

Rating Report

# Kommunalkredit Austria AG

## Ratings

Issuer	Obligation	Rating	Rating Action	Trend
Kommunalkredit Austria AG	Long-Term Issuer Rating	BBB (low)	Trend Changed Oct '19	Positive
Kommunalkredit Austria AG	Short-Term Issuer Rating	R-2 (middle)	Trend Changed Oct '19	Positive
Kommunalkredit Austria AG	Intrinsic Assessment	BBB (low)	--	--

See back of report for complete rating list.

### Rating Drivers

<p><b>Factors with Positive Rating Implications:</b></p> <ul style="list-style-type: none"> <li>Further evidence of a sustained positive track record of growth in infrastructure debt lending with well contained risks over the longer term,</li> <li>Further improvement in core profitability resulting from the new business activity,</li> <li>Maintenance of good capitalisation levels.</li> </ul>
<p><b>Factors with Negative Rating Implications:</b></p> <ul style="list-style-type: none"> <li>Evidence of the bank facing significant challenges in syndicating risk, or originating new business,</li> <li>Any deterioration or variance in the Bank's progress in achieving its targeted levels of new business, profitability and/or capital levels,</li> <li>Deterioration in asset quality or earnings from new business or the legacy portfolio.</li> </ul>

### Rating Considerations

<p><b>Franchise Strength:</b> 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 project risk. The low-risk legacy portfolio is in run-off mode.</p>	Moderate
<p><b>Earnings Power:</b> Profitability of the new business is now higher than the legacy business, and the increasing net profit also incorporates the termination of the service agreement with KA Finanz AG, and the related loss of revenues in the second quarter of 2019.</p>	Moderate
<p><b>Risk Profile:</b> The Bank has a low-risk legacy portfolio but has taken on risks related to the underwriting of the newly-originated infrastructure and energy lending. Asset quality continues to be extremely strong with zero impaired loans at 1H19</p>	Good / Moderate
<p><b>Funding and Liquidity:</b> KA's deposit base continues to grow and this is supporting the already diversified funding base which also includes covered bonds, senior debt issuance and TLTRO funding. KA has a robust liquidity profile.</p>	Good
<p><b>Capitalisation:</b> Capital ratios remain robust despite the increase in RWAs as new lending increases. DBRS Morningstar does however note that the nominal capital base, while strengthened recently, is relatively small.</p>	Moderate

### Financial Information\*

Kommunalkredit Austria AG	2019H1	2018Y	2017Y	2016Y	2015Y
EUR Millions					
Total Assets	4,183	3,942	3,663	3,791	4,162
Equity Attributable to Parent	325	295	283	297	256
Income Before Provisions and Taxes (IBPT)	13	36	10	45	4
Net Attributable Income	11	14	18	49	6
IBPT over Avg RWAs (%)	1.71	3.08	1.20	6.26	NA
Cost / Income ratio (%)	68.03	60.88	84.99	53.32	77.14
Return on Avg Equity (ROAE) (%)**	7.27	4.95	6.22	17.70	NA
Gross NPLs over Gross Loans (%)	0.00	0.00	0.00	0.00	0.00
CET1 Ratio (Fully-Loaded) (%)	17.16	19.47	22.77	32.87	25.41

Source: DBRS Morningstar Analysis; Copyright © 2019, S&P Global Market Intelligence. \* IFRS Accounts \*\*Calculated as Net Income/IFRS Equity

## 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 in sectors such as energy & environment, social infrastructure, transport, natural resources, communication & digitalisation. The Bank also benefits from a profitable public sector legacy portfolio.

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## Rating Rationale

The BBB (low) IA incorporates the “originate to collaborate” model for infrastructure project finance assets, whereby the Bank works closely with project sponsors and institutional investors to structure longer term investments. In 2018 and 1H19 KA has continued to build its franchise across a diverse range of deals, originating new business volumes of EUR 495.6 million in 1H19, and the new lending will continue to grow as a proportion of total lending as the public sector portfolio reduces over the coming years. The Bank continues to have no non-performing loans reflecting the high quality of the public sector portfolio, the good quality of the more newly originated lending, and the generally benign credit environment, however DBRS Morningstar will continue to monitor asset quality closely given the lumpy nature of some of the infrastructure lending before syndication. Funding continues to be well balanced between the growing deposit base and other wholesale sources while liquidity remains robust, and capital ratios remain strong, albeit DBRS Morningstar notes that the nominal capital base, while strengthened recently, is relatively small.

The change in the trend to Positive, from Stable, reflects the continued progress the Bank has made in developing its franchise in infrastructure lending, the maintenance of solid capital levels as a result of both retained earnings and a further capital injection, and the solid core profitability.

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## 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 late 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 centered on the origination and distribution of infrastructure and energy finance.

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. KA targets to syndicate 50% of its financing volume within a target of 90 days, and DBRS Morningstar notes that in 2018 the Bank syndicated over 50% of its new business. The originate-to-collaborate model is balance sheet-light and is based on sourcing, underwriting and then syndicating project risk. 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/income ratio to 50% and to generate a return on equity of 10%. These targets are all set under local GAAP. New infrastructure lending continued to be strong in 1H19, reaching EUR 495.6 million, down slightly on the EUR 532.5 million in 1H18, although DBRS Morningstar understands that the margins on new business have improved in 2019, and that the new business pipeline is strong.

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. KA has had a service agreement with KA Finanz AG (KF) since 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.

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## Earnings Power

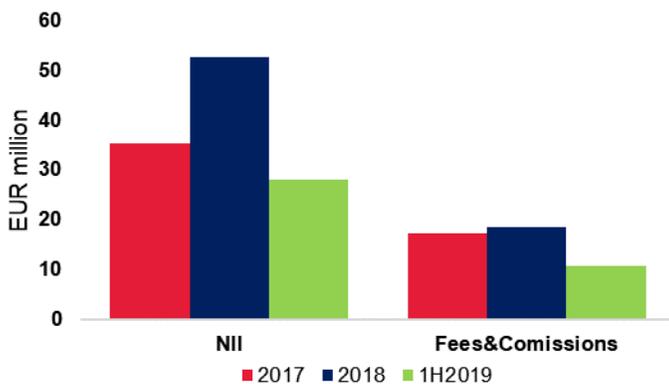
Grid Grade: Moderate

The Bank reported net profit<sup>1</sup> of EUR 11.3 million in 1H19, up from EUR 9.2 million in 1H18, primarily reflecting the increased revenues from the infrastructure and energy business. DBRS Morningstar also notes that this increase incorporates the termination of the service agreement with KF at end-March 2019 and the related loss of revenues in the second quarter of 2019, (KA reported income from KF of EUR 4.7 million in 1H18 and EUR 1.8 in 1H19). New infrastructure lending continued to be strong in 1H19, reaching EUR 495.6 million, down slightly on the EUR 532.5 million in 1H18, although DBRS Morningstar understands that the margins on new business have improved in 2019. The Bank's new business is more profitable than the legacy public finance business and as a result of the growth in the new business the gross revenue contribution from the public finance business fell to 45.8% in 1H19 from 59% in 1H18 with the new business contributing 54.2% in 1H19. DBRS Morningstar expects this trend to continue as the legacy portfolio is expected to reduce by 40%-50% by 2021 (from the YE16 level), however the legacy portfolio will continue to provide a crucial contribution to KA's earnings generation. The portfolio is of high quality, comprising mainly government and municipal exposures.

Net fee and commission income rose slightly to EUR 10.8 million in 1H19 (1H18: EUR 10.4 million), representing 26.9% of underlying operating income in 1H19 (excluding the result from the placement of financial assets and the net valuation result), down slightly on the 27.3% in 1H18. The Bank's management aims to increase this share substantially by 2021 through origination fees from syndication 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.

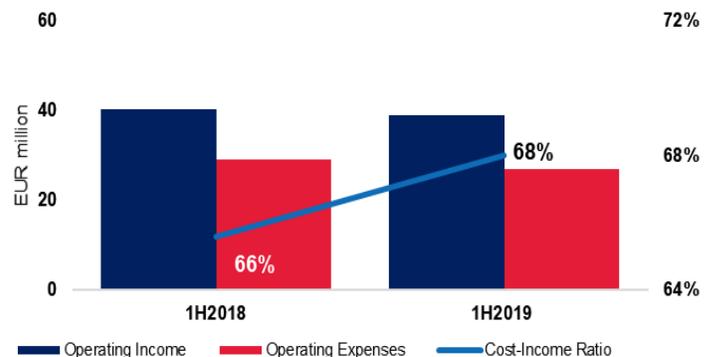
Following a cost efficiency programme implemented in 2017, KA's administrative expenses reduced to EUR 25.0 million during 1H18, and the Bank has continued to manage its expenses well since then. In 1H19 its administrative expenses were EUR 25.3 million, up very slightly on 1H18 (EUR 25 million). The DBRS Morningstar calculated cost-income ratio for 1H19 was 68%, incorporating the lower income from KF, and the net result from asset valuation and realised gains and losses. Excluding this more volatile element of the income statement the adjusted cost-income ratio would have been 64%.

Exhibit 1: Core Revenues Evolution



Source: Company reports

Exhibit 2: KA's Performance



Source: Company reports

## Risk Profile

Grid Grade: Good/Moderate

KA's asset quality continues to benefit from the high-quality public sector legacy portfolio which at 1H19 accounted for 47% of the total EUR 3.1 billion loan portfolio. The vast majority of this portfolio is Austrian, with the remainder being other European Union municipality lending. DBRS Morningstar notes that the Bank's total loan portfolio has high credit concentrations, however these concentrations are substantially mitigated by the high quality of the assets, which mostly relate to provinces or public entities and many additionally benefit from guarantees. Although KA continues to have zero impaired loans as of 1H19, DBRS Morningstar notes the still relatively unseasoned

<sup>1</sup> The earnings section is based on the IFRS results of the Bank

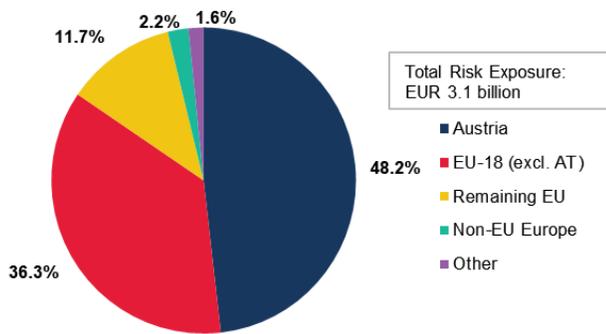
nature of KA’s newly originated loan book and the greater risks during the portfolio build-up phase, as well as the generally benign credit environment.

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 2018 the Bank generated EUR 1.202 billion in new business volume, and syndicated EUR 570 million (or 47%), while in 1H19 KA originated new business volume of EUR 496 million with EUR 111 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 closed an infrastructure debt fund totaling EUR 190 million for a duration of 10 years and a second close of EUR 210 million was completed in 1H19.

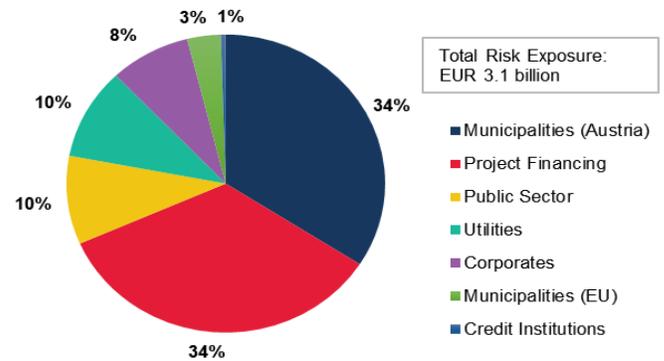
DBRS Morningstar notes that KA continues to manage legacy risks, stemming mainly from its predecessor entity, the former Kommunalkredit. KA remains liable (jointly with KA Finanz AG, the remaining part of former Kommunalkredit) for obligations transferred from the former Kommunalkredit to KA Finanz AG during the demerger. Kommunalkredit does not expect to be held liable for any of these obligations.

**Exhibit 3: Risk Exposure by Region  
June 2019**



Source: Company reports

**Exhibit 4: Risk Exposure by Type of Borrower  
June 2019**



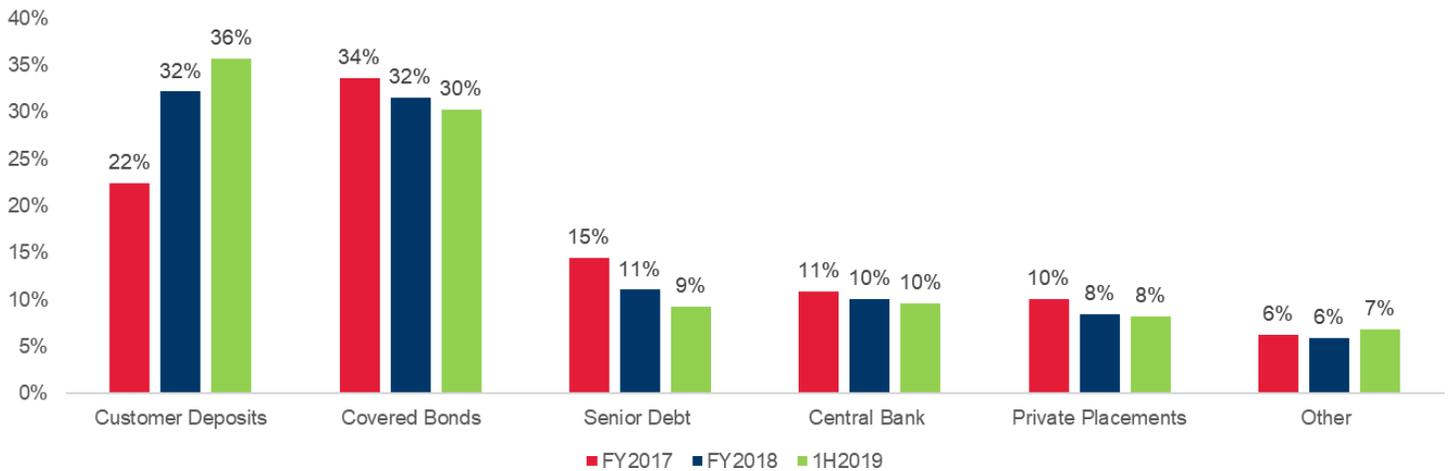
Source: Company reports

## Funding and Liquidity

Grid Grade: Good

KA has a diversified funding base comprising covered bonds, debt issuance and a growing deposit base. Covered bonds remain a significant funding source for KA with these funding the bulk of the legacy loan book. The legacy funding will decline in tandem with the run-off and maturity of the assets they finance. The Bank currently funds its new business through existing liquidity, new deposits, covered bonds, and senior unsecured funding (private placements) raised under the Bank’s Debt Issuance Programme. Customer deposits continue to grow, increasing by 28% over the last year to reach EUR 1.166 billion at 1H19. As of 1H19, customer deposits represent 39% of the Bank’s total funding, up from 30% at YE18. The growth in the deposit base reflects the ability of KA 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 the term of these deposits, and notes that in the retail book one-year term deposits represent 49% of the total retail deposits and three-year deposits represent 25% of the total retail deposits.

Exhibit 5: Funding Mix Evolution



Source: Company Reports

KA has a robust liquidity profile with a free liquidity reserve of EUR 294.6 million at 1H19, including EUR 284.5 million of HQLA (high quality liquid assets), and EUR 272.8 million of cash and balances with central banks. Together these are well in excess of total debt maturities to the end of 2020. At 1H19 the Bank's Liquidity Coverage Ratio (LCR) was very high at 733% and the Net Stable Funding Ratio (NSFR) was also solid at 101.8.0%.

## Capitalisation

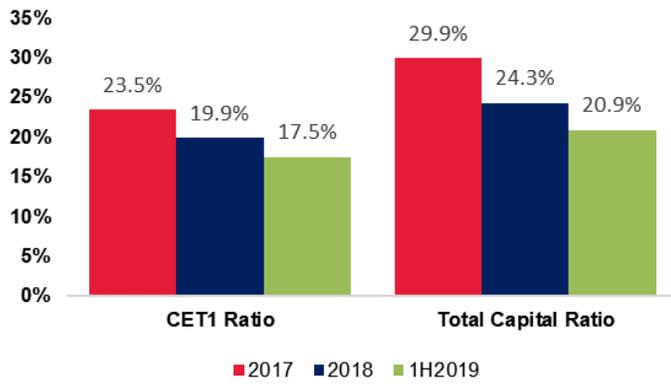
### Grid Grade: Moderate

At the Group level KA reported a Basel III Common Equity Tier 1 (CET1) ratio of 17.2%<sup>2</sup> at 1H19, albeit DBRS Morningstar notes this has reduced from 19.5% at FY18 as the proportion of new business with higher risk weightings continues to increase. KA also reported a leverage ratio of 7.7%<sup>1</sup>. At the Bank level, at 1H19, the capital ratios were slightly higher, with a CET1 ratio of 17.5% (FY18:19.9%) and a total capital ratio of 20.9% (FY18: 24.3%). These capital ratios are well above the Bank's SREP requirements of a minimum CET 1 ratio of 7.46% and a minimum total capital ratio of at least 11.26%.

DBRS Morningstar notes that KA's risk-weighted asset (RWA) density continues to rise as the proportion of new business with higher risk weightings continues to increase, with RWAs amounting to 39% (vs. 27.1% at end-2017) of total IFRS balance sheet assets at 1H19. The relatively low level of nominal IFRS equity (EUR 325.5 million), however, highlights the importance of managing concentration risk and the ability of the Bank to syndicate exposures. KA is targeting to maintain a CET1 ratio exceeding 15% over the long term, as the new business increases and higher risk weightings for future new business impact the capital ratios. Maintaining both strong capital levels and ratios will be important to balance the risks arising from the credit risk concentrations inherent to the business model, the potential cash flow uncertainty of some infrastructure projects at times of market stress, as well as the relative illiquidity of the financed assets. DBRS Morningstar views the Bank's internal capital generation ability as improving. As such DBRS Morningstar notes positively that the FY18 earnings were retained within the Bank, and that in June 2019 a further EUR 20 million of capital was injected into the bank.

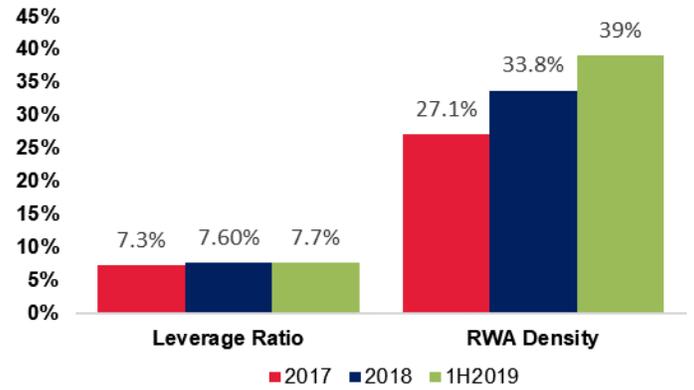
<sup>2</sup> Capital ratios at 1H19 do not include half-year result.

Exhibit 6: Capital Ratios at Bank Level



Source: Company reports

Exhibit 7: Leverage Ratio and RWA Density



Source: Company reports

	Kommunalkredit Austria AG				
EUR Millions	2019H1	2018Y	2017Y	2016Y	2015Y
Balance Sheet	30/06/2019	31/12/2018	31/12/2017	31/12/2016	31/12/2015
Cash and Deposits with Central Banks	273	314	318	310	80
Lending to/Deposits with Credit Institutions	267	219	140	102	241
Financial Securities	NA	63	234	174	182
Financial Derivatives Instruments	227	222	233	337	544
Net Lending to Customers	3,381	3,085	2,675	2,803	3,075
- Gross Lending to Customers	NA	3,087	2,675	2,803	3,076
- Loan Loss Reserves	NA	2	0	0	0
Investment in Associates or Subsidiaries	NA	NA	NA	NA	2
Total Intangible Assets	0	0	0	0	0
Fixed Assets	24	25	26	27	28
Insurance Assets	NA	NA	NA	NA	NA
Other Assets (including DTAs)	11	13	37	37	10
<b>Assets</b>	<b>4,183</b>	<b>3,942</b>	<b>3,663</b>	<b>3,791</b>	<b>4,162</b>
Deposits from Banks	522	496	533	795	464
Deposits from Central Banks	NA	NA	NA	NA	NA
Deposits from Credit Institutions	NA	NA	NA	NA	NA
Deposits from Customers	1,627	1,456	1,038	552	383
Issued Debt Securities	1,363	1,396	1,469	1,779	2,528
Issued Subordinated Debt	69	69	69	70	74
Financial Derivatives Instruments	236	201	245	263	427
Insurance Liabilities	0	0	0	0	0
Other Liabilities	40	29	27	35	30
Equity Attributable to Parent	325	295	283	297	256
Minority Interests	0	0	0	0	0
<b>Liabilities &amp; Equity</b>	<b>4,183</b>	<b>3,942</b>	<b>3,663</b>	<b>3,791</b>	<b>4,162</b>

	Kommunalkredit Austria AG				
EUR Millions	2019H1	2018Y	2017Y	2016Y	2015Y
Income Statement	30/06/2019	31/12/2018	31/12/2017	31/12/2016	31/12/2015
Interest Income	83	173	158	172	58
Interest Expenses	55	121	122	136	48
<b>Net Interest Income</b>	<b>28</b>	<b>53</b>	<b>36</b>	<b>37</b>	<b>9</b>
Net Fees and Commissions	11	18	17	17	5
Results from Financial Operations	-1	12	2	36	2
Equity Method Results	0	0	0	0	0
Net Income from Insurance Operations	0	0	0	0	0
Other Operating Income	2	8	11	8	2
<b>Total Operating Income</b>	<b>40</b>	<b>91</b>	<b>67</b>	<b>97</b>	<b>17</b>
Staff Costs	16	35	36	31	8
Other Operating Costs	10	19	19	18	5
Depreciation/Amortisation	NA	2	2	2	1
<b>Total Operating Expenses</b>	<b>27</b>	<b>56</b>	<b>57</b>	<b>52</b>	<b>13</b>
<b>Income Before Provisions and Taxes (IBPT)</b>	<b>13</b>	<b>36</b>	<b>10</b>	<b>45</b>	<b>4</b>
Loan Loss Provisions	1	1	0	0	0
Securities & Other Financial Assets Impairments	0	0	0	0	0
Other Impairments	0	0	0	2	0
Other Non-Operating Income (Net)	0	-3	-3	-8	0
<b>Income Before Taxes (IBT)</b>	<b>12</b>	<b>33</b>	<b>7</b>	<b>35</b>	<b>4</b>
Tax on Profit	1	18	-11	-14	-2
Discontinued Operations	0	0	0	0	0
Other After-tax Items	0	0	0	0	0
Minority Interest	0	0	0	0	0
<b>Net Attributable Income</b>	<b>11</b>	<b>14</b>	<b>18</b>	<b>49</b>	<b>6</b>

	Kommunalkredit Austria AG				
EUR Millions	2019H1	2018Y	2017Y	2016Y	2015Y
Other Items	30/06/2019	31/12/2018	31/12/2017	31/12/2016	31/12/2015
NPLs	0	0	0	0	0
Assets Under Management	NA	NA	NA	NA	NA
No. of Employees (end-period)	NA	253	284	289	263
Risk-Weighted Assets (RWA)	1,631	1,332	991	688	762
RWA over Total Assets (%)	39.00	33.78	27.06	18.15	18.31

Source: DBRS Morningstar, Copyright © 2019, S&P Global Market Intelligence\*

	Kommunalkredit Austria AG				
	2019H1	2018Y	2017Y	2016Y	2015Y
<b>Earnings Power</b>					
<b>Earnings</b>					
Net Interest Margin (%)	1.39	1.41	0.99	0.93	NA
Yield on Average Earning Assets (%)	4.13	4.62	4.31	4.39	NA
Cost of Interest Bearing Liabilities (%)	2.97	3.46	3.58	3.70	NA
IBPT over Avg Assets (%)	0.62	0.94	0.27	1.14	NA
IBPT over Avg RWAs (%)	1.71	3.08	1.20	6.26	NA
<b>Expenses</b>					
Cost / Income ratio (%)	68.03	60.88	84.99	53.32	77.14
Operating Expenses by Employee	NA	220,138	200,345	179,374	193,993
LLP / IBPT (%)	4.23	1.95	2.98	-0.14	0.20
<b>Profitability Returns</b>					
Return on Avg Equity (ROAE) (%)	7.27	4.95	6.22	17.70	NA
Return on Avg Assets (ROAA) (%)	0.56	0.38	0.48	1.23	NA
Return on Avg RWAs (%)	1.53	1.23	2.15	6.75	NA
Dividend Payout Ratio (%)	NA	NA	NA	NA	NA
Internal Capital Generation (%)	NA	NA	NA	NA	NA
<b>Risk Profile</b>					
Gross NPLs over Gross Loans (%)	0.00	0.00	0.00	0.00	0.00
Net NPLs over Net Loans (%)	0.00	-0.06	-0.02	-0.01	-0.01
NPL Coverage Ratio (%)	NA	NA	NA	NA	NA
Net NPLs over IBPT (%)	0.00	-5.18	-4.46	-0.33	-1.41
Net NPLs over CET1 (%)	0.00	-0.71	-0.20	-0.07	-0.11
Texas Ratio (%)	0.00	0.00	0.00	0.00	0.00
Cost of Risk (%)	0.03	0.03	0.01	0.00	NA
Level 2 Assets/ Total Assets (%)	26.17	25.54	22.89	27.14	30.94
Level 3 Assets/ Total Assets (%)	11.90	9.45	0.00	0.00	0.22
<b>Funding and Liquidity</b>					
Bank Deposits over Funding (%)	14.59	14.50	17.14	24.87	13.45
- Interbank over Funding (%)	NA	NA	NA	NA	NA
- Central Bank over Funding (%)	NA	NA	NA	NA	NA
Customer Deposits over Funding (%)	45.43	42.62	33.39	17.27	11.11
Wholesale Funding over Funding (%)	39.98	42.88	49.46	57.85	75.44
- Debt Securities over Funding (%)	38.06	40.85	47.25	55.67	73.30
- Subordinated Debt over Funding (%)	1.92	2.02	2.22	2.19	2.14
Liquid Assets over Assets (%)	12.90	15.12	18.91	15.47	12.08
Non-Deposit Funding Ratio (%)	57.82	60.06	69.29	84.20	90.19
Net Loan to Deposit Ratio (%)	122.02	211.84	257.70	507.76	802.97
LCR (Phased-in) (%)	733.00	453.70	449.90	719.10	NA
NSFR (%)	101.80	104.70	101.50	83.90	NA
<b>Capitalisation</b>					
CET1 Ratio (Phased-In) (%)	17.16	19.47	22.77	32.87	25.41
CET1 Ratio (Fully-Loaded) (%)	17.16	19.47	22.77	32.87	25.41
Tier 1 Capital Ratio (Phased-In) (%)	17.16	19.47	22.77	32.87	25.41
Total Capital Ratio (Phased-In) (%)	20.58	23.85	29.24	42.30	33.94
Tang. Equity / Tang. Assets (%)	7.78	7.47	7.72	7.82	6.15
Leverage Ratio (DBRS) (%)	7.09	6.93	6.60	6.41	5.19
<b>Growth</b>					
Net Attributable Income YoY (%)	120.2	-20.7	-63.2	782.6	NA
Net Fees and Commissions YoY (%)	33.4	7.0	2.8	262.4	NA
Total Operating Expenses YoY (%)	-7.7	-2.1	9.8	286.3	NA
IBPT YoY (%)	-42.1	256.0	-77.9	1,040.9	NA
Assets YoY (%)	6.1	7.6	-3.4	-8.9	NA
Gross Lending to Customers YoY (%)	NA	15.4	-4.6	-8.8	NA
Net Lending to Customers YoY (%)	-71.3	15.3	-4.6	-8.8	NA
Loan Loss Provisions YoY (%)	-28.6	133.0	NA	NA	NA
Deposits from Customers YoY (%)	23.4	40.3	88.0	44.1	NA

Source: DBRS Morningstar, Copyright © 2019, S&amp;P Global Market Intelligence\*

## Rating Methodology(ies)

The applicable methodology is the Global Methodology for Rating Banks and Banking Organisations (June 2019), which can be found on our website under Methodologies.

## Ratings

Issuer	Obligation	Rating Action	Rating	Trend
Kommunalkredit Austria AG	Long-Term Issuer Rating	Trend Change	BBB (low)	Positive
Kommunalkredit Austria AG	Short-Term Issuer Rating	Trend Change	R-2 (middle)	Positive
Kommunalkredit Austria AG	Long-Term Senior Debt	Trend Change	BBB (low)	Positive
Kommunalkredit Austria AG	Short-Term Debt	Trend Change	R-2 (middle)	Positive
Kommunalkredit Austria AG	Short-Term Deposits	Trend Change	R-2 (middle)	Positive
Kommunalkredit Austria AG	Long-Term Deposits	Trend Change	BBB (low)	Positive

## Ratings History

Issuer	Obligation	Current	2018	2017
Kommunalkredit Austria AG	Long-Term Issuer Rating	BBB (low)	BBB (low)	BBB (low)
Kommunalkredit Austria AG	Short-Term Issuer Rating	R-2 (middle)	R-2 (middle)	R-2 (middle)
Kommunalkredit Austria AG	Long-Term Senior Debt	BBB (low)	BBB (low)	BBB (low)
Kommunalkredit Austria AG	Short-Term Debt	R-2 (middle)	R-2 (middle)	R-2 (middle)
Kommunalkredit Austria AG	Short-Term Deposits	R-2 (middle)	R-2 (middle)	R-2 (middle)
Kommunalkredit Austria AG	Long-Term Deposits	BBB (low)	BBB (low)	BBB (low)

## Previous Action(s)

- [DBRS Confirms Kommunalkredit Austria AG at BBB \(low\), Trend Revised to Positive](#), October 3, 2019.
- [DBRS Confirms Kommunalkredit Austria AG at BBB \(low\), Trend Revised to Stable](#), October 8, 2018
- [DBRS Confirms Kommunalkredit Austria AG at BBB \(low\), with Negative Trend](#), October 10, 2017
- [DBRS Confirms Kommunalkredit Austria AG at BBB \(low\), Trend Changed to Negative](#), October 11, 2016

## Related Research

- [DBRS: Overheating in German Commercial Real Estate– Risks Manageable for Banks](#), September 23, 2019
- [DBRS Confirms Republic of Austria at AAA, Stable Trend](#), August 16, 2019.

## Previous Report

- [Kommunalkredit Austria AG: Rating Report](#), October 2018.
- [Kommunalkredit Austria AG: Rating Report](#), November 07, 2017.
- [Kommunalkredit Austria AG](#), October 17, 2016.

## European Bank Ratios & Definitions

- [DBRS European Bank Ratios & Definitions](#), June 11, 2019.

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