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Ratings

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BKS Bank AG

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BKS Bank AG

Ratings Score Snapshot

Global Scale Ratings
Issuer Credit Rating
BBB+/Stable/--
Resolution Counterparty Rating
A-/--/--

SACP: bbb → **Support: +1** → **Additional factors: 0**

Anchor	bbb+	
Business position	Moderate	-1
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
BBB+/Stable/--

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	**Key risks**
Stable franchise and a sound position in corporate lending in its core markets of Carinthia, Styria, and Vienna.	The bank's small size and corporate concentration make it more vulnerable to adverse developments than its larger and more diversified peers.
Strong capitalization and solid additional loss-absorbing capacity (ALAC).	Business operations in a highly competitive banking market with persistent pressure on profitability and cost efficiency.

Our rating on BKS Bank AG (BKS) reflects its stable franchise in its core markets. We anticipate that the bank will maintain its sound position as a small universal bank in its core markets of Carinthia, Styria, and Vienna, complemented by smaller operations in some neighboring countries. Its focus on the corporate sector and small and midsize enterprises (SME) exposes BKS to local economic developments and volatility in the valuations of its large equity stakes in local corporates. As of Sept. 30, 2024, the bank maintained solid return on equity (ROE) and cost-to-income ratios (S&P Global Ratings calculated) of 10.3% and 40.9%, compared to 11.3% and 41.5%, respectively, at year-end 2023. This largely reflects the positive impact of the interest rate environment and high valuations in the bank's equity investments, highlighting the sensitivity to local economic developments.

We expect BKS' solid capitalization will continue to buffer risks from its exposure to the corporate sector. We forecast the bank's risk-adjusted capital (RAC) ratio to increase up to 14.4%-14.9% over the next two years, from 11.5% at year-end 2023, reflecting its good performance. BKS' asset quality marginally deteriorated throughout 2024, but we expect this trend to stabilize from 2025. This is in line with our projection for the Austrian banking sector.

BKS' operating profit has remained high, reflecting the still-high interest rate environment, but is likely to decrease in the medium term. Like other Austrian banks, BKS benefited from high interest rates in 2024 due to its relatively high share of variable interest rate lending. We estimate that operating profits fell slightly below the 2023 level in 2024 and that they will normalize to lower levels thereafter, mainly reflecting tighter interest margins as funding costs increase, elevated risk costs, and an increase in the operational cost base. We also predict the bank's objective to maintain considerable investment in digitalization in 2025 and beyond will constrain its cost base over the next two years, while the benefits from this investment will be seen in the longer term.

Outlook

The stable outlook reflects our view that BKS' internal capital generation and slowing loan growth will likely constrain capital consumption over the next two years. In our base case, we expect the weaker economic environment to have only a limited effect on the bank's financial performance, while elevated interest rates are likely to offset higher operational, funding, and risk costs. We also assume continuous issuance of subordinated debt will support the bank's ALAC buffer (the ratio of ALAC to S&P Global Ratings risk-weighted assets [RWA]) through 2025-2026.

Downside scenario

We would take a negative rating action if we expected BKS' capitalization to deteriorate, with the RAC ratio falling sustainably below 10%. This could be the case if the bank's asset quality weakened materially, leading to higher credit losses than in our base-case scenario and mitigating the positive effects from the interest-rate environment.

We would also downgrade the bank if it failed to maintain its ALAC at or above 2.75%.

Upside scenario

An upgrade is very remote over our outlook horizon. We believe that given regional concentrations in revenue and risks, the bank's revenue stream is not in line with higher rated peers with more diversified and retail-oriented portfolios.

Key Metrics

BKS Bank AG--Key ratios and forecasts					
	--Fiscal year ended Dec. 31 --				
(%)	**2022a**	**2023a**	**2024f**	**2025f**	**2026f**
Growth in operating revenue	-5.8	65.9	(7.2)-(8.8)	(7.9)-(9.6)	(1.3)-(1.6)
Growth in customer loans	3.3	3.2	1.8-2.2	2.2-2.7	2.2-2.7
Net interest income/average earning assets (NIM)	1.8	2.8	2.5-2.7	2.2-2.4	2.1-2.3
Cost-to-income ratio	58.6	41.5	40.5-42.5	45.7-48.0	47.7-50.2
Return on average common equity	4.4	11.3	8.8-9.7	6.7-7.4	6.1-6.7
Gross nonperforming assets/customer loans	2.4	3.2	3.3-3.6	3.0-3.3	2.7-3.0
Risk-adjusted capital ratio	10.5	11.5	13.0-13.5	13.5-14.0	14.5-14.9

All figures are S&P Global Ratings-adjusted. a--Actual. f--Forecast. NIM--Net interest margin.

Anchor: 'bbb+' Anchor Reflects BKS' Operations Outside of Austria

The 'bbb+' anchor for BKS, the starting point for our rating, is one notch lower than that for a bank that operates only in Austria. The anchor is based on our view of the weighted-average economic risk score of '3' of the countries to which BKS is exposed (these include higher-risk countries such as Slovenia, Croatia, and Slovakia), and an industry risk score of '3' of Austria (on a scale from '1', the strongest score, to '10', the weakest).

Our economic risk assessment is based on Austria's highly competitive and diverse economy, with strong economic fundamentals, high integration in Western European economies, and strong ties to Eastern and Southeastern Europe. We estimate that Austria's economy broadly stagnated in 2024, with growth of 0.2% in real terms, and that it will return to average growth of 1.4% thereafter, supported by a rebound in domestic and external demand. The adverse effects of the Russia-Ukraine war continue to weigh on the open and export-oriented economy. While some problem loans could have emerged in 2024 and we expect more in 2025, asset quality deterioration will likely stay contained. The current stress on European commercial real estate markets indicates particular asset quality risks for property developers and could mean higher credit losses for Austrian banks, which are particularly exposed to commercial real estate. However, while exposed banks may have booked higher provisions in 2024, we expect overall losses to remain limited with no systemic implications for the banking sector. In our view, the second-round effects on the banking system from the war in Ukraine will be manageable.

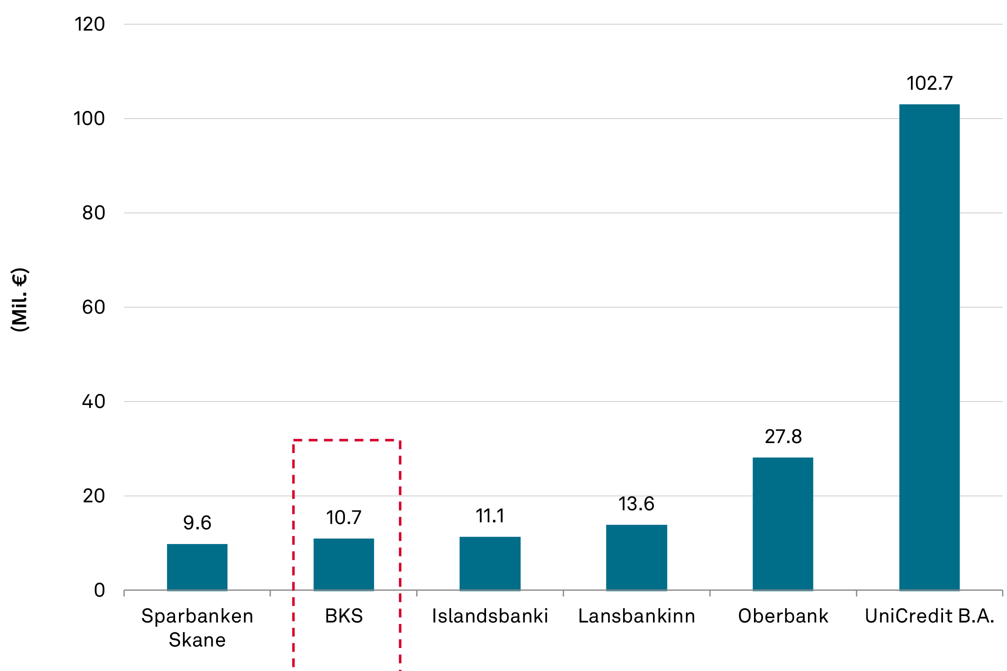
Austria's prudential regulatory standards are in line with those of the EU, and therefore banks' funding conditions remain comfortable, reflecting a large share of customer deposits. Austrian banks are among the largest beneficiaries of high interest rates, also reflecting a still-material share of variable-interest-rate lending, which allows quick repricing on the asset side. However, the average cost-to-income ratio of domestic banks remains mediocre in a broader international context. We believe it is crucial for banks to continue to tackle inefficiencies to remain competitive throughout the cycle.

Business Position: Small Size And Focus on Corporates

Given BKS' small size and concentrations, we view its business model as more vulnerable to adverse scenarios than those of larger and more-diversified peers in Austria or other countries that have similar economic risks. BKS is small in a broader European context and its share of the lending market in Austria is about 1.4%. The bank has significant earnings concentration in its corporate loan portfolio. However, this is partly balanced by its solid regional market share of about 20% in corporate lending in its home market of Carinthia, and its proven stability and franchise strength throughout the cycle. The bank's primary focus is lending to corporates and SMEs, as well as to retail clients.

Chart 1

BKS and peer banks by total assets
Data as of December 2023



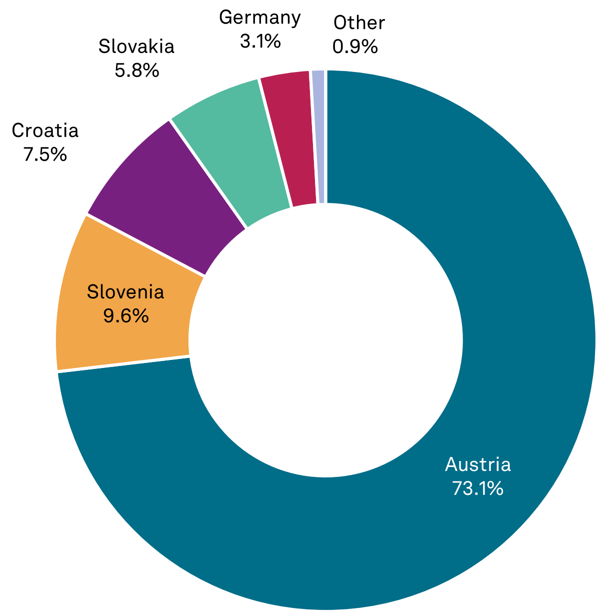
Source: S&P Global Ratings.

BKS' local focus is complemented by its operations in Slovenia and Croatia (3.6% and 1.4% market share), and--to a lesser extent--Slovakia and Germany. In our view, BKS' operations in Central and Eastern Europe (CEE) provide only small diversification benefits. That said, BKS has taken a selective approach in these markets, enabling it to generate sufficient scale within certain niches to operate profitably.

Chart 2

BKS' loan portfolio, by geography

Data as of December 2023



Source: S&P Global Ratings.

BKS is part of the 3 Banken Group, a partnership-based cooperation with two other regional banks in Austria--Oberbank AG (A/Stable/A-1) and Bank für Tirol and Vorarlberg AG. The three banks cooperate closely and are connected via cross-shareholdings and common information technology (IT) infrastructure.

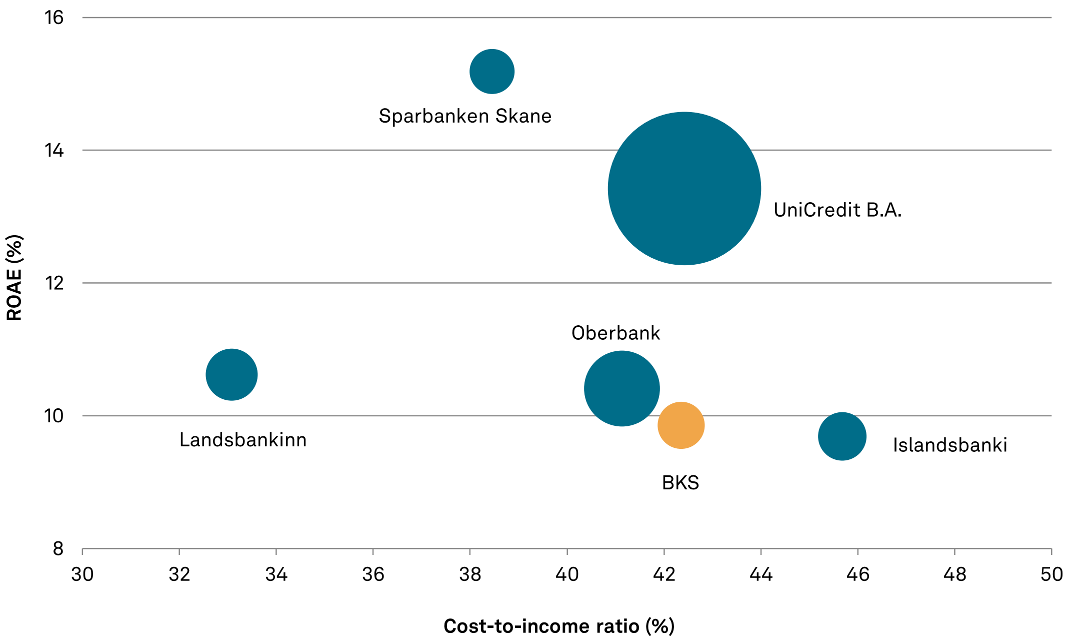
BKS' profitability and cost efficiency has remained close to the Austrian banking sector's average historically. Like many local and international peers, metrics remained noticeably good during 2024, but we do not consider the level to be sustainable and reflective of the underlying operations. Benefits from higher interest rates are likely to decrease as funding costs increase and higher risk costs are likely to dent medium-term profitability. High valuations of BKS' equity stakes in its sister banks have historically supported its results; we estimate strong results in 2024 that benefit from similar valuations.

We understand that BKS aims to continue investing considerably in its digital infrastructure to meet changing customer demands. We expect digitalization costs together with increased operational costs to maintain BKS' cost-base at close to 2023 levels in the next few years. Therefore, we expect BKS' cost-to-income ratio of 40.9% and ROE of 10.3% as of Sept. 30, 2024 to settle at about 47%-50% and 6%, respectively, in the next two years (our calculation deviates from the bank's reporting).

Chart 3

BKS' profitability and cost efficiency compared with peers'

Data as of June 2024



Bubble size represents total assets. ROAE--Return on average equity. Source: S&P Global Ratings.

Capital And Earnings: Capitalization Will Remain A Rating Strength

We consider BKS' capitalization to be a strength, based on our expectation that its RAC ratio will remain well above 10% through 2026, compared with 11.5% at year-end 2023. BKS' regulatory risk-weighted common equity tier 1 (CET1) ratio of 14.1%, as of Sept. 30, 2024, is comfortably above regulatory capital requirements. The bank has successfully raised equity to strengthen its capitalization repeatedly over the past few years, including in 2023, which also supports our assessment.

Our expectation that the bank's RAC ratio will increase to 14.4%-14.9% in the next two years reflects sizeable earnings generation and a modest pay-out policy, which will likely offset contained growth in RWAs and buffer potential increases in risk, operational, and funding costs. Our forecast for the next two years assumes:

- Moderate growth of credit risk and RWAs mirroring loan growth of about 2.0%-2.5% for the next 12-24 months;
- Normalization of interest income in the next 12-24 months after at best low-digit growth in 2024, while interest margins decrease;
- We estimate operating expenses to increase by about 3% from 2025 on as cost-saving measures are offset by a

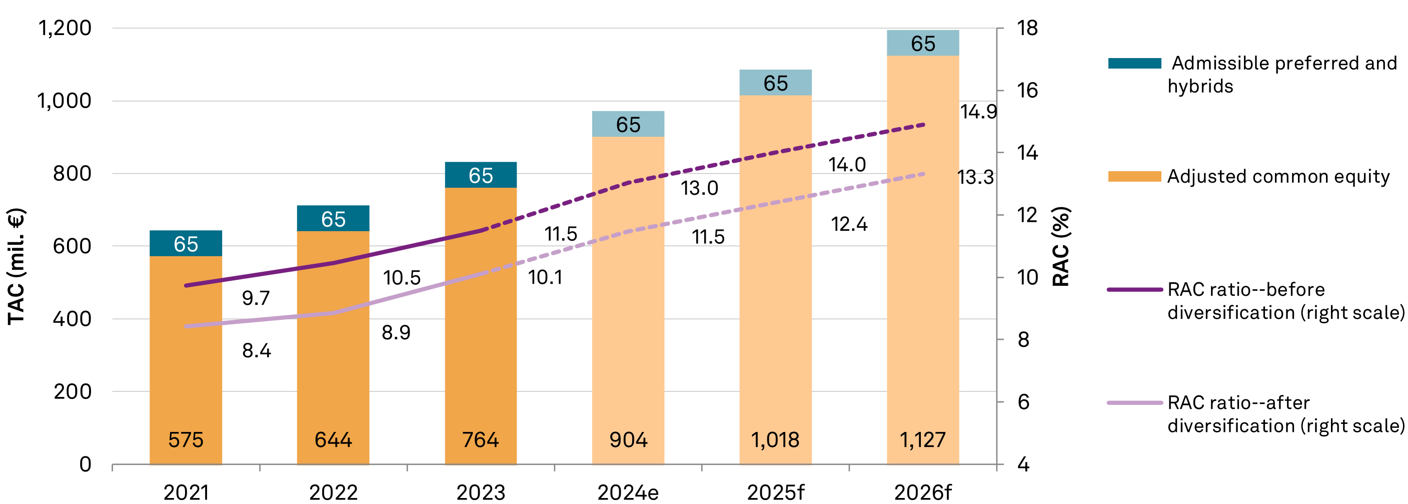
higher cost base and IT expenses;

- Risk costs will remain high between 45 bps and 55 bps in 2025-2026;
- A normalization in net income in 2025-2026 toward approximately €130 million annually, following a very high level in 2024, close to the 2023 peak; and
- Unchanged dividend payout.

BKS' financial performance is strongly affected by its sizable equity investments in its two sister banks, which contributed slightly above half of net income over the past 10 years, on average. However, we do not interpret this as a sign of weak stand-alone earnings quality because returns proved very resilient throughout the cycle and enhanced revenue diversification. Still, we deduct fully the book value of these equity stakes from our total adjusted capital, to neutralize the effect of the sister banks' earnings on our RAC projection.

Chart 4

We forecast BKS' capital ratios to further strengthen on earnings retention
S&P Global Ratings' risk-adjusted capital (RAC) ratio development



TAC--Total adjusted capital. e--Estimate. f--Forecast. Source: S&P Global Ratings.

Risk Position: Credit Concentration Is The Main Vulnerability

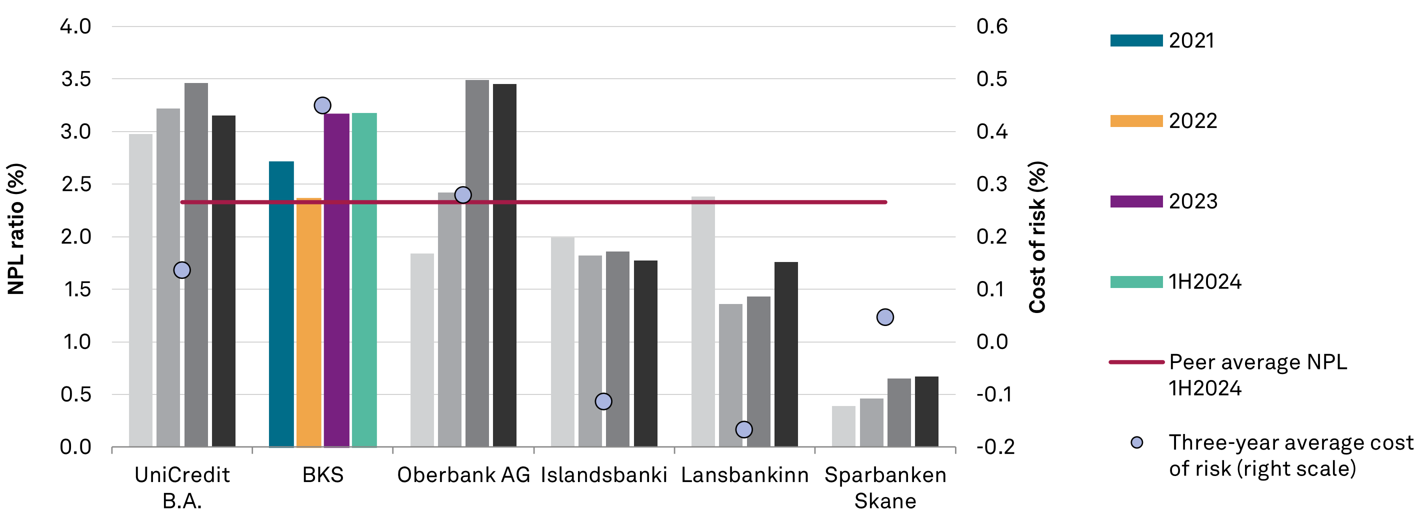
Our assessment of BKS' risk position as moderate reflects credit risks from the bank's concentrated loan book, which we consider a weakness. A high concentration of corporate and SME loans exposes the bank to regional economic trends in Carinthia and Styria, and to a lesser extent, Vienna. In our view, credit risks associated with the bank's exposure to CEE are adequately captured by applying higher risk weights in our calculation of capital ratios.

We consider asset quality in BKS' €7.6 billion loan portfolio comparable to that of domestic peers' with a similar mix of economic risk in the loan book (see below). Despite its generally high concentration on corporate lending, BKS' loan book is well diversified across different sectors. We estimate the bank's nonperforming loan (NPL) ratio has increased to about 3.5% (S&P Global Ratings' metric) as of year-end 2024 and we assume it will change only marginally in the medium term, while risk costs will remain elevated over the next two years. On a positive note, loan-loss reserves provide high coverage for the existing NPL portfolio (56.1% as of Sept. 30, 2024).

Chart 5

BKS' NPL metric above international peers' is balanced by high loan-loss provisions and collateralization

Nonperforming assets and coverage ratio



NPL--Nonperforming loans (ratio is defined as gross nonperforming assets divided by customer loans). Cost of risk is defined as new loan-loss provisions as a percentage of average customer loans. H1--First-half.

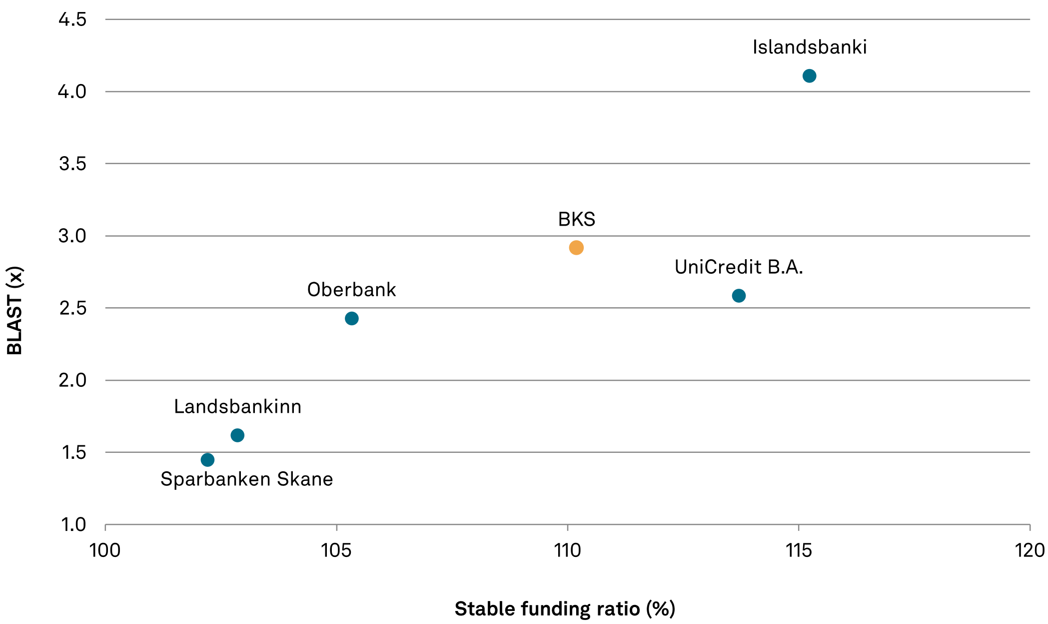
Source: S&P Global Ratings.

Funding And Liquidity: Stable Franchise And Low Dependence On Wholesale Funding

We expect BKS' funding to remain in line with that of its international peers, and liquidity to remain a neutral factor for the rating. In our view, BKS' funding profile compares well with domestic peers', benefiting from a stable corporate and retail customer franchise and low dependence on wholesale funding. The bank's stable funding ratio of 103.5% and loan-to-deposit ratio of 112.2% as of Sept. 30, 2024, indicate a comparatively solid funding base. Simultaneously, we consider the diversification of BKS' funding instruments and the bank's access to public funding markets weaker than that of larger domestic peers', which we expect will continue to limit any improvement to our funding assessment.

Chart 6

BKS' key funding and liquidity metrics compare well with its peers'
Stable funding ratio (%) and broad liquid assets-to-short-term wholesale funding (x), December 2023



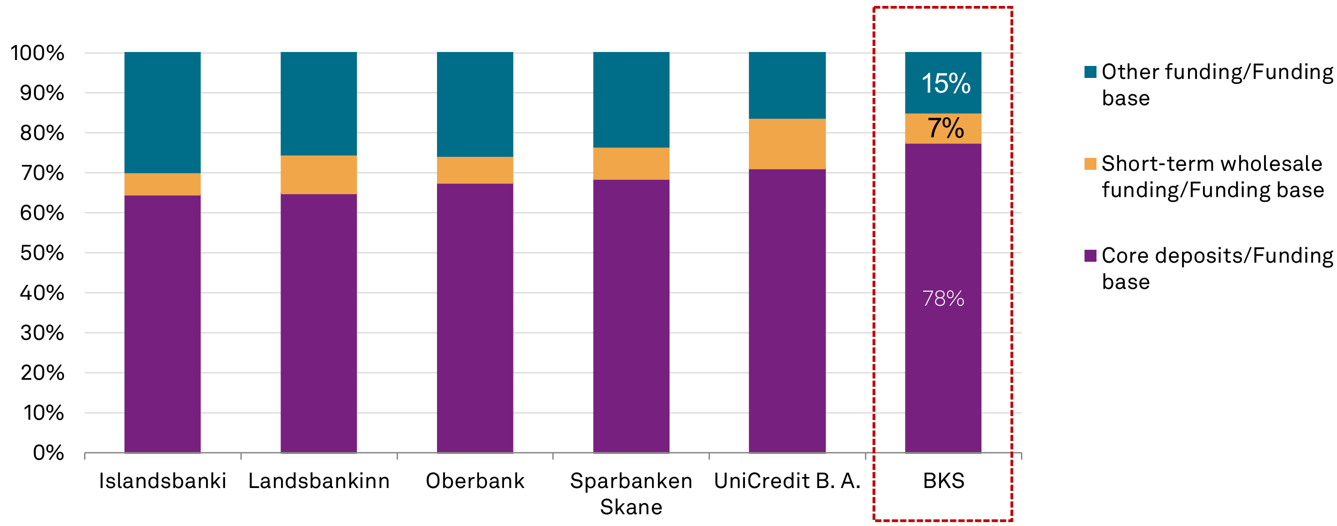
BLAST--Broad liquid assets-to-short-term wholesale funding.
Source: S&P Global Ratings.

We expect BKS to maintain its well-diversified deposit franchise with core deposits, our measure of stable deposits, accounting for 76% of its funding base in September 2024. As of Sept. 30, 2024, corporate deposits contributed about 55% of the deposit base, the remainder coming from retail customers. The high proportion of corporate deposits adds some single-name concentration, but we view the levels as comparable with peers with a similar business mix.

We see liquidity as a neutral factor to the rating on BKS. High coverage of short-term wholesale funding by broad liquid assets--one of our most important liquidity metrics--of 2.9x as of year-end 2023 results from BKS' small volumes of short-term wholesale funding. This relatively strong ratio does not materially affect our credit assessment of BKS. We place more weight on the ratio of net broad liquid assets to short-term customer deposits, which was 20.9% as of year-end 2023. This is broadly in line with the international peer average.

Chart 7

BKS has a healthy mix of deposit and capital market funding (%)
Funding structure of BKS and peer banks as of December 2023



Source: S&P Global Ratings.

Support: Well-Defined Resolution Framework And Sufficiently High ALAC Buffers

We expect BKS will continue to build its subordinated bail-in-able debt, which we reflect in the bank's ALAC uplift. We consider Austria's bank resolution framework to be effective and understand that BKS is targeted for an open bank resolution by the Austrian resolution authority. The regulators imposed a minimum requirement for own funds and eligible liabilities (MREL) of 20.8% on total risk exposure amounts and the leverage ratio of 3% on BKS, starting from Jan. 1, 2025. In our view, this implies that the authorities envisage a full recapitalization of the business if the bank failed.

We estimate that as of year-end 2024 BKS had an ALAC buffer of about 4% of S&P Global Ratings' RWA metric, well above our adjusted ALAC-to-S&P Global Ratings RWA threshold. We lower the standard 3% threshold by 25 basis points to 2.75% of ALAC-to-S&P Global Ratings' RWA to reflect the high share of equity investments in BKS' banking book (fluctuating around 10% of total S&P Global Ratings' RWA). In a resolution scenario we would expect these holdings to not be recapitalized. Based on the bank's issuance plan for subordinated debt and our forecast of S&P Global Ratings' RWA growth, we estimate that the ALAC buffer will increase toward 4.2% through 2026.

We assume annual issuance of subordinated debt to replace maturing issues and maintain the subordinated buffer. This assumption is essential to our decision to include ALAC uplift in our issuer credit rating on BKS. Austrian banks are not subject to subordination requirements for their MREL instruments and BKS might meet its MREL with other liabilities, including senior preferred debt. We will closely monitor the availability of subordinated bail-in-able buffers, which our analyses are centered on.

Environmental, Social, And Governance

We consider BKS well-positioned to cope with emerging environmental and social issues. We understand that the bank has a solid relationship with its customers, and we identify no material weakness regarding governance. Environmental, social and governance factors have no material influence on our credit rating of BKS.

Key Statistics

Table 1

BKS Bank AG--Key figures

	--Year-ended Dec. 31--				
(Mil. €)	**2024***	**2023**	**2022**	**2021**	**2020**
Adjusted assets	10,834.2	10,663.8	10,523.7	10,592.8	9,846.3
Customer loans (gross)	7,622.9	7,526.4	7,296.4	7,065.9	6,657.3
Adjusted common equity	892.5	764.2	643.9	596.1	552.6
Operating revenues	300.8	418.2	252.1	267.5	245.5
Noninterest expenses	123.0	173.6	147.7	139.0	135.6
Core earnings	136.7	179.1	63.6	83.3	74.8

*Data as of Sept. 30.

Table 2

BKS Bank AG--Business position

	--Year-ended Dec. 31--				
(%)	**2024***	**2023**	**2022**	**2021**	**2020**
Total revenues from business line (currency in millions)	300.8	418.2	252.1	267.5	245.5
Commercial banking/total revenues from business line	47.4	46.8	66.4	55.6	57.7
Retail banking/total revenues from business line	27.7	26.4	27.5	22.2	24.2
Commercial & retail banking/total revenues from business line	75.1	73.1	93.9	77.9	81.9
Other revenues/total revenues from business line	24.9	26.9	6.1	22.1	18.1
Return on average common equity	10.3	11.3	4.4	6.1	5.9

*Data as of Sept. 30.

Table 3

BKS Bank AG--Capital and earnings

	--Year-ended Dec. 31--				
(%)	**2024***	**2023**	**2022**	**2021**	**2020**
Tier 1 capital ratio	15.1	14.6	13.6	13.4	12.8
S&P Global Ratings' RAC ratio before diversification	N/A	11.5	10.5	10.1	N/A
S&P Global Ratings' RAC ratio after diversification	N/A	10.1	8.9	8.4	N/A
Adjusted common equity/total adjusted capital	93.2	92.1	90.8	90.1	90.8

Table 3

BKS Bank AG--Capital and earnings (cont.)

	--Year-ended Dec. 31--				
(%)	2024*	2023	2022	2021	2020
Net interest income/operating revenues	60.4	59.5	62.1	51.9	55.2
Fee income/operating revenues	17.1	15.5	27.0	25.1	26.2
Market-sensitive income/operating revenues	0.5	0.5	(3.7)	2.3	2.7
Cost-to-income ratio	40.9	41.5	58.6	51.9	55.2
Preprovision operating income/average assets	2.2	2.3	1.0	1.3	1.2
Core earnings/average managed assets	1.7	1.7	0.6	0.8	0.8

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

Table 4

BKS Bank AG--Risk-adjusted capital framework data

	Exposure*	Basel III RWA	Average Basel III RW(%)	Standard & Poor's RWA	Average Standard & Poor's RW (%)
Credit risk					
Government & central banks	1,944,917,930.8	24,560,443.1	1.3	53,366,625.5	2.7
Of which regional governments and local authorities	183,017,989.6	14,602,044.7	8.0	6,728,615.9	3.7
Institutions and CCPs	423,226,420.0	77,474,747.9	18.3	68,116,616.4	16.1
Corporate	4,671,573,541.7	4,060,880,236.8	86.9	4,082,190,176.8	87.4
Retail	2,717,799,775.3	1,201,579,013.3	44.2	1,290,051,175.0	47.5
Of which mortgage	1,655,545,862.6	536,838,913.3	32.4	448,751,470.2	27.1
Securitization§	0.0	0.0	0.0	0.0	0.0
Other assets†	393,387,107.5	385,301,804.2	97.9	462,445,709.8	117.6
Total credit risk	10,150,904,775.3	5,749,796,245.2	56.6	5,956,170,303.5	58.7
Credit valuation adjustment					
Total credit valuation adjustment	--	1,642,242.5	--	0.0	--
Market risk					
Equity in the banking book	97,956,134.6	98,757,412.5	100.8	691,216,705.3	705.6
Trading book market risk	--	0.0	--	0.0	--
Total market risk	--	98,757,412.5	--	691,216,705.3	--
Operational risk					
Total operational risk	--	451,070,029.3	--	564,923,302.2	--
	Exposure	**Basel III RWA**	**Average Basel II RW (%)**	**S&P Global Ratings RWA**	**% of S&P Global Ratings RWA**
Diversification adjustments					
RWA before diversification	--	6,642,698,427.9	--	7,212,310,311.0	100.0
Total Diversification/ Concentration Adjustments	--	--	--	992,884,933.9	13.8

Table 4

BKS Bank AG--Risk-adjusted capital framework data (cont.)

RWA after diversification	--	6,642,698,427.9	--	8,205,195,244.8	113.8

	Tier 1 capital	Tier 1 ratio (%)	Total adjusted capital	S&P Global Ratings RAC ratio (%)
Capital ratio				
Capital ratio before adjustments	972,645,730.8	14.6	829,438,984.0	11.5
Capital ratio after adjustments‡	972,645,730.8	14.6	829,438,984.0	10.1

*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 and S&P Global Ratings.

Table 5

BKS Bank AG--Risk position

	--Year-ended Dec. 31--				
(%)	2024*	2023	2022	2021	2020
Growth in customer loans	1.7	3.2	3.3	6.1	4.4
Total diversification adjustment/S&P Global Ratings' RWA before diversification	N/A	13.8	18.2	19.3	N/A
Total managed assets/adjusted common equity (x)	12.1	14.0	16.4	17.8	17.8
New loan loss provisions/average customer loans	0.4	0.5	0.4	0.5	0.4
Gross nonperforming assets/customer loans + other real estate owned	3.4	3.2	2.4	2.7	2.1
Loan loss reserves/gross nonperforming assets	56.1	48.2	70.2	56.0	63.1

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

Table 6

BKS Bank AG--Funding and liquidity

	--Year-ended Dec. 31--				
(%)	2024*	2023	2022	2021	2020
Core deposits/funding base	76.2	77.7	77.3	79.7	78.6
Customer loans (net)/customer deposits	112.2	109.9	105.2	97.4	100.4
Long-term funding ratio	93.5	93.8	94.9	96.4	94.2
Stable funding ratio	103.5	110.2	115.2	122.1	117.8
Short-term wholesale funding/funding base	7.9	7.4	6.0	4.2	6.7
Regulatory net stable funding ratio	118.8	123.3	118.7	122.9	N/A
Broad liquid assets/short-term wholesale funding (x)	1.9	2.9	3.9	6.5	4.0
Broad liquid assets/total assets	12.4	17.6	19.9	23.2	22.4
Broad liquid assets/customer deposits	20.1	27.8	30.7	34.5	33.8
Net broad liquid assets/short-term customer deposits	11.1	20.9	24.9	32.5	28.1
Regulatory liquidity coverage ratio (LCR) (%)	192.2	223.2	190.4	208.9	N/A
Short-term wholesale funding/total wholesale funding	32.4	32.1	25.8	20.1	30.4
Narrow liquid assets/3-month wholesale funding (x)	3.9	5.8	7.8	9.6	6.1

*Data as of Sept. 30. N/A--Not applicable.

BKS Bank AG--Rating component scores	
Issuer credit rating	**BBB+/Stable/--**
SACP	bbb
Anchor	bbb+
Economic risk	3
Industry risk	3
Business position	Moderate
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

- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology, April 30, 2024
- General Criteria: Hybrid Capital: Methodology And Assumptions, March 2, 2022
- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology, Dec. 9, 2021
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- The Improving Resolvability Of Europe's Midsize Banks Offers Greater Protection To Senior Creditors, Dec. 7, 2022

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Ratings Detail (As Of January 14, 2025)*	
BKS Bank AG	
Issuer Credit Rating	BBB+/Stable/--
Resolution Counterparty Rating	A-/--/--
Senior Secured	AAA/Stable
Senior Unsecured	BBB+
Issuer Credit Ratings History	
26-Aug-2024	BBB+/Stable/--
Sovereign Rating	
Austria	AA+/Positive/A-1+

*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.