

11 May 2021

Final Terms

EUR 300,000,000 0.25 per cent. Fixed Rate Notes due 14 May 2024

Series: 4, Tranche 1

issued pursuant to the

EUR 800,000,000 Debt Issuance Programme

dated 9 April 2021

of

Kommunalkredit Austria AG

Issue Price: 99.717 per cent.

Issue Date: 14 May 2021

Important Notice

These Final Terms have been prepared for the purpose of Article 8 of the Regulation (EU) 2017/1129, as amended (*Prospectus Regulation*) and must be read in conjunction with the base prospectus dated 9 April 2021 (the "**Prospectus**") pertaining to the EUR 800,000,000 Debt Issuance Programme of Kommunalkredit Austria AG (the "**Issuer**"). The Prospectus and any supplements thereto are available for viewing in electronic form on the Issuer's website ("www.kommunalkredit.at"). Full information on the Issuer and the Notes is only available on the basis of the combination of the Prospectus, any supplements thereto and these Final Terms.

MiFID II Product Governance / Eligible Counterparties and Professional Investors Only Target Market

– Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**Distributor**") should take into consideration the manufacturers' target market assessment; however, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO RETAIL INVESTORS IN THE UNITED KINGDOM – The Notes are not

intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 ("**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2 (1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required

by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

- FRN Convention
- Following Business Day Convention
- Preceding Business Day Convention

Business Day

- Relevant financial centre(s) Vienna
- TARGET

Adjustment of Interest Period

- adjusted
- unadjusted is postponed

REDEMPTION (§ 5)

Redemption at Maturity

Maturity Date 14 May 2024

Early Redemption for Reasons of Taxation Yes

Early Redemption at the Option of the Issuer No

Early Redemption at the Option of a Holder No

Early Redemption for Regulatory Reasons Yes

Early Redemption Amount

- Final Redemption Amount
- Reasonable market price
- Other

TAXATION (§ 7)

Gross-up obligation of the Issuer Yes

NOTICES (§ 10)

- Listing on the Vienna Stock Exchange
- Unlisted Notes

PART II – ADDITIONAL INFORMATION

ESSENTIAL INFORMATION

Interests of Natural and Legal Persons Involved in the Issue or the Offering

- As far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer, except that certain Managers and their affiliates may be customers of, and borrowers from the Issuer and its affiliates. In addition, certain Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business.
- Other Interests, including conflicts of interest

Estimated net amount of the proceeds EUR 298,551,000

INFORMATION CONCERNING THE NOTES TO BE OFFERED OR ADMITTED TO TRADING

Security Codes

- ISIN AT0000A2R9G1
- Common Code
- German Security Code (WKN) A3KQ3E
- Any Other Security Code

Issue Yield 0.345 per cent. *per annum* in case there is no early redemption.

Representation of debt security holders including an identification of the organisation representing the investors and provisions applying to such representation. Indication of where the public may have access to the contracts relating to these forms of representation Not applicable

Resolutions, authorisations and approvals by virtue of which the Notes will be created and/or issued Resolution of the Issuer's management board, no. KA 46/2021, dated 18 March 2021, approving the issue of the Notes

PLACING AND UNDERWRITING

Method of Distribution

- Non-Syndicated
- Syndicated

Details with regard to the Managers (including the type of commitment)

- Managers
 - Erste Group Bank AG
Am Belvedere 1
1100 Vienna
Austria
 - Landesbank Baden-Württemberg
Am Hauptbahnhof 2
70173 Stuttgart
Germany
 - Raiffeisen Bank International AG
Am Stadtpark 9
1030 Vienna

Austria

UniCredit Bank AG
Arabellastraße 12
81925 Munich
Germany

(the "**Joint Lead Managers**")

Landesbank Hessen-Thüringen
Girozentrale
Neue Mainzer Strasse 52 – 58
60311 Frankfurt am Main
Germany

(as Co-Lead Manager and together
with the Joint Lead Managers, the
"**Managers**")

- Firm Commitment
- Without Firm Commitment

Stabilising Manager

Not applicable

LISTING, ADMISSION TO TRADING AND DEALING ARRANGEMENTS

Listing

Yes

- Vienna - Official Market
- Vienna - Vienna MTF

Expected Date of Admission

14 May 2021

Estimate of the total expenses related to the admission to trading

EUR 2,660

ADDITIONAL INFORMATION

Credit Ratings

It is expected that the Notes will be rated as follows:

S&P Global Ratings¹: BBB⁻²

Fitch Ratings³: BBB⁻⁴

¹ "**S&P Global Ratings**" means S&P Global Ratings Europe Limited. S&P Global Ratings has been established in the European Union and has been registered (pursuant to the current list of registered and certified credit rating agencies, published on the website of the European Securities and Markets Authority (www.esma.europa.eu)) pursuant to Regulation (EC) No. 1060/2009, as amended.

² An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation. The credit ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major credit rating categories.

³ "**Fitch Ratings**" means Fitch Ratings – a branch of Fitch Ratings Ireland Limited. Fitch Ratings has been established in the European Union and has been registered (pursuant to the current list of registered and certified credit rating agencies, published on the website of the European Securities and Markets Authority (www.esma.europa.eu)) pursuant to Regulation (EC) No. 1060/2009, as amended.

⁴ Good credit quality – 'BBB' credit ratings indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity. The modifiers "+" or "-" may be appended to a credit rating to denote relative status within major credit rating categories.

DBRS Morningstar⁵: BBB,
trend stable⁶

Selling Restrictions

TEFRA C

Applicable

Additional Selling Restrictions

Not applicable

Eurosystem Eligibility of the Notes Intended

The Global Note is intended to be held in a manner which will allow Eurosystem eligibility.

Yes; note that the designation "Yes" simply means that the Notes are intended upon issue to be deposited with OeKB CSD GmbH and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

Third Party Information

The credit ratings have been sourced from S&P Global Ratings, Fitch Ratings and DBRS Morningstar. The Issuer confirms that such information has been accurately reproduced and that, as far as it is aware and is able to ascertain from information published by S&P Global Ratings, Fitch Ratings and DBRS Morningstar, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of the Issuer

By:

By:

Reinhard Fuchs
Head of Markets

Andreas Kettenhuber
Senior Relationship Manager

Duly authorised

Duly authorised

⁵ "DBRS Morningstar" means DBRS Ratings GmbH. DBRS Morningstar has been established in the European Union and has been registered (pursuant to the current list of registered and certified credit rating agencies, published on the website of the European Securities and Markets Authority (www.esma.europa.eu)) pursuant to Regulation (EC) No. 1060/2009, as amended.

⁶ 'BBB' - Adequate credit quality. The capacity for the payment of financial obligations is considered acceptable. May be vulnerable to future events. All credit rating categories other than AAA and D also contain subcategories (high) and (low). The absence of either a (high) or (low) designation indicates that the credit rating is in the middle of the category.

Trend: Rating trends provide guidance in respect of DBRS Morningstar's opinion regarding the outlook for a rating. Rating trends have three categories: "positive", "stable" or "negative". The rating trend indicates the direction in which DBRS Morningstar considers the rating may move if present circumstances continue, or in certain cases as it relates to the corporate finance sector, unless challenges are addressed by the Issuer.