Rating Report
Kommunalkredit Austria AG

DBRS Morningstar
28 October 2020

Contents

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Ratings

Debt	Rating	Rating Action	Trend
Long-Term Issuer Rating	BBB	Upgraded Oct. '20	Stable
Short-Term Issuer Rating	R-2 (high)	Upgraded Oct. '20	Stable
Intrinsic Assessment	BBB	Upgraded Oct. '20	--

Rating Drivers

Factors with Positive Rating Implications

- Given the narrow business focus and the concentration risk inherent in its business model, positive pressure on KA's ratings is unlikely in the medium term.
- However, further significant expansion of the franchise, together with longer term sustainable improvements in profitability and maintenance of solid asset quality, liquidity and capital could lead to an upgrade.

Factors with Negative Rating Implications

- Evidence of the Bank facing significant challenges in syndicating risk, or originating new business could result in a rating downgrade.
- A marked deterioration in asset quality, especially in relation to larger exposures, resulting in a weakening of capital ratios could also lead to a downgrade.

Rating Considerations

Franchise Strength (Moderate)

- KA has established an "originate to collaborate" model for infrastructure and energy finance assets. The originate-to-collaborate model is balance sheet-light and is based on sourcing, underwriting and then syndicating infrastructure and energy finance assets. The Bank is also a lender in the public finance space.

Earnings Power (Good/Moderate)

- Profitability continues to improve as the proportion of higher margin business rises, more than offsetting income losses from the termination of the service agreement with KA Finanz AG. Revenues appear to be resilient despite the global economic downturn.

Risk Profile (Good/Moderate)

- The Bank has a low-risk public portfolio but has increasingly taken on credit and syndication risks related to the infrastructure and energy lending. Asset quality continues to be strong with zero impaired loans at H1 2020.

Funding and Liquidity (Good)

- KA has a robust liquidity profile. KA's deposit base continues to grow and this is supporting the already diversified funding base which also includes covered bonds, senior debt issues and central bank funding.

Capitalisation (Good/Moderate)

- Capital ratios remain robust despite the increase in RWAs as new lending increases and are well above regulatory minimum requirements. Capital ratios are expected to decline as RWAs grow.

Financial Information*

Kommunalkredit Austria AG	2020H1	2019Y	2018Y	2017Y	2016Y
EUR Millions					
Total Assets	4,544	4,305	3,942	3,663	3,791
Equity Attributable to Parent	350	343	295	283	297
Income Before Provisions and Taxes (IBPT)	17	25	24	10	45
Net Attributable Income	12	30	14	18	49
IBPT over Avg RWAs (%)	2.06	1.69	2.11	1.20	6.26
Cost / Income ratio (%)	61.70	68.90	69.46	84.99	53.32
Return on Avg Equity (ROAE) (%)**	6.90	9.26	4.95	6.22	17.70
Gross NPLs over Gross Loans (%)	0.00	0.00	0.00	0.00	0.00
CET1 Ratio (Phased-In) (%)***	18.11	18.39	19.47	22.77	32.87

* IFRS Accounts **Calculated as Net Income/IFRS Equity *** Consolidated Data. Source:
DBRS Morningstar Analysis; Copyright © 2020, S&P Global Market Intelligence.

Issuer Description

Kommunalkredit Austria AG (KA or the Bank) was demerged on 26 September 2015 as part of the partial sale process of the former Kommunalkredit (KA Old) which was formed in 2009. KA focuses on infrastructure and energy finance across Europe in sectors such as energy & environment, social infrastructure, transport, natural resources, communication & digitalisation. The Bank also benefits from its profitable public sector business portfolio.

Rating Rationale

The BBB IA incorporates KA’s growing franchise in Infrastructure and Energy (I&E) finance as well as a solid business in public finance. KA has developed an “originate to collaborate” model for I&E finance assets, whereby the Bank works closely with project sponsors and institutional investors to structure longer term investments, which are then retained on balance sheet, or are syndicated to institutional investors and to KA's infrastructure fund, Fidelio, which was launched in 2018. In 2019 and H1 2020, KA has continued to build its franchise across a diverse range of deals. New business volume in H1 2020 was close to prior year numbers despite the severe economic downturn. The Bank continues to have zero non-performing loans reflecting the high quality of the public sector portfolio, and the good quality of the more newly originated I&E lending. DBRS Morningstar generally considers infrastructure assets as more resilient during time of crises, but we will continue to monitor credit performance closely given the lumpy nature of some of the I&E lending before syndication and KA’s still relatively unseasoned portfolio. Syndication risk remains a key risk for the Bank but continues to be well managed. Funding continues to be well balanced between the growing deposit base and other wholesale sources while liquidity and capital ratios remained robust.

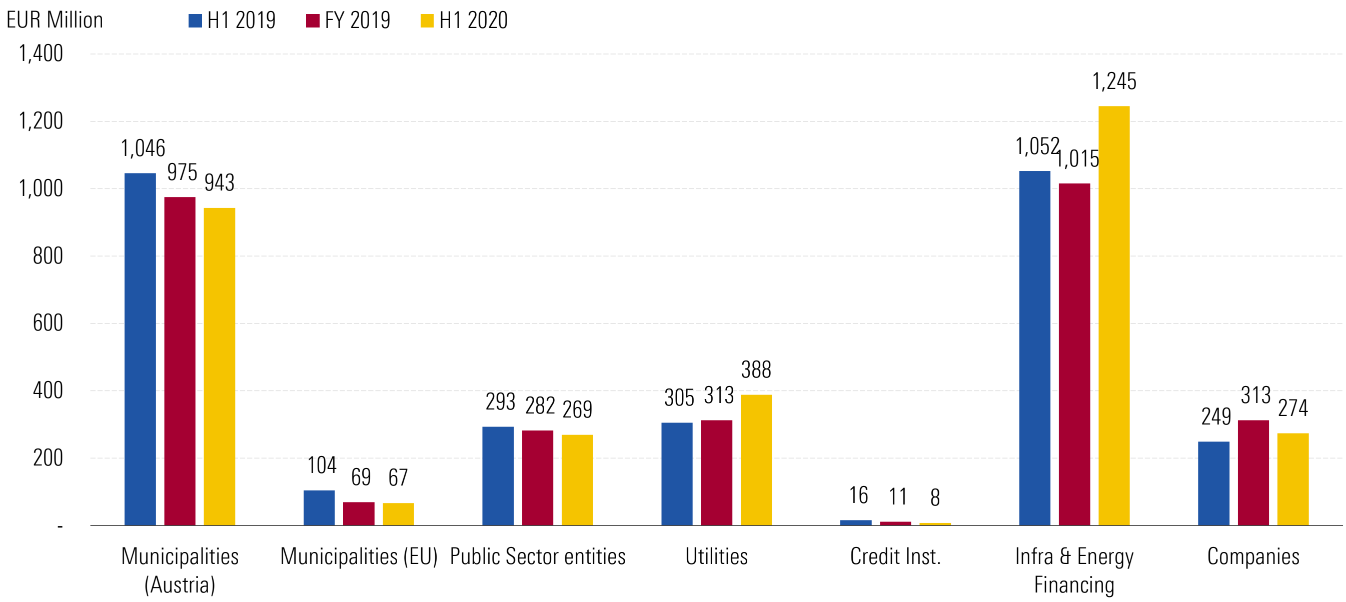
The IA also reflects the continued progress the Bank has made in developing its franchise in I&E lending, the further improvement in core profitability, while maintaining solid capital levels, and the resilience of KA’s business model despite the current challenging environment as a result of the COVID-19 pandemic.

Franchise Strength

Grid Grade: Moderate

KA is indirectly owned by management firms Interritus Limited (54.89%) and Trinity Investments DAC (44.91%), with the remainder (0.20%) being held by the Austrian Association of Municipalities. The Bank was established in September 2015 with total assets of EUR 4.5 billion under Austrian UGB (local GAAP). The shareholders aim to continue KA's historical expertise in the sectors of energy & environment, social infrastructure, transport, natural resources, and communication & digitalization, and to grow the franchise centred on the origination and distribution of infrastructure and energy finance assets. KA also has a presence in public finance, which remains a key part of the Bank's business. The portfolio is of high quality, comprising mainly municipal and public sector related exposures. In H1 2020, the I&E business contributed 60.6% to gross income, while public finance contributed 39.4%.

Exhibit 1 Credit Portfolio, H1 2020



Source: Company Documents.

KA has established an "originate to collaborate" model for infrastructure and energy finance assets, whereby the Bank places strong emphasis on its distribution capabilities and works closely with project sponsors and institutional investors in order to structure longer term investments. On average, KA targets to syndicate 50% of its financing volume within a target of 90 days. The originate-to-collaborate model is balance sheet-light and is based on sourcing, underwriting and then syndicating I&E finance assets. KA benefits from the changes in regulatory and market dynamics driven by pressure on public finance as well as institutional investors' needs for long term assets. In 2018 the Bank's growth strategy, entitled "50 | 50 | 10", was clearly laid out in its 2022 financial targets, these include the aim to increase the operating result to EUR 50 million, reduce the cost-to-income ratio to 50% and to generate a return on equity of 10%. These targets are all set under local GAAP. New I&E lending continued to be strong in H1 2020, reaching EUR 490 million, down slightly from the EUR 495 million in H1 2019. However, the 2020 period included the COVID-19 related lockdown in most jurisdictions KA operates in. DBRS Morningstar understands that the margins on new business have improved in H1 2020, and that the new business pipeline is strong. While economic uncertainty related to COVID-19 continues, DBRS Morningstar believes that various government programmes across Europe promoting digital and social infrastructure as well as clean energy and an increasing interest by investors in ESG assets could be supportive of KA's franchise.

In 2018 KA established an asset management debt fund platform, and in September 2018, launched the first infrastructure debt fund 'Fidelio' with an initial target of EUR 150 million for a duration of 10 years. By February 29, 2020, the fund had grown to EUR 353.5 million and was closed. KA is planning to launch additional funds. The funds not only help KA reduce its syndication risk, they can also provide an additional income stream without taking on credit risk or using the Bank's balance sheet.

The Bank has retained the subsidiaries and affiliates from its predecessor entity, former Kommunalkredit (KA Old). The most important of these is Kommunalkredit Public Consulting (KPC), 90% owned by KA, a consulting company which manages national and EU subsidy programmes to promote environmental protection, water management and energy projects, as well as offering consultancy services. KPC contributed EUR 15.4 million to 2019 fee revenues, fairly stable over past 3 years.

KA had a service agreement with KA Finanz AG (KF) from 2009, to provide operational services for the banking operations of KF. However, following a public tender, the service agreement with KA was terminated at end-March 2019, concluding the relationship between the two parties. Additional revenues from I&E finance have more than offset the loss of revenues from KF.

Earnings Power

Grid Grade: Good / Moderate

In 2019 and H1 2020, the Bank continued to perform well, despite the economic disruptions from COVID-19. In H1 2020, volumes of new I&E lending were at similar levels to H1 2019, with margins on new business remaining resilient. In H1 2020, The Bank reported net profit[1] of EUR 12.0 million in H1 2020, up from EUR 11.3 million in H1 2019. Operating income (which is a better indicator due to the post-tax volatility resulting from tax loss carry forwards) was EUR 19.0 million for H1 2020 compared to EUR 15.2 million for the previous year. For the full year 2019 KA reported operating income of EUR 33.2 million versus EUR 23.9 million in the previous year. This was driven by both strong increases in net interest income and fees and commissions.

New I&E lending volumes and margins kept steady in H1 2020 at EUR 490 million despite the temporary COVID-19 related slowdown. As a result of the disruptions in the first half of the year, DBRS Morningstar expects a stronger second half. Since the Bank's growing I&E business is more profitable than the public finance business the gross revenue contribution from the public finance business fell to 39.4% in H1 2020 from 45.8% in H1 2019 (and 59% in H1 2018). DBRS Morningstar expects this trend to slow, and the public finance portfolio will continue to provide an important contribution to KA's earnings generation. Net fee and commission income rose to EUR 13.4 million in H1 2020 (H1 2029: EUR 10.8 million), representing 28.5% of revenues in H1 2020. The Bank's management aims to increase this share further in 2021 through origination fees and fees from consulting activities. KA is targeting projects that offer lower duration and higher margins, which will enable the Bank to better benefit from originate to collaborate fee business at the same time as containing maturity risk.

Exhibit 2 Core Revenues Evolution

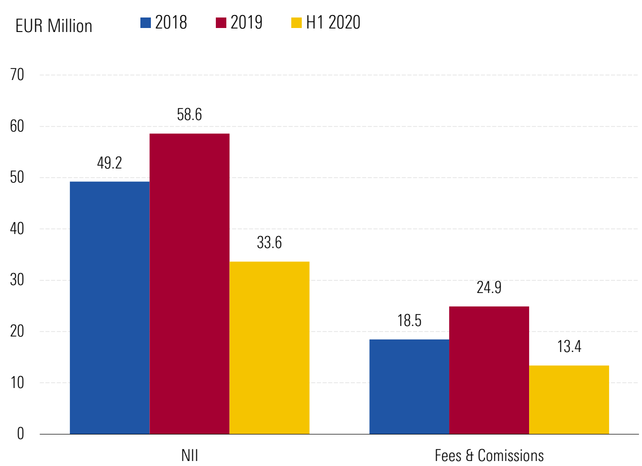
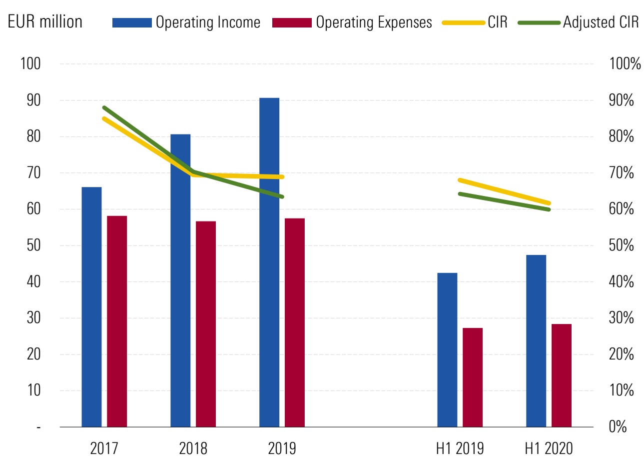


Exhibit 3 KA's Performance



Source: DBRS Morningstar, Company Documents.

[1] The earnings section is based on the IFRS results of the Bank

Following a cost efficiency programme implemented in 2017, KA's administrative expenses have been well controlled, declining in 2018 and increasing less than revenues in 2019. The positive operating leverage continued into H1 2020. As a result, the DBRS Morningstar calculated cost-to-income ratio (CIR) has declined from 85% in 2017 to 62% for H1 2020, incorporating the net result from asset valuation and realised gains and losses. Excluding this more volatile element of the income statement the adjusted cost-to-income ratio would have been 60% in H1 2020.

Risk Profile

Grid Grade: Good / Moderate

KA's asset quality remained strong with zero impaired loans as of H1 2020, reflecting the high quality of KA's public sector portfolio and the good performance of the more newly originated I&E lending. The public finance portfolio accounted for 40% of the total EUR 3.2 billion credit risk. The vast majority of this portfolio is Austrian, with the remainder being other European Union municipality lending. DBRS Morningstar notes, however, that the Bank's loan portfolio has high credit concentrations. These concentrations are substantially mitigated by the high quality of the assets, especially in the public sector loan portfolio. DBRS Morningstar generally considers infrastructure assets more resilient during times of crisis, but notes that the portfolio is still relatively unseasoned. Given the still relatively short track record and the lumpy nature of some of these assets before syndication, DBRS Morningstar will continue to closely monitor both the credit performance of the I&E lending book and the ability of the Bank to continue to syndicate the risk.

Exhibit 4 Risk Exposure by Region, June 2020

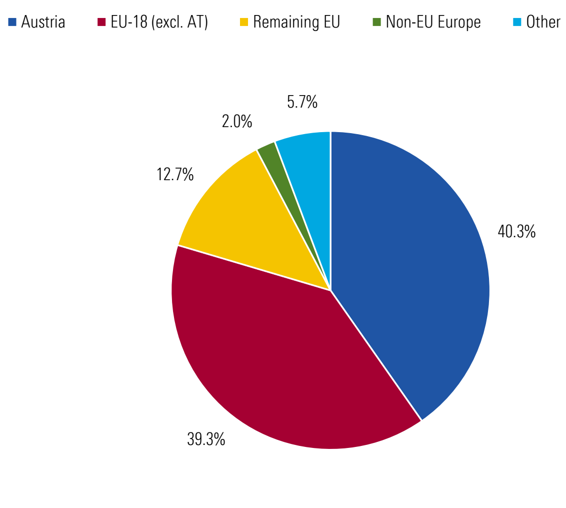
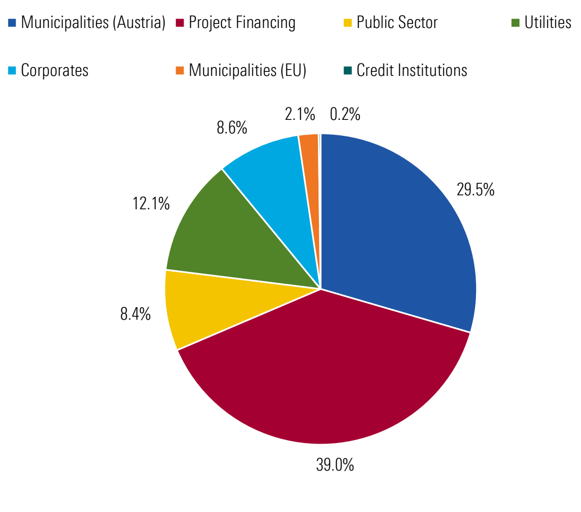


Exhibit 5 Risk Exposure by Type of Borrower, June 2020



Source: Company Documents.

DBRS Morningstar also notes that the Bank will need to continue to manage the syndication of risk in a conservative manner to ensure it is appropriately positioned at times of market stress. KA aims to achieve this through a close interaction and information exchange between origination and placement teams. New business deals are required to have syndication targets in terms of volume and time (typically below 90 days). KA's syndication partners include large global insurers & asset managers, medium to large European insurers and pension funds, and larger international banks. In 2019 the Bank generated EUR 1.036 billion in new business volume, and syndicated EUR 462 million (or 45%), while in H1 2020 KA originated new business volume of EUR 490 million with EUR 185 million syndicated at end-June.

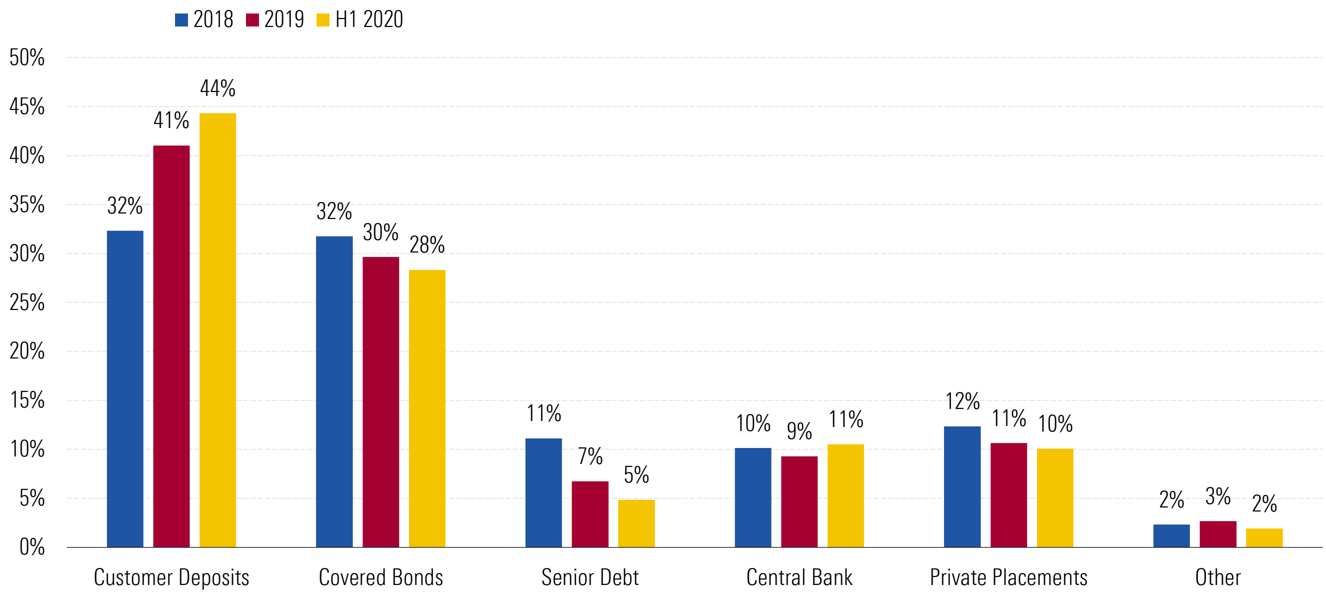
Further improving KA's risk distribution capabilities the Bank has established an asset management debt fund platform. In September 2018, KA launched an infrastructure debt fund with an initial target of EUR 150 million for a duration of 10 years at the final close of the funds in February 2010, the fund had gathered EUR 354 million in assets. The temporary disruption in the syndication markets in H1 2020 demonstrate the risks associated with syndication. However, DBRS Morningstar is of the opinion that KA's debt fund Fidelio has decreased syndication risk as the placement of a transaction with Fidelio is typically decided at the time a loan is originated. While early stage negotiations also take place with third parties, Fidelio provides the Bank with greater visibility and faster execution. Overall, the syndication market has recovered fast in response to the various measures put in place by monetary authorities and we expect a pick-up in activity in H2 2020.

Funding and Liquidity

Grid Grade: Good

KA has a diversified funding base comprising a significant and growing deposit base, covered bonds, debt issuance and central bank funding. Public sector covered bonds remain a significant funding source for KA, funding most of the public finance portfolio. In H1 2020, public sector covered bonds funded 100% of loans to municipalities or 79% of the combined loan exposure to municipalities and public sector entities. Customer deposits continue to grow, and DBRS Morningstar notes that the bulk of these are term deposits. Customer deposits increased by 35% YoY to reach EUR 1.582 billion at H1 2020. As of H1 2020, representing 44% of the Bank's total funding, up from 39% a year earlier and funded 83% of private sector loans (I&E projects, utilities and corporates) in H1 2020. The continuous growth in the deposit base reflects KA's ability to raise deposits through Kommunalkredit Invest (an online retail platform) and Kommunalkredit Direkt, the Bank's deposit platform for local authorities and public-sector-related enterprises where KA raises online deposits from municipalities, and from small and medium sized corporates. DBRS Morningstar considers this funding source as relatively stable given that the bulk of these are term deposits.

Exhibit 6 Funding Mix Evolution



Source: Company Documents.

KA has a robust liquidity profile with a free liquidity reserve of EUR 291 million at end-H1 2020, including EUR 284 million of high quality liquid assets (HQLA), and additionally EUR 635 million of cash, cash equivalents and balances with central banks, well in excess of total debt maturities to end 2021. At H1 2020, the Bank's Liquidity Coverage Ratio (LCR) was very high at 526% and the Net Stable Funding Ratio (NSFR) was also solid at 116%. The Bank also participated in TLTRO III taking EUR 375 million of funding.

Capitalisation

Grid Grade: Good / Moderate

At the Group level KA reported a Basel III Common Equity Tier 1 (CET1) ratio of 18.1% at end-H1 2020 up from 17.2% at 1H 2019. At the Bank level, KA reported a CET1 ratio of 18.4% at end-H1 2020, up from 17.5% a year earlier. However, DBRS Morningstar notes that KA's CET1 capital ratios can fluctuate due to its syndication activities and are likely to decrease over the medium term as risk-weighted assets (RWAs) increase. KA also reported a leverage ratio of 7.9% and a total capital ratio of 21.9%[2]. The capital ratios are well above the Bank's minimum regulatory capital requirements. KA is targeting to maintain a CET1 ratio exceeding 15% over the long term. In DBRS Morningstar's view, maintaining solid capital ratios will be important to balance the credit risk concentrations and syndication risk as well as the relative illiquidity of the financed assets.

Exhibit 7 Capital Ratios at Bank Level

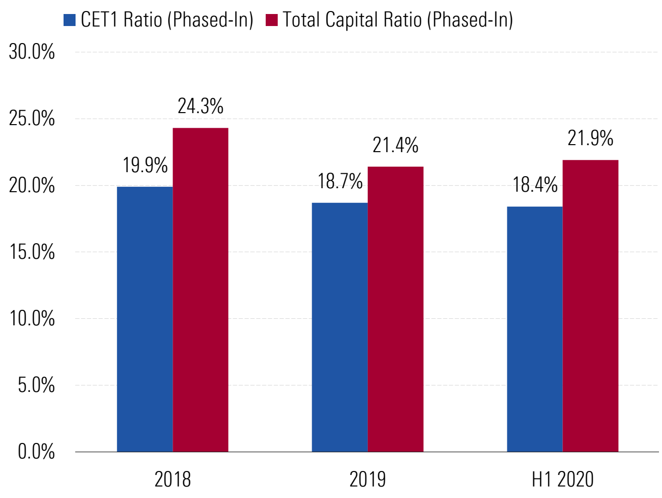
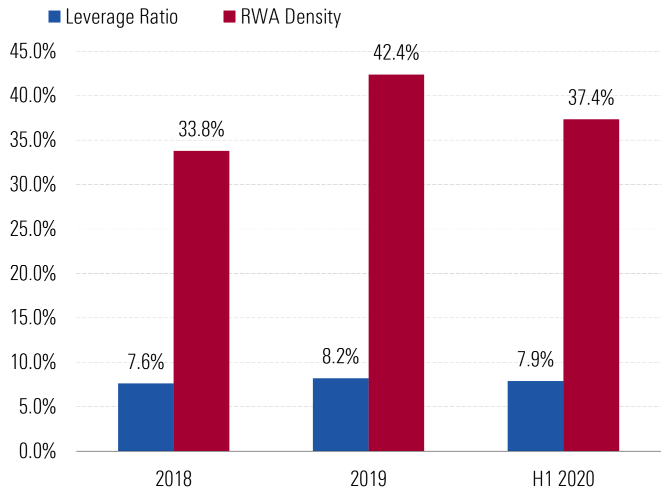


Exhibit 8 Leverage Ratio and RWA density



Source: Company Documents.

DBRS Morningstar expects that KA's risk-weighted asset (RWA) density will continue to rise as the proportion of new business with higher risk weightings increases, even though at H1 2020 RWAs to total IFRS balance sheet assets decreased to 37% from 39% at H1 2019 due to higher cash balances as a result of the TLTRO funds. DBRS Morningstar views the Bank's internal capital generation ability as improving and notes that the 2018 earnings were retained within the Bank. In addition, in June 2019 a further EUR 20 million of capital was injected into the bank, resulting in a total capital increase of EUR 50 million. At the same time, another EUR 86 million in capital has been authorised and could be made available if needed subject to approval by the Supervisory Board. This represents approx. one quarter of KA's CET 1 capital. KA's owners also decided to allow KA to retain 2019 earnings.

[2] Kommunalkredit's capital ratios are based on the non-consolidated financial statements of Kommunalkredit pursuant to Austrian GAAP. Kommunalkredit is part of a group of credit institutions, whose ultimate parent is Satere Beteiligungsverwaltungs GmbH (Satere). The consolidated CET1 ratio was 18.1% and the consolidated capital ratio was 21.1% in H1 2020.

	Kommunalkredit Austria AG	Kommunalkredit Austria AG	Kommunalkredit Austria AG	Kommunalkredit Austria AG	Kommunalkredit Austria AG
EUR Millions	2020H1	2019Y	2018Y	2017Y	2016Y
Balance Sheet	6/30/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016
Cash and Deposits with Central Banks	635	463	314	318	310
Lending to/Deposits with Credit Institutions	346	282	219	140	102
Financial Securities	NA	NA	NA	NA	NA
Financial Derivatives Instruments	157	188	222	233	337
Net Lending to Customers	3,200	3,015	3,085	2,675	2,803
- Gross Lending to Customers	NA	3,020	3,087	2,675	2,803
- Loan Loss Reserves	5.6	4.4	1.9	0.4	0.1
Investment in Associates or Subsidiaries	NA	NA	NA	NA	NA
Total Intangible Assets	0	0	0	0	0
Fixed Assets	25	25	25	26	27
Insurance Assets	NA	NA	NA	NA	NA
Other Assets (including DTAs)	180	331	77	271	211
Assets	4,544	4,305	3,942	3,663	3,791
Deposits from Central Banks	375	314	314	314	314
Deposits from Customers	1,582	1,386	1,001	644	211
Issued Debt Securities	1,183	1,228	1,327	1,385	1,815
Issued Subordinated Debt	65	65	65	69	70
Other Liabilities	366	384	385	373	361
Equity Attributable to Parent	350	343	295	283	297
Minority Interests	0	0	0	0	0
Liabilities & Equity	4,544	4,305	3,942	3,663	3,791

	Kommunalkredit Austria AG	Kommunalkredit Austria AG	Kommunalkredit Austria AG	Kommunalkredit Austria AG	Kommunalkredit Austria AG
EUR Millions	2020H1	2019Y	2018Y	2017Y	2016Y
Income Statement	6/30/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016
Interest Income	78	167	170	158	172
Interest Expenses	45	108	121	122	136
Net Interest Income	34	59	49	36	37
Net Fees and Commissions	13	25	18	17	17
Results from Financial Operations	-2	-3	4	2	36
Equity Method Results	0	0	0	0	0
Net Income from Insurance Operations	0	0	0	0	0
Other Operating Income	0	2	8	11	8
Total Operating Income	45	82	80	67	97
Staff Costs	18	35	35	36	31
Other Operating Costs	10	20	19	19	18
Depreciation/Amortisation	NA	1	2	2	2
Total Operating Expenses	28	56	56	57	52
Income Before Provisions and Taxes (IBPT)	17	25	24	10	45
Loan Loss Provisions	1	2	1	0	0
Securities & Other Financial Assets Impairments	0	0	0	0	0
Other Impairments	0	0	0	0	2
Other Non-Operating Income (Net)	0	4	9	-3	-8
Income Before Taxes (IBT)	16	27	33	7	35
Tax on Profit	4	-2	18	-11	-14
Discontinued Operations	0	0	0	0	0
Other After-tax Items	0	0	0	0	0
Minority Interest	0	0	0	0	0
Net Attributable Income	12	30	14	18	49

	Kommunalkredit Austria AG	Kommunalkredit Austria AG	Kommunalkredit Austria AG	Kommunalkredit Austria AG	Kommunalkredit Austria AG
EUR Millions	2020H1	2019Y	2018Y	2017Y	2016Y
Other Items	6/30/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016
NPLs	0	0	0	0	0
Assets Under Management	NA	NA	NA	NA	NA
No. of Employees (end-period)	NA	251	253	284	289
Risk-Weighted Assets (RWA)	1,697	1,671	1,332	991	688
RWA over Total Assets (%)	37.36	38.81	33.78	27.06	18.15

Source: DBRS Morningstar Analysis, Copyright © 2020, S&P Global Market Intelligence.

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	Kommunalkredit Austria AG	Kommunalkredit Austria AG	Kommunalkredit Austria AG	Kommunalkredit Austria AG	Kommunalkredit Austria AG
	2020H1	2019Y	2018Y	2017Y	2016Y
Earnings Power					
Earnings					
Net Interest Margin (%)	1.54	1.44	1.31	0.99	0.93
Yield on Average Earning Assets (%)	3.58	4.09	4.53	4.31	4.39
Cost of Interest Bearing Liabilities (%)	2.21	2.87	3.46	3.58	3.70
IBPT over Avg Assets (%)	0.79	0.62	0.64	0.27	1.14
IBPT over Avg RWAs (%)	2.06	1.69	2.11	1.20	6.26
Expenses					
Cost / Income ratio (%)	61.70	68.90	69.46	84.99	53.32
Operating Expenses by Employee	NA	224,116	220,138	200,345	179,374
LLP / IBPT (%)	5.83	9.72	2.85	2.98	-0.14
Profitability Returns					
Return on Avg Equity (ROAE) (%)	6.90	9.26	4.95	6.22	17.70
Return on Avg Assets (ROAA) (%)	0.54	0.72	0.38	0.48	1.23
Return on Avg RWAs (%)	1.42	1.97	1.23	2.15	6.75
Dividend Payout Ratio (%)	NA	NA	NA	NA	NA
Internal Capital Generation (%)	NA	NA	NA	NA	NA
Risk Profile					
Gross NPLs over Gross Loans (%)	0.00	0.00	0.00	0.00	0.00
Net NPLs over Net Loans (%)	0.00	0.00	0.00	0.00	0.00
NPL Coverage Ratio (%)	0.00	0.00	0.00	0.00	0.00
Net NPLs over IBPT (%)	0.00	0.00	0.00	0.00	0.00
Net NPLs over CET1 (%)	0.00	0.00	0.00	0.00	0.00
Texas Ratio (%)	0.00	0.00	0.00	0.00	0.00
Cost of Risk (%)	0.07	0.08	0.03	0.01	0.00
Level 2 Assets/ Total Assets (%)	20.82	22.67	25.54	22.89	27.14
Level 3 Assets/ Total Assets (%)	14.83	15.51	9.45	0.00	0.00
Funding and Liquidity					
Central Bank over Funding (%)	10.50	9.30	10.15	11.27	11.33
Customer Deposits over Funding (%)	44.30	41.04	32.37	23.12	7.62
Wholesale Funding over Funding (%)	34.95	38.29	45.02	52.20	68.03
- Debt Securities over Funding (%)	33.13	36.37	42.92	49.73	65.50
- Subordinated Debt over Funding (%)	1.82	1.92	2.10	2.47	2.52
Liquid Assets over Assets (%)	54.46	24.50	15.12	18.91	15.47
Net Loan to Deposit Ratio (%)	202.28	217.60	308.23	415.36	1,328.59
LCR (Phased-in) (%)	525.80	765.50	453.70	449.90	719.10
NSFR (%)	115.80	111.90	104.70	101.50	83.90
Capitalisation					
CET1 Ratio (Phased-In) (%)	18.11	18.39	19.47	22.77	32.87
CET1 Ratio (Fully-Loaded) (%)	NA	NA	NA	NA	NA
Tier 1 Capital Ratio (Phased-In) (%)	18.11	18.39	19.47	22.77	32.87
Total Capital Ratio (Phased-In) (%)	21.08	21.56	23.85	29.24	42.30
Tang. Equity / Tang. Assets (%)	7.69	7.97	7.47	7.72	7.82
Leverage Ratio (DBRS) (%)	7.13	7.52	6.93	6.60	6.41

Source: DBRS Morningstar Analysis, Copyright © 2020, S&P Global Market Intelligence.

Rating Methodology

The applicable methodology is the *Global Methodology for Rating Banks and Banking Organisations* (8 June 2020), which can be found on our website under Methodologies.

Ratings

Issuer	Obligation	Rating Action	Rating	Trend
Kommunalkredit Austria AG	Long-Term Issuer Rating	Upgraded	BBB	Stable
Kommunalkredit Austria AG	Short-Term Issuer Rating	Upgraded	R-2 (high)	Stable
Kommunalkredit Austria AG	Long-Term Senior Debt	Upgraded	BBB	Stable
Kommunalkredit Austria AG	Short-Term Debt	Upgraded	R-2 (high)	Stable
Kommunalkredit Austria AG	Long-Term Deposits	Upgraded	BBB	Stable
Kommunalkredit Austria AG	Short-Term Deposits	Upgraded	R-2 (high)	Stable

Ratings History

Issuer	Obligation	Current	2019	2018
Kommunalkredit Austria AG	Long-Term Issuer Rating	BBB	BBB (low)	BBB (low)
Kommunalkredit Austria AG	Short-Term Issuer Rating	R-2 (high)	R-2 (middle)	R-2 (middle)
Kommunalkredit Austria AG	Long-Term Senior Debt	BBB	BBB (low)	BBB (low)
Kommunalkredit Austria AG	Short-Term Debt	R-2 (high)	R-2 (middle)	R-2 (middle)
Kommunalkredit Austria AG	Short-Term Deposits	BBB	R-2 (middle)	R-2 (middle)
Kommunalkredit Austria AG	Long-Term Deposits	R-2 (high)	BBB (low)	BBB (low)

Previous Actions

- DBRS Confirms Kommunalkredit Austria AG at BBB (low), Trend Revised to Positive, 3 October 2020.
- DBRS Confirms Kommunalkredit Austria AG at BBB (low), Trend Revised to Stable, 8 October 2020.

Related Research

- Higher Liquidity Drives Increase in Deposits at European Banks, 13 October 2020.
- Austrian Banks Positioned to Weather the Challenges from COVID-19, 15 September 2020.
- European Banks' Cost of Risk Increases in Q2; Provisioning Approach Still Varies, 10 September 2020.
- DBRS Morningstar: Navigating Bank Ratings During a Global Pandemic, 27 March 2020.
- European Banking: Key Themes in 2020, 14 January 2020.

Previous Reports

- Kommunalkredit Austria AG: Rating Report, 18 October 2019.
- Kommunalkredit Austria AG: Rating Report, 19 October 2018.
- Kommunalkredit Austria AG: Rating Report, 7 November 2017.

European Bank Ratios & Definitions

- European Bank Ratios & Definitions, 11 June 2019.

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