

## Supervisory board of Österreichische Volksbanken-AG (VBAG) approves new divisional structure

Vienna, 15 December 2011

- Internal reorganisation of VBAG Group's divisions was approved today
- Business units which are no longer part of VBAG's core business will be pooled in a separate division
- VBAG will focus on the function as the central institution of the Volksbank sector

In today's supervisory board meeting of Österreichische Volksbanken-AG the owners approved the internal reorganization of the Group's divisions.

Core business is the function as the central institution of the Volksbank sector and all related services. This includes services provided by the former Financial Markets division in particular (VB Investments products, services provided by Group Treasury, liquidity management) as well as syndicated financing. The new divisional structure reflects the focus on core business. "The reorganisation will enable us to become more efficient as a central institute of the regional Volksbanks. The structure supports our mandate of serving our majority owners and providing them with innovative products" says VBAG's CEO Gerald Wenzel.

All units that do not constitute core business will be wound down in the medium term in a value-preserving way. Consequently, these units are pooled in a separate division (Non-Core Business). This division will contain large parts of the corporate and real estate portfolios, parts of the investment book which are to be wound down as well as Volksbank Romania, Volksbank Leasing International and Volksbank Malta. The reduction of risk-weighted assets will strengthen VBAG's capital ratios.

### Overview of the new divisional structure

**Division 1:** Executive Departments and Services (managing member Gerald Wenzel)

**Division 2:** Risk Management (managing board member Michael Mendel)

**Division 3: Market** (managing board member Martin Fuchsbauer)

The following business areas which belonged to division 4 will be added to the former Financial Markets division: syndicated finance, financing of renewable energy projects in Austria and Germany, VB Factoring and Immo KAG

**Division 4: Non-Core Business** (managing board member Wolfgang Perdich)

In addition to the remaining units of the Corporate and Real Estate division, parts of the investment book that will be wound down will be allocated to the Non-Core Business division. Volksbank Romania, Volksbank Leasing International and Volksbank Malta will also belong to division 4.

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