figures and calculating percentage rates of change, slight differences may result compared with totals and rates arrived at by adding up component figures which have not been rounded.

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

Financial calendar 2022

19 May 2022	Report for Q1 2022
25 August 2022	Report for Q1-Q2 2022
25 November 2022	Report for Q1-Q3 2022

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

Publication Details

Media owner and publisher: Oberbank AG, 4020 Linz, Untere Donaulände 28

Internet: www.oberbank.at , E-Mail: sek@oberbank.at

Editing: Corporate Secretary and Communication, phone +43 732 78 02-0

Translation: Edith Vanghelof