

Hypo Vorarlberg: Good preliminary result for 2023

Bregenz, 31 January 2024 - Despite increased risk provisions, Hypo Vorarlberg has generated solid earnings: The Group expects to close the 2023 financial year slightly ahead of plan and achieve IFRS earnings before taxes (EBT) and fair value measurement effects of EUR 91.2 million and EUR 53.1 million after fair value measurement effects (2022: EUR 83.5 million before fair value measurement effects and EUR 160.7 million after fair value measurement effects).

The result was driven by a largely stable customer and interest business, a balanced loan portfolio and years of consistent cost management. Total assets as of 31 December 2023 amounted to EUR 15.7 billion (up 2.8 %).

The change compared to the previous year is, among other things, due to valuation effects from interest rate hedges and the increased need for risk provisioning. As a mortgage bank, real estate financing is one of Hypo Vorarlberg's core business areas. The Bank is therefore particularly affected by recent developments on the real estate market (including a sharp rise in interest rates, restrictions due to the KIM regulation, a significant drop in transaction volumes and lower demand for real estate). Considering that Hypo Vorarlberg has made sufficient risk provisions. Despite the difficult environment, the credit volume increased by EUR 445 million to EUR 11,089 million.

The Group's total own funds amounted to EUR 1.704 billion as of December 31, 2023, which is well above the statutory minimum requirement and is comfortable given the risk profile.

The final business figures will be published in April 2024.

Hypo Vorarlberg Group
Financial figures as of December 31, 2023

In TEUR			
	2023	Change	2022
Net interest income	233,361	39.1 %	167,803
Net commission income	35,403	3.7 %	34,128
Administrative expenses	-116,216	9.7 %	-105,941
Earnings before taxes	53,063	-67.0 %	160,659

Important key figures as of December 31, 2023

	2023	2022
Own funds in TEUR	1,703,726	1,702,876
Tier 1 capital (T1) in TEUR	1,479,995	1,461,568
Cost-Income-Ratio (CIR)	41.68 %	59.72 %
Return on Equity (ROE)	3.74 %	12.49 %
Group employees on an annual average (FTE)	739	729



You can find this press release on our website www.hypovbg.at.

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About Hypo Vorarlberg

Hypo Vorarlberg Bank AG (Hypo Vorarlberg for short) is headquartered in Bregenz. As the entrepreneurial bank from Vorarlberg, it offers corporate and private customers the best possible consulting.

Hypo Vorarlberg was founded in 1897 by the Vorarlberg state parliament and converted into a public limited company in 1996. The majority shareholder is Vorarlberger Landesbank-Holding (76.8732 %), with a banking consortium from Baden-Württemberg (Landesbank Baden-Württemberg / Landeskreditbank Baden-Württemberg Förderbank) holding the remaining shares. With total assets of around EUR 15 billion and over 700 employees, the Bank is the largest single institution in Vorarlberg and has been one of Austria's leading banks in terms of earnings for years. In addition to the branches in the core market of Vorarlberg, there are further locations in Vienna, Graz, Wels, Salzburg and St. Gallen (CH).
