PRESS RELEASE
KOMMUNALKREDIT AUSTRIA AG

Kommunalkredit reports strong new business

High demand for infrastructure and energy financing – record new business in H1 2026 and active portfolio management underpin positive outlook

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- **Record new business volume > EUR 1.0bn | +60%**
- **Record 27 transactions | +50%**
- **Operating result before taxes, impairment losses and valuation gains/losses EUR 50.7m**
- **Profit after tax EUR 1.4m**
- **NPL ratio reduced to 6.8%**
- **CET1 ratio 15.5%**
- **Cost-income ratio <45%**
- **EUR 500m benchmark covered bond successfully placed**
- **S&P upgrades covered bond rating to "AA+"**

Kommunalkredit Austria AG ("Kommunalkredit") achieved a record volume of new business in the first half of 2026, successfully capitalising on the continued strong potential of the European market for specialised infrastructure and energy financing. With new business volume of more than EUR 1.0bn (excluding Public Finance), the bank increased its business volume by around 60% compared with the same period of the previous year. At the same time, the number of completed transactions increased by 50% to a new half-year record, making a correspondingly positive contribution to portfolio diversification.

Kommunalkredit consistently continued its active portfolio management, reducing the NPL ratio from 7.0% at year-end 2025 to 6.8% as of 30 June 2026, and increasing its provisions for individual legacy loan exposures. The strong operating performance was thus impacted by a credit risk result amounting to EUR -44.4m, but profit after tax stayed slightly positive at EUR 1.4m.

Jacques Ripoll, CEO of Kommunalkredit, comments: *"The first half of 2026 demonstrates the strength of our business model and the strong demand for our expertise. With record new business volume and a record number of transactions, we are supporting more infrastructure and energy projects across Europe than ever before in a first half-year. At the same time, we continue to enhance the quality and diversification of our credit portfolio through active portfolio management. Our focus remains firmly on a robust business model, continued cost discipline and sustainable, profitable growth. Europe's long-term infrastructure investment needs remain substantial – and Kommunalkredit is well positioned to support this transformation as a specialised financing partner and advisor."*

Active portfolio management reduces NPLs and risk exposures

Reducing non-performing loans remained a strategic priority in the first half of the year. Restructurings, targeted sales and other active portfolio management measures helped reduce exposure to the challenged fibre broadband subsector to 8% of the total portfolio. The NPL ratio declined to 6.8%, while 91% of the NPL portfolio has either been restructured or is close to completing a restructuring.

The credit portfolio remains broadly diversified across regions, borrowers and infrastructure sectors. The average internal rating of the overall portfolio corresponds to “BBB”; as of 30 June 2026, 56% of the portfolio was of investment-grade quality.

Capital and liquidity position remain strong

As of 30 June 2026, Kommunalkredit reported a CET1 ratio of 15.5% and a total capital ratio of 21.2%. Total assets under IFRS increased to EUR 7.3bn, compared with EUR 7.0bn at year-end 2025. The increase primarily reflects the continued growth of the financing business. At the same time, the bank held cash reserves of EUR 0.7bn.

Liquidity ratios remained well above regulatory requirements. At the end of the first half-year, the Liquidity Coverage Ratio (LCR) stood at 372%, while the Net Stable Funding Ratio (NSFR) was 122%.

Successful capital markets presence strengthens funding base

In April 2026, Kommunalkredit successfully placed a EUR 500m benchmark covered bond with a six-year maturity. The issuance was 1.5 times oversubscribed and attracted demand from around 40 international investors, further advancing the bank’s diversification of its funding base.

In January, S&P Global Ratings had upgraded Kommunalkredit’s covered bond rating by two notches from “AA-” to “AA+”. The long-term issuer rating remained at “BBB” with a negative outlook.

In parallel, Kommunalkredit continued to develop its deposit and capital markets funding. For the second half of the year, the bank is also evaluating a potential issuance of new Additional Tier 1 (AT1) instruments to further strengthen its capital position.

Andreas Schortje appointed Chief Risk Officer

Kommunalkredit has appointed Andreas Schortje, currently Head of Risk Controlling as Chief Risk Officer (CRO) and member of the Executive Board, effective November 2026. In his new role, he will assume responsibility for the bank’s risk management.

The appointment follows the decision of Sebastian Firlinger, currently Chief Financial Officer and Chief Risk Officer (CFO/CRO), to leave Kommunalkredit at the end of 2026 to pursue a new professional direction. The recruitment process for the Chief Financial Officer position is currently underway.

Hans Larsson, Chairman of the Supervisory Board of Kommunalkredit, comments: *"On behalf of the Supervisory Board, I would like to thank Sebastian Firlinger for his significant contribution to Kommunalkredit. In his roles as CFO and CRO, and particularly during his time as interim CEO, he has played an important part in shaping the bank – both from a financial and risk management perspective and in terms of its culture and organisation. His leadership, commitment and personal contribution have left a lasting footprint on Kommunalkredit. We greatly appreciate everything he has contributed to the bank and wish him every success for the next chapter of his career. At the same time, we are very pleased to appoint Andreas Schortje as our new Chief Risk Officer. His extensive risk management experience and deep knowledge of Kommunalkredit and its business provide continuity and a strong foundation for the further development of the bank."*

Strategic focus and outlook remain unchanged

The structural need for investment in Europe's energy, digital, transport and social infrastructure remains high despite geopolitical and macroeconomic uncertainties. Kommunalkredit enters the second half of the year with a diversified lending and advisory pipeline, a strengthened funding base and an actively managed credit portfolio. For the full year, the bank expects operating income to remain broadly comparable with the previous year and to report a positive consolidated profit after tax.

Kommunalkredit's half year financial report 2026 is now available at
https://www.kommunalkredit.at/en/investor-relations/reports

Selected figures Kommunalkredit Group acc. to IFRS in EUR million or %	**30/06/2026**	**31/12/2025**
Total assets	7,280.0	6,998.0
	01/01-30/06/2026	**01/01-30/06/2025**
Net interest income	78.8	85.1
Operating result before tax under IFRS, before impairment losses and gains/losses	50.7	65.3
Impairment and valuation gains/losses	-49.1	-11.7
Profit for the period before tax	1.6	53.6
Profit for the period after tax	1.4	41.5
Cost-income ratio	44%	38%
Return on equity after tax	0.4%	12.1%
CET1 ratio (of Kommunalkredit Austria AG under Austrian GAAP)	15.5%	17.8%

About Kommunalkredit

Kommunalkredit is a pan-European Infrastructure & Energy bank with a strong presence in Central and Eastern Europe. Active across the core sectors Energy & Environment, Communication & Digitalization, Transport and Social Infrastructure, the bank enables essential infrastructure projects for communities that strengthen European resilience, support sustainable growth, and accelerate the green and industrial transition. The bank specializes in complex mid-market transactions, combining advisory, lending, distribution and investment to deliver financing solutions beyond standard lending approaches. Since 2020, Kommunalkredit has enabled EUR 12.5 billion in new Infrastructure and Energy financing. The bank's majority shareholder is Altor, a European private equity firm focused on innovation and the green transition, with more than EUR 12 billion raised since inception.

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