



**Press briefing**

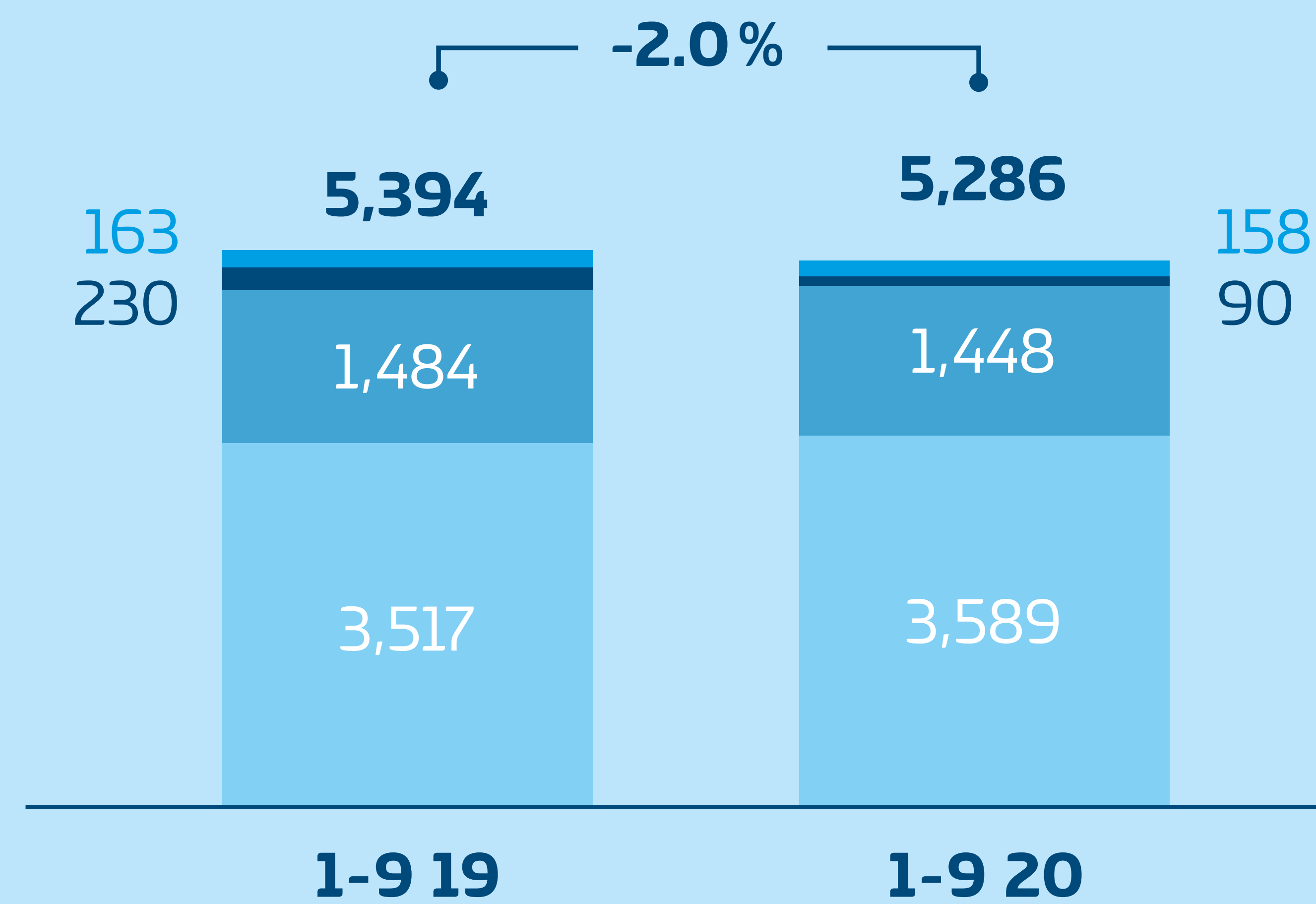
Q3 2020 results

**Bernd Spalt**, CEO | **Stefan Dörfler**, CFO

2 November 2020

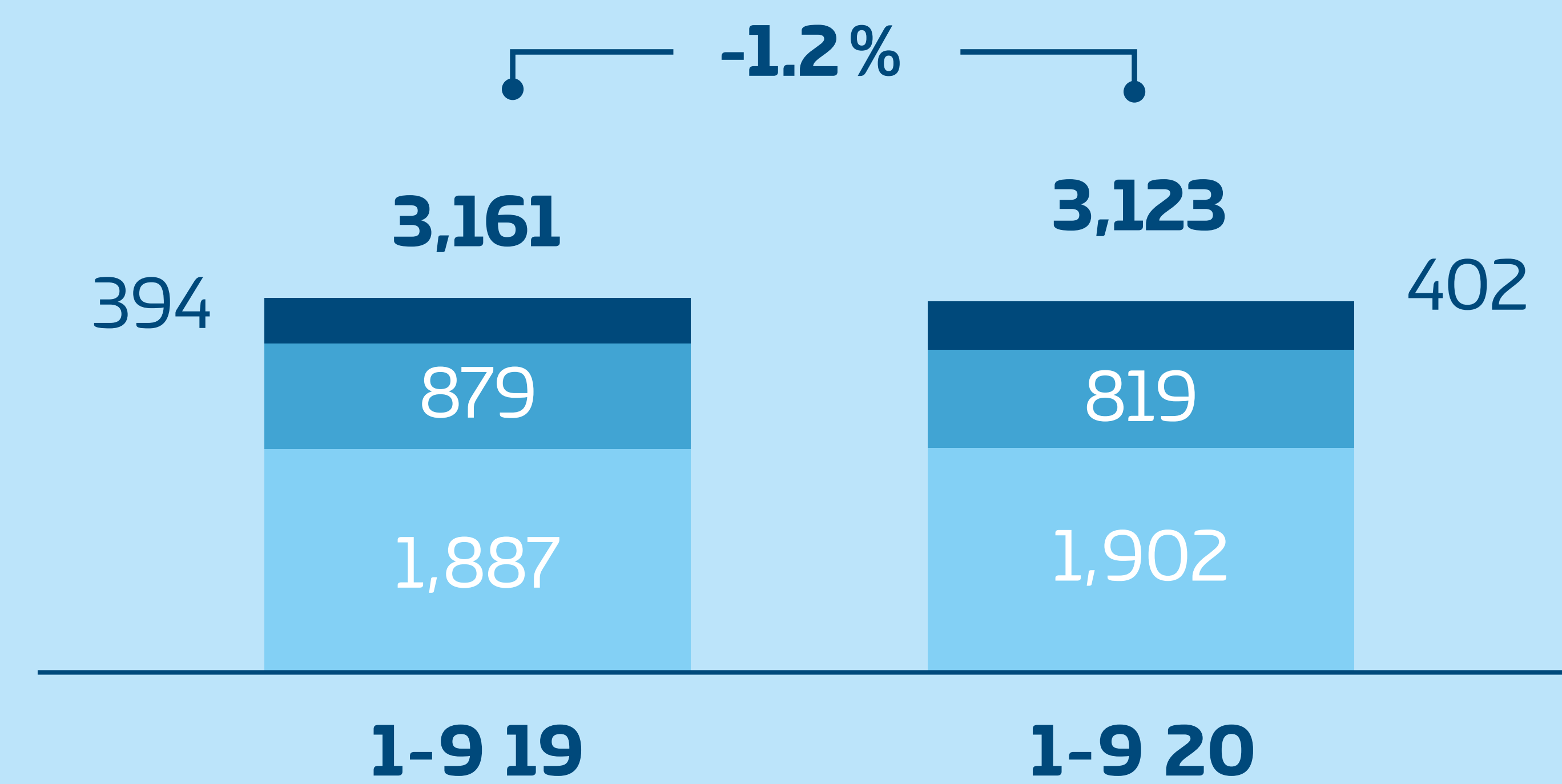
# Net interest income rises, costs decline

Operating income (EUR mn)



- Net interest income
- Net trading and FV result
- Net fee and commission income
- Other income

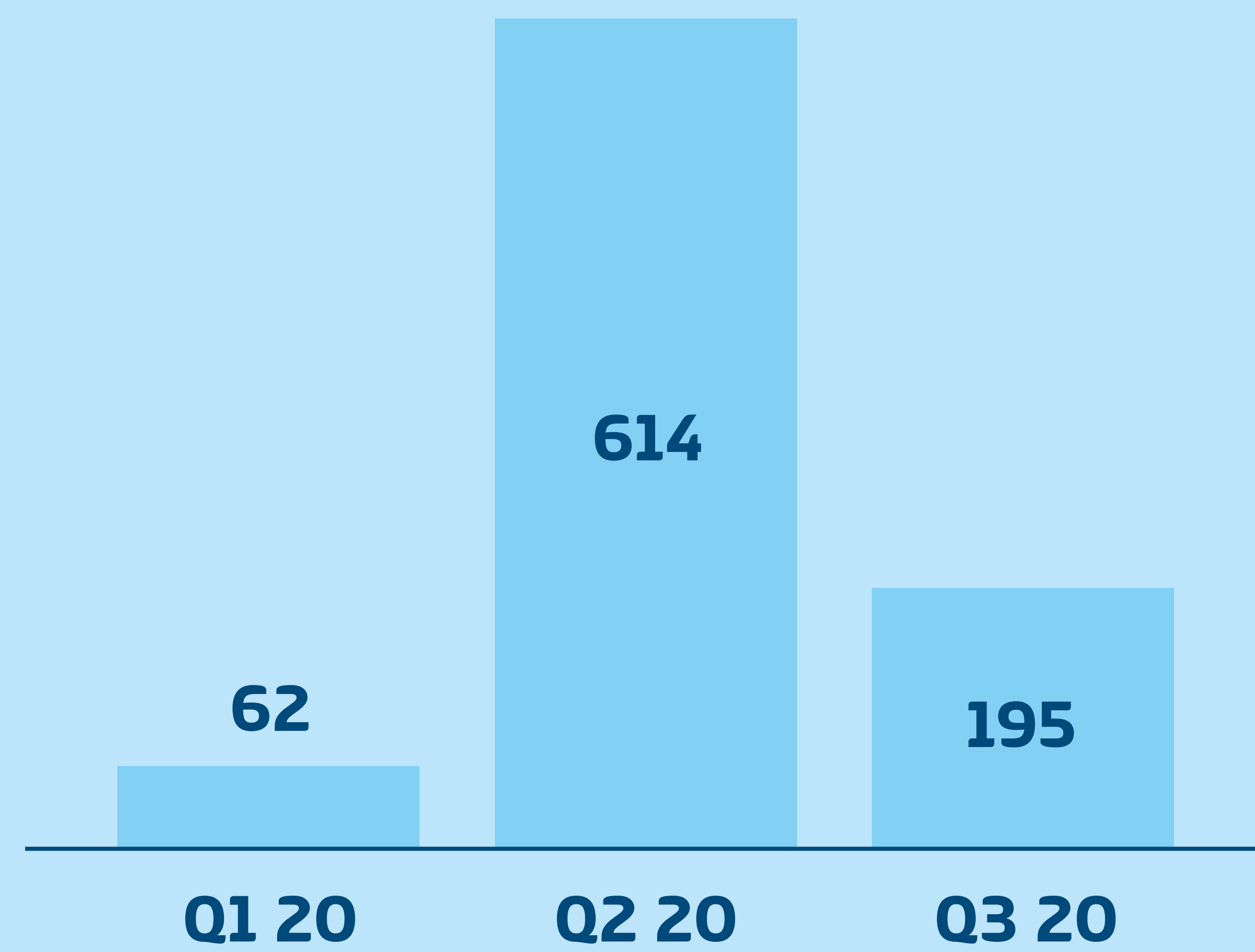
Operating expenses (EUR mn)



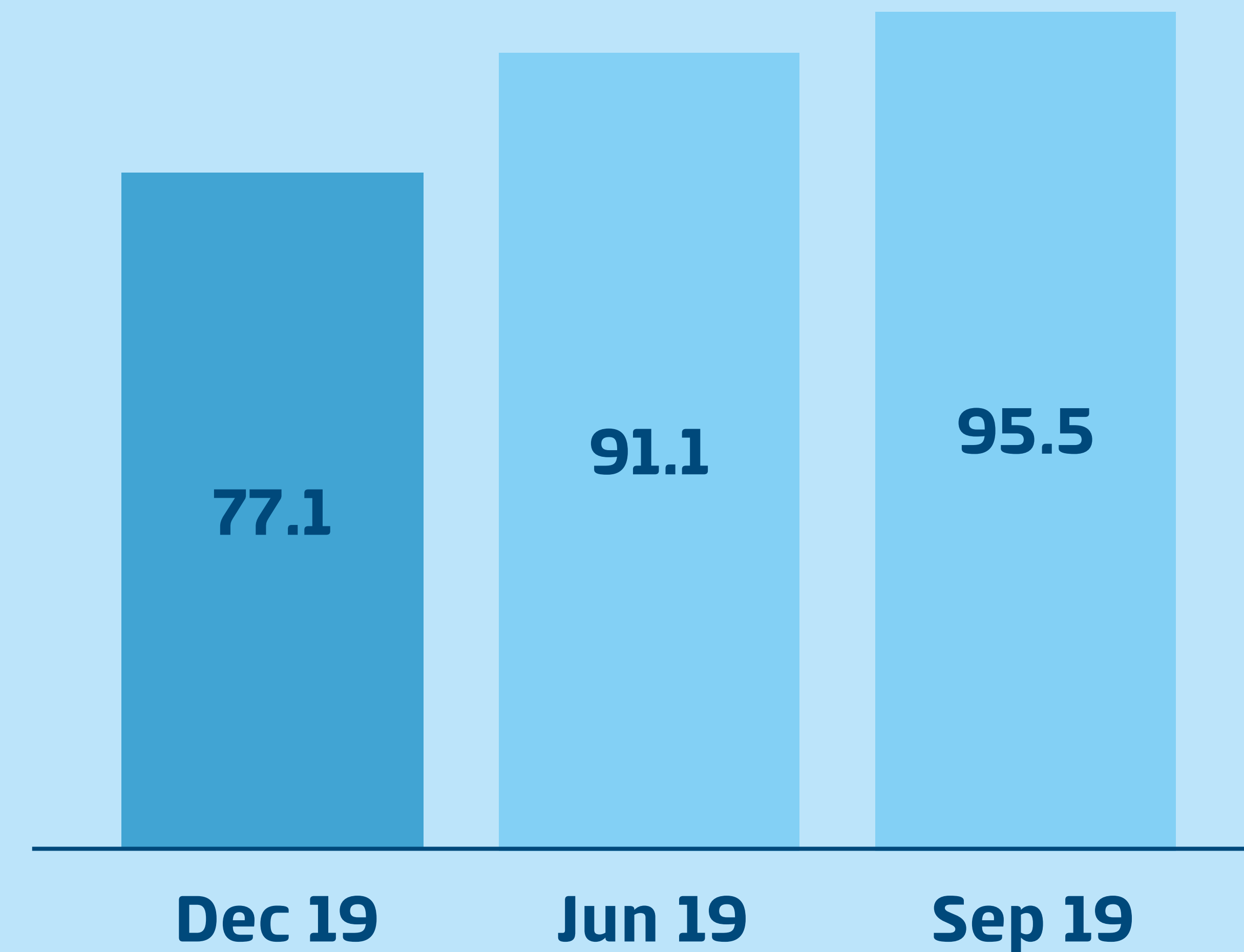
- Personnel expenses
- Depreciation and amortisation
- Other administrative expenses

# Risk costs reflect the scale of the economic crisis

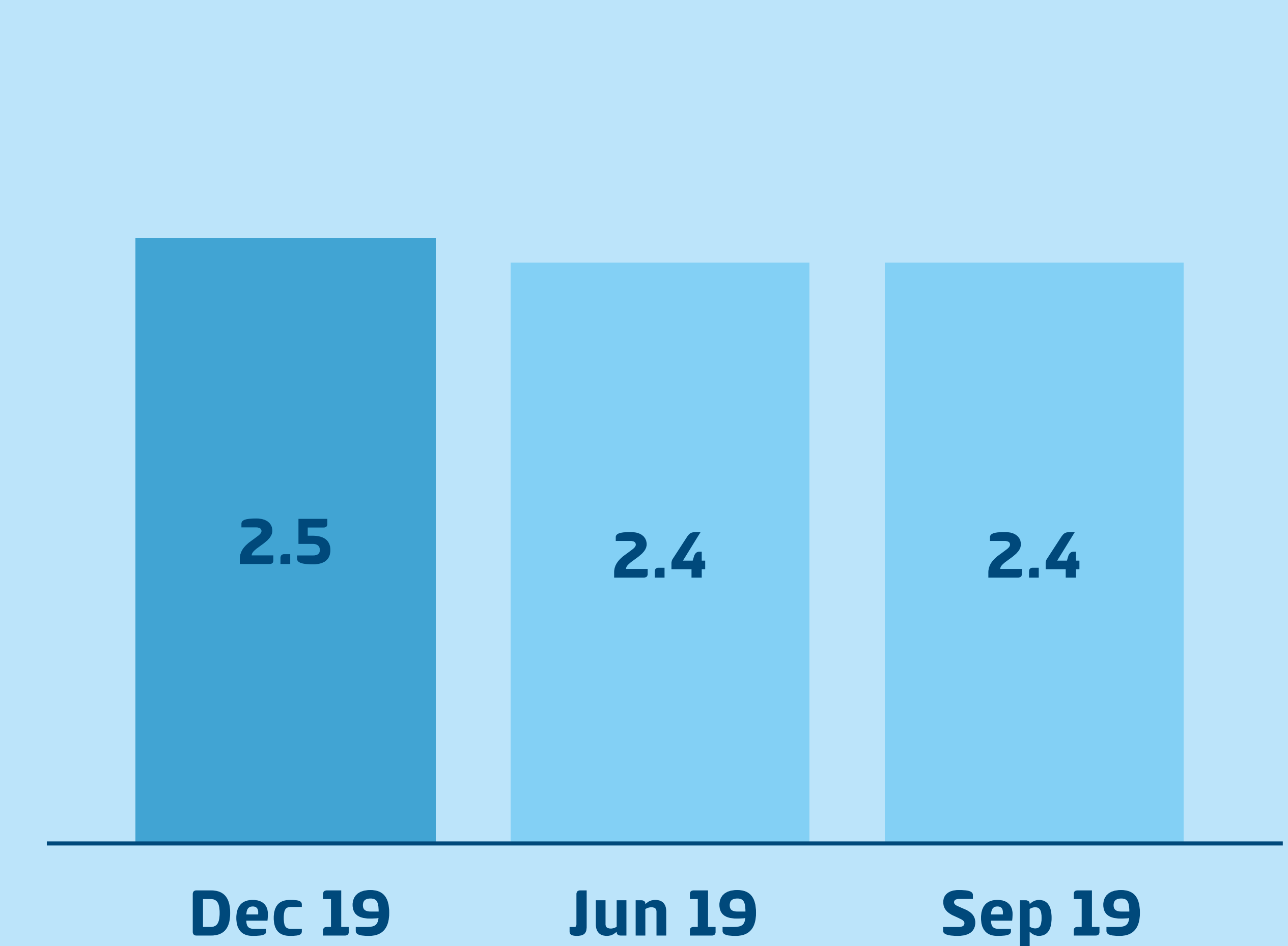
**Risikokosten** (EUR Mio)



**NPL coverage** (in %)

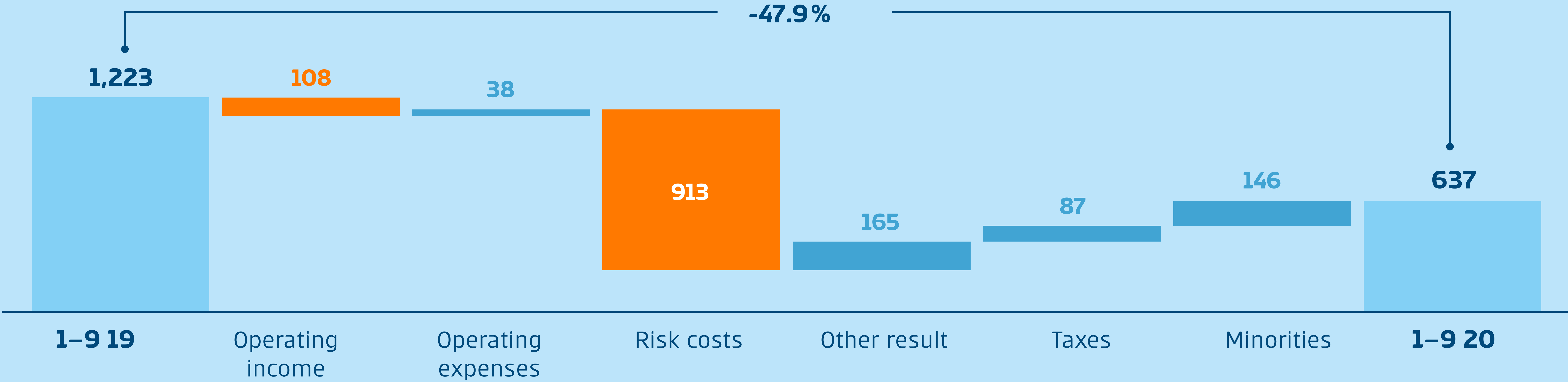


**NPL ratio** (in %)



# Increased risk costs weigh on net profit

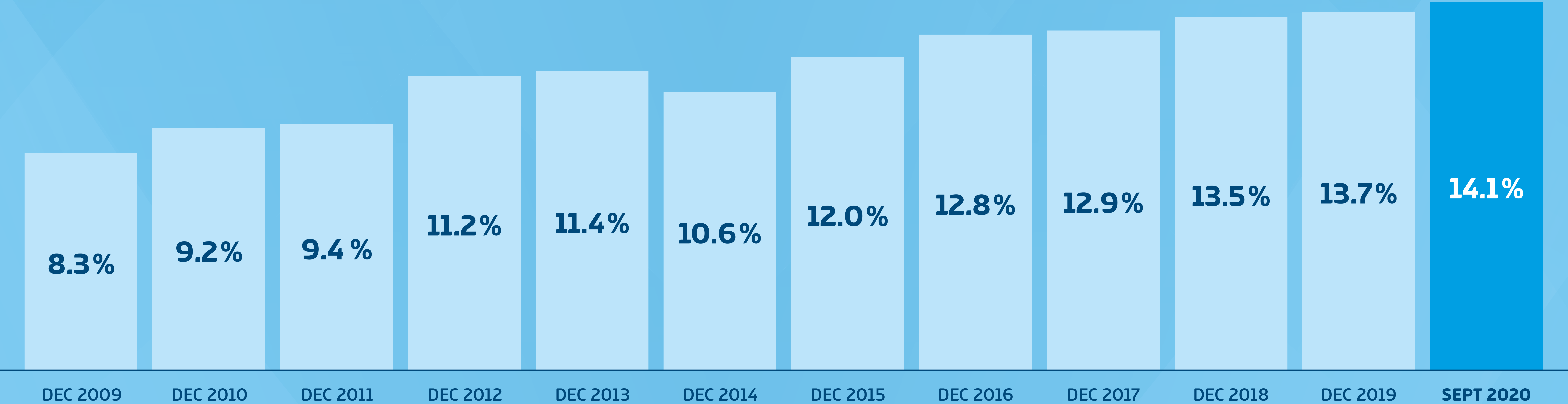
YoY net profit reconciliation (EUR mn)



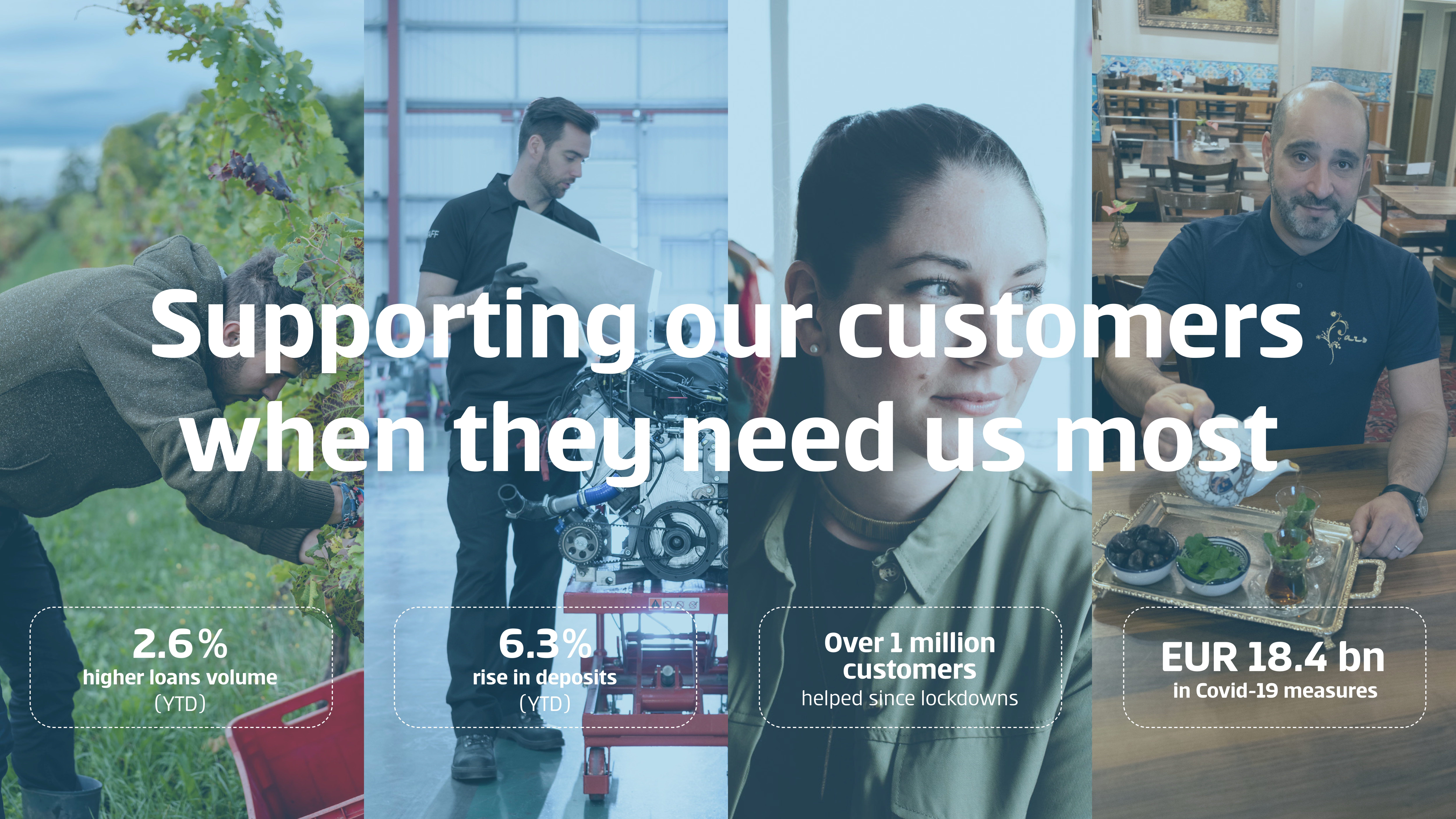


# Strong capital position to face the crisis

Common equity tier one (CET1) capital ratio (CRR, final)







# Supporting our customers when they need us most

**2.6%**  
higher loans volume  
(YTD)

**6.3%**  
rise in deposits  
(YTD)

**Over 1 million  
customers**  
helped since lockdowns

**EUR 18.4 bn**  
in Covid-19 measures



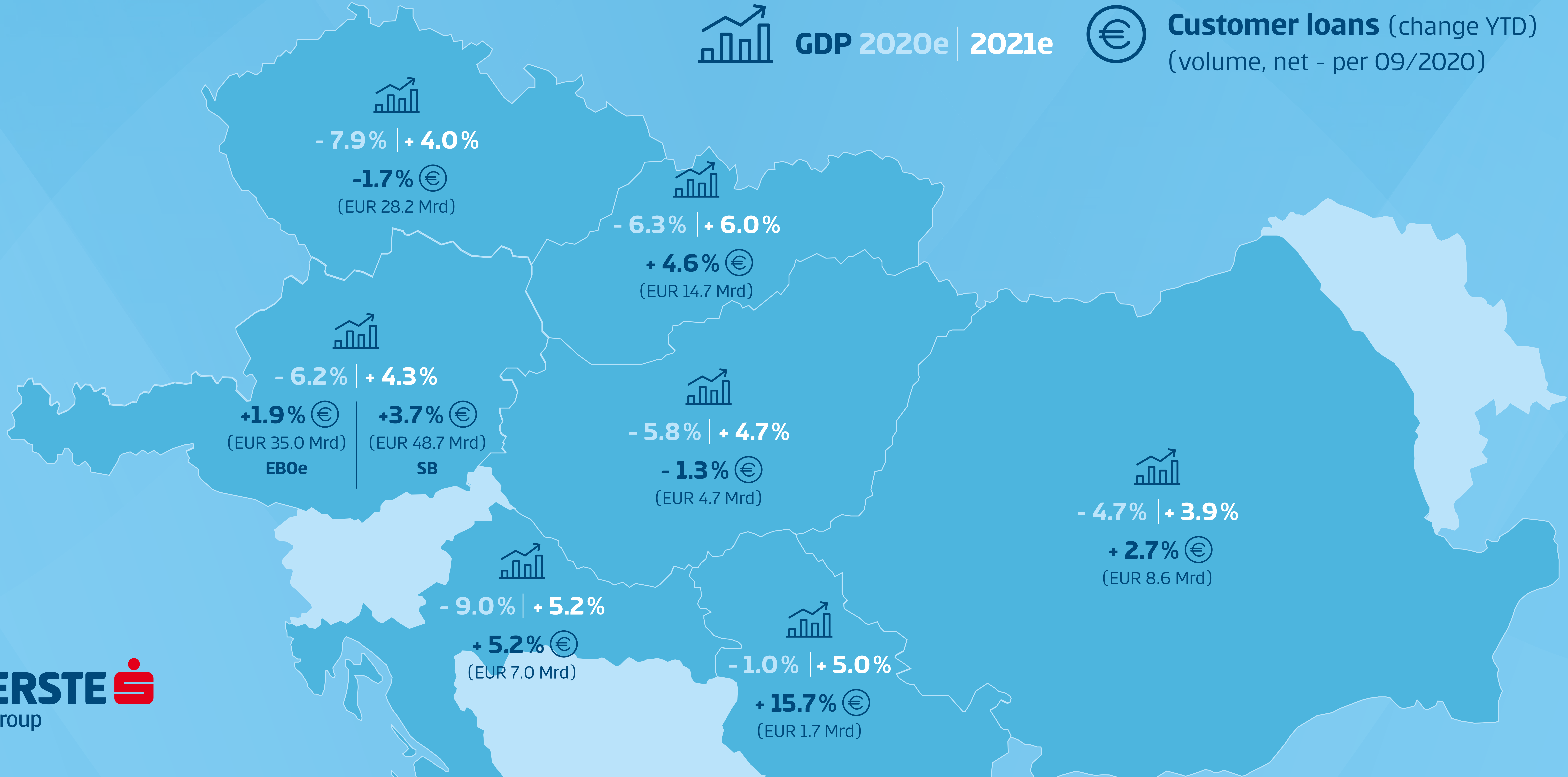
# We're well-positioned for the rebound in CEE



**GDP 2020e | 2021e**

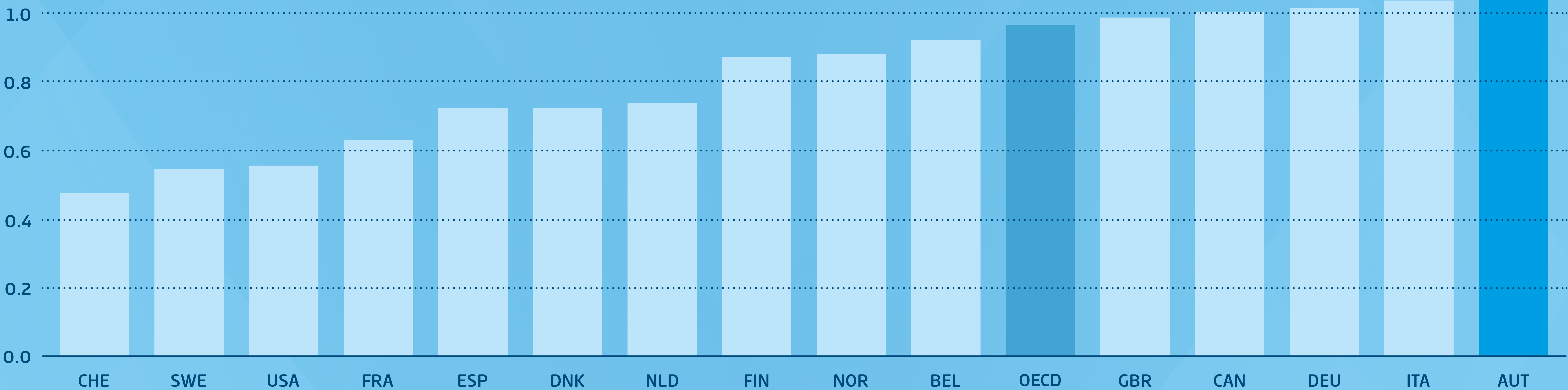


**Customer loans** (change YTD)  
(volume, net - per 09/2020)



# Companies will need more equity capital to power rebound

Debt-to-equity ratio for non-financial corporations (2018)



SOURCE: OECD



# Outlook for 2020/21

Operating environment	Credit risk	Profitability
<ul style="list-style-type: none"><li>→ <b>Real GDP decline of between 4-9%</b> expected in 2020, Q4 restrictions not yet incorporated</li><li>→ <b>Non-linear economic recovery in 2021</b></li><li>→ <b>CEE-wide concerted fiscal mitigation measures</b></li></ul>	<ul style="list-style-type: none"><li>→ <b>2020e risk costs confirmed at approx. 65-80bps</b> (of average customer loans)</li><li>→ <b>2021e risk charge expected to be below 2020 level</b></li></ul>	<ul style="list-style-type: none"><li>→ <b>2020e net result to be meaningfully lower than in 2019</b></li><li>→ <b>Dividend: proposal put forward to AGM</b> (subject to regulatory directives)</li></ul>