





## Schoellerbank Highlights 2014:

■ First place in the most comprehensive industry test of its kind

■ Customer satisfaction reaches new peak

■ Further increase in assets under management

■ Fuchs Report: “completely recommendable”

■ The Banker and PWM Professional Wealth Management: “Highly Commended” in the “Private Bank in Austria” category

# Contents

<b>Letter from the executive board</b>	<b>4</b>
<hr/>	
<b>Operational Review</b>	<b>6</b>
The bank at a glance	6
Bank survey 2015: Schoellerbank No. 1 again	8
<hr/>	
<b>Annual Financial Statements</b>	<b>9</b>
Status Report	10
Balance Sheet	12
Income Statement	14
Report of the supervisory board	15
<hr/>	
<b>Management bodies of Schoellerbank AG</b>	<b>16</b>
<b>Addresses</b>	<b>17</b>

# Letter from the executive board

## Dear Customers, dear Ladies and Gentlemen!

In 2014 the world of finance was characterised by the term “investment crisis”. Although there was no lack of money, the question was how to invest it. There were hardly any reasonable interest rates for money market investments and extremely low interest rates for sound government and bank bonds. This brings us – almost inevitably – to shares. As you probably gleaned from our newsletters and press releases, we have had an optimistic attitude towards this asset class for quite a while, but have been very discerning and selective when choosing our investments. Our asset managements profited most from our concentration on quality businesses. But portfolios made up exclusively of bonds also had a positive year, despite our conservative approach. Quality, highly rated securities also put on a good show, thanks to our inclusion of foreign currencies. The outcome: despite challenging conditions – geopolitical trouble spots and a world economy that has as yet to gain momentum – we were able to achieve a very good result for our asset management customers. Issues that had impeded performance the year before saw a positive development. Which goes to show, yet again, that a long-term view is important for investors, and short-term successes should not be overestimated.

These good results were made possible by our consistent implementation of our business and customer philosophy. For us, excellent service starts with the personal relationship and continues in the digital world. Day after day our experts do their utmost to meet our customers’ expectations. Personal interaction is and remains the supreme discipline for our advisers, especially in the age of the internet. We take the time to get to know our customers’ wishes and needs, and to understand and address them.

Information management that keeps pace with the times can be aligned with your individual needs. Apart from regular reporting, we also let you know in good time if important changes are ahead that might affect your investment strategy. On top of that, you can choose from various types of information: For example, you could

get the latest market information at breakfast time – via an app for your iPhone or iPad. Or interesting articles and tax advice in our “mehr Vermögen” customer magazine or “Stiftungsbrief” customer information.

Not only do we offer highly individual information and advice, but also superb asset management. For more than 20 years Schoellerbank’s asset management has been one of our core competences, along with our investment advice and savings planning. And it has certainly proven its worth: Our asset management has received multiple distinctions and currently ranks among the top banks in the German-speaking area. The Elite Report, the largest industry test of its kind, has again confirmed this. Several hundred renowned banks were tested, and in first place for the third time in a row: Schoellerbank – the best place for customers who expect more. The Fuchs Report also regards Schoellerbank as “completely recommendable”, and the British finance magazine The Banker and the industry magazine PWM Professional Wealth Management have distinguished Schoellerbank, giving us the accolade “Highly Commended” in the “Private Bank in Austria” category.

A final word on 2015: The political uncertainties and economic challenges we faced in 2014 will continue to accompany us this year. We also believe that savers will still be stuck with the zero interest rate environment. I can assure you that we, as your private bank, will remain true to our promise to stand by you in all matters and meet your expectations to the best of our ability.

On behalf of the executive board, I would like to thank you for your confidence in us. Thanks also go to our employees, without whose expertise and great commitment we could have achieved neither our good operating result nor the satisfaction of our customers.

Yours,



Franz Witt-Döring  
Chairman of the Executive Board



Members of Schoellerbank AG's executive board (left to right):  
**Mag. Heinz Mayer, Mag. Franz Witt-Döring, Chairman, Robert Wieselmayr**

# Strategy and Results 2014

## The bank at a glance

Established in 1833, Schoellerbank is a modern Austrian private bank with representations all over Austria. As a specialist for sophisticated investments, our core competence, apart from investment advice and retirement provision management, lies primarily in asset management. We are geared to long-term perspectives and values such as dependability and stability, as they comply with our investment philosophy: "Invest rather than speculate".

### Assets under management climb to 9.72 billion euros

With plus 16.3 percent, assets under management increased from 8.36bn euros to 9.72bn euros (as of: 31 December 2014). This equals a growth of 1.35bn euros.

### Core competence asset management

Schoellerbank has had its own asset management department for over 20 years. The idea behind this: Our experts separate the wheat from the chaff in a seemingly boundless market of investment offers. They seize the opportunities for earnings on the capital markets for private customers as well as institutional investors and foundations. A successful strategy: Our asset management has received multiple distinctions and currently ranks among the top international banks. A growing number of customers trust our asset management. This is why about two-thirds of our depot volume consists of managed products.

### Advisory emphasis 2014: "Asset succession planning and savings planning"

Inheriting, bequeathing and gifting are more than just notarial acts or a legal transaction. The decisions that are made in these cases can significantly affect a family or enterprise. It is for this reason that we set an advisory emphasis on "Asset succession planning and savings planning" in 2014. Our aim is to make our customers more aware of this issue and its importance.

In practice, the distribution of assets cannot always be effected as easily as the distribution of enterprises or property, as it involves additional aspects of liquidity as well as tax-related and legal framework conditions that need to be aligned with one's own ideas – such as assets abroad, entitlements to a compulsory portion of the estate, etc. This is why we provide precautionary support to our customers to help them build bridges between generations.

### Close to the customer with 12 locations

With our 12 locations we are the only Austrian private bank that is represented in virtually all corners of the country. This way, we are able to offer all our customers competent advice in their region. As a 100% subsidiary of UniCredit Bank Austria we also have access to a network of international experts.



## Our principles: clear and transparent

A system for success: We have analysed the investments we made over the past decades and have identified decisive success factors. These have served to develop our six investment principles: People who entrust us with their assets can rely on us to always act in accordance with these clear and transparent principles.

## Our StarRating: strict and holistic

Our goal is the same for every investment: the highest possible returns – while weighing up opportunities and risks. Our investment specialists have developed our Schoellerbank StarRating, which is a strict selection process. The rule is: the better an investment, the more stars it receives. When assessing an investment, we examine it thoroughly without being dazzled by impressive isolated values. When assessing equities, for example, we do not only focus on the sustainable earnings capacity per share. We also take into account criteria such as a proven management, a solid balance sheet or the future competitive advantage of the company. This is the only way an investment can have long-term success. Each fulfilled criterion earns a star; and six stars are considered the top rating for an investment. This guarantees that only the best products are recommended by us and become part of our customers' asset management.

## Our performance calculation: innovative and certified

Transparency and control are important components of our long success story, during which we have always taken new paths to comply with our customers' constantly increasing need for security. For example, we are the first Austrian bank that has obtained a certification for its asset management's performance calculation from the renowned auditing firm Deloitte.

### The investment principles of Schoellerbank: Invest rather than speculate

<b>1</b> We give our clients' need the highest priority.	<b>2</b> We pursue a clear and disciplined investment strategy based on facts and experience.	<b>3</b> We choose the best from the available investment alternatives – regardless of country, industry or current area.
<b>4</b> We act counter-cyclically wherever market movements are excessive.	<b>5</b> We wait patiently for opportunities and then actively make the most of them.	<b>6</b> We practice active risk management.

# Strategy and results 2014 (CONTINUED)

## Bank survey 2015: Schoellerbank No. 1 again

Since 2003 the Elite Report has thoroughly tested asset managers in the German-speaking area every year. The 2015 result: Schoellerbank came in first for the third time in succession and received the highest accolade “summa cum laude”. Testers were chiefly impressed by Schoellerbank’s customer orientation, its solid performance and exemplary allocation of assets to various asset classes.

### Top position despite tough competition

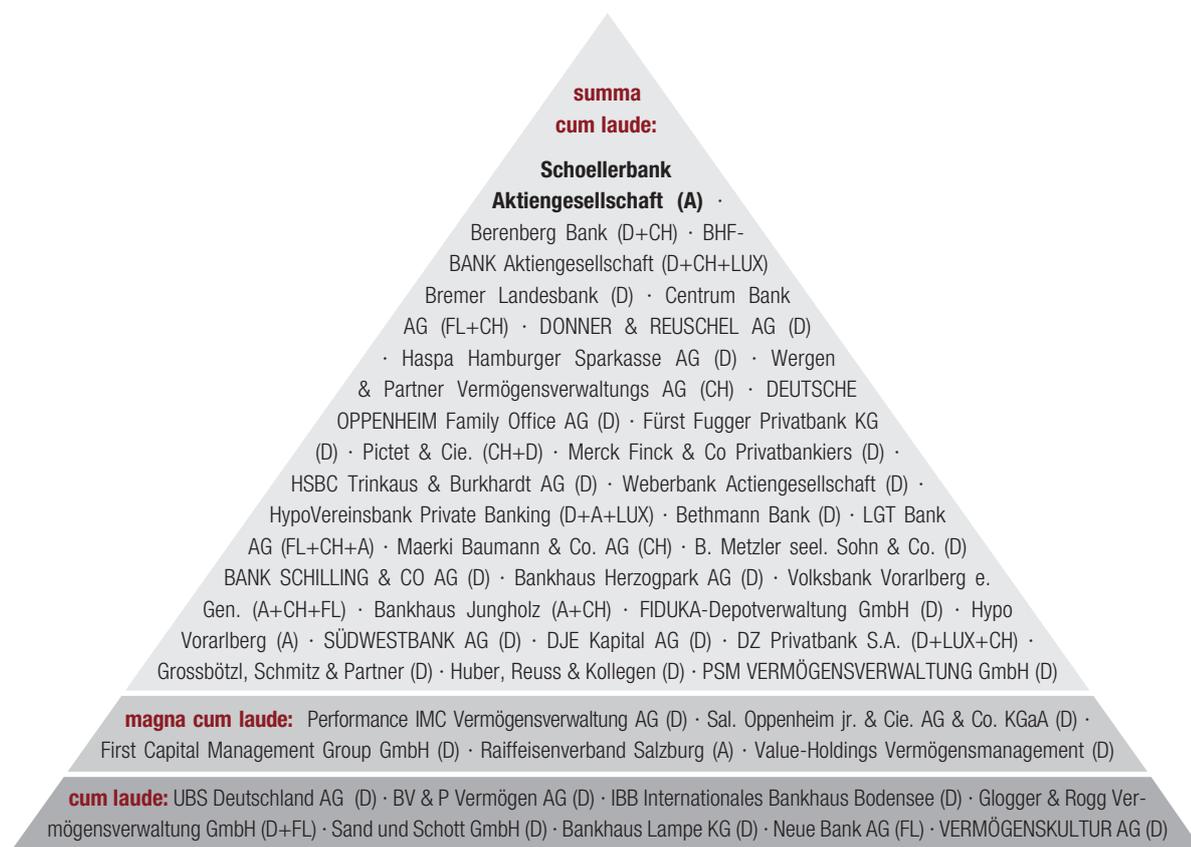
“Schoellerbank is out in front within the German-speaking area and has once more claimed the top position. Taking this place in the face of tough competition and then doing even better is a major achievement,” Hans-Kaspar von Schönfels, editor-in-chief of Elite Report recognises the good result, and adds: “Schoellerbank offers its customers what is expected today: attention, competence and dependability. And at fair conditions too. Apart from this, the Austrian private bank scored points with respectable investment success that lead to above-average performance for the sector. This combination of personal commitment and forward-looking intelligence is one of the reasons why we have once more ranked the bank as the top asset manager.”

### Experts as test customers

For the Elite Report experts acting as anonymous test customers seek advice from selected private banks. Every step of the process is analysed: starting from the initial contact and the investment concept to the quality of the advice. 360 asset managers were tested for the Elite Report 2015; 44 institutions made it into the Elite Pyramid of Winners. This means that only one in eight asset managers were considered recommendable. The Elite Report is considered the largest and most comprehensive industry test in the German-speaking area and is published in cooperation with the daily paper Handelsblatt.

### The most important awards in 2014 at one glance:

- Elite Report: 1st place in the “Pyramid of Winners” with a “summa cum laude” accolade
- Fuchs Report: “completely recommendable”
- Financial Times Global Private Banking Award: „Highly Commended“ in the „Private Bank in Austria“ category



Pyramid of winners 2015, ranked by score

# Annual Financial Statements 2014

Status report	10
Balance sheet	12
Income statement	14
Report of the supervisory board	15

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## **Information pursuant to Sec 281 UGB [Austrian Corporate Code]**

The figures and information provided on the following pages do not qualify as a publication in accordance with statutory requirements.

The annual report compiled as per 31 December 2014 in accordance with the provisions of the Austrian Corporate Code [UGB] and the Austrian Banking Act [BWG] received the auditor's unqualified audit certificate.

The annual report as of 31 December 2014 was presented to the company register at the Commercial Court in Vienna under case no. 103232 m and published in the official gazette Amtsblatt der Wiener Zeitung issue no. 95 of 19 May 2015.

The figures presented in this annual report comply with the requirements of the IFRS (International Financial Reporting Standards)

# Status report

## Balance sheet

The balance sheet total shows an increase of 754m euros on the previous year and now stands at 3.7bn euros (previous year: 2.9bn euros).

The assets show an increase in receivables due from banking institutions, amounting to 833m euros. In accordance with the corporate strategy, Schoellerbank AG deposits liquid funds with UniCredit Bank Austria AG. Receivables due from customers amount to 170.4m euros (previous year: 176.8m euros), thereby remaining stable in comparison with the previous year. Furthermore, the value of the securities positions in the books totals 296.2m euros as of the balance sheet date (previous year: 343.1m euros); This reduction is a result of redemptions and sales – we decided against purchases in the 2014 business year. The position of capital participations has remained unchanged in comparison with the last year and amounts to 18.4m euros. With regard to assets, the balance sheet also shows 10.6m euros in tangible assets (tangible assets and intangible assets in the previous year: 11.0m euros). The balance of the other assets is 16.0m euros (previous year: 22.7m euros).

The higher balance sheet total reflected in the liabilities mainly concerns liabilities to customers (sight and term deposits). Owing to the influx of new customer account deposits, this position increased to 3,429.7m euros (previous year: 2,677.0m euros), i.e. an increase of 752.7m euros. Liabilities to banking institutions decreased by 21.2m euros, dropping to 63.6m euros (previous year: 84.8m euros). The position of provisions is 46.2m euros (previous year: 41.4m euros). The increase of 4.8m euros can primarily be attributed to the change in the internal rate of discount for personnel provisions from 3.75% to 2.30%. Other liabilities show a decrease of 11.8m euros and now stand at 20.8m euros (previous year: 32.6m euros). The reported equity capital is 141.5m euros.

## Earnings statement

In the 2014 business year the net interest yield increased significantly, climbing up to 24.0m euros (previous year: 18.2m euros). The operating income increased to 88.2m euros (previous year: 80.0m euros). The significant increase compared to the previous year can be attributed to the positive development of the asset management products. Significant increases in new business were recorded in 2014; furthermore, very good performance values were achieved, which resulted in a considerable increase in income from commissions from securities dealings. The finance business accounted for 1.4m euros of the operating income in the last business year (previous year: 1.7m euros).

2014 saw an increase in general administration expenses, which reached 53.3m euros (previous year: 48.5m euros). Labour costs, which account for the largest portion of operating costs, were higher than in the previous year and amounted to 35.7m euros (previous year: 34.1m euros). Operating expenditure rose by 3.3m euros to about 17.6m euros (previous year: 14.3m euros). The increase chiefly concerns the stabilisation levy, which is significantly higher than in previous years due to the increase in the balance sheet total and new statutory provisions. The path taken in previous years regarding location and investment optimisation was continued in 2014. The current reserve for amortisation for tangible fixed assets and intangible assets decreased by about 0.1m euros to 1.4m euros (previous year: 1.5m euros).

The 2014 operating result shows an improvement of 22.1% on the previous year and amounts to 33.9m euros (previous year: 27.7m euros).

Taxes paid amount to 7.5m euros (previous year: 6.5m euros). The net earnings are therefore 26.4m euros (previous year: 21.2m euros).

## Core capital and core capital ratio

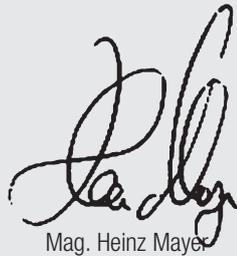
The own funds as required in accordance with Regulation (EU) No. 575/2013 amount to 113.4m euros and are 100% attributable to Tier 1 capital. The core capital ratio as of 31 December 2014 is 40.07% – the statutory core capital ratio for banks is 8%.

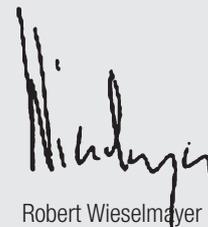
The equity equipment required to cover the credit risk and the operative risk is 22.6m euros, which takes into account the group's exposures in accordance with legislation. Hence, the excess cover of own funds is 90.7m euros.

Vienna, 13 February 2015

The managing board of  
Schoellerbank Aktiengesellschaft

  
Mag. Franz Witt-Döring

  
Mag. Heinz Mayer

  
Robert Wieselmayr

# Balance sheet as at 31 December 2014

## Assets

	31.12.2014 EUR	31.12.2013 EUR
1. Cash and cash equivalents	36.349.910,26	52.903.269,98
2. Trading book	4.121.595,83	3.679.305,58
3. Financial assets at fair value	0,00	0,00
4. Financial assets at carrying value	296.180.066,16	343.055.026,55
5. Receivables from banks	3.150.867.204,23	2.317.929.352,63
6. Receivables from customers	170.371.627,36	176.798.108,05
7. Derivatives (hedges)	0,00	0,00
8. Investments	18.374.915,71	18.374.915,71
9. Property, plant and equipment	10.158.312,42	10.529.774,42
10. Intangible assets	464.849,00	453.696,00
11. Taxes refundable (incl. deferred taxes)	6.856.402,05	8.715.009,99
12. Financial assets held for sale	4.360,37	0,00
13. Other assets	15.970.230,29	22.700.968,88
	<b>3.709.719.473,68</b>	<b>2.955.139.427,79</b>

## Equity and liabilities

	31.12.2014 EUR	31.12.2013 EUR
1. Liabilities to banks	63.563.943,25	84.785.414,75
2. Liabilities to customers	3.429.717.286,32	2.676.992.286,39
3. Own issues	0,00	0,00
4. Trading liabilities	833.054,10	583.993,96
5. Derivatives (hedges)	0,00	0,00
6. Tax liabilities (incl. deferred taxes)	7.071.778,94	3.329.318,36
7. Other liabilities	20.781.570,35	32.570.786,48
8. Provisions	46.230.348,57	41.428.815,48
9. Revaluation reserve	-16.605.686,33	-16.318.225,82
10. Reserves	66.140.176,35	44.919.610,58
11. Capital reserves	45.626.861,84	45.626.861,84
12. Share capital	20.000.000,00	20.000.000,00
13. Net profit for the year	26.360.140,29	21.220.565,77
	<b>3.709.719.473,68</b>	<b>2.955.139.427,79</b>

# Income statement for the year

## ended 31 December 2014

	31.12.2014 EUR	31.12.2013 EUR
1. Interest and similar income	45.871.503,28	41.572.750,40
2. Interest and similar expenses	-21.896.510,96	-23.403.722,58
<b>3. Net interest income</b>	<b>23.974.992,32</b>	<b>18.169.027,82</b>
4. Commissions and fee income	61.424.256,64	56.731.920,41
5. Commissions and fee expenses	-2.858.407,95	-3.166.523,86
<b>6. Net commission income</b>	<b>58.565.848,69</b>	<b>53.565.396,55</b>
7. Dividends and similar income	4.256.588,28	6.694.813,50
8. Trading income	1.429.684,46	1.706.164,98
9. Losses/Gains on financial assets and loans	-9.412,96	-46.927,14
10. Losses/gains on writedowns of financial assets and loans	4.654,12	-128.415,88
<b>11. Total operating income</b>	<b>88.222.354,91</b>	<b>79.960.059,83</b>
12. Staff costs	-35.722.020,59	-34.147.069,68
13. Operating expenditure	-17.592.703,44	-14.314.746,79
<b>14. Total administrative expense</b>	<b>-53.314.724,03</b>	<b>-48.461.816,47</b>
15. Provisions for losses	-119.600,08	-520.792,82
16. Depreciation of property, plant and equipment	-1.120.105,81	-1.231.510,38
17. Amortisation of intangible assets	-234.349,68	-235.261,77
<b>18. Total depreciation and amortisation</b>	<b>-1.354.455,49</b>	<b>-1.466.772,15</b>
19. Other operating expenses	-1.417.435,27	-1.328.873,94
20. Other operating income	1.855.189,41	1.791.015,21
<b>21. Net operating income/expense</b>	<b>437.754,14</b>	<b>462.141,27</b>
22. Losses/Gains on disposal or write-ups of investments	0,00	-2.238.075,59
23. Gains/Losses on revaluation of other assets	0,00	0,00
<b>24. Profit before tax</b>	<b>33.871.329,45</b>	<b>27.734.744,07</b>
25. Tax expense (incl. deferred taxes)	-7.511.189,16	-6.514.178,30
<b>26. Net profit for year</b>	<b>26.360.140,29</b>	<b>21.220.565,77</b>

# Report of the supervisory board

## reflecting on the 2014 business year

The supervisory board monitored the management of the bank during the course of 2014 in accordance with its statutory obligations. It received and discussed the executive board's regular written reports on the state of the bank and its business operations. The annual report, including the accounts and the status report, was audited by Deloitte Audit Wirtschaftsprüfungs GmbH and received the auditor's unqualified audit certificate. The status report is consistent with the annual report.

The supervisory board on its part reviewed the annual financial statement 2014, the proposal for the appropriation of profits as well as the status report. It agrees with the result of the audit and the executive board's proposal for the appropriation of profits and hereby approves the annual financial statement for 2014 pursuant to Sec 96 Para 4 Austrian Stock Corporation Act [Aktiengesetz].

The managing board thanks all staff and the executive board for their commitment and the good result for the 2014 business year.

The supervisory board

Robert Zadrazil  
Chairman



Vienna, 27 February 2015

# Management bodies of Schoellerbank AG

Status as per 31 December 2014

## Executive Board

**Mag. Franz Witt-Döring, Chairman**  
**Mag. Heinz Mayer**  
**Robert Wieselmayr**

## Supervisory Board

**Robert Zadrazil**  
Chairman  
Executive Board  
Private Banking  
UniCredit Bank Austria AG, Vienna

**Willibald Cernko**  
First Deputy Chair  
Chairman Executive Board  
UniCredit Bank Austria AG, Vienna

**Mag. Helmut Bernkopf**  
Second Deputy Chair  
Executive Board  
Commercial Banking  
UniCredit Bank Austria AG, Vienna

**Jürgen Danzmayr**  
Head of Private Banking Deutschland  
UniCredit Bank AG, Munich (until 30 June 2014)

**Dr. Cornelius Grupp**  
Managing Director of CAG Holding GmbH  
Markt, Lower Austria

**Mag. Dr. Heinrich Dieter Kiener**  
Managing partner of  
Stieglbrauerei zu Salzburg, Salzburg

## Delegated by the Works Council

**Reinhard Czettel**  
**Thomas Hofer**  
**Rudolf Gschaider**

## State commissioners

**Oberrat Dr. Friedrich Stanzel**

**Mag. Ottilie Hebein**  
Deputy state commissioner

## Changes in Schoellerbank AG managing bodies in 2014

### Executive Board:

none

### Supervisory Board:

Robert Zadrazil,  
President, as of 30 June 2014

Mag. Helmut Bernkopf,  
Second Vice President, as of 30 June 2014

### In the works council:

Christian Fegg until 31 December 2013

Thomas Hofer as of 1 January 2014

# Addresses

## Heads of regional divisions



Head of regional division western Austria: Peter Jenewein



Head of regional division central Austria: Gerold Humer



Head of regional division eastern Austria: Mag. Alois Limberger



Head of regional division private, institutional and CEE customers: Mag. Stephan Maxonus

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