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Stability and Security.

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Preface

The OeNB's statistical publications include the quarterly series "Statistiken – Daten & Analysen" (in German, with English executive summaries) and special issues on selected statistical topics.

This special issue, the Banking Statistics Yearbook for 2008, provides information about developments in banking statistics, including changes in prudential reporting, in 2008 and sheds light on the current state of the Austrian banking sector. It not only high-

lights business developments and profitability performance as well as retail interest rate developments, but also focuses on structural changes, e.g. in the number of banking offices and in sector employment. To provide a comprehensive overview about statistical developments in the Austrian banking sector, the OeNB has published the Banking Statistics Yearbook in German every year since 2003; this year's issue is the second to be translated into English.

I. Changes in Reporting for Banking Statistics in 2008

Peter Steindl¹

In 2008, there were three major changes in the reporting requirements for Austrian banking statistics. First, as from the December 2008 reporting date, the OeNB has been required – under Regulation (EC) No 958/2007 of the European Central Bank concerning statistics on the assets and liabilities of investment funds – to report statistical data to the ECB for its new investment fund statistics. Second, since mid-2008, the OeNB has been required to provide the ECB with balance sheet data on Austrian insurance companies and pension funds on a quarterly basis. Third, at the end of October 2008, a new liquidity report was introduced on the basis of Article 70 para. 1 no. 1 Federal Banking Act; this forward-looking report is based on expected flow values and ensures a high level of granularity. In mid-2008, a working group was set up to analyze potential synergies between supervisory and statistical reporting with a view to reducing the reporting burden on respondents. In connection with long-term considerations regarding the production of banknotes at the European level, the OeNB conducted a one-off survey on the use of EUR 200 and EUR 500 banknotes at banks in Austria. In the 2008 reporting year, it was necessary to adapt two of the statistical reports the OeNB delivers to Statistics Austria; these changes were required by the revision of the NACE statistical classification of economic activities and the amendment to the corresponding EU regulation on structural business statistics.

1 New Investment Fund Statistics

As from the December 2008 reporting date, the OeNB has been required – under Regulation (EC 2007/8) of the European Central Bank concerning statistics on the assets and liabilities of investment funds – to report statistical data to the ECB for its new investment fund statistics.

To fulfill these highly detailed requirements, the OeNB's *Supervisory and Monetary Statistics Division (AUMON)* and the *External Statistics and Financial Accounts Division (AUFIN)* developed a new data collection system in cooperation with Austrian capital management companies, the Association of Austrian Investment Companies and Oesterreichische Kontrollbank AG (OeKB).

This system has replaced the OeNB's previous (and less comprehensive) data collection practices with regard to mutual funds. AUFIN compiles data on each security held by each mutual fund in Austria. With the help

of the existing and proven securities data management system on a security-by-security basis, these securities data are then aggregated into the reporting items required by the ECB. All the other items related to the assets and liabilities are collected by AUMON on an aggregate basis for each mutual fund.

The new data collection system uses a number of existing technical and database resources at the OeNB. In addition, the system was designed in such a way that it relies on existing reporting standards in the German and Austrian mutual fund sector (*Funds-XML*). In this way, it was possible to keep the additional reporting burden to a minimum.

Since the new mutual fund data collection system was launched, data on the assets and liabilities of money market funds (MMFs) have also been included in the statistical reporting to the ECB. MMFs were previously omit-

¹ The author would like to thank the staff of the OeNB's Supervisory and Monetary Statistics Division for their valuable input.

ted from this report on the basis of a derogation option.

Both, the last old mutual fund statistics and the first new report were prepared as per December 31, 2008. The first new mutual fund report was delivered to the ECB in a timely manner.

Moreover, a new master data collection system was developed to capture large quantities of master data on investment funds for the ECB's list of investment funds. These data were submitted to the ECB for the first time at the end of February 2009.

2 Quarterly Delivery of Balance Sheet Data on Insurance Companies and Pension Funds to the ECB

At the end of June 2008, the OeNB reported aggregate balance sheet data on insurance companies and pension funds to the ECB for the first time. In this report, data were submitted for the reporting dates December 31, 2007, and March 31, 2008. Since then, the OeNB has been reporting this information to the ECB on a quarterly basis.

The reporting scheme to be used for data reports to the ECB was developed earlier by an ECB task force (Implementation Task Force on Insurance Corporations and Pension Funds – ITIP). The ECB imposed this requirement because balance sheet data on insurance companies and pension funds represent important complementary information in the analysis of monetary statistics, which is why these data must be made available to the ECB as timely as possible.

Under the current legal framework, the ECB is not authorized to require balance sheet data reports from insurance companies and pension funds for the purpose of compiling monetary statistics, so the task force developed a reporting scheme which is completed

wherever possible by the central banks participating in the Task Force on the basis of existing data sources and, in some cases, estimates.

To compile this data set, the OeNB relied in particular on the quarterly statistical balance sheet reports filed by insurance companies and pension funds.

3 Weekly Liquidity Report

In the past, the macroprudential analysis of liquidity risk in the Austrian banking system was mainly supported by data on residual maturity statistics from the asset, income and risk statement (Vermögens-, Erfolgs- und Risikoausweis – VERA). To estimate the banking system's exposure to liquidity risk, the short end of the balance sheet was subjected to a number of liquidity stress tests. Risk-bearing capacity was approximated using balance sheet data from the asset, income and risk statement and likewise run through stress scenarios. However, this procedure involved a number of drawbacks:

1. No flow values were available, but only stock values;
2. The granularity of the data was too low;
3. The analyses were based on historical data;
4. Residual maturity statistics were only available at the unconsolidated level; and
5. Data were only available for the euro.

To resolve the problems listed above, at the end of October 2008 a new liquidity report was introduced on the basis of Article 70 para. 1 no. 1 Federal Banking Act. The report is based on expected flow values at a high level of granularity and is thus forward-looking in nature (over a six-month horizon). Data are to be delivered for four maturity bands (up to and including 5 days,

more than 5 days and up to and including 1 month, more than 1 month and up to and including 3 months, and more than 3 months and up to and including 6 months) as well as six currencies converted into the equivalent euro amounts using ECB reference rates (EUR, USD, CHF, GBP, YEN and other currencies).

In addition, the report provides a clearer picture of banks' liquidity risk-bearing capacity because – in addition to modeling the inflows and outflows of funds (including off-balance sheet positions) – it also focuses on banks' counterbalancing capacity (including marketable assets) instead of general stock values. Moreover, the weekly reporting interval enables far more timely analyses. Each bank is also asked to provide comments on its liquidity situation. One very positive ancillary benefit from the preparation and analysis of the new liquidity report was the closer contact between OeNB staff and the employees responsible for liquidity risk management at Austrian banks.

In the coming months, this report will be subjected to rigorous analysis by the OeNB in cooperation with liquidity managers at Austrian banks and with due attention to any developments arising at the European level.

This weekly liquidity report must be submitted to the OeNB by 29 systemically important banks on a consolidated or subconsolidated basis. To submit their reports, banks can use the existing interfaces SRM and CONNECT:Direct as well as a newly developed Excel interface.

4 JEGR Task Force Analyzes Potential Synergies between Supervisory and Monetary Statistics Reporting

The Joint Expert Group on the Reconciliation of Credit Institutions' Statistics and Supervisory Reporting Require-

ments (JEGR) was established at the ECB level by the Statistics Committee (STC) and the Banking Supervision Committee (BSC). The group's objective is to reduce the burden on reporting banks as concerns reporting requirements. Its mandate is to explore potential synergies between supervisory reporting (with regard to Common Solvency Ratio Reporting – COREP, and Financial Reporting – FINREP) and statistical reporting. More specifically, the objective of JEGR, which includes participants from the Committee of European Banking Supervisors (CEBS) as well as representatives of national central banks (NCBs), is to prepare an alignment of requirements in these two reporting categories with due attention to currently existing definitions, concepts and valuation rules. The group is to make efforts to reconcile any elements where supervisory and statistical reporting requirements can be harmonized.

The work program adopted at the JEGR's initial meeting in June 2008 defines four stages: The first stage involves the identification of "quick wins," which means that for selected indicators which are to be included in the forthcoming update of the statistical reporting framework for MFIs, the JEGR will search for existing reporting data definitions within FINREP and COREP in order to apply them to the field of monetary statistics as well. In the second stage, the group will prepare an alignment of supervisory and statistical reporting requirements. The objective in the third stage will be to identify the scope of elements to be harmonized and to assess the potential effects of the reconciliation process. In the fourth and final stage, the group will develop a proposal for a classification system for concepts, definitions

and valuation rules. The JEGR plans to complete its work in September 2009.

5 One-Off OeNB Survey on the Use of EUR 200 and EUR 500 Banknotes in the Euro Area

In connection with long-term considerations regarding banknote production, the ECB's Banknote Committee (BANCO) is examining the acceptance and current use of the individual euro banknote denominations, especially the high-denomination EUR 200 and EUR 500 banknotes, in the euro area. To address this and other issues, BANCO set up the *Ad Hoc Task Force on High Denominations* (ATF HIDE). In the process, BANCO also called upon the ECB's Statistics Committee (STC) to compile data on the use of high-denomination banknotes at banks (throughout Europe, banks hold some 7% of the overall stock of cash).

The STC delegated the task to the *Working Group on Monetary and Financial Statistics* (WG MFS), which in turn asked the NCBs to collect data on the share (in terms of value) of EUR 200 and EUR 500 banknotes in total cash holdings at banks in each country (the latter being regularly reported to the ECB in the Austrian contribution to the Consolidated Balance Sheet) as at the end of July or August 2008 in a one-off survey. The deadline for reporting responses was October 31, 2008. The WG MFS gave the participating NCBs the option of collecting these data by means of a representative survey.

For Austria, this survey was carried out by AUMON, which also represents the OeNB in the WG MFS. For this

purpose, a sample of 34 banks was drawn from the overall population of banks in Austria. AUMON then sent a letter and a simple report form out to these banks, requesting that they indicate the respective numbers of EUR 200 and EUR 500 banknotes in their cash holdings. All 34 institutions filled out and returned the form. The reported values were then extrapolated and the data were conveyed to the WG MFS in mid-October 2008.

6 Changes in Structural Statistics

Each year, Statistics Austria compiles two statistical reports containing key structural data on business enterprises operating in Austria: One report is sent to Eurostat, which collects the respective data at the European level (*Structural Business Statistics*), while the other is used for Austrian structural business statistics only. The OeNB (AUMON) provides data on the banking sector for both of those reports.

Due to the revision of the NACE classification of economic activities as well as the amendment to Regulation (EC) No. 295/2008 concerning structural business statistics, it was necessary to make adaptations from the 2008 reporting year onward. For this purpose, an amendment to the Austrian regulation on structural business statistics was passed.

Amendments concern both content-related and technical issues (characteristics, data set structure, etc.). In some cases, they entail considerable changes in the technical format of the related reports (summation across columns and rows, inclusion of new characteristics).

II Reporting Obligations to International Organizations

In 2008, the OeNB provided the ECB with monetary statistics, the Bank for International Settlements (BIS) with data about the regional breakdown of banks' claims and liabilities, and the ECB and OECD with information about the structure of the Austrian financial system. In addition, the OeNB submitted consolidated data about Austrian banks' profitability, balance sheets and solvency as well as supplementary prudential data on the Austrian banking sector to the ECB within the consolidated banking data (CBD) framework. Finally, the OeNB also submitted basic statistical reference data as well as reference data on payment systems and on securities trading, clearing and settlement systems to the ECB as input for the publication "Payment Systems in the European Union" (Blue Book).

1 Consolidated Banking Data

On request of the Working Group on Macro-Prudential Analysis (WGMA) of the European System of Central Banks (ESCB), the OeNB reports consolidated data on Austrian banks' profitability, balance sheets and solvency as well as supplementary prudential data on the Austrian banking sector on an annual basis to the ECB. The submission, to the ECB, of *Consolidated Banking Data (CBD)* for the December 31, 2007, reporting date was completed successfully and on schedule in the summer of 2008.

The introduction of Basel II and the implementation of the new risk-oriented reporting system (ROM) in Austria called for substantial adjustments in data content and of technical aspects to meet the consolidated banking data reporting requirements.

2 ECB Blue Book Data

Within the framework of Blue Book reports to the ECB, the OeNB transmitted the 2007 data for central counterparty clearing (CCP) statistics and for securities settlement systems (SSS) statistics to the ECB in March and April 2008, respectively.

Basic economic reference data (e.g. GDP and HICP data), data about payment systems (e.g. on the number and volume of transactions) and data about securities trading, clearing and settlement systems (e.g. on volumes and turnover) are published in the Blue Book. These data are also broken down by euro area and non-euro area countries. The necessary statistics are compiled in close cooperation with EU central banks.

Data are submitted in accordance with the amended ECB Guideline on monetary, financial institutions and market statistics (ECB/2007/9), which forms the legal basis for the delivery of data to the ECB.

III. Structural Developments in Austrian Banking

The number of banking offices in Austria declined once again in the year 2008, thus continuing the downward trend which has persisted nearly every year since the end of 1992 (with the exception of 2007, when a slight increase was recorded). At the same time, the number of employees in the Austrian banking sector rose for the fourth consecutive year.

1 Number of Banking Offices

The figures provided below are based on the dates on which Austrian banks' head offices were licensed and on which foreign banks notified the establishment of branch offices in Austria. The actual start of business operations of the respective banking offices may differ from those dates.

Number of Banking Offices in Austria Continues to Fall in 2008

In the year 2008, banks' closed down three head offices and 32 branches in Austria, thus reducing the number of banking outlets by 35 (–0.7%). Compared to ten years earlier, the number of banks (head offices) operating in Austria dropped by 104 to 867 as at end-2008, which represents a decline of 10.7%. In total, 152 head offices were merged, 39 were closed down and 87 new head offices were established during this ten-year period. Especially in the multi-tier sectors, smaller banks have gradually been taken over by larger institutions.

Since the end of 1998, the number of banks' branch offices in Austria has fallen by 322 or 7.0% to 4,254. Thus, the overall number of banking offices in Austria has gone down by 426 to 5,121 since end-1998.

Banking Density on the Decline

The average number of inhabitants per banking office in Austria came to approximately 1,630 at the end of 2008. The corresponding values for Germany

and Switzerland were roughly 1,950 and 2,160, respectively. At the end of 1998, by comparison, the number of inhabitants per banking office stood at 1,460 in Austria, 1,680 in Germany and 1,730 in Switzerland. The rise in the average number of inhabitants per banking office by 170 in Austria points to a gradual reduction in banking density over the ten-year observation period, although this development has not been as pronounced as in Germany and Switzerland.

Number of EU Banks' Branch Offices in Austria Goes up

Of the 867 banking head offices in Austria, 27 were foreign owned as at December 31, 2008 (17 wholly owned, 10 majority owned), and 13 were head offices of EU-domiciled banks. In the last ten years, the overall number of foreign-owned banks has changed only marginally (end-1998: 26). However, the number of branches established by EU-domiciled banks (which are allowed to operate in Austria under the freedom of establishment) has risen considerably. Against the general trend, the number of Austrian branches of EU banks nearly tripled over the ten-year period in question to a total of 33 branch offices at the end of 2008.

Number of Austrian Banks' Foreign Branches on the Rise

In contrast to the number of Austrian banks' head offices and banking offices within Austria, the number of legally dependent branches of Austrian banks

abroad has increased more than fivefold – from 22 to 121 – over the last ten years. The most common branch locations at the end of 2008 were Germany (63), the Czech Republic (21) and Italy (11). Those three countries accounted for roughly 80% of Austrian banks' branch offices abroad. Whereas only 11 head offices operating in Austria had branch offices abroad at the end of 1998, this figure came to 23 at the end of 2008.

2 Development of Employment in Austrian Banking Overall

Headcount Rises despite Decline in Number of Banking Offices

At the end of 2008, the number of banking sector employees in Austria was just over 80,000, which means that it has grown by 5,000 (nearly 7%) in the last five years. As a result, the Austrian banking sector makes a significant and stable contribution to employment in Austria. In addition, the number of employees at (fully consolidated) foreign subsidiary banks of Austrian credit institutions has climbed to 140,000.

More specifically, the number of employees at Austrian banks² augmented by 1,113 (+1.4%), climbing from 79,180 at year-end 2007 to 80,293 (of which 958 were marginal employees) as at December 31, 2008. The rise occurred in nearly all sectors, with joint stock banks, private banks and special purpose banks being the exception.

Different Types of Employment Show Divergent Developments

Broken down by type of employment contract, different growth rates were

recorded for full-time employees (+637 or +1.0%) and part-time employees (+498 or +3.3%) in the Austrian banking sector. At the same time, the number of marginal employees diminished (–22 or –2.3%). Whereas 55.7% of the increase in full-time employment can be attributed to men, women accounted for 91.6% of new part-time employment.

Developments Vary across Banking Sectors

In a sectoral breakdown, staff numbers went down at joint stock banks and private banks (–1.2%) as well as at building and loan associations (–3.2%), while the other sectors recorded increases of various magnitudes. In absolute terms, the Raiffeisen sector saw the strongest growth in staff numbers (+640 or +2.7%). Special purpose banks showed the largest percentage increase in headcount (+5.0%). Other sectors with noteworthy increases were credit institutions established under Article 9 Federal Banking Act (+4.9%), the state mortgage bank sector (+3.8%) and the Volksbank credit cooperatives (+2.9%).

Marginal Employees

At year-end 2008, 1.2% of all Austrian banking jobs were filled with employees under marginal employment contracts. The total number of these jobs came to 958, 39.9% of which were at joint stock banks and private banks. Of those 958 marginal employees, 729 – more than three-quarters – were women.

² Banks reporting to the OeNB are requested to file year-end employment statistics (total number of employees – including part-time staff, persons on paid leave and on sabbaticals, persons doing compulsory military service, excluding blue-collar workers). Since 2005, these figures have also included employees on low earnings.

See also:

Table 1 New Head Office Establishments in 2008

Table 2 Head Office Closures in 2008

Table 3 Head Office Mergers in 2008

Table 4 Name Changes of Head Offices in 2008

Table 5 Changes in Foreign Branches of Austrian Banks in 2008

Table 6 Changes in Fully Consolidated Foreign Subsidiaries in 2008

Table 7 Changes in Foreign Representative Offices of Austrian Banks in 2008

Table 8 Representative Offices of Austrian Banks Abroad

Table 9 Branch Offices of Austrian Banks Abroad

Table 10 100% Foreign-Owned Banks in Austria

Table 11 50% to under 100% Foreign-Owned Banks in Austria

Table 12 25% to under 50% Foreign-Owned Banks in Austria

Table 13 Branch Offices of Foreign Banks in Austria

Table 14 Number of Banks in Austria as at December 31, 2008

Chart 1 Gradual Structural Consolidation in the Austrian Banking Sector

Table 15 Share of Men and Women Working Full-Time and Part-Time at Austrian Banks

Chart 2 Banking Sector Major Employer in Austria

IV. Economic Developments in Austrian Banking

Norbert Schuh³

The financial market turmoil has clearly taken its toll on the Austrian financial system. By international comparison, however, Austrian banks are generally in better shape than many of their competitors. With regard to total assets, the Austrian banking sector again managed to surpass the record growth rate achieved in the previous year. This can be attributed to the establishment of a new bank in the third quarter of 2008 and to the restructuring of two banks.

In 2008, loans to domestic nonbanks expanded more rapidly than in 2007, and loans to the nonfinancial private sector (i.e. nonfinancial corporations and households) rose at a similar rate as in 2007. Three-quarters of foreign currency loans to households were bullet loans linked to repayment vehicles, a structure which involves high exposure to foreign exchange rates and even higher investment risk from the repayment vehicles in times of disruptions in financial markets.

At end-2008, 90% of loans granted by Austrian banks were funded by deposits. The rise in unconsolidated operating profits was caused by one-off and special effects in the year 2008.

Owing to the international financial crisis, the consolidated net result (after tax) plummeted from EUR 6.83 billion to EUR 0.59 billion.

The key interest rate cuts in the fourth quarter of 2008 put substantial pressure on the interest rates on corporate loans. Dramatic price losses and a net capital outflow led to a marked decline in the capital invested in mutual funds. The crisis on the financial markets also left its mark on the performance of Austrian pension funds.

1 Business Activities of Banks Reporting to the OeNB – Unconsolidated Results

At the end of December 2008, the unconsolidated total assets of banks reporting to the OeNB came to EUR 1,069.36 billion. Although the fourth quarter of 2008 brought the first decline (–0.2%) since the end of 2002, total asset growth for the overall year showed a record result at EUR 169.82 billion (+18.9%). This growth was predominantly driven by domestic inter-bank business, in particular the establishment of a new bank in the third quarter and the restructuring of two other banks (Erste Bank Group and CAIB Investment Bank). More than half of the growth in total assets (EUR 98.89 billion) was registered during that quarter. However, even if the third

quarter were omitted from this calculation, the annual growth rate would still come to 10.5%, the third-highest growth rate after 2007 (12.8%) and 2005 (11.2%).

Total assets went up across the entire Austrian banking sector in 2008. Joint stock banks registered the strongest growth in total assets (+22.6% or EUR 56.60 billion), followed by Raiffeisen credit cooperatives (+19.9% or EUR 44.13 billion). Total asset growth was lowest for banks established under Article 9 Federal Banking Act (+7.8% or EUR 0.85 billion).

At the end of December 2008, joint stock banks held the largest market share (28.8%) in terms of total assets, followed by Raiffeisen credit cooperatives (24.9%) and savings banks (16.5%). Special purpose banks regis-

³ The author would like to thank the staff of the OeNB's Supervisory and Monetary Statistics Division for their valuable input.

tered a market share of 10.2%, while state mortgage banks, Volksbank credit cooperatives, building and loan associations and branch offices established under Article 9 Federal Banking Act accounted for 9.0%, 7.4%, 2.1% and 1.1%, respectively.

Compared to end-2007, the combined market share of Austria's ten largest banks slipped 1.9 percentage points in terms of total assets, dropping to a level of 54.5% at the end of December 2008.

1.1 Loans to Domestic Nonbanks Grew Faster than in 2007

Adjusted for exchange rate effects, lending to domestic nonbanks jumped by EUR 16.1 billion (+5.4%), thus recording a substantially larger increase than in 2007 (EUR 10.9 billion or +3.8%). The volume of euro-denominated loans rose by EUR 12.9 billion (+5.3%) in 2008, after picking up EUR 14.6 billion or 6.4% in 2007. Foreign currency loans saw exchange rate-adjusted growth of EUR 3.3 billion or 5.9% after a decline of EUR 3.7 billion (−6.2%) in 2007.

The higher lending volumes can mainly be attributed to nonbank financial intermediaries (especially financial holding companies). Loans to this sector advanced by EUR 4.4 billion (+18.9%) in 2008, which represents a sharp increase compared to 2007 (EUR 0.2 billion).

1.2 Loans to Nonfinancial Private Sector Record Similar Growth as in 2007

Adjusted for exchange rate effects, lending to households and nonfinancial corporations (the nonfinancial private sector) showed a similar increase in 2008 (+EUR 12.9 billion or +5.4%) as in 2007 (+EUR 12.6 billion or +5.6%). Growth in 2008 was, however, by

EUR 1.3 billion higher than in 2006. Even in the fourth quarter of 2008 (+EUR 3.0 billion), when the financial crisis reached a peak, no significant slowdown could be observed in lending growth to the nonfinancial private sector. However, as both financing from abroad and capital market financing by way of bond and stock issues largely came to a standstill in 2008, it appears likely that the corporate sector's need for loans augmented drastically, especially toward the end of the year.

Broken down by currency, foreign currency-denominated lending to households and nonfinancial corporations picked up by EUR 2.9 billion after a decline of EUR 3.1 billion in 2007. The volume of euro-denominated loans grew by approximately EUR 10 billion in 2008 (2007: +EUR 15.7 billion).

In a sectoral breakdown, a year-on-year comparison reveals that lending to nonfinancial corporations showed very dynamic growth in 2008, advancing by a total of EUR 10.6 billion or +8.4% (adjusted for exchange rate effects). In 2007, growth in lending to this sector had been roughly half as high (EUR 5.4 billion or 4.4%). After adjustment for exchange rate effects, growth in foreign currency loans – which play only a secondary role in the corporate sector – came to EUR 1.2 billion (+9.0%) for the year 2008.

At the same time, lending to households (including independent professionals) saw an exchange rate-adjusted increase of EUR 2.2 billion or +1.9%. Annual growth in euro-denominated loans slackened, amounting to only EUR 0.5 billion or 0.6% in 2008; this figure had jumped EUR 7.9 billion or 10.7% in 2007. Foreign currency loans to households grew by EUR 1.7 billion or 4.8% (again adjusted for exchange rate effects) over the past 12 months.

However, this sectoral breakdown is distorted by the misclassifications of loans in the corporate or household sectors. Adjusted for exchange rate effects and reclassifications, lending to nonfinancial corporations came to some EUR 9.5 billion in 2008, compared to roughly EUR 8.5 billion in 2007. For lending to households, the adjusted figure dropped from just over EUR 4 billion in 2007 to just over EUR 3 billion in 2008.

1.3 Foreign Currency Loans to Households Involve High Risks

Since 2007, the OeNB's new statistics on foreign currency loans have enabled analyses of the risk arising from bullet-style maturity in the case of foreign currency loans. Bullet loans linked to repayment vehicles account for nearly 75% of all foreign currency loans to Austrian households, whereas they only make up approximately 20% of corporate loans. This means that households are particularly exposed to high exchange rate risk as well as to investment risk associated with the repayment vehicles, because in the case of bullet loans it is the exchange rate at maturity that determines the amount due in euro. In the second half of 2008, the Swiss franc (CHF) appreciated by 9.2%; in October 2008 alone, the currency strengthened by 7.2%. The surge in October alone would require households to repay an additional EUR 2.5 billion.

Another factor is the risk associated with the performance of repayment vehicles. In this context, the overall performance of mutual funds can be used as an indicator for assessing investment risk. Between January 1 and December 31, 2008, the capital-

weighted average overall performance of all Austrian mutual funds (retail funds and specialty funds) amounted to -13.4%. Equity funds suffered overall price losses of 61.2%, balanced funds dropped 14.6%, and fixed-income funds edged down 0.15%.

At the same time, it is necessary to note that more than 80% of loans linked to repayment vehicles are not scheduled to mature for at least ten years.

1.4 Loan-to-Deposit Ratio⁴ Remains Low despite Drop in Corporate Deposits

Although the loan-to-deposit ratio moved up slightly to 111.1% in the course of 2008, it still remained far below its long-term average at the end of the year. In mid-2007 – before the financial turmoil began – this ratio was above 120%. At the end of 2008, some 90% of loans were funded by deposits.

After surging by EUR 8.5 billion in 2007, corporate deposits shrank by EUR 0.5 billion in 2008. This development mainly affected fixed-term deposits, some EUR 1 billion of which were withdrawn in 2008. In the previous year, corporations had boosted these deposits by approximately EUR 6.7 billion. Corporations usually attempt to compensate for unfavorable financing conditions – such as soaring corporate bond spreads in the final quarter of 2008 – by curtailing their financial investments. In the short term, this enabled them to offset their deteriorating access to external financing.

At the same time, households increasingly turned to more secure types of investment in the face of the turbulent economic developments in 2008.

⁴ *Loan-to-deposit ratio = domestic claims on nonbanks/domestic liabilities to nonbanks, excluding securitizations and subordinated capital.*

After expanding by EUR 6.3 billion in 2007, household savings deposits grew by EUR 9.9 billion in 2008. Due to the opposing reactions of the corporate sector (which mainly invests in fixed-term deposits) and of households to the deepening crisis, the trend of shifting investments away from traditional pass-book savings accounts decelerated considerably. Having dropped more than 8 percentage points (to 56.6%) between end-2004 and end-2007, the share of savings deposits in overall deposits contracted only negligibly in the year 2008.

1.5 Significance of External Business Declines in 2008

Austrian banks' external assets expanded by EUR 25.6 billion or 7.3% in the year 2008, while their external liabilities fell slightly by EUR 3.7 billion or 1.4%. Annual growth rates were heavily influenced by developments in the fourth quarter, when both external assets and liabilities decreased substantially (by EUR 22.7 billion and EUR 36.0 billion, respectively). The largest declines in external assets (–EUR 21.4 billion) and liabilities (–EUR 36.7 billion) were observed in interbank business in the fourth quarter of 2008. At the end of the year, Austrian banks' external assets and liabilities in the interbank business amounted to EUR 177.0 billion and EUR 102.4 billion, respectively, compared to EUR 125.7 billion and EUR 52.5 billion in retail business.

As growth rates varied over the year 2008, the net external position of Austrian banks still rose to EUR 107.0 billion.

After reaching a peak of 40.1% at the end of June 2008, external

assets came to EUR 376.7 billion and accounted for 35.2% of total assets at end-December 2008. The corresponding share of external liabilities (EUR 269.7 billion) contracted further to 25.2%.

See also:

Table 16 Business Activity of Banks in Austria

Chart 3 Record Growth in Total Assets Due to Changes in Group Structures

Chart 4 Exchange Rate-Adjusted Year-on-Year Growth Rates of Loans to Domestic Nonbanks

Chart 5 Year-on-Year Growth of Loans to Households and Nonfinancial Corporations

Chart 6 Deposits of Domestic Nonbanks

Chart 7 Development of Individual Deposit Categories (Year-End Figures)

Chart 8 Bullet Loans Linked to Repayment Vehicles Account for Three-Quarters of Foreign Currency Loans to Households

Chart 9 Over 80% of Loans Linked to Repayment Vehicles to Mature in Ten or More Years

2 Profitability of Banks Operating in Austria – Unconsolidated Results

2.1 Operating Profits in 2008⁵

The unconsolidated operating profits of Austrian banks climbed 37.1% in 2008, but this development can be ascribed to a disproportionate rise in operating income (+17.3%). Operating income was largely boosted by a surge in income from securities and participating interests (+104%) which essentially resulted from one-off and special effects. Without those effects, operating profits would have been far lower. Operating expenses picked up by 5.2% in the year 2008, and the cost-to-income ratio im-

⁵ The unconsolidated profits of banks reporting to the OeNB are based on data from the quarterly report for the December 31, 2008, reporting date. This report draws on provisional and, in some cases, expected income data provided by the credit institutions, as final income data (based on audited financial statements) were not available at the editorial close of this special issue.

proved to 55.6% thanks to the substantial gains in income.

Compared to the previous years, the structure of banks' operating income presented a partly divergent picture: Interest remained the most important source of income for banks operating in Austria, accounting for 40.1% of operating income. Income from securities and participating interests shot up as a result of the one-off and special effects mentioned above. This share of overall operating profits jumped to 35.0%, thus making securities and participating interests the second-most important source of income for Austrian banks in 2008. Fee-based income, which had always taken second place in the past, dropped to third place (share in operating income: 20.5%).

Compared to the year 2007, net interest income advanced by EUR 0.85 billion or 11.5% to a total of EUR 8.25 billion. In both relative and absolute terms, such a level of growth has not been observed since 1996. As in the previous years, this development can be attributed to external business. As mentioned above, however, the volume of external business began to decline in the fourth quarter of 2008.

Income from securities and participating interests skyrocketed from EUR 3.52 billion in 2007 to EUR 7.18 billion in 2008, an increase of EUR 3.66 billion or 104.0%. For the most part, this surge can be attributed to income from shares in affiliated undertakings due to the previously mentioned one-off and special effects, which amounted to EUR 4.15 billion (+EUR 2.67 billion or +179.7%).

The expected unconsolidated annual profit was more than halved due to higher risk provisioning requirements, falling from EUR 4.8 billion (2007) to EUR 2.2 billion (2008). After a number of extraordinarily good years, an-

nual profits returned to the level reached in 2003 (EUR 2.15 billion).

Risk provisions soared from EUR 1.6 billion in 2007 to EUR 6.7 billion in 2008. Four-fifths of the rise in unconsolidated risk provisions can be attributed to securities, while only one-fifth arose from lending activities. In contrast to the previous years, Austrian banks were forced for the first time to allocate risk provisions for securities to the amount of EUR 4.02 billion. In 2007, the release of risk provisions for securities generated profits of EUR 0.11 billion.

Austrian banks were able to cover these risk provisions on their own, meaning that they are generally healthier than many of their competitors abroad.

See also:

Table 17 Profitability of Austrian Banks

Chart 10 Income from Affiliated Undertakings Supports Operating Income

Chart 11 Banks' Annual Profit more than Halved by Rise in Risk Provisions

Chart 12 Significant Rise in Unconsolidated Risk Provisions for Securities

3 Profitability of Austrian Banks in 2008 – Consolidated Results

The consolidated interest income of banks reporting to the OeNB amounted to EUR 19.30 billion in 2008. Interest receivable and similar income came to EUR 63.75 billion in the reporting period, while interest payable and similar charges totaled EUR 44.45 billion. As it accounted for 55.7% of operating income, net interest income remained the most important form of income for banks reporting to the OeNB. A considerable share of consolidated interest income was generated outside of Austria.

The consolidated operating income (before risk provisions) of banks re-

porting to the OeNB was EUR 33.64 billion, up EUR 5.52 billion or 19.7% from 2007. This increase can be attributed to dividend income, income from participating interests and high levels of other operating income, which were able to offset the negative impact of the international financial crisis on trading income.

On the operating expenses side, banks in Austria reported a total of EUR 16.53 billion in consolidated administrative expenses.

Consolidated personnel expenses as well as other administrative expenses rose compared to 2007, with personnel expenses amounting to EUR 10.17 billion and consolidated other administrative expenses totaling EUR 6.36 billion among banks reporting to the OeNB.

Overall, the weaker growth and sustained turbulence on international financial markets had an immediate adverse effect on the operating profits of banks reporting to the OeNB. Operating profits (before risk provisions) in 2008 dropped to EUR 7.85 billion, down 29.0% or EUR 3.22 billion from the previous year. The trend of double-digit growth rates was thus interrupted. In 2007, banking groups reporting to the OeNB had recorded a growth rate of 19.9% (EUR 1.84 billion) compared to 2006.

These developments translated into a consolidated cost-to-income ratio of 66.0% as at end-December 2008. Although comparisons with previous years can only be approximations due to recent changes in the reporting structure, this ratio deteriorated by more than 5 percentage points year on year.

The consolidated net result (after tax and minority interests) of banks reporting to the OeNB plunged from EUR 6.83 billion in 2007 to EUR 0.59 billion in 2008. This significantly lower

consolidated net result can be explained by the decline in trading income, higher valuation losses, increased loan loss provisions and higher depreciation requirements for financial assets.

The bulk of this consolidated profit (EUR 1.16 billion, or 63.2%) is attributable to the banking groups reporting to the OeNB in accordance with International Financial Reporting Standards (IFRS). As at the current reporting date, those banking groups held equity interests in a total of 74 fully consolidated foreign banks, 69 of which are located in Central, Eastern and South-eastern Europe (CESEE) and in the Commonwealth of Independent States (CIS). Those groups' share in consolidated profits dropped by 17.4 percentage points compared to 2006 and by 15.7 percentage points compared to 2007. The reason for this development is that banking groups which apply IFRS – which are all systemically important institutions – recorded higher depreciation and higher losses in trading income than individual banks and banking groups which use the accounting standards defined in the Austrian Commercial Code (Unternehmensgesetzbuch – UGB) and Federal Banking Act (Bankwesengesetz – BWG). Banking groups reporting to the OeNB under UGB/BWG standards posted a net result of EUR 0.36 billion in 2008. At 16%, their share in the consolidated net result more than doubled in comparison to 2007. The share attributable to individual banks jumped from 14% to 20.8%.

See also:

Table 18 Profitability of Banks Reporting to the OeNB – Consolidated Results

Chart 13 Consolidated Operating Profit of Austrian Banks

Chart 14 Consolidated Net Result (after Tax) of Banks Reporting to the OeNB

4 Interest Rate Developments

After raising its key interest rate by 25 basis points to 4.25% in July 2008, the ECB lowered this rate three times to a final level of 2.5% in the last quarter of the year. Money market rates also plunged toward the end of the year 2008. The three-month EURIBOR dropped by a total of 1.56 percentage points to 3.29% over the year 2008. After inching up from 4.85% to 5.11% between December 2007 and October 2008, this interest rate plummeted in the last two months of the year.

4.1 Lending Rates – New Business

The key rate cuts in the fourth quarter of 2008 also affected the interest rates banks offered their customers in lending and deposit operations. Interest rates on new lending business, especially for corporate loans, declined significantly from November 2008 onward. For loans up to EUR 1 million, rates reached a peak in autumn 2008, then dropped by 1.06 percentage points to 4.93%, half a percentage point below the euro area average at the time. For loans exceeding EUR 1 million, the decline in interest rates was marginally stronger, since the rate slipped by 1.09 percentage points to 4.51%. Until October 2008, lending rates in these two categories had risen markedly, gaining 0.49 and 0.51 percentage points, respectively; in the fourth quarter, the drastic rate reductions mentioned above took place.

The lending rates for households did not decline as sharply, with interest rates on new consumer loans sliding 0.69 percentage points from their peak in September 2008. In the case of housing loans, the decrease between October and December 2008 was far smaller (0.07 percentage points). For housing loans denominated in Swiss francs (CHF), which are still a very significant

substitute product for euro-denominated loans in Austria, banks reported an interest rate of 3.17% in December 2008 – down 1.03 percentage points from the peak reached in October 2008.

4.2 Lending Rates – Outstanding Amounts

Interest rates for housing loans with a maturity of more than five years picked up 35 basis points by October 2008, only to fall by 10 basis points in the last two months of the year. At the end of December 2008, the interest rate for housing loans in Austria stood at 5.75%. As the euro area average interest rates only increased by 7 basis points over the year 2008, the interest rate spread between Austria and the euro area climbed another 18 basis points to 68.

For nonfinancial corporations, the interest rate on loans with a maturity of more than five years was 5.24% in Austria, which was just below the euro area average (5.26%). Therefore, Austrian customers' interest rate advantage narrowed continuously from 32 basis points at end-2006 to 15 basis points at end-2007 and to 2 basis points in 2008.

4.3 Deposit Rates – New Business

Compared to their peak levels in 2008, interest rates on new household deposits decreased markedly in December 2008. In this context, shorter maturities saw sharper declines than longer-term deposits, and interest rates on savings deposits fell slightly less than the rates for other deposits. Between October and December 2008, interest rates on deposits with a maturity of up to one year dropped by 1.22 percentage points (only 0.99 percentage points for savings deposits), while rates fell by 0.78 percentage points for maturities from one to two years (savings deposits: 0.79 percentage points) and only by 0.41 percentage points for deposits

maturing in two or more years (savings deposits: 0.37 percentage points), in each case relative to their respective peak levels reached in 2008. At 1.69 percentage points, the decrease in interest rates on corporate deposits – which are mainly short-term – was more pronounced than in the case of households.

Thus, the year 2008 was characterized by two very different periods: Until October, interest rates showed a tendency to rise in most categories, but then began to lose ground – in some cases quite rapidly – in the final two months of the year.

The interest margin on new business in Austria was consistently below the euro area average and remained at the lower end of the euro area spectrum, except in December 2008. Even during that month, when Austria's interest margin reached its peak of 134 basis points, it was still below the euro area average (156 basis points). The average interest margin in Austria was 92 basis points in the year 2008.

4.4 Deposit Rates – Outstanding Amounts

For outstanding amounts, interest rates on deposits by Austrian households recorded an increase in 2008. Growth was highest for deposits with a maturity of more than two years, where interest rates moved up 0.39 percentage points. However, the interest rate on deposits with a maturity of more than two years was still 0.38 percentage points lower than the rate for existing deposits with a maturity of up to two years, which rose by 0.29 percentage points to 3.98% in the reporting period. At the same time, Austria's interest rates on existing deposits with a maturity of more than two years were 0.54 percentage points above the corresponding rates in the euro area.

As the interest rates on existing deposits with short-term maturities tend to reflect developments more quickly (the interest rates for deposits with maturities of up to two years already began to decline in December 2008, in contrast to the rates for deposits with maturities of over two years), the interest rates on deposits with a maturity of more than two years will probably surpass those on shorter maturities in an environment of declining interest rates in 2009.

Interest rates for deposits of non-financial corporations declined far more sharply for maturities of up to two years (–0.59 percentage points) than for longer maturities (–0.07 percentage points). In the course of the year 2008, therefore, interest rates on deposits with maturities of more than two years rose above the rates for deposits with shorter maturities.

See also:

Table 19 ECB Interest Rate Statistics for Austria as at December 2008 – Interest Rates on New Business – Deposits

Table 20 ECB Interest Rate Statistics for Austria as at December 2008 – Interest Rates on New Business – Loans

Table 21 ECB Interest Rate Statistics for Austria as at December 2008 – Interest Rates on New Business – Loans and Deposits, Total

Table 22 Share of Variable-Rate and Short-Term Fixed-Rate Loans in Total New Business – Comparison between Austria and the Euro Area

Chart 15 Nonfinancial Corporations Benefit More from Key Interest Rate Cuts than Households

Chart 16 Interest Margin on New Business in Austria Close to Euro Area Minimum

Chart 17 Corporate Loans under EUR 1 Million Close to Euro Area Minimum

Chart 18 Interest Rates on Housing Loans (New Business) Slightly Above Euro Area Average

Chart 19 Interest Rates on Housing Loans (Outstanding Amounts) Remain above Euro Area Average

5 Developments in the Building and Loan Associations Sector

At the end of 2008, the total number of building loan contracts in Austria came to 5,401,782, down some 63,000 or 1.1% year on year. Of those contracts, some 369,000 had reached the lending stage; this figure was almost 19,000 or 4.9% lower than one year earlier.

In 2008, the number of new contracts with building and loan associations rose by 30,000 or 3.2% to roughly 974,000.

In terms of volume, new contracts with building and loan associations in 2008 amounted to EUR 19.5 billion, which was 6.5% or EUR 1.2 billion higher than in 2007.

In 2008, around 26,000 building loans (+1,300 or +5.5%) were allocated at the end of the savings stage. At approximately EUR 3.0 billion, the volume of allocated building loans also edged up in 2008, namely by EUR 0.1 billion or 4.6% compared to the previous year.

New lending in 2008 (i.e. the total amount paid out by building and loan associations on the basis of allocated contract amounts and bridging loans during the reporting period) amounted to EUR 3.5 billion (+EUR 0.2 billion or +7.5% compared to 2007).

The surplus of building and loan deposits vis-à-vis loans outstanding has declined continuously, falling from a high of approximately EUR 4 billion at end-2004 to EUR 0.5 billion at end-2008.

This dwindling surplus is the result of a steady decline in building and loan deposits (–EUR 0.5 billion) coupled with a similarly steady increase in the volume of outstanding loans (+EUR 3 billion) since the end of 2004.

See also:

Table 23 Statistics on Building and Loan Associations as at December 2008 – Number of Building Loan Contracts

Table 24 Statistics on Building and Loan Associations as at December 2008 – Deposits and Loans

Chart 20 Number of Building Loan Contracts Close to Previous Year's Level

6 Development of Mutual Funds

Since 2008, Austria has had an additional provider of mutual funds, namely Erste Immobilien KAG. Overall, capital management companies in Austria narrowed their product range by eliminating 21 funds in 2008. Therefore, as at end-December 2008, a total of 29 capital management companies operated 2,308 mutual funds worth EUR 127.4 billion (including fund-of-fund investments) in Austria.

The assets of mutual funds in Austria shrank by EUR 38.28 billion in 2008. This decline can be attributed first and foremost to stocks and other participating interests, which generated losses of EUR 17.25 billion, followed by mutual fund shares (–EUR 11.34 billion) and fixed-income securities (–EUR 10.71 billion). The only investment category to show positive development (however slight) was real estate (+EUR 326 million or +19.5%). Cash holdings were increased by EUR 0.97 billion.

Due to massive price losses amounting to EUR 19.46 billion and a net capital outflow of EUR 11.72 billion, the net volume of capital invested in mutual funds (excluding fund-of-fund investments) plummeted by EUR 31.18 billion or 22.7% and stood at EUR 105.91 billion at the end of December 2008.

For the year 2008, the capital-weighted average overall performance of all Austrian mutual funds (retail funds and specialty funds) was –13.4%. Equity funds suffered overall price losses of 61.2%, balanced funds dropped by 14.6%, and fixed-income funds edged down 0.15%.

As at December 31, 2007, investment volumes reached EUR 54.34 billion (51.3% of total investments) in the euro area excluding Austria, EUR 22.80 billion (21.5%) in the rest of the world and EUR 28.77 billion (27.2%) in Austria.

See also:

Table 25 Mutual Fund Developments in 2008

Table 26 Total Assets of Austrian Mutual Funds as at December 2008

7 Development of Money Market Funds

The ECB's new survey of investment fund statistics as well as the new master data survey for such funds (which the ECB uses to compile its list of investment funds), both of which were due for the first time at the December 2008 reporting date, were taken as an opportunity to reassess the classification of money market funds. This was done through self-classification by capital management companies as well as careful verification of that information on the basis of published prospectuses. The changes in the reporting system described above resulted in a sudden jump in the number of companies filing reports. As at December 31, 2008, 42 money market funds had been set up by 14 capital management companies, which represents a considerable rise compared to the 20 money market funds established by 9 capital management companies as at September 30, 2008, under the conventional classification scheme.

Despite the sudden expansion of the reporting population, the corresponding investment volume showed comparatively modest growth, picking up by EUR 1.0 billion or 34.2% to EUR 4.1 billion. This was mainly due to the fact that Raiffeisen KAG, which

used to be the largest player in terms of investment volume, no longer provided money market funds after the review of its funds' classification. Since then, Erste Sparinvest-Kapitalanlagegesellschaft has accounted for the highest investment volumes. With 11 money market funds and a total investment volume of some EUR 1.5 billion, this company accounted for roughly 36% of the total capital invested in Austrian money market funds.

The 36 money market funds mainly denominated in euro recorded a total investment volume of EUR 3.9 billion, while the five U.S. dollar-denominated funds reached a volume of some EUR 131 million. For the first time, a money market fund denominated in Czech koruna (CZK) was registered in 2008. In terms of investment volume, the ratio of euro-denominated money market funds to those denominated in foreign currency was thus 96% to 4% at the end of the year.

Despite the increased size of the reporting population, money market funds only accounted for a 0.4% share in the total assets of all monetary financial institutions (MFIs) in Austria at end-December 2008, and this share had risen only negligibly since end-September 2008 (0.3%).

8 Development of Severance Funds

The Federal Act on Corporate Staff Provision (Betriebliches Mitarbeitervorsorgegesetz – BMVG) was amended with effect of January 1, 2008. Under the amended act, the Austrian severance pay system not only includes salaried employees, but also self-employed persons. Staff provision funds were thus expanded into severance funds.

Since the outbreak of the financial crisis, the structure of severance funds' investments has shifted, presumably as

a result of uncertainty on the financial markets. At the end of 2007, some 63.1% of severance funds' assets were invested in mutual funds, but this figure had dropped to 50.3% by the end of 2008. At the same time, the share of direct investment (e.g. with banks) jumped from 36.9% to 49.7%. At the end of 2008, the volume of accrued severance benefits held in Austria's nine severance funds totaled EUR 2.12 billion, a rise of approximately 31.0% compared to end-2007.

These funds have now been operating for over six years, and the number of prospective beneficiaries under the new severance pay system totaled approximately 3.04 million at the end of 2008. Since January 2008, some 500,000 self-employed professionals, free agents, independent professionals, farmers and foresters in Austria have also been included in the severance pay system.

9 Development of Pension Funds

The international financial crisis has also affected the performance of Austrian pension funds. In the year 2008, the assets held in these funds shrank by 7.6% (EUR 1.0 billion) to EUR 11.9 billion. This setback can be attributed in its entirety to a fall in value of pension funds' assets. Domestic and foreign mutual fund shares, which account for the largest share of pension fund investments by far (87.1% at end-2008), declined by EUR 1.5 billion in 2008. Domestic mutual fund shares dropped by more than EUR 1 billion or 10%,

while their foreign counterparts lost approximately EUR 0.5 billion or 35.6%. The relative proportions of these mutual fund shares in the total assets of pension funds declined by 2.2 percentage points to 79.9% (domestic mutual fund shares) and by 3 percentage points to 7.2% (foreign mutual fund shares). In contrast, pension funds' balances with domestic banks nearly tripled, jumping from EUR 282 million to EUR 790 million. A large part of this development can be attributed to the fact that, given the persistent turbulence on financial markets since mid-2007, pension funds have deposited larger parts of their assets with domestic banks in order to avoid capital risk and generate modest but reliable earnings. At the end of December 2008, the share of such deposits in the total assets of pension funds reached an all-time high of 6.6%. Previously, levels in that range were only observed in the pension funds' initial stage of operation (1993: 4.5%; 1994: 5.8%; 1995: 6.0%). After that period, the share of domestic bank deposits fluctuated between 0.3% and 2.5% until the end of 2007.

The ratio of assets denominated in euro to those denominated in foreign currency has shifted in favor of the euro. At the end of December 2008, 97.4% of pension fund assets were denominated in euro, compared to 2.6% in foreign currency. Such a low level of foreign currency investment has not been recorded since September 2005; as recently as December 2007, this share stood at nearly 5%.

V. Tables and Charts

1 Structural Changes in the Banking Sector in 2008

Table 1

New Head Office Establishments in 2008

Month	Details	Company name	Sector
January	Opening	American Express Austria Bank GmbH	Special purpose banks
	Opening	Europolis AG	Volksbank credit cooperatives
	Opening	TeamBank Österreich Niederlassung der TeamBank AG Nürnberg	Banks established under Article 9 Federal Banking Act
	Opening	Oesterreichische Entwicklungsbank AG	Special purpose banks
April	Opening	Caja de Ahorros y Monte de Piedad de Madrid Zweigniederlassung Wien	Banks established under Article 9 Federal Banking Act
May	Opening	Heller Bank Aktiengesellschaft Zweigniederlassung Österreich	Banks established under Article 9 Federal Banking Act
July	Opening	Kaupthing Bank hf. Zweigniederlassung Österreich	Banks established under Article 9 Federal Banking Act
	Opening	Deutsche Vermögensberatung AG	Special purpose banks
October	Opening	Standard Chartered Bank Zweigniederlassung Wien	Banks established under Article 9 Federal Banking Act
November	Opening	Oesterreichische Clearingbank AG	Joint stock banks

Source: OeNB.

Table 2

Head Office Closures in 2008

Month	Details	Company name	Sector
January	Expiration of license	Wechselstube der ReiseBank AG Niederlassung Österreich	Special purpose banks
December	Expiration of license	Vorschußverein der Angestellten der Oberbank reg. Gen.m.b.H.	Volksbank credit cooperatives
	Expiration of license as of October 6, 2008	Verkehrsbüro-Ruefa Reisen GmbH	Special purpose banks
	Expiration of license as of December 3, 2008	Spar- und Darlehenskasse der Arbeitnehmer der Donau Allgemeine Versicherungs-AG reg.Gen.m.b.H.	Volksbank credit cooperatives

Source: OeNB.

Table 3

Head Office Mergers in 2008

Month	Company name ¹	Sector
June	Raiffeisenbank Trofaiach-Leoben reg.Gen.m.b.H. and Raiffeisenbank Bruck an der Mur eGen (old) Raiffeisenbank Leoben-Bruck eGen (new)	Raiffeisen credit cooperatives
July	Südoststeirische Sparkasse AG and Steiermärkische Bank und Sparkassen AG	Raiffeisen credit cooperatives
August	Raiffeisenkasse Hollenthon reg.Gen.m.b.H. and Raiffeisenbank Pittental reg.Gen.m.b.H. (old) Raiffeisenbank Pittental/Bucklige Welt reg.Gen.m.b.H. (new)	Raiffeisen credit cooperatives
September	Raiffeisenbank Traunsee West reg.Gen.m.b.H. and Raiffeisenbank Salzkammergut Nord reg.Gen.m.b.H. (old) Raiffeisenbank Salzkammergut Nord reg.Gen.m.b.H. (new)	Raiffeisen credit cooperatives
	Raiffeisenbank Herzogsdorf reg.Gen.m.b.H. and Raiffeisenbank Gramastetten reg.Gen.m.b.H. (old) Raiffeisenbank Gramastetten-Herzogsdorf reg.Gen.m.b.H. (new)	Raiffeisen credit cooperatives
	Burgenländische Raiffeisenbank in Eisenstadt AG and Raiffeisenlandesbank Burgenland und Revisionsverband reg.Gen.m.b.H.	Raiffeisen credit cooperatives
October	Raiffeisenkasse Schwarzenbach reg.Gen.m.b.H. and Raiffeisenbank Pittental/Bucklige Welt reg.Gen.m.b.H. (= acquiring institution)	Raiffeisen credit cooperatives
November	Fiat Auto Kreditbank GmbH and Fidis Bank Ges.m.b.H.	Raiffeisen credit cooperatives
	Raiffeisenring Tullnerfeld reg.Gen.m.b.H. and Raiffeisenbank Tulln reg.Gen.m.b.H.	Raiffeisen credit cooperatives

Source: OeNB.

¹ Bold print indicates the acquiring institution.

Table 4

Name Changes of Head Offices in 2008

Month	Details	Company name	Sector
January	Old	VICTORIA-VOLKSBANKEN Mitarbeitervorsorgekasse AG	Special purpose banks
	New	VICTORIA-VOLKSBANKEN Vorsorgekasse AG	
	Old	VBV - Mitarbeitervorsorgekasse Aktiengesellschaft	Special purpose banks
	New	VBV - Vorsorgekasse AG	
	Old	Salzburger Kreditgarantiegesellschaft m.b.H.	Special purpose banks
	New	Bürgschaftsbank Salzburg GmbH	
February	Old	BUAK Mitarbeitervorsorgekasse GesmbH	Special purpose banks
	New	BUAK Betriebliche Vorsorgekasse GesmbH	
April	Old	APK-Mitarbeitervorsorgekasse AG	Special purpose banks
	New	APK Vorsorgekasse AG	
June	Old	Tullnerfelder Volksbank reg.Gen.m.b.H.	Volksbank credit cooperatives
	New	Volksbank Tullnerfeld eG	
July	Old	Bank und Sparkassen Aktiengesellschaft Waldviertel-Mitte	Savings banks
	New	Sparkasse Waldviertel-Mitte Bank AG	
	Old	BAWAG Allianz Mitarbeitervorsorgekasse AG	Special purpose banks
	New	BAWAG Allianz Vorsorgekasse AG	
August	Old	Bank Austria Creditanstalt Real Invest Immobilien-Kapitalanlage GmbH	Special purpose banks
	New	Bank Austria Real Invest Immobilien-Kapitalanlage GmbH	
	Old	Wiener Privatbank Immobilieninvest AG	Joint stock banks
	New	Wiener Privatbank SE	
	Old	Sparkasse der Stadt Korneuburg	Savings banks
	New	Sparkasse Korneuburg AG	
September	Old	Bank Austria Creditanstalt AG	Joint stock banks
	New	UniCredit Bank Austria AG	
	Old	Burgenländische Raiffeisenbank in Eisenstadt reg.Gen.m.b.H.	Raiffeisen credit cooperatives
	New	Burgenländische Raiffeisenbank in Eisenstadt AG	
October	Old	Deutsche Vermögensberatung Aktiengesellschaft	Special purpose banks
	New	Deutsche Vermögensberatung Bank Aktiengesellschaft	
	Old	Sparkasse der Stadt Amstetten	Savings banks
	New	Sparkasse der Stadt Amstetten AG	
	Old	Capital Bank International-GRAWE Group AG	Joint stock banks
	New	Brüll Kallmus Bank AG	
November	Old	Heller Bank AG Zweigniederlassung Österreich	Banks established under Article 9 Federal Banking Act
	New	GE Capital Bank AG Zweigniederlassung Österreich	
December	Old	Fidis Bank Ges.m.b.H.	Special purpose banks
	New	FGA Bank GmbH	

Source: OeNB.

Table 5

Changes in Foreign Branches of Austrian Banks in 2008

Month	Change	Company name	Sector
December 2007	Opening	Oberbank AG, Zweigstelle Würzburg (reported for 2007)	Joint stock banks
January	Opening	Raiffeisenlandesbank OÖ, Zweigniederlassung Süddeutschland Niederlassung Heilbronn	Raiffeisen credit cooperatives
January	Opening	Oberbank AG, Zweigstelle Aschaffenburg	Joint stock banks
January	Opening	Oberbank AG, Zweigstelle Unterschleißheim	Joint stock banks
March	Opening	Oberbank AG, Zweigstelle Ottobrunn	Joint stock banks
March	Opening	Bank für Tirol und Vorarlberg AG, Zweigniederlassung Deutschland/Stuttgart	Joint stock banks
March	Opening	Western Union International Bk., Zweigstelle London	Joint stock banks
April	Opening	Autobank AG, Zweigniederlassung Deutschland	Special purpose banks
May	Opening	Bank für Tirol und Vorarlberg AG, Zweigniederlassung Deutschland/München	Joint stock banks
May	Opening	HYPO TIROL BANK AG, Geschäftsstelle Verona	State mortgage banks
May	Opening	Western Union International Bk., Zweigstelle Ludwigshafen	Joint stock banks
May	Closure	DenizBank AG, Zweigstelle Dortmund	Joint stock banks
September	Opening	Raiffeisen Zentralbank Österreich AG, Filiale Xiamen	Raiffeisen credit cooperatives
September	Opening	Oberbank AG, Zweigstelle Győr	Joint stock banks
September	Opening	Oberbank AG, Zweigstelle Szombathely	Joint stock banks
October	Opening	Oberbank AG, Zweigstelle Buda	Joint stock banks
December	Opening	Western Union International Bk., Zweigstelle Mühlheim	Joint stock banks
December	Closure	HYPO TIROL BANK AG Beratungszentrum Bruneck	State mortgage banks

Source: OeNB.

Table 6

Changes in Fully Consolidated Foreign Subsidiaries in 2008

Month	Change	De- tails	Company name	Domiciled in	Parent bank
January	Acquisition		Ukrsotsbank (Joint Stock Commercial Bank for Social Development Ukrsotsbank)	Kiev	Bank Austria Creditanstalt AG
February	Sale		HVB Central Profit Banka dd Sarajevo (merger with UniCredit Bank d.d. = acquiring institution)	Sarajevo	Bank Austria Creditanstalt AG
	Acquisition		UniCredit Bank d.d.	Mostar	Bank Austria Creditanstalt AG
February	Company name change	Old New	Denizbank Moscow CJSC Dexia Bank	Moscow	DenizBank AG
March	Sale		HYPO stavebni sporitelna a.s.	Prague	Bank Austria Creditanstalt AG
	Acquisition		HYPO stavebni sporitelna a.s.		Raiffeisen Bausparkasse GmbH
June	Company name change	Old New	Volksbank-Ljudska banka d.d. Banka Volksbank d.d.	Ljubljana	ÖVAG
	Sale		ISTROBANKA a.s.	Bratislava	BAWAG P.S.K.
July	Sale		eBanka, a.s.	Prague	RZB
	Sale		Sohibkorbank OJSC	Khujand Sogdiyskaya	Bank Austria Creditanstalt AG
August	Company name change	Old New	Kvarner banka dd BKS Bank d.d.	Rijeka	BKS Bank AG
September	Company name change	Old New	OJSC Electron Bank OJSC Volksbank	Lviv	ÖVAG
	Sale		BAWAG Bank CZ a.s.	Prague	BAWAG P.S.K.
October	Acquisition		InvestBanka AD Skopje	Skopje	Erste Group Bank AG
November	Sale		HYPO stavebni sporitelna a.s. (merger with 91108AB/ No.1997521 Raiffeisen stavebni sporitelna a.s. = acquiring institution)	Prague	Raiffeisen Bausparkasse GmbH
December	Sale		UniCredit Bank Cayman Islands Ltd.	Georgetown	UniCredit Bank Austria

Source: OeNB.

Table 7

Changes in Foreign Representative Offices of Austrian Banks in 2008

Month	Change	Company name	Country
March	Closure	PARTNER Bank AG, Repräsentanz Schweiz	Switzerland
May	Opening	Bank Sal. Oppenheim jr. & Cie. (Ausztria) AG Magyarorszagi Fiolktelepe	Hungary
June	Opening	Raiffeisen Zentralbank Österreich AG Repräsentanz Harbin	China
	Closure	Kärntner Sparkasse AG Repräsentanz Laibach	Slovenia
	Closure	Waldviertler Sparkasse von 1842 AG Repräsentanz Slowakei	Slovakia

Source: OeNB.

2 Internationalization Indicators

As at December 2008, the listed institutions operated 121 branch offices and 52 representative offices abroad.

2.1 Representative and Branch Offices of Austrian Banks Abroad

Table 8

Representative Offices of Austrian Banks Abroad

As at December 31, 2008

Name	Country	City
Alpenbank Aktiengesellschaft Repräsentanz München	DE	Munich
Bank für Tirol und Vorarlberg Aktiengesellschaft Repräsentanz Bozen	IT	Bolzano-Bozen
Bank für Tirol und Vorarlberg Aktiengesellschaft Repräsentanz Padua	IT	Padua
Bank für Tirol und Vorarlberg Aktiengesellschaft Repräsentanz Verona	IT	Verona
BANK MEDICI AG Repräsentanz Gibraltar	GI	Gibraltar
Bank Sal. Oppenheim jr. & Cie. (Österreich) AG Magyarorszagi Fióktelepe	HU	Budapest
Bank Sal. Oppenheim jr. & Cie. (Österreich) AG, Repräsentanz Tschechische Republik	CZ	Prague
Bank Sal. Oppenheim jr.&Cie (Österreich) AG spolka akcyjna przedstawicielstwo w Polsce	PL	Warsaw
BAWAG P.S.K. Representative Office Tripolis	LY	Tripoli
BKS Bank AG Repräsentanz Padua	IT	Padua
BKS Bank AG Repräsentanz Bratislava	SK	Bratislava
BKS Bank AG Repräsentanz Sopron	HU	Sopron
BKS Bank AG Repräsentanz Zagreb	HR	Zagreb
CAPITAL BANK - GRAWE GRUPPE AG Repräsentanz Prag	CZ	Prague
HYPO ALPE-ADRIA-BANK INTERNATIONAL AG Repräsentanz London	GB	London
HYPO Investmentbank AG Repräsentanz Budapest	HU	Budapest
HYPO Investmentbank AG Repräsentanz Prag	CZ	Prague
Investkredit Bank AG Repräsentanz Bratislava	SK	Bratislava
Investkredit Bank AG Repräsentanz Budapest	HU	Budapest
Investkredit Bank AG Repräsentanz Bukarest	RO	Bucharest
Investkredit Bank AG Repräsentanz Polen	PL	Warsaw
Investkredit Bank AG Repräsentanz Prag	CZ	Prague
Investkredit Bank AG Repräsentanz Ukraine	UA	Kiev
Kärntner Sparkasse Aktiengesellschaft Repräsentanz Padova	IT	Padua
Kärntner Sparkasse Aktiengesellschaft Repräsentanz Pordenone	IT	Pordenone
Kärntner Sparkasse Aktiengesellschaft Repräsentanz Treviso	IT	Treviso
Kärntner Sparkasse Aktiengesellschaft Repräsentanz Triest	IT	Trieste
Kärntner Sparkasse Aktiengesellschaft Repräsentanz Udine	IT	Udine
Kärntner Sparkasse Aktiengesellschaft Repräsentanz Vicenza	IT	Vicenza
RZB Repräsentanz Brüssel	BE	Brussels
RZB Repräsentanz Deutschland	DE	Frankfurt/Main
RZB Repräsentanz Harbin	CN	Harbin, P.R. China
RZB Repräsentanz Ho Chi Minh City	VN	Ho Chi Minh City
RZB Repräsentanz Hongkong	HK	Hong Kong
RZB Repräsentanz Korea	KR	Seoul
RZB Repräsentanz Madrid	ES	Madrid
RZB Repräsentanz Moskau	RU	Moscow
RZB Repräsentanz Mumbai	IN	Mumbai
RZB Repräsentanz New York	US	New York
RZB Repräsentanz Paris	FR	Paris
RZB Repräsentanz Teheran	IR	Tehran
RZB Repräsentanz Zhuhai	CN	Zhuhai
RZB Representative Office Nordic Countries	SE	Stockholm
RZB Ufficio di Rappresentanza	IT	Milan
RLB Kärnten - Rechenzentrum und Revisionsverband registrierte Genossenschaft mit beschränkter Haftung	IT	Treviso
RLB Salzburg registrierte Genossenschaft mit beschränkter Haftung Repräsentanz Padua	IT	Padua
Steiermärkische Bank und Sparkassen Aktiengesellschaft Repräsentanz Sarajevo	BA	Sarajevo
Steiermärkische Bank und Sparkassen Aktiengesellschaft Repräsentanz Udine	IT	Udine
Tiroler Sparkasse Bankaktiengesellschaft Innsbruck Repräsentanz Bozen	IT	Bolzano-Bozen
Tiroler Sparkasse Bankaktiengesellschaft Innsbruck Repräsentanz Meran	IT	Merano-Meran
Tiroler Sparkasse Bankaktiengesellschaft Innsbruck Repräsentanz Trient	IT	Lavis
UniCredit Bank Austria AG Repräsentanz Beijing	CN	Beijing
UniCredit Bank Austria AG Repräsentanz Skopje	MK	Skopje

Source: OeNB.

Branch Offices of Austrian Banks Abroad

As at December 31, 2008

Name	Country	City
Alpenbank Aktiengesellschaft Filiale Bozen	IT	Bolzano-Bozen
Autobank AG Zweigniederlassung Deutschland	DE	Oberhaching bei München
Bank für Tirol und Vorarlberg Aktiengesellschaft Zweigniederlassung Deutschland	DE	Memmingen
Bank für Tirol und Vorarlberg Aktiengesellschaft Zweigniederlassung Deutschland/Augsburg	DE	Augsburg
Bank für Tirol und Vorarlberg Aktiengesellschaft Zweigniederlassung Deutschland/München	DE	Munich
Bank für Tirol und Vorarlberg Aktiengesellschaft Zweigniederlassung Deutschland/Ravensburg	DE	Weingarten-Ravensburg
Bank für Tirol und Vorarlberg Aktiengesellschaft Zweigniederlassung Deutschland/Rosenheim	DE	Rosenheim
Bank für Tirol und Vorarlberg Aktiengesellschaft Zweigniederlassung Deutschland/Stuttgart	DE	Stuttgart-Vaihingen
Bank für Tirol und Vorarlberg Aktiengesellschaft Zweigniederlassung Staad	CH	Staad
Bank Vontobel Österreich AG Niederlassung München	DE	Munich
BKS Bank AG Filiale Laibach	SI	Ljubljana
BKS Bank AG Filiale Marburg	SI	Maribor
BMW Austria Bank GmbH - Athens Branch	EL	Glyfada – Athens
DenizBank AG Zweigstelle Frankfurt/Main	DE	Frankfurt/Main
Erste Group Bank AG Filiale Hongkong	HK	Hong Kong
Erste Group Bank AG Filiale London	GB	London
Erste Group Bank AG Filiale New York	US	New York
FGA Bank GmbH Filiale Athen	EL	Athens
HYPO ALPE-ADRIA-BANK AG (Austria) Niederlassung München	DE	Munich
HYPO TIROL BANK AG Beratungszentrum Brixen	IT	Bressanone-Brixen
HYPO TIROL BANK AG Beratungszentrum Meran	IT	Merano-Meran
HYPO TIROL BANK AG Gest. Bozen	IT	Bolzano-Bozen
HYPO TIROL BANK AG Gest. München	DE	Munich
HYPO TIROL BANK AG Gest. Rosenheim	DE	Rosenheim
HYPO TIROL BANK AG Gest. Trient	IT	Trento
HYPO TIROL BANK AG Gest. Verona	IT	Verona
Investkredit Bank AG Niederlassung Frankfurt/Main	DE	Frankfurt/Main
Kärntner Sparkasse Aktiengesellschaft Filiale Conegliano	IT	Conegliano
Kärntner Sparkasse Aktiengesellschaft Filiale Treviso	IT	Treviso
Kärntner Sparkasse Aktiengesellschaft Filiale Udine	IT	Udine
Kärntner Sparkasse Aktiengesellschaft Filiale Udine II	IT	Udine
Kärntner Sparkasse Aktiengesellschaft Filiale Vicenza	IT	Vicenza
Oberbank AG - Zweigstelle Buda	HU	Budapest
Oberbank AG - Zweigstelle Győr	HU	Győr
Oberbank AG - Zweigstelle Szombathely	HU	Szombathely
Oberbank AG Zweigniederlassung Bayern	DE	Munich
Oberbank AG Zweigniederlassung Prag	CZ	Prague
Oberbank AG Zweigniederlassung Ungarn	HU	Budapest
Oberbank AG Zweigstelle Aschaffenburg	DE	Aschaffenburg
Oberbank AG Zweigstelle Augsburg	DE	Augsburg
Oberbank AG Zweigstelle Bamberg	DE	Bamberg
Oberbank AG Zweigstelle Bayreuth	DE	Bayreuth
Oberbank AG Zweigstelle Brünn	CZ	Brno
Oberbank AG Zweigstelle Brünn	CZ	Brno
Oberbank AG Zweigstelle Budweis	CZ	České Budějovice
Oberbank AG Zweigstelle Germering	DE	Germering
Oberbank AG Zweigstelle Hradec Kralova	CZ	Hradec Králové
Oberbank AG Zweigstelle Ingolstadt	DE	Ingolstadt
Oberbank AG Zweigstelle Kladno	CZ	Kladno
Oberbank AG Zweigstelle Krumau	CZ	Český Krumlov
Oberbank AG Zweigstelle Landshut	DE	Landshut
Oberbank AG Zweigstelle Mlada Boleslav	CZ	Mladá Boleslav
Oberbank AG Zweigstelle Nürnberg	DE	Nuremberg
Oberbank AG Zweigstelle Opava	CZ	Opava
Oberbank AG Zweigstelle Ostrava	CZ	Ostrava
Oberbank AG Zweigstelle Ottobrunn	DE	Ottobrunn
Oberbank AG Zweigstelle Pardubice	CZ	Pardubice
Oberbank AG Zweigstelle Passau	DE	Passau
Oberbank AG Zweigstelle Pilsen	CZ	Plzeň
Oberbank AG Zweigstelle Pisek	CZ	Písek
Oberbank AG Zweigstelle Plzen	CZ	Plzeň

Source: OeNB.

Table 9 Continued

Branch Offices of Austrian Banks Abroad

As at December 31, 2008

Name	Country	City
Oberbank AG Zweigstelle Prag Dejvice	CZ	Prague - Dejvice
Oberbank AG Zweigstelle Prag/Smichov	CZ	Prague - Smichov
Oberbank AG Zweigstelle Prag	CZ	Prague
Oberbank AG Zweigstelle Regensburg	DE	Regensburg
Oberbank AG Zweigstelle Rosenheim	DE	Rosenheim
Oberbank AG Zweigstelle Tabor	CZ	Tábor
Oberbank AG Zweigstelle Unterschleißheim	DE	Unterschleißheim
Oberbank AG Zweigstelle Würzburg	DE	Würzburg
PARTNER BANK AKTIENGESELLSCHAFT Zweigniederlassung Feldkirchen bei München	DE	Feldkirchen
PRIVAT BANK AG der Raiffeisenlandesbank Oberösterreich Zweigniederlassung Passau	DE	Passau
PRIVAT BANK AG der Raiffeisenlandesbank Oberösterreich Zweigniederlassung Regensburg	DE	Regensburg
PRIVAT BANK AG der Raiffeisenlandesbank Oberösterreich Zweigniederlassung Süddeutschland	DE	Munich
PRIVAT BANK AG der Raiffeisenlandesbank Oberösterreich Zweigniederlassung Tschechien	CZ	Prague
PRIVAT BANK AG der Raiffeisenlandesbank Oberösterreich Zweigniederlassung Ulm	DE	Ulm
PRIVAT BANK AG der Raiffeisenlandesbank Oberösterreich Zweigniederlassung Würzburg	DE	Würzburg
RZB Filiale Beijing	CN	Beijing
RZB Filiale London	GB	London
RZB Filiale Singapur	SG	Singapore
RZB Filiale Xiamen	CN	Xiamen, Fujian Province, P.R. China
RLB Oberösterreich Zweigniederlassung Süddeutschland, NL Heilbronn	DE	Heilbronn
RLB Oberösterreich Zweigniederlassung Süddeutschland, NL Landshut	DE	Landshut
RLB Oberösterreich Zweigniederlassung Süddeutschland, NL München	DE	Munich
RLB Oberösterreich Zweigniederlassung Süddeutschland, NL Nürnberg	DE	Nuremberg
RLB Oberösterreich Zweigniederlassung Süddeutschland, NL Passau	DE	Passau
RLB Oberösterreich Zweigniederlassung Süddeutschland, NL Regensburg	DE	Regensburg
RLB Oberösterreich Zweigniederlassung Süddeutschland, NL Ulm	DE	Ulm
RLB Zweigniederlassung Süddeutschland, NL Würzburg	DE	Würzburg
Vakifbank International AG Filiale Köln	DE	Cologne
VakifBank International AG Zweigstelle Frankfurt/Main	DE	Frankfurt/Main
Vorarlberger Landes- und Hypothekenbank Aktiengesellschaft Filiale St.Gallen	CH	St. Gallen
Waldviertler Sparkasse von 1842 AG Filiale Neuhaus	CZ	Jindřichův Hradec
Western Union International Bank GmbH, Niederlassung Deutschland	DE	Frankfurt/Main
Western Union International Bank GmbH, Zweigstelle Aachen	DE	Aachen
Western Union International Bank GmbH, Zweigstelle Bergen	NO	Bergen
Western Union International Bank GmbH, Zweigstelle Berlin I	DE	Berlin
Western Union International Bank GmbH, Zweigstelle Berlin III	DE	Berlin
Western Union International Bank GmbH, Zweigstelle Berlin IV	DE	Berlin
Western Union International Bank GmbH, Zweigstelle Bonn	DE	Bonn
Western Union International Bank GmbH, Zweigstelle Bremen	DE	Bremen
Western Union International Bank GmbH, Zweigstelle Dortmund	DE	Dortmund
Western Union International Bank GmbH, Zweigstelle Drammen	NO	Drammen
Western Union International Bank GmbH, Zweigstelle Duisburg	DE	Duisburg
Western Union International Bank GmbH, Zweigstelle Düsseldorf	DE	Düsseldorf
Western Union International Bank GmbH, Zweigstelle Essen	DE	Essen
Western Union International Bank GmbH, Zweigstelle Hannover	DE	Hannover
Western Union International Bank GmbH, Zweigstelle Köln I	DE	Cologne
Western Union International Bank GmbH, Zweigstelle Köln II	DE	Cologne
Western Union International Bank GmbH, Zweigstelle London	GB	London
Western Union International Bank GmbH, Zweigstelle Ludwigshafen	DE	Ludwigshafen
Western Union International Bank GmbH, Zweigstelle Mannheim	DE	Mannheim
Western Union International Bank GmbH, Zweigstelle Mühlheim	DE	Mühlheim
Western Union International Bank GmbH, Zweigstelle Oslo	NO	Oslo
Western Union International Bank GmbH, Zweigstelle Oslo II	NO	Oslo
Western Union International Bank GmbH, Zweigstelle Oslo III	NO	Oslo
Western Union International Bank GmbH, Zweigstelle Stavanger	NO	Stavanger
Western Union International Bank GmbH, Zweigstelle Stuttgart	DE	Stuttgart
Western Union International Bank GmbH, Zweigstelle Trondheim	NO	Trondheim
Western Union International Bank GmbH, Zweigstelle Wiesbaden	DE	Wiesbaden
Western Union International Bank GmbH, Zweigstelle Wuppertal	DE	Wuppertal
ZVEZA BANK, registrirana zadruga z omejenim jamstvom, Bank und Revisionsverband, registrierte Genossenschaft mit beschränkter Haftung Filiale Laibach	SI	Ljubljana

Source: OeNB.

2.2 Foreign-Owned Banks in Austria

Table 10

100% Foreign-Owned Banks in Austria

As at December 31, 2008

Company name	ZIP code/City	Foreign owner domiciled in	Country of origin
Joint stock banks			
direktanlage.at AG	5020 Salzburg	Munich	Germany
LGT Bank (Österreich) AG	1010 Vienna	Vaduz	Liechtenstein
Bank Vontobel Österreich AG	5020 Salzburg	Zurich Schaffhausen	Switzerland
DenizBank AG	1030 Vienna	Istanbul	Turkey
VakifBank International AG	1010 Vienna	Ankara	Turkey
GE Money Bank GmbH	1220 Vienna	New York	U.S.A.
Western Union International Bank AG	1040 Vienna	Dublin	Ireland
Commerzbank (Schweiz) AG Private Banking	1010 Vienna	Zurich	Switzerland
VTB Bank (Austria) AG	1010 Vienna	St. Petersburg	Russia
Adria Bank AG	1010 Vienna	Ljubljana Maribor Belgrade	Slovenia Slovenia Serbia
Banco do Brasil AG	1010 Vienna	Brazil	Brazil
Special purpose banks			
PARTNER BANK AG	4020 Linz	Vaduz	Liechtenstein
Autobank AG	1030 Vienna	Ottobrunn/Munich Oberhaching/Munich	Germany
RCI Bank AG	1100 Vienna	Noisy-le-Grand	France
FGA Bank GmbH	1120 Vienna	Torino Paris	Italy France
American Express Austria Bank GmbH	1010 Vienna	New York	U.S.A.
DWS (Austria) Investmentges.m.b.H.	1010 Vienna	Frankfurt/Main	Germany

Source: OeNB.

Table 11

50% to under 100% Foreign-Owned Banks in Austria

As at December 31, 2008

Company name	ZIP code/City	Foreign majority owner domiciled in	Country of origin
Joint stock banks			
UniCredit Bank Austria AG	1010 Vienna	Genoa	Italy
BAWAG P.S.K.	1018 Vienna	New York	U.S.A.
Dexia Kommunalkredit Bank AG	1090 Vienna	Paris	France
Bank Gutmann AG	1010 Vienna	Chur	Switzerland
MEINL BANK AG	1010 Vienna	Vaduz Eindhoven	Liechtenstein Netherlands
PRIVATINVEST BANK AG	5020 Salzburg	Munich	Germany
Bank Sal. Oppenheim jr. & Cie. (Österreich) AG	1010 Vienna	Cologne	Germany
Intermarket Bank AG	1030 Vienna	Warsaw	Poland
State mortgage banks			
HYPO ALPE-ADRIA-BANK INTERNATIONAL AG	9020 Klagenfurt	Munich	Germany
Special purpose banks			
BANK MEDICI AG	1010 Vienna	Monsey, NY	U.S.A.

Source: OeNB.

Table 12

25% to under 50% Foreign-Owned Banks in Austria

As at December 31, 2008

Company name	ZIP code/City	Foreign minority owner domiciled in	Country of origin
Joint stock banks			
Alpenbank AG	6020 Innsbruck	Bolzano-Bozen	Italy
State mortgage banks			
Vorarlberger Landes- und Hypothekenbank AG	6900 Bregenz	Stuttgart	Germany
Volksbank credit cooperatives			
Österreichische Volksbanken-AG	1090 Vienna	Frankfurt/Main Düsseldorf Düsseldorf	Germany
Special purpose banks			
Kommunalkredit Austria AG	1090 Vienna	Paris	France
Volksbank International AG	1220 Vienna	Paris Frankfurt/Main Düsseldorf	France Germany Germany
Air Plus Air Travel Card Vertriebsges.m.b.H.	1040 Vienna	Neu-Isenburg	Germany

Source: OeNB.

Branch Offices of Foreign Banks in Austria¹

As at December 31, 2008

Company name	ZIP code/City	Head office domiciled in	Country of origin
Fortis Bank SA/NV Niederlassung Österreich	1120 Vienna	Brussels	Belgium
CITIBANK INTERNATIONAL plc - Austria Branch	1010 Vienna	London	United Kingdom
SOCIETE GENERALE Zweigniederlassung Wien	1040 Vienna	Paris	France
Deutsche Bank Aktiengesellschaft Filiale Wien	1010 Vienna	Frankfurt/Main	Germany
Anglo Irish Bank Corp. plc Zweigstelle Wien	1010 Vienna	Dublin	Ireland
ING DiBa Direktbank Austria, NL der ING-DiBa AG	1020 Vienna	Frankfurt/Main	Germany
Bank für Trient und Bozen AG, Niederlassung Innsbruck	6020 Innsbruck	Trento	Italy
Svenska Handelsbanken AB (publ) Niederlassung Wien	1010 Vienna	Stockholm	Sweden
ING BANK N.V. Zweigniederlassung Wien ING BANK N.V. Vienna Branch	1030 Vienna	Amsterdam	Netherlands
Bank of Tokyo-Mitsubishi UFJ (Holland) N.V. ZNL Wien	1040 Vienna	Amsterdam	Netherlands
UBS (Luxembourg) SA Niederlassung Österreich	1010 Vienna	Luxembourg	Luxembourg
CREDIT SUISSE (LUXEMBOURG) SA ZNL Österreich	1010 Vienna	Luxembourg	Luxembourg
Intesa Sanpaolo S.p.A. Zweigniederlassung Österreich	1090 Vienna	Torino	Italy
Salzburg München Bank AG Zweigniederlassung Salzburg	5020 Salzburg	Munich	Germany
Dresdner Bank Aktiengesellschaft Niederlassung Wien	1130 Vienna	Frankfurt/Main	Germany
Santander Consumer Bank AG Zweigniederlassung Österreich	1030 Vienna	Mönchengladbach	Germany
Steyler Bank GmbH	2340 Mödling	St. Augustin	Germany
Caja de Ahorros y Monte de Piedad de Madrid Zweigniederlassung Wien	1010 Vienna	Madrid	Spain
Europe Arab Bank plc	1010 Vienna	London	United Kingdom
Standard Chartered Bank Zweigniederlassung Wien	1010 Vienna	London	United Kingdom
Ford Bank Austria Zweigniederlassung der FCE BANK PLC	5020 Salzburg	London	United Kingdom
AMERICAN EXPRESS BANK LTD.	1010 Vienna	New York	U.S.A.
ABN AMRO Bank N.V. Filiale Wien	1010 Vienna	Amsterdam	Netherlands
Sparkasse Allgäu Hauptzweigstelle Riezlern	6991 Riezlern	Kempten	Germany
Volksbank Raiffeisenbank Oberbayern Südost eG ZNL VR-Bank Salzburg	5020 Salzburg	Bad Reichenhall	Germany
VR-Bank Braunau Zweigniederlassung der VR-Bank Rottal-Inn eG	5280 Braunau	Pfarrkirchen	Germany
Kaupthing Bank hf Zweigniederlassung Österreich	1220 Vienna	Reykjavík	Iceland
GE Capital Bank AG Zweigniederlassung Österreich	1030 Vienna	Mainz	Germany
State Street Bank GmbH Filiale Wien	1010 Vienna	Munich	Germany
Banque PSA Finance Niederlassung Österreich	1100 Vienna	Paris	France
TeamBank Österreich Niederlassung der Teambank AG Nürnberg	1010 Vienna	Nuremberg	Germany
RBS (RD Europe) GmbH Zweigniederlassung Österreich	1100 Vienna	Ratingen	Germany

Source: OeNB.

¹ Institutions operating under the freedom of establishment principle according to Article 19 Second Banking Co-ordination Directive.

3 Tables and Charts for Each Survey

Table 14

Number of Banks in Austria as at December 31, 2008

	Joint stock banks and private banks		Savings banks		State mortgage banks		Raiffeisen credit cooperatives		Volksbank credit cooperatives		Building and loan associations		Special purpose banks		Banks established under Article 9 Federal Banking Act		Total	
	H	B	H	B	H	B	H	B	H	B	H	B	H	B	BF	SB	H	B
Vienna	39	264	3	82	1	14	6	61	13	41	3	7	75	6	26	1	166	476
Styria	3	86	5	168	1	17	90	246	8	55	0	5	2	0	0	1	109	578
Upper Austria	2	142	10	213	1	18	103	342	14	83	0	7	7	0	1	1	138	806
Salzburg	4	61	2	63	1	25	68	77	3	39	1	2	6	1	3	2	88	270
Tyrol	2	61	8	122	1	20	84	169	4	45	0	4	2	0	1	0	102	421
Carinthia	1	65	2	49	2	18	56	122	7	33	0	4	0	1	0	0	68	292
Vorarlberg	0	32	5	49	1	22	25	76	1	23	0	4	0	0	1	1	33	207
Burgenland	1	32	0	22	1	12	40	113	1	11	0	4	0	0	0	0	43	194
Lower Austria	0	96	20	239	2	21	79	489	17	152	0	8	1	5	1	0	120	1010
Austria 2008	52 ¹	839	55	1007	11 ²	167	551	1695	68	482	4	45	93 ³	13	33	6	867 ⁴	4254
Total 2008	891		1,062		178		2,246		550		49		106		39		5121	
Austria 2007	51	852	56	1011	11	168	558	1702	69	482	4	46	93	22	28	3	870	4286
Total 2007	903		1,067		179		2,260		551		50		115		31		5156	
Change December 2007 to December 2008	-12		-5		-1		-14		-1		-1		-9		+8		-35	

Source: OeNB.

Note: H = head offices, B = branch offices, BF = branch offices of foreign banks, SB = subbranch offices of foreign banks' branch offices.

¹ Of which 19 foreign banks.

² Of which 1 foreign bank.

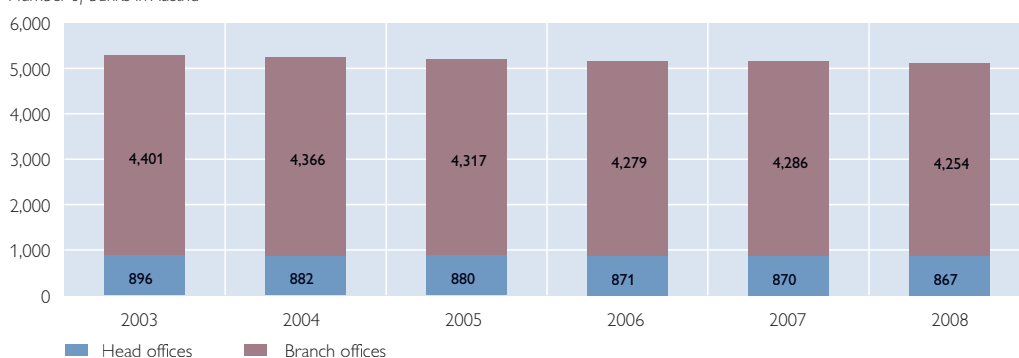
³ Of which 7 foreign banks.

⁴ Of which 27 foreign banks.

Chart 1

Gradual Structural Consolidation in the Austrian Banking Sector

Number of banks in Austria



Source: OeNB.

Table 15

Share of Men and Women Working Full-Time and Part-Time at Austrian Banks

	Full-time employees, men	%	Part-time employees, men	%	Marginal employees, men	%	Full-time employees, women	%	Part-time employees, women	%	Marginal employees, women	%	Total
Joint stock banks and private banks	9,390	41.2	262	1.2	162	0.7	8,852	38.9	3,889	17.1	220	1.0	22,775
Savings banks	6,832	42.9	386	2.4	5	0.0	5,517	34.7	3,144	19.7	37	0.2	15,921
State mortgage banks	2,071	46.0	40	0.9	3	0.1	1,754	39.0	631	14.0	4	0.1	4,503
Raiffeisen credit cooperatives	11,290	46.9	379	1.6	37	0.2	7,939	32.9	4,121	17.1	330	1.4	24,096
Volksbank credit cooperatives	2,866	42.1	67	1.0	10	0.1	2,737	40.2	1,049	15.4	77	1.1	6,806
Building and loan associations	888	46.3	45	2.3	10	0.5	626	32.6	307	16.0	44	2.3	1,920
Special purpose banks	1,612	44.7	83	2.3	2	0.1	1,402	38.9	489	13.6	15	0.4	3,603
Banks established under Article 9 Federal Banking Act	341	51.0	8	1.2	0	0.0	261	39.0	57	8.5	2	0.3	669
Total 2008	35,290	44.0	1,270	1.6	229	0.3	29,088	36.2	13,687	17.0	729	0.9	80,293
Total 2007	34,935	44.1	1,228	1.6	234	0.3	28,806	36.4	13,231	16.7	746	0.9	79,180
Change December 2007 to December 2008	+355		+42		-5		+282		+456		-17		+1,113

Source: OeNB.

Chart 2

Banking Sector Major Employer in Austria



Source: OeNB.

Table 16

Business Activity of Banks in Austria

	Change				As at end-December 2008 EUR billion
	2007		2008		
	EUR billion	%	EUR billion	%	
Domestic nonbank deposits	+27.05	+11.70	+17.54	+6.79	275.74
of which euro deposits	+25.74	+11.33	+19.06	+7.54	271.90
of which savings deposits	+6.31	+4.51	+9.26	+6.34	155.38
Domestic own issues to nonbanks (denominated in euro and in foreign currency)	+18.61	+24.17	+17.65	+18.47	113.26
Loans to domestic nonbanks	+9.88	+3.59	+21.16	+7.42	306.25
of which denominated in euro	+15.24	+6.82	+12.33	+5.17	250.84
of which denominated in foreign currency	-5.36	-10.32	+8.83	+18.96	55.40
Securitized loans to domestic nonbanks (denominated in euro and in foreign currency)	-1.54	-7.79	-0.31	-1.67	17.97
External assets	+57.51	+19.59	+25.60	+7.29	376.66
External liabilities	+14.09	+5.43	-3.69	-1.35	269.65
Total assets	+101.78	+12.76	+169.82	+18.88	1.069.36
Specific off-balance sheet transactions	+395.94	+23.85	+200.76	+9.76	2.257.11
Total capital ¹	+19.51	+32.29	+8.58	+10.73	88.52
of which core capital	+16.53	+39.55	+8.83	+15.15	67.17
	Change in percentage points				%
Solvency ratio		2.8		-0.5	17.3

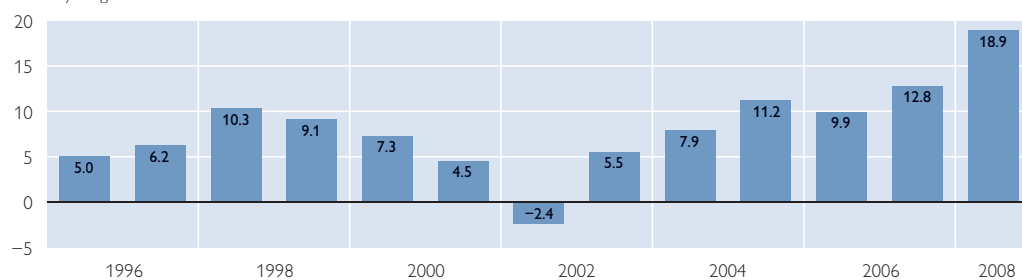
Source: OeNB.

¹ Refers to those banks which are required to hold regulatory capital under the Federal Banking Act.

Chart 3

Record Growth in Total Assets Due to Changes in Group Structures

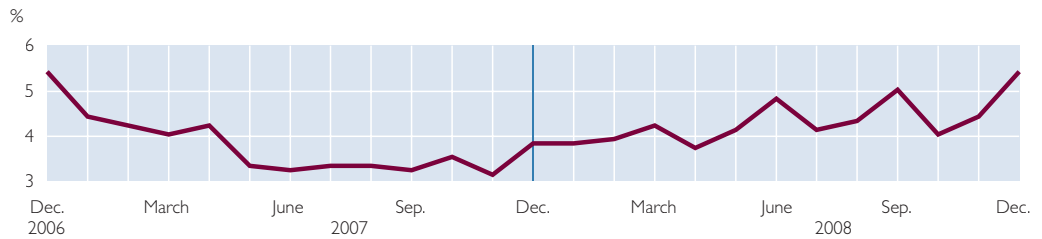
Year-on-year growth in %



Source: OeNB.

Chart 4

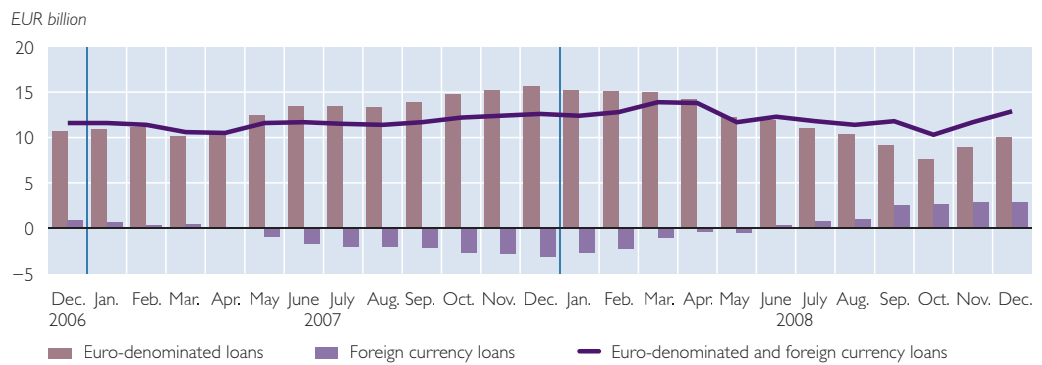
Exchange Rate-Adjusted Year-on-Year Growth Rates of Loans to Domestic Nonbanks



Source: OeNB.

Chart 5

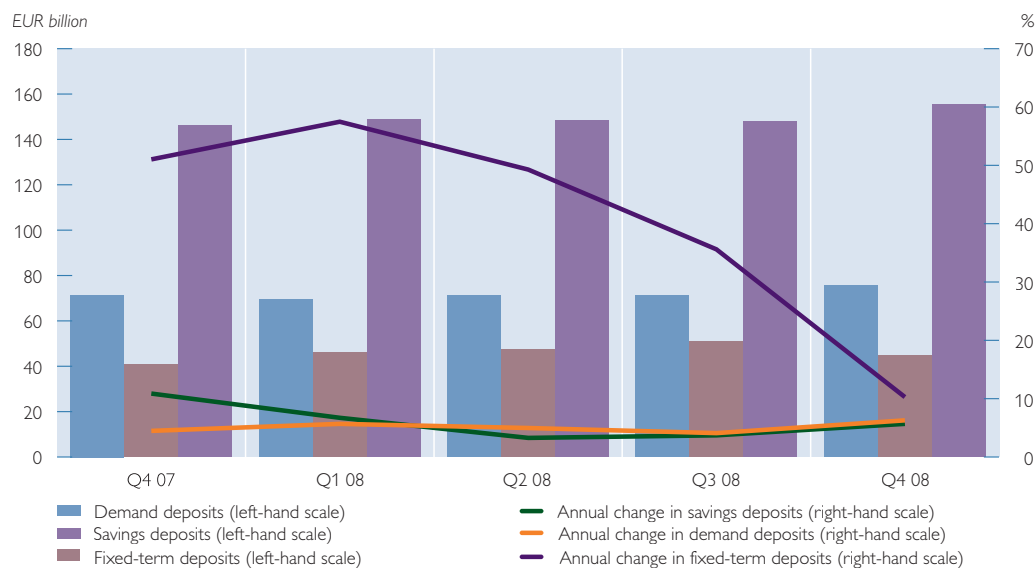
Year-on-Year Growth of Loans to Households and Nonfinancial Corporations



Source: OeNB.

Chart 6

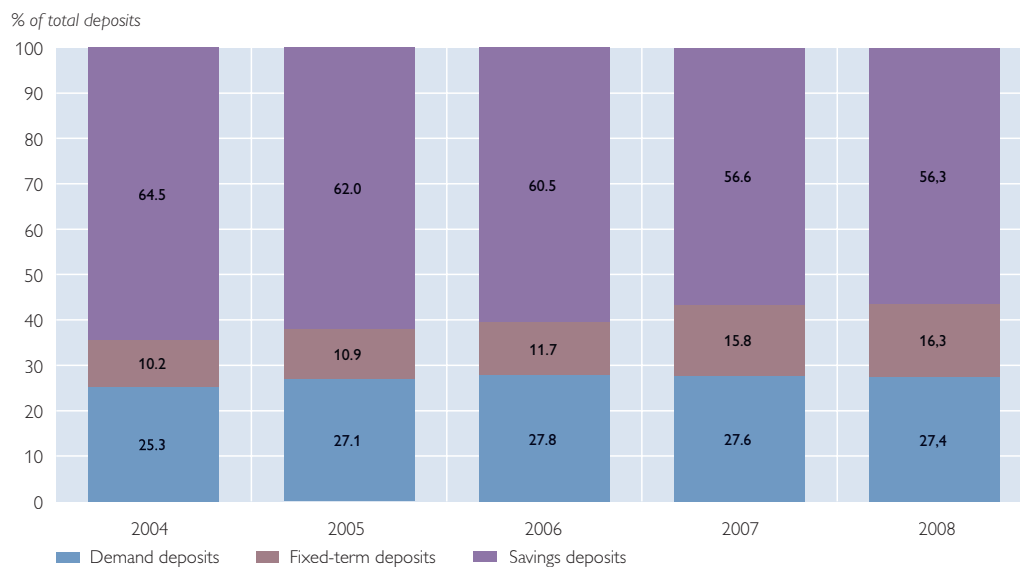
Deposits of Domestic Nonbanks



Source: OeNB.

Chart 7

Development of Individual Deposit Categories (Year-End Figures)



Source: OeNB.

Chart 8

Bullet Loans Linked to Repayment Vehicles Account for Three-Quarters of Foreign Currency Loans to Households

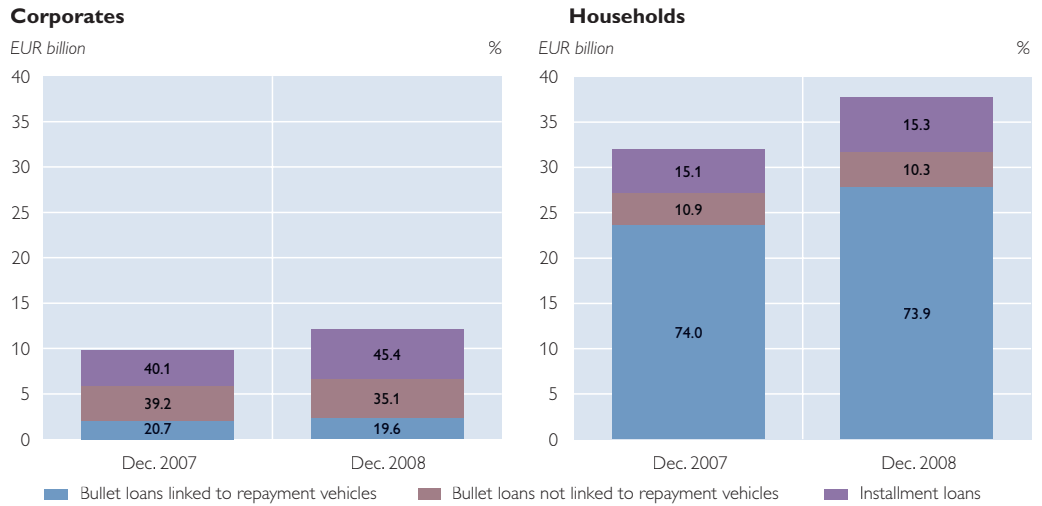


Chart 9

Over 80% of Loans Linked to Repayment Vehicles to Mature in Ten or More Years

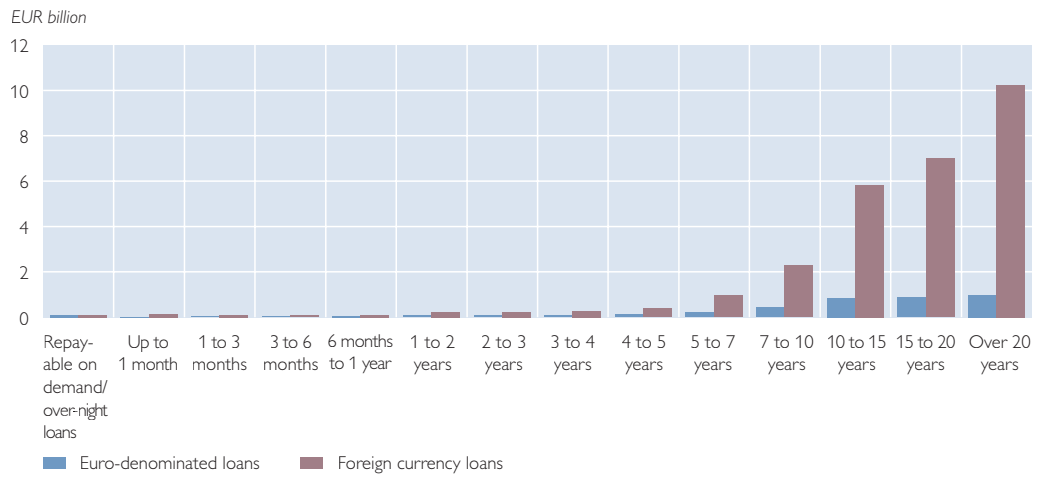


Table 17

Profitability of Austrian Banks

	2006		2007		2008	
	EUR billion	Annual change in % ¹	EUR billion	Annual change in % ¹	EUR billion	Annual change in % ¹
1. Interest receivable and similar income	29.37	22.7	37.66	28.2	45.85	21.7
2. Interest payable and similar charges	22.20	31.9	30.26	36.3	37.60	24.3
I. Net interest income (1. – 2.)	7.17	1.1	7.40	3.2	8.25	11.5
3. Income from securities and participating interests	2.88	6.6	3.52	22.3	7.18	104.0
4. Net fee-based income	4.29	8.8	4.71	9.8	4.22	-10.4
5. Net profit or loss on financial transactions	0.69	7.2	0.29	-57.9	-0.81	-380.1
6. Other operating income	1.58	18.5	1.59	0.8	1.71	7.4
II. Operating income (I. + 3. + 4. + 5. + 6.)	16.61	5.7	17.51	5.5	20.55	17.3
7. General administrative expenses	8.96	7.1	9.17	2.4	9.73	6.1
of which personnel expenses	5.45	8.2	5.47	0.4	5.78	5.6
of which other administrative expenses	3.51	5.4	3.70	5.4	3.95	6.7
8. Depreciation of tangible and intangible fixed assets	0.65	-8.2	0.61	-5.1	0.64	4.4
9. Other operating charges	1.18	19.4	1.06	-9.9	1.05	-1.5
III. Operating expenses (7. + 8. + 9.)	10.79	7.2	10.85	0.6	11.42	5.2
IV. Operating profit (II. – III.)	5.82	3.0	6.66	14.5	9.13	37.1
Quarterly updated outlook for the current financial year						
IV. Expected annual operating profit	5.75	2.6	6.74	17.3	9.12	35.3
10. Balance on value adjustments in respect of loans and advances and provisions for contingent liabilities and for commitments and the respective value readjustments (excluding securities)	1.85	-5.8	2.01	9.0	4.14	105.7
11. Balance on value adjustments in respect of securities and participating interests and the respective readjustments	-2.87	496.1	-0.43	-85.0	2.58	-699.2
V. Expected profit or loss on ordinary activities (IV. – 10. – 11.)	5.2	-23.9	6.8	64.2	4.1	15.7
12. Expected extraordinary profit or loss (profit + / loss –)	0.0	100.6	-2.3	-1.036.6	0.2	279.9
13. Expected taxes on income, profit and other taxes	0.4	-19.8	0.5	-4.1	0.5	9.8
VI. Expected annual profit or loss after tax (V. + 12. – 13.)	4.8	21.0	4.0	2.0	3.9	30.1

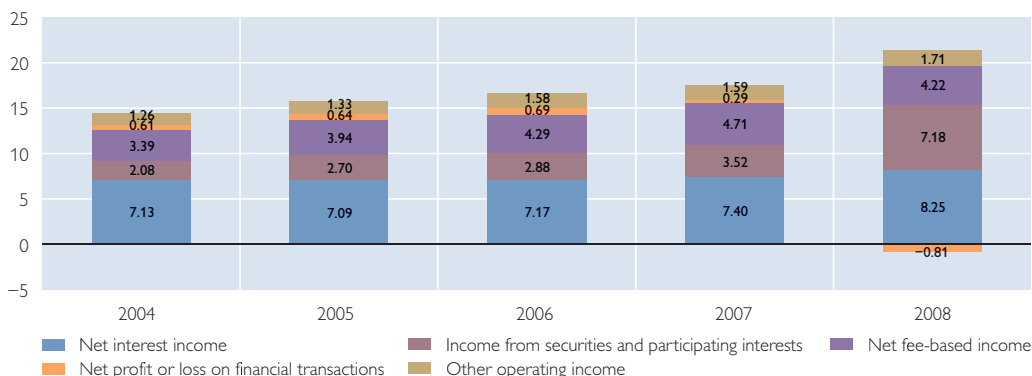
Source: OeNB.

¹ These figures were calculated from EUR million amounts and subsequently rounded.

Chart 10

Income from Affiliated Undertakings Supports Operating Income

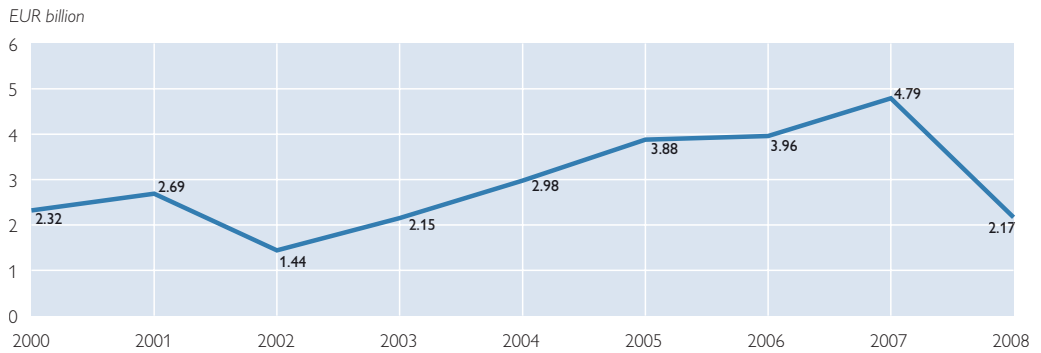
EUR billion



Source: OeNB.

Chart 11

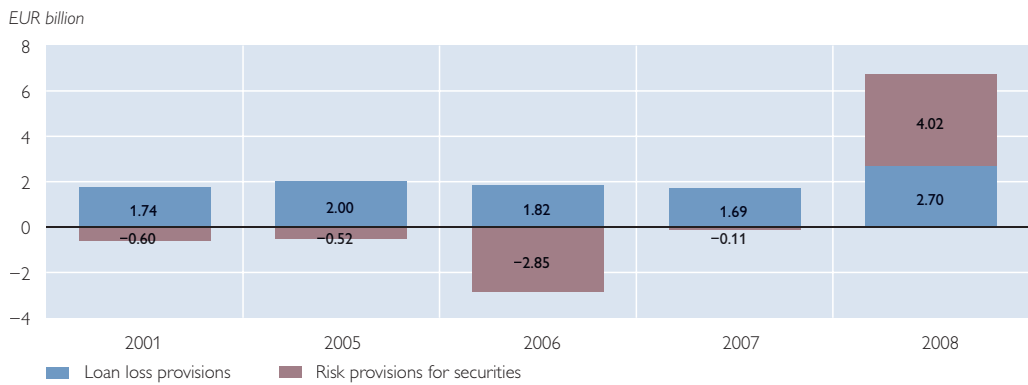
Banks' Annual Profit More than Halved by Rise in Risk Provisions



Source: OeNB.

Chart 12

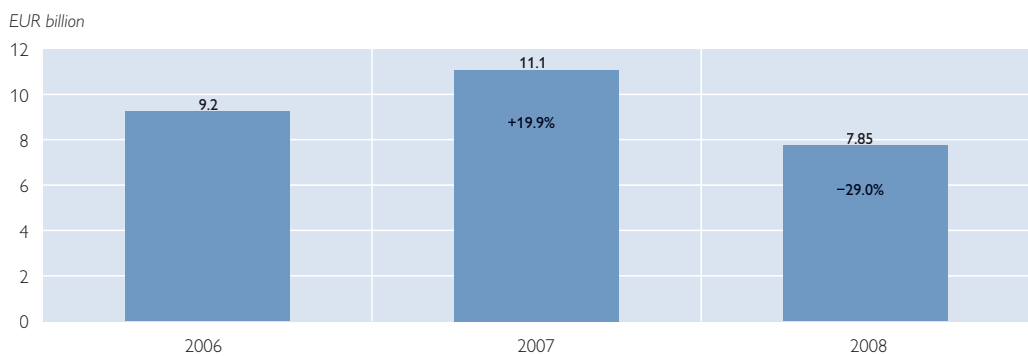
Significant Rise in Unconsolidated Risk Provisions for Securities



Source: OeNB.

Chart 13

Consolidated Operating Profit of Austrian Banks



Source: OeNB.

Table 18

Profitability of Banks Reporting to the OeNB¹ – Consolidated Result¹

	Q1 to Q4 2008			Q1 to Q4 2007		
	Annual change		EUR million	Annual change		EUR million
	EUR million	%		EUR million	%	
Net interest income	19,307.66					
Interest receivable and similar income	63,757.76					
Interest payable and similar charges	44,450.10					
Dividend income and income from participating interests	2,846.40					
Net fee-based income	8,468.52	266.04	3.24	8,202.48	1,431.76	21.15
<i>of which fee and commissions income</i>	11,120.32					
<i>of which fee and commissions expenses</i>	2,651.80					
Realized profit/loss on financial transactions	742.49					
Trading income ²	-2,134.52					
Other valuation income under IFRS ²	-2,020.59					
Valuation income from the sale or revaluation of property, plant and equipment (IAS 16) and investment property (IAS 40)	27.89					
Other operating income	6,404.57					
Operating income excluding risk provisions	33,642.41	5,523.98	19.65	28,118.43	4,125.18	17.19
Administrative expenses	16,530.28					
<i>of which personnel expenses</i>	10,165.96					
<i>of which other administrative expenses</i>	6,364.32					
Depreciation, value adjustments in respect of tangible fixed assets, investment property (IAS 40) and intangible fixed assets ²	3,591.92					
Expenses for capital stock repayable on demand	5.88					
Other operating expenses	5,659.60					
Operating profit excluding risk provisions	7,854.74	-3,216.84	-29.05	11,071.58	1,836.27	19.88
Provisions	202.28					
Credit risk provisions	-5,567.87					
Risk provisions for financial assets not measured at fair value	-1,447.66					
Negative goodwill recognized immediately in profit and loss ²	4.73					
Share of profit or loss of associated companies and joint ventures accounted for using the equity method ²	909.38					
Profit or loss from noncurrent assets and disposal groups classified as held for sale (IFRS 5), excluding the sale/discontinuation of operations ²	-26.59					
Extraordinary profit/loss	-13.42					
Net result before tax and minority interests	1,511.02	-7,834.11	-83.83	9,345.13	-346.15	-3.57
Taxes	501.43					
Total result from discontinued operations ²	90.26					
Minority interests ²	514.16					
Net (distributable) result after tax and minority interests	585.68	-6,243.28	-91.42	6,828.96	-639.56	-8.56

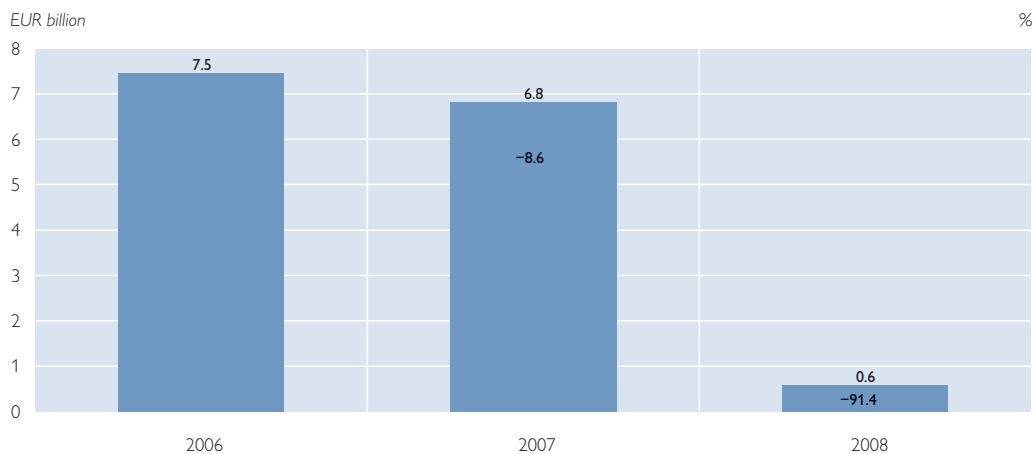
Source: OeNB.

¹ This table provides an integrated view of the assets and profitability of banks reporting to the OeNB on the basis of a combination of consolidated reporting data from banking groups subject to reporting requirements under IFRS and the Austrian Commercial Code (UGB) and Federal Banking Act (BWG) – derived from the consolidated asset, income and risk statement – and unconsolidated reporting data from individual banks reporting to the OeNB – derived from the income statement and asset statement. In the consolidation of IFRS and UGB/BWG reporting data, a structure was chosen which best accounts for the different underlying accounting standards. Due to the differences in accounting standards with regard to the depiction and valuation of assets, liabilities and capital, it was not possible to eliminate all content-related inconsistencies when mapping the banking groups' balance sheet and income items under IFRS and UGB/BWG. Given changes in statistical reporting in 2008, only approximate comparisons can be made of main items, while a comparison of subitems is not possible.

² For this item, data are collected only from banking groups subject to IFRS reporting requirements.

Chart 14

Consolidated Net Result (after Tax) of Banks Reporting to the OeNB



Source: OeNB.

Table 19

ECB Interest Rate Statistics for Austria as at December 2008

Interest Rates on New Business – Deposits

Deposits

	By households, with agreed maturity						By nonfinancial corporations, with agreed maturity			
	Up to 1 year	Of which sav- ings deposits	1 to 2 years	Of which sav- ings deposits	Over 2 years	Of which sav- ings deposits	Up to 1 year	1 to 2 years	Over 2 years	
	% per annum									
2005	1.96	2.03	2.13	2.12	2.71	2.70	2.05	2.19	2.96	
2006	2.73	2.74	2.99	2.98	3.23	3.24	2.85	3.01	3.84	
2007	3.86	3.85	3.84	3.80	4.03	4.02	4.02	4.18	4.33	
2008	4.27	4.23	4.00	3.93	4.15	4.12	4.30	4.68	4.63	
Jan. 08	4.19	4.22	4.16	4.15	4.19	4.14	4.25	4.53	4.49	
Feb. 08	4.02	4.04	3.90	3.89	4.07	4.04	4.11	4.20	4.58	
Mar. 08	4.04	3.96	3.55	3.50	4.03	3.97	4.30	4.46	4.49	
Apr. 08	4.16	3.99	3.84	3.64	3.96	3.87	4.41	4.56	5.70	
May 08	4.21	4.08	3.99	3.96	3.83	3.80	4.43	4.84	3.92	
June 08	4.29	4.12	4.07	4.01	4.08	4.00	4.50	4.77	4.77	
July 08	4.44	4.33	4.28	4.21	4.46	4.40	4.62	5.09	4.97	
Aug. 08	4.48	4.37	4.34	4.29	4.44	4.43	4.59	4.98	4.57	
Sep. 08	4.59	4.44	4.29	4.26	4.36	4.33	4.74	5.03	4.94	
Oct. 08	4.77	4.78	4.14	3.90	4.29	4.27	4.71	5.29	4.48	
Nov. 08	4.46	4.58	3.90	3.84	4.09	4.08	3.87	4.45	4.03	
Dec. 08	3.55	3.79	3.56	3.50	4.05	4.06	3.02	3.95	4.59	

Source: OeNB.

Note: Interest rates are defined as the annualized agreed rates in percent per annum.

Table 20

ECB Interest Rate Statistics for Austria as at December 2008

Interest Rates on New Business – Loans

Loans												
To households							To households and nonfinancial corporations			To households – effective interest rate ¹		
For consumption			For house purchases				USD	JPY	CHF	For consumption	For house purchases	
With initial rate fixation			With initial rate fixation									
Up to 1 year ²	1 to 5 years	Over 5 years	Up to 1 year ²	1 to 5 years	5 to 10 years	Over 10 years						
% per annum												
2005	4.99	4.18	4.60	3.94	2.98	4.60	5.09	4.41	1.11	1.92	5.77	3.92
2006	5.51	4.93	4.92	4.25	3.15	4.85	4.76	6.10	1.29	2.60	6.31	4.16
2007	6.30	6.23	5.69	5.27	3.95	5.12	5.32	6.15	1.83	3.60	7.15	5.11
2008	6.83	6.93	5.88	5.80	4.45	5.55	5.63	4.00	2.01	3.71	7.77	5.63
Jan. 08	6.59	6.36	5.38	5.62	4.59	5.10	5.56	4.45	1.91	3.77	7.40	5.50
Feb. 08	6.63	6.43	5.68	5.66	4.27	5.00	5.45	3.98	1.83	3.83	7.49	5.46
Mar. 08	6.75	6.46	5.81	5.72	4.19	5.14	5.45	3.74	2.05	3.84	7.64	5.52
Apr. 08	6.69	6.68	5.65	5.66	4.19	5.17	5.50	3.66	1.92	3.83	7.68	5.41
May 08	6.80	7.29	5.72	5.74	4.14	5.26	5.63	3.84	1.80	3.63	7.87	5.47
June 08	6.84	6.96	5.99	5.82	4.22	5.36	5.64	3.60	1.94	3.76	7.90	5.61
July 08	6.93	7.77	6.17	5.78	4.28	5.51	5.79	4.00	1.85	3.70	7.95	5.46
Aug. 08	7.12	7.46	6.28	5.93	4.46	5.44	5.47	3.98	1.83	3.60	8.18	5.67
Sep. 08	7.16	7.58	6.26	5.96	4.69	5.40	5.73	6.79	1.94	3.76	8.24	5.83
Oct. 08	7.06	7.69	6.06	6.04	4.64	5.44	5.82	3.84	2.44	4.20	7.96	5.91
Nov. 08	6.83	6.38	6.08	5.99	4.84	5.46	5.75	3.55	2.39	3.40	7.64	5.87
Dec. 08	6.51	6.05	5.51	5.72	4.85	8.30	5.72	2.62	2.27	3.17	7.30	5.84

Source: OeNB.

¹ Excluding nonprofit institutions.

² Including variable interest rates.

Note: The interest rates in the effective interest rate category refer to the effective annual interest rate according to Article 33 Federal Banking Act. All other interest rates refer to the annualized agreed rates in percent per annum.

Table 21

ECB Interest Rate Statistics for Austria as at December 2008**Interest Rates on New Business – Loans and Deposits, Total**

	Loans					Deposits				
	To households			To nonfinancial corporations		Euro-denominated loans, total	By households	By non-financial corporations	Euro deposits, total	
	Consumer loans	Housing loans	Other loans	Loans up to EUR 1 million	Loans over EUR 1 million		Savings deposits			
	% per annum									
2005	4.89	3.58	3.74	3.52	2.92	3.24	2.22	2.05	2.08	
2006	5.40	3.80	4.36	4.11	3.64	3.86	2.85	2.87	2.84	
2007	6.29	4.79	5.35	5.11	4.69	4.85	3.86	4.03	3.95	
2008	6.82	5.33	5.77	5.47	5.04	5.19	4.20	4.30	4.28	
Jan. 08	6.55	5.24	5.62	5.35	4.90	5.08	4.21	4.25	4.22	
Feb. 08	6.60	5.21	5.59	5.31	4.88	5.05	4.03	4.11	4.06	
Mar. 08	6.69	5.19	5.73	5.33	4.91	5.06	3.94	4.30	4.16	
Apr. 08	6.68	5.13	5.65	5.43	5.02	5.16	3.96	4.41	4.27	
May 08	6.82	5.17	5.70	5.45	5.04	5.17	4.04	4.43	4.29	
June 08	6.83	5.26	5.79	5.52	5.09	5.23	4.09	4.50	4.36	
July 08	6.95	5.13	5.95	5.68	5.18	5.32	4.31	4.63	4.51	
Aug. 08	7.14	5.34	5.84	5.61	5.12	5.27	4.36	4.59	4.52	
Sep. 08	7.18	5.54	6.07	5.67	5.37	5.49	4.41	4.75	4.64	
Oct. 08	7.06	5.62	6.16	5.99	5.60	5.73	4.73	4.71	4.73	
Nov. 08	6.80	5.58	5.93	5.41	4.86	5.07	4.52	3.89	4.22	
Dec. 08	6.49	5.55	5.23	4.93	4.51	4.68	3.80	3.06	3.34	

Source: OeNB.

Note: Interest rates are defined as the annualized agreed rates in percent per annum.

Table 22

Share of Variable-Rate and Short-Term¹ Fixed-Rate Loans in Total New Business – Comparison between Austria and the Euro Area

As at December 31, 2008

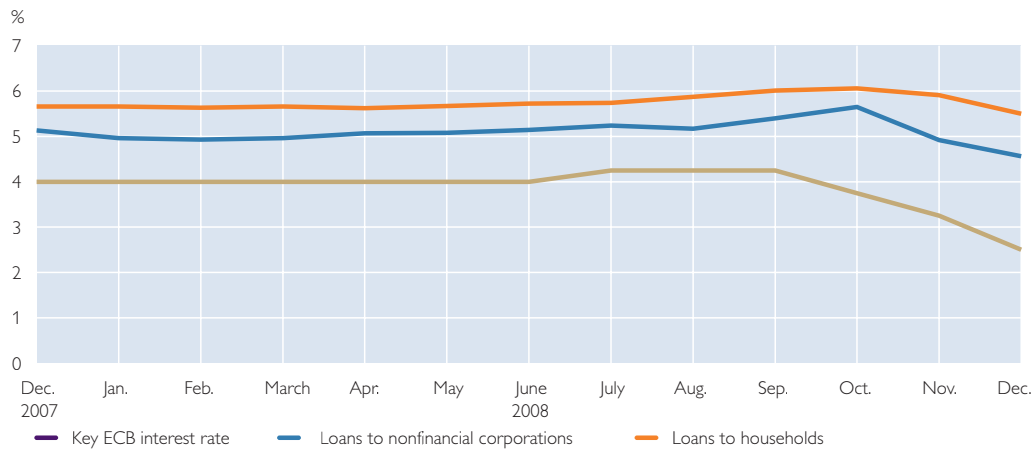
	Austria	Euro area	Minimum ²	Maximum ³
	%			
Loans to households				
for consumption	96.8	34.7	8.2	100.0
for house purchases	68.5	36.0	11.6	98.6
for other purposes	96.3	75.3	12.6	100.0
Loans to nonfinancial corporations				
up to EUR 1 million	94.4	86.0	31.8	98.0
over EUR 1 million	96.4	90.4	83.1	100.0
Total	94.1	78.6	48.5	98.7

Source: ECB, OeNB (ECB interest rate statistics).

¹ Up to 1 year, classification according to initial rate fixation.² Country value representing the lowest share in the euro area.³ Country value representing the highest share in the euro area.

Chart 15

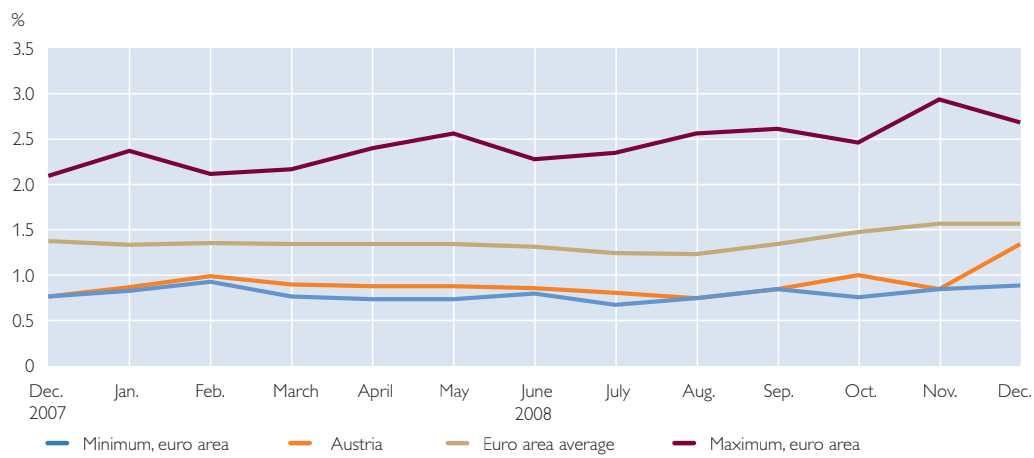
Nonfinancial Corporations Benefit More from Key Interest Rate Cuts than Households



Source: OeNB.

Chart 16

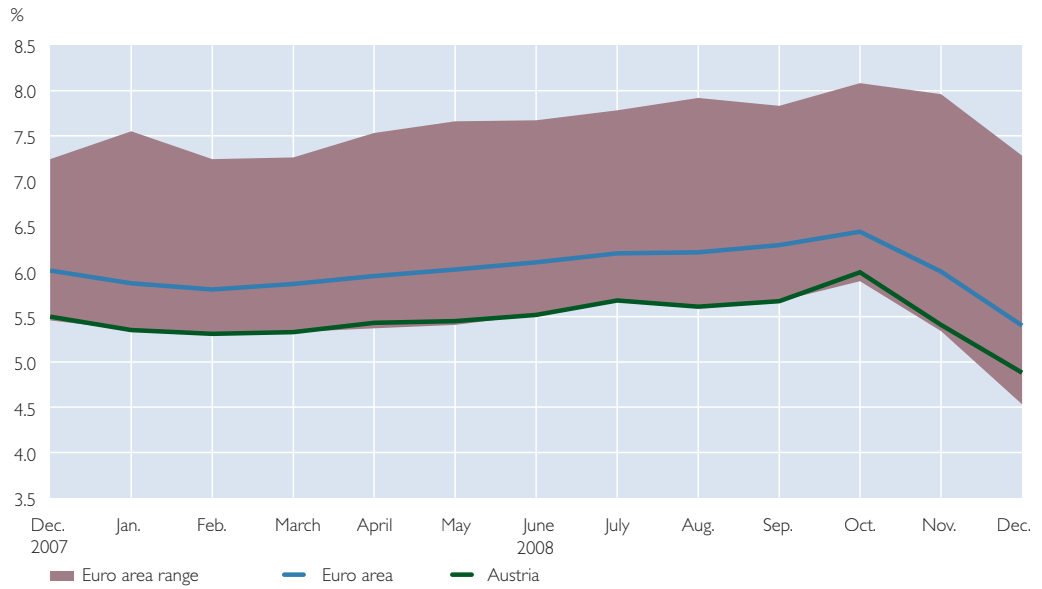
Interest Margin on New Business in Austria Close to Euro Area Minimum



Source: OeNB.

Chart 17

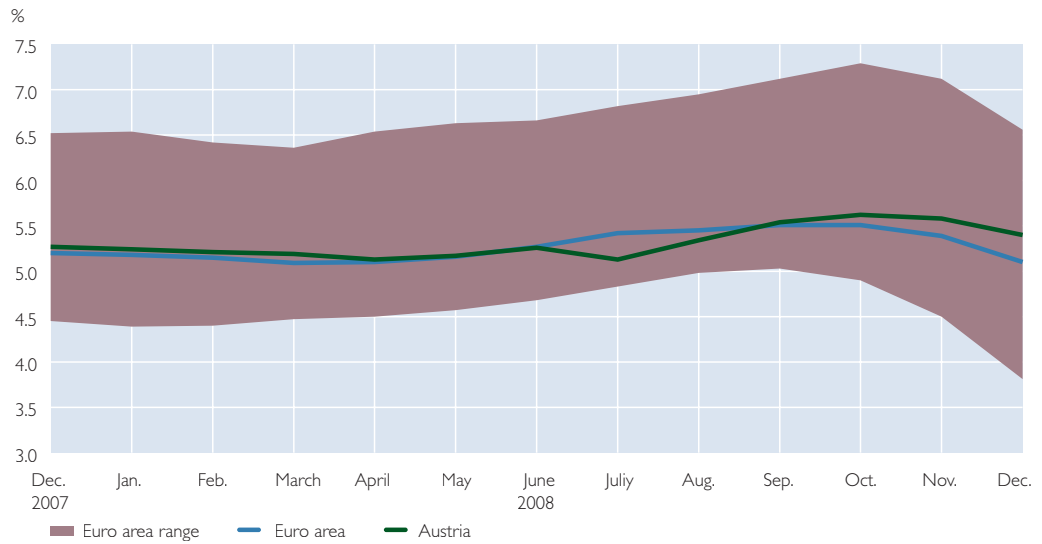
Corporate Loans under EUR 1 Million Close to Euro Area Minimum



Source: OeNB.

Chart 18

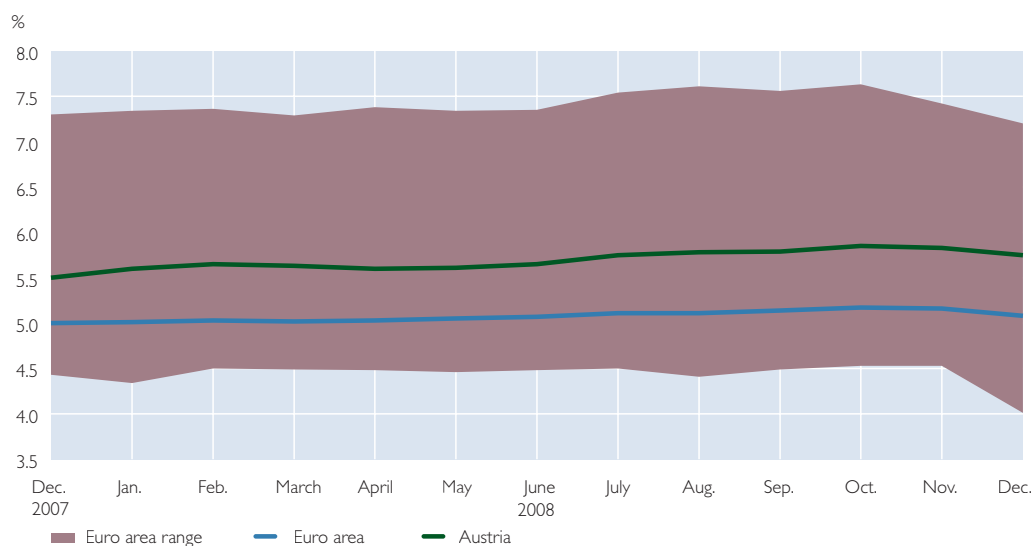
Interest Rates on Housing Loans (New Business) Slightly above Euro Area Average



Source: OeNB.

Chart 19

Interest Rates on Housing Loans (Outstanding Amounts) Remain above Euro Area Average



Source: OeNB.

Table 23

Statistics on Building and Loan Associations as at December 2008

Number of Building Loan Contracts

	Number of building loan contracts			New contracts	Building loans allocated
	Total	Of which			
		At the savings stage	At the lending stage		
<i>Number</i>					
2006	5,592,506	5,182,528	409,978	873,823	29,355
2007	5,464,547	5,076,896	387,651	944,375	24,433
2008	5,401,782	5,033,091	368,691	974,207	25,767
Mar. 06	5,604,044	5,183,560	420,484	229,664	7,278
June 06	5,585,118	5,168,689	416,429	171,242	7,037
Sep. 06	5,572,216	5,159,310	412,906	161,299	6,981
Dec. 06	5,592,506	5,182,528	409,978	311,618	8,059
Mar. 07	5,523,387	5,122,782	400,605	262,922	6,645
June 07	5,497,976	5,101,743	396,233	175,289	5,999
Sep. 07	5,480,018	5,087,690	392,328	179,241	5,888
Dec. 07	5,464,547	5,076,896	387,651	326,923	5,901
Mar. 08	5,406,124	5,025,624	380,500	267,919	6,970
June 08	5,388,516	5,011,663	376,853	175,794	6,688
Sep. 08	5,375,408	5,002,534	372,874	181,714	5,948
Dec. 08	5,401,782	5,033,091	368,691	348,780	6,161

Source: OeNB.

Table 24

Statistics on Building and Loan Associations as at December 2008

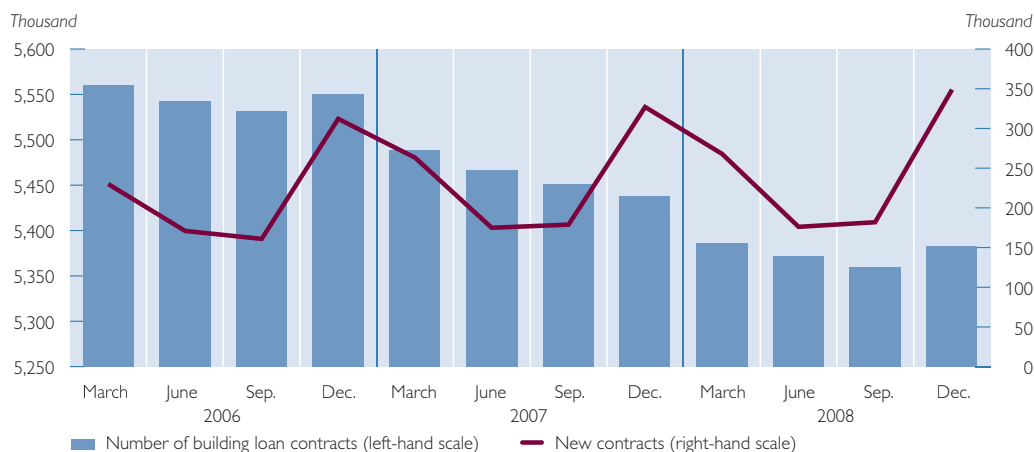
Deposits and Loans

	Deposits made under building loan contracts	Loans outstanding				New lending	Building loans allocated
		Total	Of which building loans	Of which bridging loans	Of which other loans		
<i>EUR million</i>							
2006	17,876	14,519	10,043	3,769	708	2,859	3,019
2007	17,330	15,609	10,399	4,237	973	3,286	2,884
2008	17,182	16,712	10,943	4,512	1,257	3,533	3,017
Mar. 06	17,852	14,010	9,670	3,778	563	615	757
June 06	17,805	14,049	9,777	3,666	606	640	757
Sep. 06	17,906	14,250	9,895	3,706	648	789	739
Dec. 06	17,876	14,519	10,043	3,769	708	815	766
Mar. 07	17,525	14,523	10,104	3,667	752	678	777
June 07	17,466	14,727	10,182	3,735	811	762	695
Sep. 07	17,524	15,100	10,227	4,014	859	977	766
Dec. 07	17,330	15,609	10,399	4,237	973	869	646
Mar. 08	16,958	15,725	10,525	4,160	1,039	780	797
June 08	16,978	15,931	10,664	4,176	1,092	844	790
Sep. 08	17,021	16,314	10,732	4,398	1,184	984	675
Dec. 08	17,182	16,712	10,943	4,512	1,257	925	755

Source: OeNB.

Chart 20

Number of Building Loan Contracts Close to Previous Year's Level



Source: OeNB.

Table 25

Mutual Fund Developments in 2008

	Dec. 06	Mar. 07	June 07	Sep. 07	Dec. 07	Mar. 08	June 08	Sep. 08	Dec. 08
<i>Number of mutual funds</i>									
	2,177	2,200	2,244	2,273	2,329	2,337	2,330	2,326	2,303
<i>EUR million</i>									
Volume of funds	168.90	170.00	174.30	171.30	165.60	153.30	148.90	140.80	127.40
of which institutional investors	48.5	48.2	49.7	49	47.8	45.8	45	45	43.10
<i>%</i>									
Share of domestic investment	21.5	21.5	21.1	21.5	22.2	23.9	23.9	25.4	27.2
Share of foreign investment	78.5	78.5	78.9	78.5	77.8	76.1	76.1	74.6	72.8

Source: OeNB.

Table 26

Total Assets of Austrian Mutual Funds as at December 2008

	December 08	
	<i>Stocks in EUR million</i>	<i>Share in %</i>
Domestic debt securities	14,765	11.59%
Domestic stocks and other equity interests	1,517	1.19%
Domestic mutual fund shares	21,455	16.85%
Domestic real estate and tangible assets	979	0.77%
Foreign debt securities	55,941	43.92%
Foreign stocks and other equity interests	8,767	6.88%
Foreign mutual fund shares	10,793	8.47%
Foreign real estate and tangible assets	1,021	0.80%
Other assets	12,126	9.52%
Total assets	127,364	100%

Source: OeNB.

VI. Publications of the OeNB's Supervisory and Monetary Statistics Division in 2008

1 Information Folders

In 2008, the following information folders were published (some in German only):

February 2008:

Key Data on the Austrian Financial System – December 2007
Die Aufsichtsstatistik – Datenquelle für die Bankenaufsicht

May 2008:

Key Data on the Austrian Financial System – March 2008

July 2008:

Key Data on the Austrian Financial System – June 2008

October 2008:

Die Aufsichtsstatistik – Datenquelle für die Bankenaufsicht
Betriebliche Vorsorgekassen – Aufgaben und statistische Meldepflichten
Die Zahlungssystemstatistik – Instrument zur Wahrnehmung der Aufsichtspflicht von Zahlungssystemen

December 2008:

Key Data on the Austrian Financial System – September 2008

2 Press Releases

In 2008, the following press releases on banking statistics were published (in German only):

February 2008:

Fast 2,4 Millionen Kreditkarten in Österreich im Umlauf
Kredite in Österreich im Schnitt günstiger als im Euroraum, lediglich Wohnbaukredite teurer

March 2008:

Expansive Geschäftsentwicklung der österreichischen Banken trotz schwieriger internationaler Finanzmarktverhältnisse
Mitarbeitervorsorgekassen 2007

April 2008:

Österreichische Fondsanleger reagierten auf schwieriges Börsenumfeld risikobewusst

May 2008:

Teilweise deutliche Rückgänge bei Kundenzinssätzen

June 2008:

Österreichische Investmentfonds litten unter dem schwierigen Finanzmarktumfeld
Finanzmarkturbulenzen trüben Gesamtbild der Ertragslage
Deutlicher Anstieg der Termineinlagen
Stärkerer CHF führt zu deutlich gestiegenen Kreditvolumen im 1. Quartal 2008

August 2008:

Kundenzinssätze der Banken stiegen schon vor der EZB-Leitzinserhöhung

September 2008:

Veränderung der Veranlagungsstruktur als Konsequenz der volatilen Finanzmärkte
2,4 Mio Kreditkarten in Österreich im Umlauf
Österreichische Investmentfonds weiterhin in schwierigem Finanzmarktumfeld
Nettoforderungsposition gegenüber dem Ausland auf Rekordniveau
Entwicklung der Fremdwährungs-Ausleihungen an inländische Nichtbanken im 2. Quartal 2008
Erträge österreichischer Banken 2008 im Vergleich zum Vorjahr rückläufig

November 2008:

Anstiege bei Zinssätzen für Haushalte im 3. Quartal 2008

December 2008:

Bilanzsumme übersteigt erstmals die Billion-EUR-Grenze
Österreichische Investmentfonds im Bann turbulenter Finanzmärkte
Trotz widriger Bedingungen – Ertragslage der Banken bis September relativ stabil
Rückgang der Fremdwährungskredite bei steigenden Zinssätzen

3 Reports Published in the OeNB's "Statistiken – Daten & Analysen" Series

3.1 Analyses

In 2007, the following analyses on banking statistics were published (in German; only executive summaries are available in English):

Issue Q1/08:

Highest Balance Sheet Growth since 2000 (Schuh)
Business and Profitability of Austrian Banks' Fully Consolidated Foreign Subsidiaries in CEE in the First Three Quarters of 2007 (Walko)
Cashless Payments on the Rise – Comparing the First Six Months of 2006 and 2007 (Jaksic)

Issue Q2/08:

Banking Developments Marked by Dynamic Growth of Foreign Assets (Schuh, Thienel)
Surge in Interest Rates on Deposits and Loans (Swoboda)
Mutual Fund Investment by Austrians Characterized by Risk Aversion Given Stock Market Uncertainty (Probst)

Issue Q3/08:

Total Quality Management in Reporting (Kaltenbeck)
 Austrian Financial System Has Not Remained Unaffected by International
 Financial Market Turmoil (Schuh)
 Volume of Austrian Issuers' Debt Securities on the Rise (Schlintl)

Issue Q4/08:

Record Growth in Total Assets amid Lower Earnings (Schuh, Steindl)
 Divergent Profitability Development of Austrian Banking Sectors (Fleischhacker)
 Nonbank Interest Rates Volatile Even Though the ECB Left Key Rate Un-
 changed (Swoboda)

3.2 Brief Reports

In 2008, the following brief reports on banking statistics were published (in German only):

Issue Q1/08:

Entwicklung der Fremdwährungskredite in Österreich unter besonderer
 Berücksichtigung der Verwendung von Tilgungsträgern (Lamatsch, Strommer)
 Direktbanken spüren den steigenden Wettbewerb (Böck)

Issue Q2/08:

Rekordzugriffe auf den Statistikbereich der OeNB-Website (Thienel)
 Qualitätsmanagement im Meldewesen macht sich bezahlt (Kaltenbeck)

Issue Q3/08:

Betriebliche Vorsorgekassen (Jaksic)
 Internationale Finanzmarkturbulenzen zeigten Auswirkungen auf Österreichs
 Bankenlandschaft (Fleischhacker)

Issue Q4/08:

Entwicklung der Eigenmittel unter Basel II (Hofstätter)

4 Other Publications**4.1 Bank Archiv – Zeitschrift für das gesamte Bank- und Börsenwesen (in German only)**

Die Entwicklung der in Österreich tätigen Kreditinstitute im Jahr 2007 (Böck, Lamatsch, Thienel) – Issue 1 2008

Die Entwicklung der in Österreich tätigen Kreditinstitute im ersten Quartal 2008 (Böck, Fleischhacker, Thienel) – Issue 3 2008

Die Entwicklung der in Österreich meldepflichtigen Kreditinstitute im ersten Halbjahr 2008 (Böck, Fleischhacker, Thienel) – Issue 6 2008

Die Entwicklung der in Österreich meldepflichtigen Kreditinstitute in den ersten 3 Quartalen 2008 (Böck, Fleischhacker, Eder) – Issue 9 2008

4.2 Magazine “Industrie aktuell” (published by the Austrian Institute for Industrial Research – IWI; in German only)

Kredite und Kreditzinssätze im Unternehmensbereich – aktuelle Daten für Österreich (Swoboda und Strommer) – Issue February 2008

VII. Overview of the OeNB's “Statistiken – Daten & Analysen” Series

The electronic (PDF) versions of “Statistiken – Daten & Analysen” (analyses in German, executive summaries in English) can be accessed at www.oenb.at/de/presse_pub/period_pub/statistik/statistik.jsp.

Individual articles can be downloaded from www.oenb.at/de/stat_melders/statistische_publika/statistische_publicationen_uebersichtsseite.jsp.

July 2008

Banking Statistics Yearbook for 2007

October 2008

Financial Accounts 2007

December 2008

Austria's International Investment Position in 2007

Direct Investment 2006 – Austrian Outward and Inward Direct Investment at the end of 2006

June 2009

Struktur des Dienstleistungshandels 2006 – Ergebnisse der Firmenanalyse
(English version to be published in November)

Irregular special issues of the “Statistiken – Daten & Analysen” series provide detailed information on special statistical topics.

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