

Oberbank AG

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Issuer Credit Rating

A/Stable/A-1

Resolution Counterparty Rating

A+/-/A-1

SACP: a-

Support: +1

Additional factors: 0

Anchor	a-	
Business position	Adequate	0
Capital and earnings	Strong	+1
Risk position	Moderate	-1
Funding	Adequate	0
Liquidity	Adequate	
CRA adjustment		0

ALAC support	+1
GRE support	0
Group support	0
Sovereign support	0

Issuer credit rating
A/Stable/A-1
Resolution counterparty rating
A+/A-1

ALAC--Additional loss-absorbing capacity. CRA--Comparable ratings analysis. GRE--Government-related entity. ICR--Issuer credit rating. SACP--Stand-alone credit profile.

Credit Highlights

Overview

Key strengths

Strong and stable corporate and retail franchise in Upper Austria and Salzburg.

Sound cost efficiency.

Strong capitalization and solid additional loss-absorbing capacity (ALAC).

Key risks

Regional concentration in corporate business as well as material exposure to commercial real estate (CRE).

Concentration risks from sizable corporate equity investments in Upper Austria.

Oberbank runs a strong regional franchise in small and midsize enterprises (SMEs) and corporate banking. As Austria's seventh largest bank, Oberbank balances a lean organizational structure with a relatively small but sufficient scale, consistently ranking among the top performing banks in the country. The bank has shown business resilience in 2024, despite an estimated increase in nonperforming loans (NPLs) to 3.6%, above the system average. This reflects the bank's focus on corporate lending, particularly to companies connected to the CRE sector. However, Oberbank has effectively absorbed the increased risk costs thanks to its robust revenues.

Strong 2024 profitability is unlikely to be sustainable, but relative strength among peers should persist. In the first nine months of 2024, the bank reported a 10.5% return on equity and a 40.3% cost-to-income ratio, reflecting continued strong net interest income. However, we do not expect this level to be sustainable and anticipate a slight deterioration in 2025 as interest margins continue to tighten. At the same time, we expect that in relative terms, Oberbank will remain among the stronger performing Austrian banks.

We anticipate Oberbank's solid returns will sufficiently buffer rising risk costs in cyclical downturns. We forecast our main measure for capital, the risk-adjusted-capital (RAC) ratio, will reach 13.5%-14.5% by 2026, which indicates strong capitalization. In our view, Oberbank's robust revenue generation capacity together with prudent risk management mitigate risks stemming from its exposure to CRE markets, as well as tail risks in its corporate portfolio in a moderate downturn scenario. We do not expect further asset quality deterioration in 2025. We expect cost of risk to remain around 30 basis points (bps) and gross nonperforming loans to trend near 3.5% of total loans over 2025-2026.

The legal dispute with UniCredit group has ended after years of uncertainty. We understand that there are no tail risks to the bank arising from the recent legal dispute with the UniCredit Group (UniCredit Bank Austria AG holds a 27.17% stake in Oberbank AG). According to court rulings, UniCredit's central accusations against the existing ring-holding of the three banks--Oberbank AG, BKS Bank AG (BKS), and Bank für Tirol und Vorarlberg AG (BTV)--were deemed unjustified. We understand that the matter is now settled with no implications for Oberbank.

Outlook

The stable outlook reflects our expectation that Oberbank AG will maintain its competitive advantage and internal capital generation, and that expansion in foreign markets will remain contained and will not weaken the bank's risk profile or capital. Furthermore, we expect that losses related to the bank's material CRE exposure will remain contained and would not deplete its strong capital buffer.

The outlook also reflects our view that management will be able to uphold the buffer of ALAC-eligible instruments above 2% of our risk-weighted assets (RWAs), and that the resolution scenario for Oberbank would likely be bail-in-led, as we anticipate for the larger, more systemically important banks in Austria.

Downside scenario

We would downgrade Oberbank if its capital buffer deteriorates, with our RAC ratio falling below 10% because of material unexpected risk costs or aggressive expansion into regions with higher economic risks than Austria, or tail risk in its equity holdings that could harm its risk profile or materially increase its capital consumption, for example. We would also lower the rating if we expected the bank's ALAC buffer to drop below our 2% threshold.

Upside scenario

We consider an upgrade to be remote. We think Oberbank's strengths are unlikely to compensate for its regional concentrations in revenue and risks to the extent that we would consider raising the rating.

Key Metrics

Oberbank AG--Key ratios and forecasts					
	--Fiscal year ended Dec. 31--				
(%)	2022a	2023a	2024f	2025f	2026f
Growth in operating revenue	4.1	41.6	(1.3)-(1.6)	(2.0)-(2.5)	0.3-0.4
Growth in customer loans	4.2	4.9	2.7-3.3	2.7-3.3	2.7-3.3
Growth in total assets	(2.7)	3.9	1.8-2.2	1.8-2.2	1.8-2.2
Net interest income/average earning assets (NIM)	1.8	2.6	2.5-2.7	2.3-2.6	2.3-2.5
Cost-to-income ratio	48.8	39.7	41.6-43.8	43.9-46.1	45.0-47.3
Return on average common equity	7.2	10.5	9.0-9.9	7.8-8.7	7.3-8.0
Return on assets	0.9	1.4	1.2-1.5	1.1-1.3	1.0-1.3
New loan loss provisions/average customer loans	0.2	0.4	0.3-0.3	0.3-0.3	0.3-0.3
Gross nonperforming assets/customer loans	2.4	3.5	3.4-3.7	3.3-3.6	3.2-3.5
Risk-adjusted capital ratio	12.3	12.4	13.0-13.6	13.7-14.4	14.2-14.9

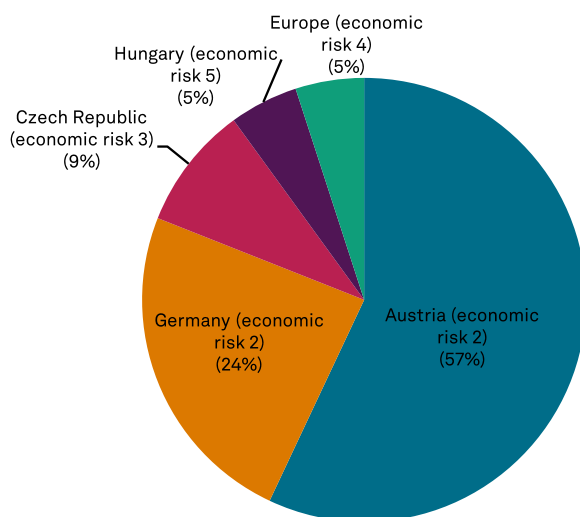
All figures include S&P Global Ratings' adjustments. a--Actual. f--Forecast. NIM--Net interest margin.

Anchor: 'a-' For Banks Mainly Operating In Austria

The 'a-' anchor draws on our economic risk assessment for the countries in which Oberbank operates and industry risk assessment for Austria. The geographical distribution of its corporate and retail exposures results in a weighted-average economic risk score slightly above the '2' that we use for peers with a sole domestic focus but not to the extent that it negatively affects the anchor. The industry risk score of '3' for Oberbank is based solely on its home market of Austria.

Chart 1**International footprint adds to geographical diversification with most of exposure being in low risk countries**

Breakdown by retail and corporate exposures, as of Sept. 30, 2024



Source: S&P Global Ratings.

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Business Position: Strong Franchise And Sound Cost Efficiency Balance Concentration Risks Due To Its Regional Corporate Focus

With close to €28 billion in total assets, Oberbank is a midsize universal bank with a strong regional focus. Oberbank is part of the 3 Banken Group, partnering with two other Austrian regional banks, BKS and BTV. Membership allows the banks to cut costs through information technology (IT) synergies, mitigate risks by sharing single-name concentrations, and stabilize ownership structure by cross-shareholdings.

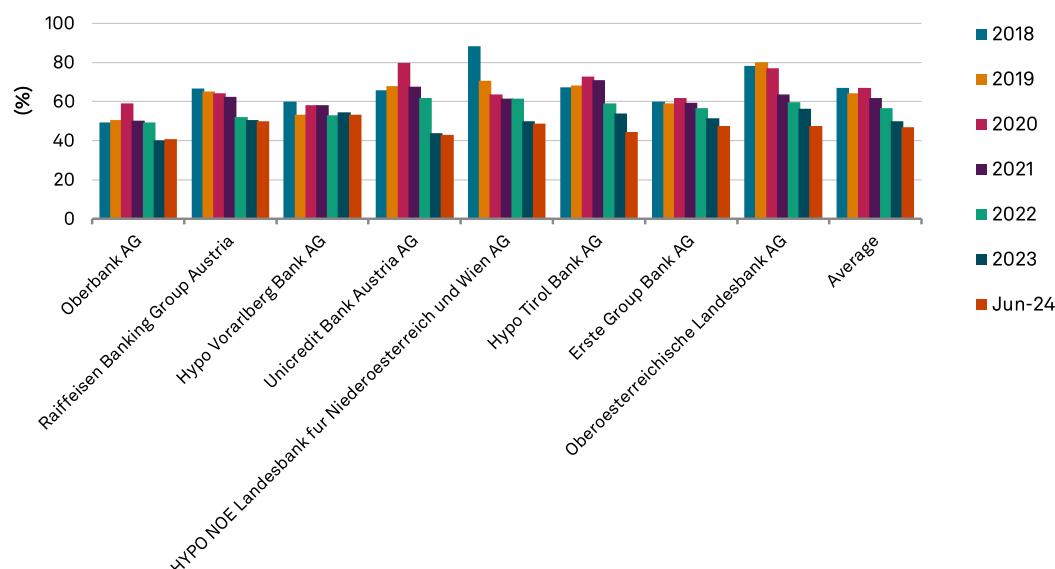
Concentrations make Oberbank more vulnerable to adverse economic developments than more diversified peers. We consider Oberbank's geographical and business diversity as weaker than that of larger domestic peers, such as Erste Bank Group, as well as other major European banks with similar industry risk profiles in the Nordics, Belgium, or the Netherlands. The bank relies heavily on the corporate sector in Upper Austria and Salzburg for revenue, making it vulnerable to adverse local economic developments and volatility in the valuations of its equity stakes in local corporations. Although Oberbank has an established presence in Germany, Czechia, and Hungary, domestic activities generate most of its annual pre-tax profit, primarily from corporate banking. Oberbank plays only a niche role in foreign markets, where we consider its customer relationships tend to be more price-sensitive and less stable than in

its home market. We expect the bank's profits from Germany should grow over time in line with the expansion. However, revenue concentration in Austria will likely remain integral to its business model in the medium term.

Due to lean structures and focus on corporate lending, we expect Oberbank to maintain its competitive advantage in terms of efficiency. While Oberbank's efficiency and profitability remain stronger than the domestic peer average, its ratios can be very volatile due to the sensitivity of equity investment contributions, particularly from steel producer Voestalpine AG. We note, however, that even after deducting returns from equity participations, the relativity of Oberbank's core banking efficiency to peers remains unchanged.

Chart 2

Oberbank consistently outperforms domestic peers in efficiency



Data as of June 30, 2024. Source: S&P Global Ratings.

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We believe Oberbank's corporate and SME-focused business model implies less risk of technological disruption compared with retail-focused peers in the medium term. We expect disruption risk will extend to corporate banking over the coming years, however its impact is likely to be materially lower than in mass retail banking. We believe Oberbank is agile enough to manage this risk, but it is unlikely to emerge as a leader in digital innovations. Instead, it will likely follow a more resource-preserving second-mover approach.

Oberbank's growth could place it under European Central Bank (ECB) supervision over the medium term. If Oberbank's total assets reach €30 billion (from €28 billion currently), its supervision will transfer to the ECB from the Austrian regulator. The ECB reviews the significance status of banks annually and can decide at any time to classify a bank as significant. We understand that Oberbank's management has prepared for this scenario under its "Fit for ECB" program. We do not expect the transition to be a material challenge. However, we will monitor whether and when the change in supervision occurs and its potential implications for the bank.

Capital And Earnings: Strong Capitalization Remains A Key Rating Strength

We expect that Oberbank's RAC ratio will reach 13.3%-13.9% by 2026, from 12.4% at year-end 2023. Our assessment of capital and earnings is driven primarily by our projection of S&P Global Ratings-adjusted RAC. It is based on the expectation of stable earnings generation and a modest payout policy. This counterbalances risks stemming from the bank's large equity holdings and sensitivities due to concentration in local corporates and real estate.

The bank's regulatory risk-weighted common equity tier 1 ratio of 18.2% on Sept. 30, 2024 was comfortably above regulatory capital requirements.

The discrepancy between Oberbank's and S&P Global Ratings' adjusted RAC is primarily because we apply higher risk weights for the material equity participations in Oberbank's banking book.

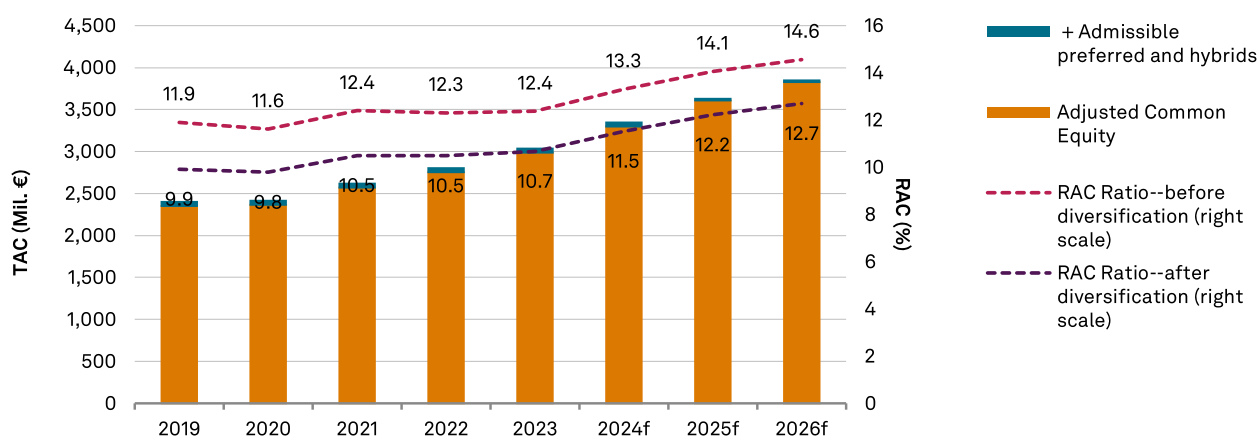
Our RAC forecast for the next two years incorporates the following assumptions:

- Stable credit growth of around 3% per year over 2025-2026;
- A decrease in the net interest margin toward 2.4%;
- Annual growth in operating expenses of about 3%;
- Cost of risk of about 30 bps, following the prolonged recession in Austria and a downturn in the CRE market;
- Declining net profit, but remaining solid above €300 million; and
- Ongoing moderate dividend payouts of around 20% of annual net income.

Chart 3

Capitalization on the growth trend backed by strong earnings generation capacity and only moderate payouts

S&P Global risk adjusted capital ratios



TAC--Total adjusted capital. RAC--Risk-adjusted capital. Source: S&P Global Ratings.

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Oberbank's financial results could be affected by its sizable equity investments in its sister banks and Voestalpine AG.

The capital calculation remains particularly sensitive to market risk resulting from fluctuations in the stock price of Voestalpine AG, Oberbank's largest equity participation. At the same time, we fully deduct the book value of BTV and BKS equity stakes from our total adjusted capital (TAC), limiting the risk that earnings from BTV and BKS could obscure our RAC ratio projections. We think that tail risks related to financial investments are sufficiently buffered by capital, which remains comfortably above our weaker capital assessment threshold (generally indicated by the RAC falling below 10%), solid earnings, and good quality capital. TAC almost fully consists of high-quality capital. Hybrid capital instruments represent only 2% of TAC and refer to two additional tier 1 issuances amounting to €50 million.

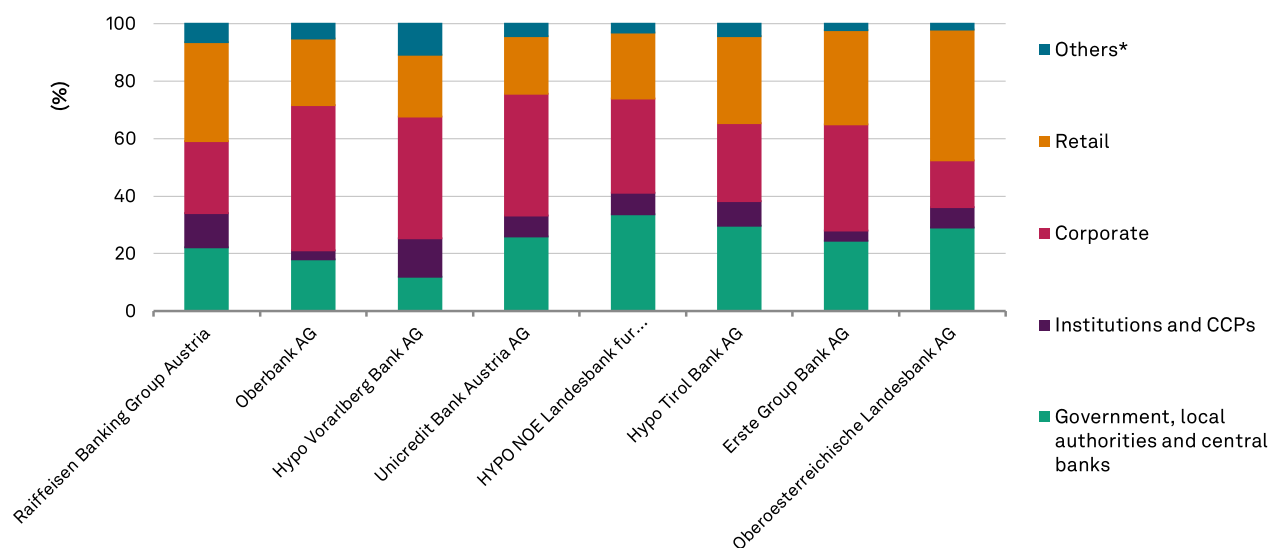
Risk Position: We Expect Prudent Management To Mitigate Risks From Regional Corporate Concentrations And CRE Exposures

We believe Oberbank's high regional corporate equity participations make its risk profile more susceptible to adverse economic developments compared to more diversified, retail-oriented peers. In our RAC framework, we capture the bank's corporate equity investments by assigning capital charges that are materially higher than those for its corporate credit risk exposure. However, we believe that our capital framework may not fully cover the tail risk in this case.

Chart 4

Oberbank's has a stronger focus on corporate customer than its peers

Credit risk exposure by segment of selected Austrian peers



*Others includes securitization and other assets. Exposure refers to exposure at default. The selected peer group only includes rated Austrian banks which are focused predominantly on the Austrian market. Data as of Dec. 31, 2023. Source: S&P Global Ratings.

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More generally, focus on corporate lending results in higher single-name and industry risks compared to peers, as highlighted by the significant rise in gross NPLs over the past two years. This increase is more meaningful than for most peers, underscoring the bank's higher sensitivity to cyclical downturns. We expect the ratio to trend at about 3.5% over 2025-2026, higher than our forecast for the Austrian banking system.

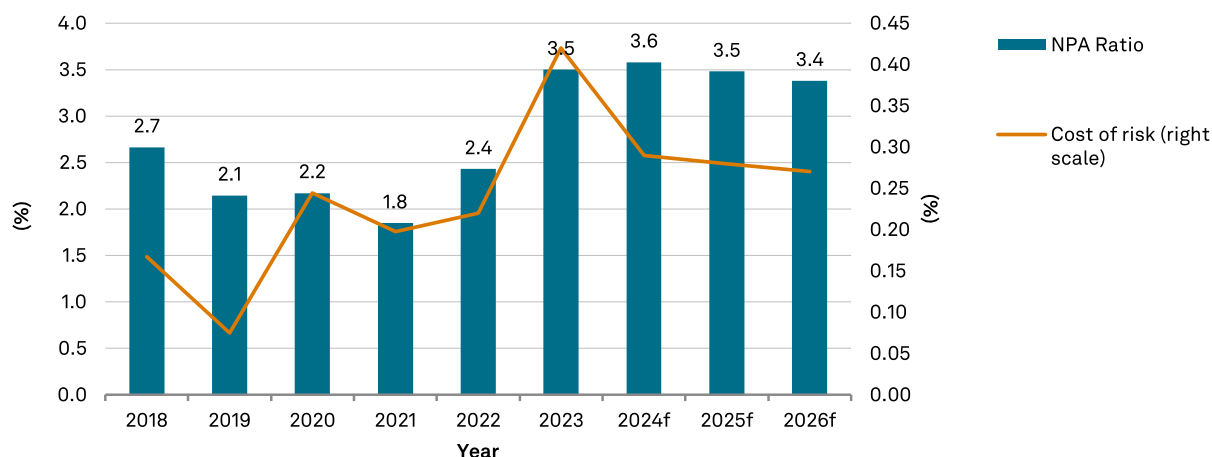
Ongoing pressure in the CRE sector has contributed to the increase in NPLs at Oberbank in 2023 and 2024. We estimate the bank's exposure to corporates in CRE industries to be significant, accounting for about 20% of the total loan portfolio. However, we estimate that high-risk construction exposure to be below 10% of the total loan portfolio. Given Austria's expected economic growth and the bank's continued work-out efforts for watch list loans and NPLs, we expect credit quality deterioration to stop in 2025.

We assess Oberbank's overall risk strategy as prudent and believe it somewhat mitigates concentrations risks. This is evident, for example, in the bank's generally low exposure to complex or high-risk structured products and its marginal amounts of foreign-currency lending. The bank focuses on corporate lending, resulting in larger single tickets than retail-oriented peers, but we consider these risks to be well managed. Beyond some concentration in CRE, Oberbank's portfolio is well diversified across sectors. The bank partly hedges credit risk through a jointly owned company (Alpenländische Garantie GmbH), which provides guarantees to each member of the 3 Banken Group. We also acknowledge Oberbank's generally sound underwriting and provisioning standards, which we believe will mitigate further downside risks.

Chart 5

Asset quality deterioration will likely stop as economy picks up

NPA ratio and cost of risk between 2011 and 2026f



Cost of risk defined as new loan loss provisions as % of average customer loans. NPA ratio defined as gross nonperforming assets as % of customer loans + other real estate owned. e--Estimate. f--Forecast. Source: S&P Global Ratings. Copyright © 2025 by Standard & Poor's Financial Services LLC. All rights reserved.

Funding And Liquidity: Stability Through Proximity To Local Customers

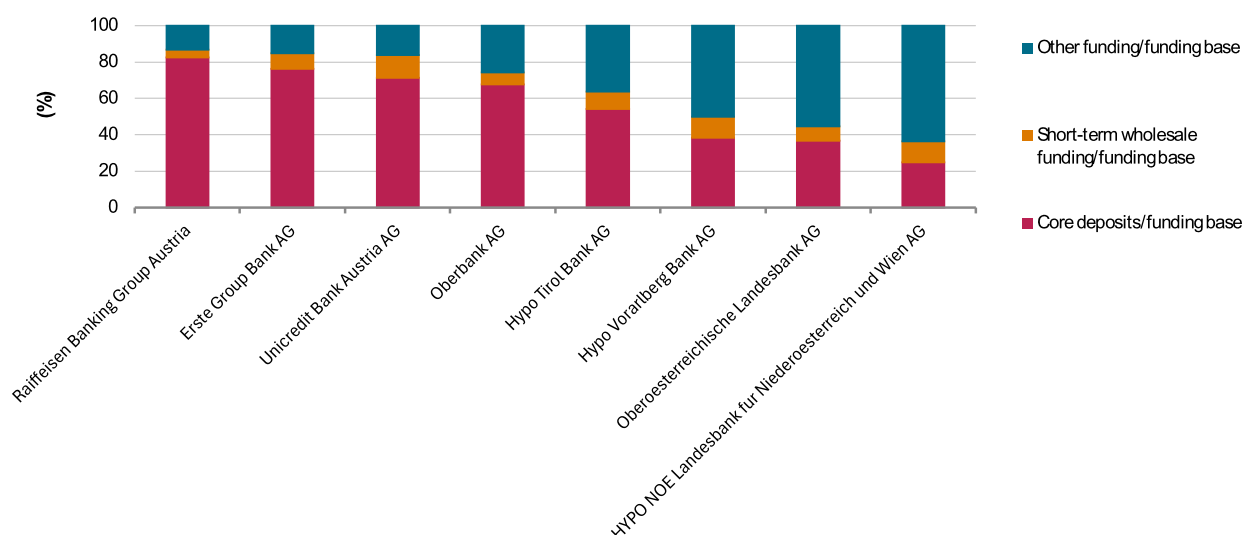
We anticipate that Oberbank's funding will remain in line with that of Austrian peers, and liquidity will remain a neutral factor for the rating. We think the bank is well placed to withstand an extended period of market or idiosyncratic stress. Our view is based on the bank's strong regional franchise and its proximity to local customers with long-standing relationships, that continue to provide it with a stable deposit base, even in times of stress. In our view, the funding franchise's strength mitigates weaknesses in the funding structure, including single-name concentrations and the large share of nonguaranteed and overnight deposits, given that it is funded predominantly by corporates. The share of on-demand deposits was high at 88% as of end-2023, which is a structural weakness in the bank's funding.

Funding profile is broadly in line with the domestic peer average. Core customer deposits account for about 68% of the funding base, a weaker ratio than domestic peers with a greater retail focus, such as Raiffeisen or Erste Group. However, this ratio is in line with the broader Austrian market. The remainder of the funding mix consists of interbank funding and capital market funding via secured and unsecured instruments, with a strong focus on Austria and Germany. Short-term wholesale funding was low at 6% as of Sept. 30, 2024. Oberbank's stable funding ratio was 105% on Sept. 30, 2024, similar to local peers. We expect some shifts in the funding structure for Oberbank over the coming year, as the bank comes under the ECB's supervision due to its expansion. We understand that the ECB scrutinizes Austrian banks' high share of liabilities placed with the retail customers, that are eligible to fulfill the MREL requirements (minimum requirement for own funds and eligible liabilities). As such, the change in regulatory authority may initiate a shift away from retail MREL, which we view as positive for the resolution scenario. As the same time, however, this shift is likely to increase funding costs.

Chart 6

High share of daily due corporate deposits

Funding mix, % of total funding base



Data as of Dec. 31, 2023. Source: S&P Global Ratings.

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As of Sept. 30, 2024, Oberbank's broad liquid assets covered short-term wholesale funding needs by 2.5x, which we view as adequate liquidity coverage to buffer the comparably high level of overnight deposits.

Support: One Notch Of Uplift Due To Material Subordinated Buffer In A Bail-In Resolution

Oberbank is set for a bail-in resolution and maintains a material buffer of bail-in-able subordinated issues, which gives some protection to investors in senior unsecured instruments. Despite Oberbank's modest size, as well as its corporate focus, we believe it has moderate systemic importance in Austria. If the bank failed, it would be subject to a bail-in-led resolution. We base our assessment on Oberbank's strong regional franchise, with large regional market shares and strong interconnections with the economy in Upper Austria.

We see the bank operating effectively under a well-defined bail-in resolution framework, under which authorities would permit nonviable systemically important banks to continue critical functions as going concerns following a bail-in of eligible liabilities.

We include one notch of support above Oberbank's 'a-' stand-alone credit profile assessment because we expect the bank will maintain a meaningful ALAC buffer, which we believe has the capacity to absorb losses in a resolution

scenario without triggering a default on senior obligations.

We project that Oberbank's ALAC over S&P Global Ratings' RWAs will decrease to about 2.8% through 2026, from 3.3% at year-end 2023. However, in our view, this remains a solid level to protect senior unsecured creditors in a resolution scenario.

We compare Oberbank's ALAC buffers against a reduced threshold of 200 bps for one notch of uplift. We lower the standard threshold of 300 bps for banks with investment-grade anchors by 100 bps to compensate for Oberbank's sizable equity investments, which we expect will not be recapitalized in a resolution.

Environmental, Social, And Governance

We believe that environmental, social, and governance factors for Oberbank are broadly in line with its industry and domestic peers and remain neutral for our rating analyses. The largest environmental risk, in our opinion, stems from the bank's 8% participation in Voestalpine AG. The steel producer is among the largest greenhouse gas emitters in Austria, accounting for a significant amount of domestic carbon dioxide (CO₂) emissions. This makes the bank sensitive to future political developments--for instance in CO₂ pricing.

In our opinion, Oberbank's governance standards are prudent and in line with peers. Following legal action by UniCredit AG--to verify the correctness of Oberbank's past capital increases and seek clarification on the application of proper governance standards within the 3 Banken Group--the Austrian Supreme Court not only rejected UniCredit's appeal on formal grounds but also ruled in favor of the three banks on all 22 lawsuits related to structure and capitalization.

Key Statistics

Table 1

Oberbank AG--Key figures				
	--Year-ended Dec. 31--			
(Mil. €)	2024*	2023	2022	2021
Adjusted assets	27,969.4	27,830.2	26,794.4	27,536.4
Customer loans (gross)	20,649.9	20,392.3	19,433.0	18,643.6
Adjusted common equity	3,274.5	2,989.4	2,753.0	2,569.7
Operating revenues	728.9	930.5	657.1	631.2
Noninterest expenses	294.0	369.3	320.3	313.6
Core earnings	309.8	382.6	243.3	234.6

*Data as of Sept. 30.

Table 2

Oberbank AG--Business position				
	--Year-ended Dec. 31--			
(%)	2024*	2023	2022	2021
Total revenues from business line (currency in millions)	728.9	930.5	657.1	631.2

Table 2

Oberbank AG--Business position (cont.)				
	--Year-ended Dec. 31--			
(%)	2024*	2023	2022	2021
Commercial banking/total revenues from business line	63.4	65.4	69.9	60.0
Retail banking/total revenues from business line	33.6	33.0	28.2	24.8
Commercial and retail banking/total revenues from business line	97.0	98.4	98.1	84.9
Trading and sales income/total revenues from business line	2.5	2.3	3.8	18.4
Other revenues/total revenues from business line	0.4	(0.7)	(1.9)	(3.2)
Investment banking/total revenues from business line	2.5	2.3	3.8	18.4
Return on average common equity	10.6	10.5	7.2	7.5

*Data as of Sept. 30.

Table 3

Oberbank AG--Capital and earnings				
	--Year-ended Dec. 31--			
(%)	2024*	2023	2022	2021
Tier 1 capital ratio	18.2	18.9	18.3	18.7
S&P Global Ratings' RAC ratio before diversification	N/A	12.4	12.3	12.4
S&P Global Ratings' RAC ratio after diversification	N/A	10.7	10.5	10.5
Adjusted common equity/total adjusted capital	98.5	98.4	98.2	98.1
Net interest income/operating revenues	67.4	64.1	61.8	54.8
Fee income/operating revenues	20.9	21.1	31.5	30.4
Market-sensitive income/operating revenues	2.8	1.7	(4.5)	1.9
Cost to income ratio	40.3	39.7	48.8	49.7
Preprovision operating income/average assets	2.1	2.1	1.2	1.2
Core earnings/average managed assets	1.5	1.4	0.9	0.9

*Data as of Sept. 30. RAC--Risk-adjusted capital. N/A--Not applicable.

Table 4

Oberbank AG--Risk-adjusted capital framework data					
	Exposure*	Basel III RWA	Average Basel III RW(%)	Standard & Poor's Global Ratings' RWA	Average Standard & Poor's Global Ratings' RW (%)
Credit risk					
Government and central banks	5,05,28,64,481	6,76,90,287	1	14,80,06,075	3
Of which regional governments and local authorities	21,67,15,470	7,38,159	0	1,81,79,010	8
Institutions and CCPs	86,57,77,331	18,03,60,715	21	18,53,13,085	21
Corporate	14,22,50,95,009	10,77,16,07,610	76	10,66,34,29,768	75
Retail	6,47,61,01,741	2,64,97,13,188	41	2,44,82,42,141	38
Of which mortgage	4,04,37,52,050	1,35,14,71,228	33	1,00,92,45,389	25
Securitization§	0	0	0	0	0
Other assets†	1,47,23,68,482	92,06,23,065	63	1,45,93,59,418	99

Table 4

Oberbank AG--Risk-adjusted capital framework data (cont.)					
Total credit risk	28,09,22,07,044	14,58,99,94,866	52	14,90,43,50,486	53
Credit valuation adjustment					
Total credit valuation adjustment	'--	1,31,46,513	'--	0	'--
Market risk					
Equity in the banking book	95,38,91,471	2,14,50,52,367	225	7,74,28,45,884	812
Trading book market risk	'--	50,41,827	'--	75,62,741	'--
Total market risk	'--	2,15,00,94,194	'--	7,75,04,08,625	'--
Operational risk					
Total operational risk	'--	1,42,81,87,298	'--	1,91,95,06,013	'--
	Exposure	Basel III RWA	Average Basel II RW (%)	S&P Global Ratings' RWA	% of S&P Global Ratings' RWA
Diversification adjustments					
RWA before diversification	'--	18,18,14,22,871	'--	24,57,42,65,124	100
Total diversification/ Concentration adjustments	'--	'--	'--	3,87,75,00,993	16
RWA after diversification	'--	18,18,14,22,871	'--	28,45,17,66,117	116
		Tier 1 capital	Tier 1 ratio (%)	Total adjusted capital	S&P Global Ratings' RAC ratio (%)
Capital ratio					
Capital ratio before adjustments		3,43,32,89,000	18.9	3,03,94,31,000	12.4
Capital ratio after adjustments†		3,43,32,89,000	18.9	3,03,94,31,000	10.7

*Exposure at default. §Securitization exposure includes the securitization tranches deducted from capital in the regulatory framework. †Exposure and S&P Global Ratings' risk-weighted assets for equity in the banking book include minority equity holdings in financial institutions.

‡Adjustments to Tier 1 ratio are additional regulatory requirements (e.g. transitional floor or Pillar 2 add-ons). RWA--Risk-weighted assets. RW--Risk weight. RAC--Risk-adjusted capital. Sources: Company data as of Dec. 31, 2023, S&P Global Ratings.

Table 5

Oberbank AG--Risk position					
	--Year-ended Dec. 31--				
(%)	2024*	2023	2022	2021	
Growth in customer loans	1.7	4.9	4.2	6.7	
Total diversification adjustment/S&P Global Ratings' RWA before diversification	N/A	15.8	17.3	18.0	
Total managed assets/adjusted common equity (x)	8.5	9.3	9.7	10.7	
New loan loss provisions/average customer loans	0.3	0.4	0.2	0.2	
Net charge-offs/average customer loans	(0.0)	0.0	(0.0)	(0.0)	
Gross nonperforming assets/customer loans + other real estate owned	3.4	3.5	2.4	1.8	
Loan loss reserves/gross nonperforming assets	N/A	44.7	51.1	62.9	

*Data as of Sept. 30. N/A--Not applicable. RWA--Risk-weighted assets.

Table 6

Oberbank AG--Funding and liquidity				
	--Year-ended Dec. 31--			
(%)	2024*	2023	2022	2021
Core deposits/funding base	67.6	67.6	66.8	62.8
Customer loans (net)/customer deposits	131.6	127.4	127.4	125.1
Long-term funding ratio	94.6	94.3	95.1	95.6
Stable funding ratio	105.4	108.1	113.6	121.9
Short-term wholesale funding/funding base	6.4	6.7	5.7	5.0
Regulatory net stable funding ratio	127.9	131.1	132.3	137.6
Broad liquid assets/short-term wholesale funding (x)	2.5	2.8	4.1	5.7
Broad liquid assets/total assets	13.4	15.8	19.3	24.2
Broad liquid assets/customer deposits	23.8	27.9	34.4	45.3
Net broad liquid assets/short-term customer deposits	14.8	18.6	26.8	39.1
Regulatory liquidity coverage ratio (LCR) (%)	178.6	193.6	179.8	203.5
Short-term wholesale funding/total wholesale funding	19.6	20.4	16.9	13.3
Narrow liquid assets/3-month wholesale funding (x)	4.1	4.6	5.1	5.8

*Data as of Sept. 30.

Oberbank AG--Rating component scores	
Issuer credit rating	A/Stable/A-1
SACP	a-
Anchor	a-
Economic risk	2
Industry risk	3
Business position	Adequate
Capital and earnings	Strong
Risk position	Moderate
Funding	Adequate
Liquidity	Adequate
Comparable ratings analysis	0
Support	+1
ALAC support	+1
GRE support	0
Group support	0
Sovereign support	0
Additional factors	0

ALAC--Additional loss-absorbing capacity. GRE--Government-related entity. SACP--Stand-alone credit profile.

Related Criteria

- General Criteria: Hybrid Capital: Methodology And Assumptions, Feb. 10, 2025
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology, April 30, 2024

- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology, Dec. 9, 2021
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Dec. 9, 2021
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology, July 1, 2019
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology, July 20, 2017
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Related Research

- Credit Conditions Europe Q1 2024: Adapting To New Realities, Nov. 28, 2023
- Banking Industry Country Risk Assessment: Austria, Aug. 1, 2023

Ratings Detail (As Of March 7, 2025)*

Oberbank AG

Issuer Credit Rating	A/Stable/A-1
Resolution Counterparty Rating	A+/-/A-1
Senior Secured	AAA/Stable
Senior Subordinated	BBB+
Senior Unsecured	A

Issuer Credit Ratings History

24-Feb-2023	A/Stable/A-1
29-Apr-2020	A/Negative/A-1
09-Jan-2019	A/Stable/A-1

Sovereign Rating

Austria	AA+/Stable/A-1+
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*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

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