S&P Global Ratings

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DZ HYP AG

July 25, 2025

This report does not constitute a rating action.

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Ratings Score Snapshot

SACP: bbb-

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

Support: +5

ALAC support	0
GRE support	0
Group support	5
Sovereign support	0

Additional factors: --

Issuer credit rating
A+/Stable/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

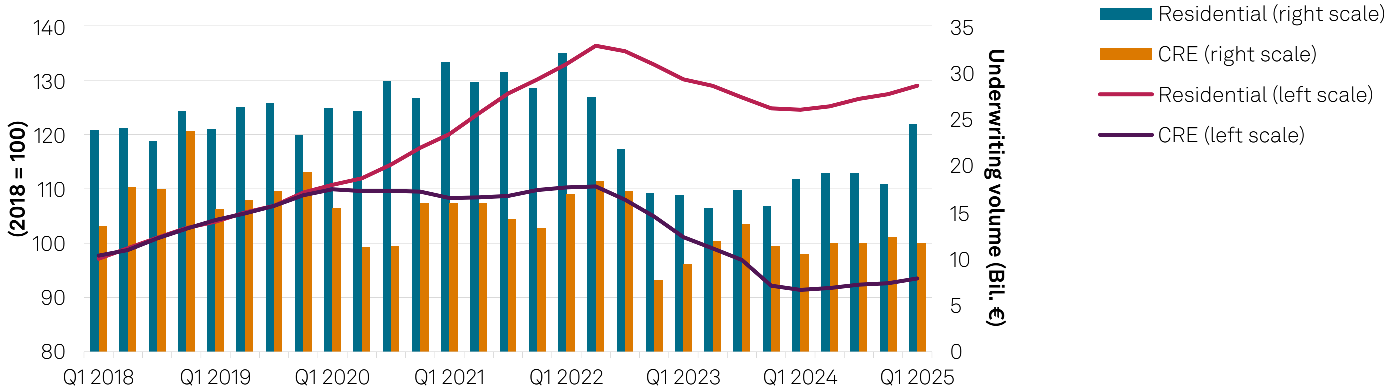
Key strengths	Key risks
Member of the Cooperative Banking Sector Germany, mutual support among core group members, and institutionalized support mechanisms from its immediate parent, DZ BANK.	Concentrated exposure in commercial real estate (CRE) with limited earnings and business diversification, owing to its focused market position in real estate and public sector lending.
Solid expertise and leading bank in Germany's commercial and residential real estate lending market.	Moderate stand-alone capitalization makes DZ HYP more susceptible to adverse developments in inherently riskier CRE markets.
Access to robust and competitive funding within the Cooperative Banking Sector.	High reliance on wholesale funding.

***In our view,* DZ HYP AG will continue to benefit from its core membership in Germany's Cooperative Banking Sector.** We equalize the 'A+' long-term issuer credit rating on DZ HYP with that on its parent, DZ BANK. The five-notch uplift from DZ HYP's 'bbb-' stand-alone credit profile (SACP) incorporates our expectation that the bank would receive additional extraordinary support, under any foreseeable circumstances, from DZ BANK and, ultimately, Germany's cooperative banking sector if necessary.

We expect DZ HYP to benefit from the stabilization of real estate markets. Prices in both CRE and residential real estate markets have stabilized since late 2023 and market-wide new business volumes have picked up in the residential subsegment in early 2025. In contrast, CRE transaction volumes remain lower compared with 2022 (see chart below). Each of the sectors, residential and CRE, roughly account for half of DZ HYP's real estate-related exposures. While we consider DZ HYP's asset quality as relatively resilient compared to peers thanks to a selective underwriting policy it remains pressured by both structural factors, such as increasing bifurcation between 'green' and 'brown' assets, the continued trend toward hybrid working models and cyclical factors, particularly the level and volatility of interest rates.

While residential real estate markets show increasing positive momentum, CRE markets have stabilized

Real estate price indices (lines) and new business volumes (bars)



Source: Verband der Pfandbriefbanken, S&P Global Ratings.

The bank's capitalization will constrain its stand-alone creditworthiness. DZ HYP's capitalization is materially below the consolidated DZ BANK group owing to a regulatory capital waiver granted to DZ HYP. Furthermore, downside risk to capital is very limited because of a profit-and-loss transfer agreement with DZ BANK, which demonstrates strong capitalization levels with a 15.8% common equity Tier 1 ratio. We forecast that our risk-adjusted capital (RAC) ratio for DZ HYP will remain at 5.1%-5.6% over the coming 18-24 months. However, we expect that implicit group support will mitigate risks arising from the bank's relatively low capitalization for the foreseeable future.

Outlook

Our stable outlook on DZ HYP mirrors the stable outlook on the Cooperative Banking Sector Germany and reflects our expectation that DZ HYP will remain a core member of the group for the foreseeable future.

Downside scenario

We would lower our ratings on DZ HYP if we revised downward the 'a+' group credit profile on the Cooperative Banking Sector Germany.

Upside scenario

We consider an upgrade of DZ HYP as remote because we would need to revise upward the group credit profile on the Cooperative Banking Sector Germany.

Key Metrics

DZ HYP AG--Key ratios and forecasts

	--Fiscal year ended Dec. 31 --				
(%)	2023a	2024a	2025f	2026f	2027f
Growth in operating revenue	31.3	1.5	1.3-1.5	1.0-1.2	1.0-1.2
Growth in customer loans	-0.5	0.6	1.0-3.0	1.0-3.0	1.0-3.0
Net interest income/average earning assets (NIM)	0.92	0.93	0.90-1.00	0.90-1.00	0.90-1.00
Cost-to-income ratio	35.3	34.6	34.0-36.0	34.5-36.5	35.0-37.0
Core earnings/average adjusted common equity (%)	10.0	11.3	6.0-7.0	6.0-7.0	6.0-7.0
New loan loss provisions/average customer loans	0.16	0.13	0.10-0.20	0.10-0.20	0.10-0.20
Gross nonperforming assets/customer loans	0.8	1.2	1.3-1.4	1.2-1.4	1.2-1.3
Risk-adjusted capital ratio	5.4	5.1	5.1-5.4	5.2-5.5	5.3-5.6

All figures include S&P Global Ratings' adjustments. a--Actual. e--Estimate. f--Forecast. NIM--Net interest margin. Core earnings are calculated as Net income (before noncontrolling interest) (-) nonrecurring/special income (+) nonrecurring/special expense (+) goodwill and M&A-related intangibles impairment or amortization (+) allocation to funds for general banking risk (-) distributions due on all equity hybrid instruments accounted for as equity (+/-) other adjustments (+/-) tax impact of all adjustments above.

Anchor: 'bbb+', Reflecting DZ HYP's Main Operations In Germany's Diverse And Resilient Economy

Our anchor, the starting point in assigning an issuer credit rating, for a bank operating mainly in Germany is 'bbb+', based on an economic risk score of '2' and an industry risk score of '4'. We view economic and industry risk trends as stable.

Our economic risk assessment for Germany views the country's competitiveness, wealth, and resilience in the face of economic and financial shocks as positive. However, the economic outlook remains modest, and there are structural risks associated with Germany's economic model, particularly from its heavy dependence on open trade. The German economy remains vulnerable to geopolitical risks, such as those arising from the imposition of global tariffs. Nevertheless, we anticipate that German households and corporations will exhibit resilience, bolstered by a robust labor market and corporate insolvencies that remain close to historical averages. A significant worsening of these factors could indicate a sharper rise in credit losses. In our base case, we forecast that domestic credit losses will remain at moderate levels, ranging from 20 basis points (bps)-25 bps annually through 2026.

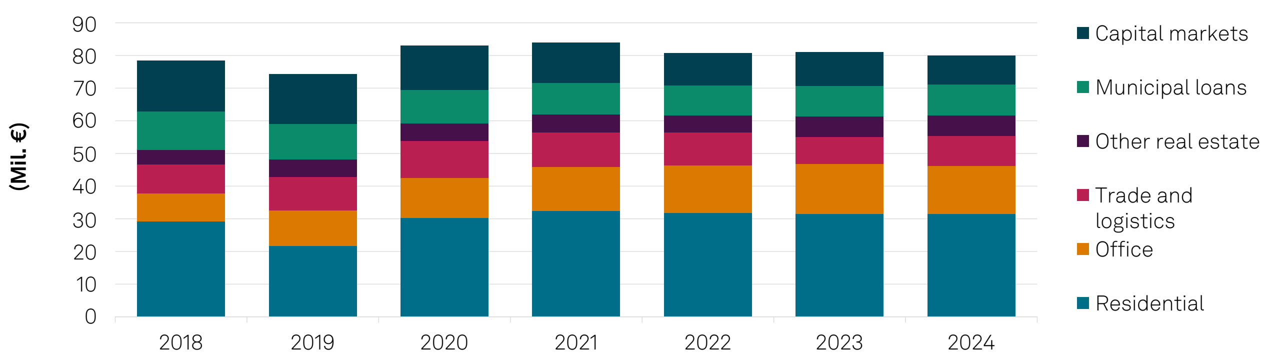
Our industry risk assessment for Germany highlights the banking sector's structurally modest profitability compared to its peers. This is largely attributed to inefficient cost structures, overcapacity, and intense competition. German banks have experienced substantial support from the higher interest rates, and we anticipate that contributions from net interest income will remain relatively stable until 2026. This reflects a balance between the positive effects of favorable refinancing on longer-maturity assets and the decline in short-term rates. In our view, the banking sector's access to a very stable and broad domestic funding market is positive. The funding profile of German banks largely includes sticky retail deposits, which benefit from a comprehensive deposit protection scheme, as well as covered bonds, which represent a very reliable and cost-efficient funding source.

Business Position: Concentrated Franchise In Cyclical Real Estate Lending

We consider the bank's narrow business focus a relative weakness to its SACP. DZ HYP's core activities are in CRE and residential real estate, and to a lesser extend public sector lending. DZ HYP has fared comparatively well against deteriorating market conditions in residential and, particularly in CRE segments over the past one to two years, as the increase in credit losses was limited and below peers'. However, because of its niche focus, the bank remains intrinsically more sensitive to adverse economic scenarios, in our view.

DZ HYP's lending operations dominated by real estate-related activities

Credit volume by segment



Source: Company reporting, S&P Global Ratings.

DZ HYP's business model benefits materially from its cooperation with the wider Cooperative Banking Sector Germany and deep integration in DZ BANK Group. DZ HYP enables local cooperative banks to improve their geographic diversification and participate in syndicate loans. DZ HYP's new business with retail clients (€1.5 billion in 2024) is almost entirely sourced through the network of the Cooperative banking sector Germany, while about 38% of new lending to corporate customers is underwritten in coordination with local cooperative banks. At the same time, DZ HYP's deep integration in DZ BANK's capital, funding, and liquidity management balances risks from its niche business model and allows for better efficiency.

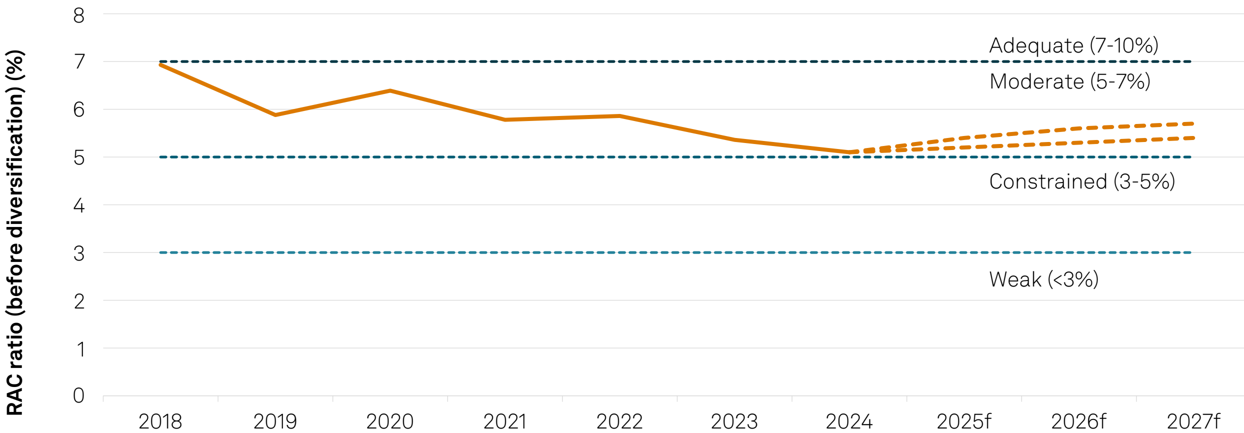
These concentration risks are only partially mitigated by DZ HYP's strong position among German CRE lenders. Corporate CRE clients accounted for about 86% of the bank's €9.5 billion in new business in 2024. Even though this makes the bank vulnerable to developments in the real estate markets, these risks are somewhat offset by DZ HYP's contained risk appetite and its track record of positive profitability amid multiple stress scenarios

Capital And Earnings: Ongoing Group Support Mitigates Risks From Relatively Low Capitalization

We anticipate DZ HYP's weaker capital position will constrain its SACP. This mainly reflects our expectation that the bank's RAC ratio will remain at 5.1%-5.7% over the next 18-24 months. Based on the regulatory waiver, DZ HYP does not need to fulfil stand-alone regulatory capital requirements. Rather, DZ BANK must fulfil them on a consolidated basis under International Financial Reporting Standards (IFRS). We think this explains DZ HYP's still relatively low tier 1 capital ratio of 11.8% in 2024, considering the bank's concentrated risk profile.

Forecast trends in RAC and capitalization levels over 2018-2027

DZ HYP's RAC ratio before diversification



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

However, we expect group support will continue to mitigate risks arising from the bank's low capitalization. We understand that DZ HYP's capital buffers are at the discretion of the parent. The bank has a control and profit-and-loss agreement with DZ BANK that enables the transfer of net losses or profits to its parent in times of severe stress. Furthermore, DZ HYP maintains its letter of comfort from DZ BANK.

Due to DZ HYP's business model, we anticipate only limited earnings upside from higher interest rates. Primarily due to DZ HYP's wholesale-focused funding model, we expect no tailwinds from the structurally higher interest rate environment to DZ HYP's net interest margins, which should remain close to current levels of about 93 bps. Improvements to the bank's net interest income thus largely hinge upon recovering market activity and higher underwriting volumes, which remains sensitive to interest rates expectations and premium over Bund yields. After a slight increase of 0.6% in gross customer loans in 2024 compared to 2023, further growth is anticipated to be moderately higher but below overall market expansion at about 2% over 2025-2027. We expect DZ HYP's risk costs relative to average customer loans will be 10 bps-20 bps over 2025-2027, similar to the levels in the past two years. Although these are lower than many peers, being reported under German GAAP accounting standards which allows for the accumulation of hidden reserves (according to §340f of German GAAP), making a direct comparison to peers reporting under IFRS challenging. We expect continued upward pressure on noninterest expenses from wages as well as IT and other investment needs. As a result, we expect core earnings relative to average adjusted common equity to fall to 6%-7% over 2025-2027, compared to 11.3% in 2024.

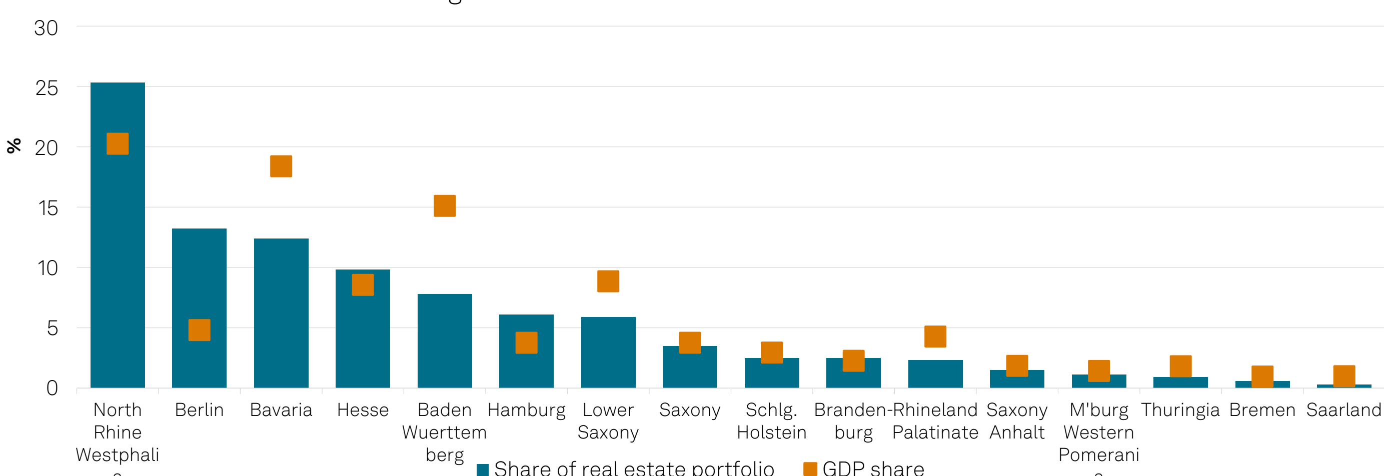
Risk Position: Concentration Risks From CRE Lending Balanced By Limited Risk Appetite

We balance concentration risks from DZ HYP's focus on CRE lending against prudent underwriting standards and benefits from DZ HYP's deep integration within the wider DZ BANK group. DZ HYP's loan book is dominated by domestic real estate-related exposures, which account for about three-quarters of the total loan book. Nondomestic real estate exposures are negligible. The bank's strong focus on its domestic core segments, where it can best leverage its expertise and deep integration into the cooperative banking network, somewhat balances risks from its concentration on the inherently volatile CRE market. Overall, its real estate portfolio of €62 billion is almost split equally between residential (owner-occupied and investment purposes) and nonresidential segments. The latter largely comprises offices (€15 billion); retail space (€7 billion); and hotels, logistics, and other CRE assets (€8 billion).

DZ HYP's real estate portfolio is well diversified across Germany. However, it has higher proportionate weights in more densely populated regions, such as North Rhine-Westphalia, Berlin, Hamburg, and Hesse. In contrast, the bank's exposure to Southern Germany's economically strong states Bavaria and Baden-Wuerttemberg is low, relative to the states' GDP contributions (see chart below). In our view, lending and underwriting standards are prudent, as demonstrated by sound collateralization and an average loan-to-value ratio of about 50% for the bank's mortgage loan book. DZ HYP's capital markets business accounts for about 11% of the total loan book and mainly comprises domestic (sub)sovereign and intragroup (to DZ BANK), as well as international subsovereign and sovereign exposures.

DZ HYP's real estate portfolio is well-diversified within Germany with some overrepresentation of metropolitan areas

Shares of DZ HYP's real estate lending book vs. GDP shares of German states



Source: Company reporting, German Statistical Office

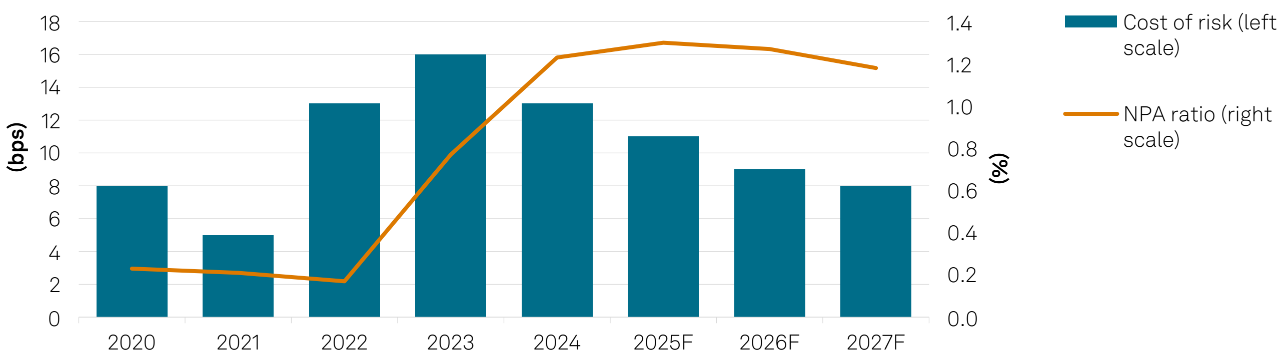
We expect DZ HYP to manage asset quality risks well, but spillover effects from current macroeconomic risks will likely strain DZ HYP's asset quality over the next 12-24 months. DZ HYP's nonperforming asset ratio increased again by 46 bps to still modest 1.23% in 2024 and we expect them to remain above long-term averages at 1.2%-1.4% over next 12-24 months. Nevertheless, levels remain low compared with peers with a similarly strong focus on volatile

CRE markets, such as Deutsche Pfandbriefbank, but which have a materially share to the U.S. market.

In our view, DZ HYP's solid underwriting standards helped protect the bank against more pronounced deteriorations in asset quality metrics, compared with peers. While real estate developers in Germany were among the most pressured during the rate hike cycle, DZ HYP's losses in this context were contained, thanks to its selective underwriting track record. DZ HYP, with its strong domestic focus, fared relatively well; however, peers with higher international exposures, particularly in the U.S., experienced sharper losses. Also supported by the reduced regulatory sectoral buffer requirement for banks from 2% to 1%, we expect the (for DZ HYP important) residential real estate markets to recover slowly over 2025, while the outlook for CRE is yet more uncertain. Beyond cyclical factors, structural trends--such as the increasing bifurcation of office and retail assets--will continue to affect valuations over the medium to long term. However, we think that most of DZ HYP's assets are well positioned, again supported by the bank's selective underwriting policy.

DZ HYP's asset quality and cost of risk metrics deteriorated significantly in 2023, but expected to have peaked

NPA ratio and cost of risk between 2020 and 2027F



Cost of risk defined as new loan loss provisions as % of customer loans + other real estate onwed. F--Forecast. Bps--Basis points. NPA--Nonperforming assets. Source: S&P Global Ratings.

Credit spread risks will gradually reduce further. We expect DZ HYP to continue gradually reducing credit spread risks associated with legacy exposures to Italian, Spanish, and Portuguese sovereigns and banks. These have already materially come down from about 158% of total adjusted capital in 2020 to about 67% in 2024, both through opportunistic sales and maturities and we consider these risks to be manageable by now.

Funding And Liquidity: Benefits From Membership In Germany's Cooperative Banking Sector

We continue to see DZ HYP's funding and liquidity as neutral for its SACP. This is based on our view of expected ongoing support from DZ BANK and the Cooperative Banking Sector Germany's groupwide protection scheme, which fosters investor confidence. DZ HYP's unsecured funding needs are primarily sourced from DZ BANK and, to a lesser extent, the wider Cooperative Banking Sector Germany, and benefit substantially from the system of solidarity within the sector in terms of funding costs, in our view.

Access to the investor base of DZ BANK and to the wider Cooperative Banking Sector Germany provides a competitive advantage for funding and mitigates risks related to DZ HYP's concentrated business model. The bank funds its business almost solely with wholesale instruments. DZ HYP's reported refinancing volume was €8.4 billion in 2024, up from €7.8 billion in 2023, and was split between secured funding (€4.5 billion)--sourced from a wide circle of domestic and international investors--and intrasectoral unsecured funding (€3.9 billion). We expect the bank's stable funding ratio will remain below that of other rated banks in Germany, after reaching 88.9% as of year-end 2024. The bank's access to capital markets benefits its funding and liquidity profile, but DZ BANK's ongoing support commitment remains key for refinancing needs and competitive funding costs.

DZ HYP's liquidity management is closely intertwined with DZ BANK. DZ HYP's sound liquidity management benefits from its sizable portfolio of high-quality securities that are eligible for refinancing by the European Central Bank. While the bank's ratio of broad liquid assets to short-term wholesale funding-–which is based on accounting data--remained at a low 0.5x as of year-end 2024, the regulatory liquidity coverage ratio remained comfortably above regulatory requirements at 278% in 2024. We expect liquidity metrics will remain volatile, considering that DZ HYP--under a regulatory waiver--does not have to meet liquidity requirements on a stand-alone basis, but as part of DZ BANK Group. Therefore, our assessment of DZ HYP's liquidity primarily needs to be viewed in the context of its integration within DZ BANK.

Support: Five Notches Of Support As A Core Group Member Of The Cooperative Banking Sector Germany

We equalize the 'A+' long-term issuer credit rating on DZ HYP with that on its parent, DZ BANK. This is based on our view that DZ HYP is a core subsidiary of DZ BANK and, ultimately, a core member of the Cooperative Banking Sector Germany, according to our group rating methodology. The five-notch uplift from DZ HYP's 'bbb-' SACP incorporates our expectation that the bank would receive additional extraordinary support, under any foreseeable circumstances, from DZ BANK and, ultimately, the Cooperative Banking Sector Germany if necessary.

DZ HYP's core group status rests on its membership in the Cooperative Banking Sector Germany's protection scheme; a control and profit-and-loss transfer agreement with majority-owner DZ BANK; and our view of ongoing support from the parent, consisting of funding, liquidity, and capital, including respective waivers and the unrestricted letter of comfort. We think DZ HYP operates in line with the overall sector strategy and benefits from a long-term commitment of support from the group's senior management. The bank contributes to the full financial servicing offering to the local cooperative banks' clients and fully serves the sector's needs with its real estate expertise, in our view.

We do not incorporate any notches of uplift for additional loss-absorbing capacity into the rating on DZ HYP. We consider it unlikely that DZ HYP would be subject to a well-defined bail-in resolution process because that would also imply a lack of solidarity within the sector. In any case, we consider group support is the strongest support element in our ratings on individual group members.

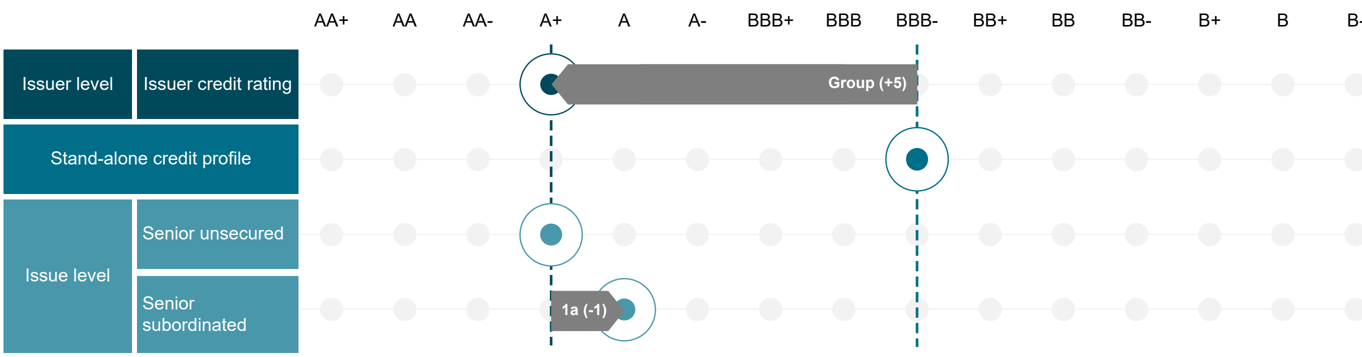
Environmental, Social, And Governance

In our view, DZ HYP's environmental, social, and governance (ESG) standards are in line with those of other banks. ESG considerations do not affect the bank's credit quality, similar to industry peers. We understand that DZ HYP's ESG efforts are aligned with those of its parent, DZ BANK. DZ HYP issued another Green Pfandbriefe in 2024 and had outstanding Green Pfandbrief volumes of € 3.3 billion as per year-end 2024.

Group Structure, Rated Subsidiaries, And Hybrids

We deduct one notch from our 'A+' issuer credit rating to get to a'A' issue rating on DZ HYP's senior nonpreferred debt, given that the bank is a core member of the Cooperative banking Sector Germany and because we expect the overall group would support full and timely payment on these instruments.

DZ HYP AG: Notching



Key to notching

- - - Issuer credit rating

- - - Stand-alone credit profile

Group Group support

1a Contractual subordination

Note: The number-letter labels in the table above are in reference to the notching steps we apply to hybrid capital instruments, as detailed in table 2 of our "Hybrid Capital: Methodology And Assumptions" criteria, published on March 2, 2022.
The nonoperating holding company (NOHC) issuer credit rating and senior unsecured debt ratings are notched from the group stand-alone credit profile (SACP) under our criteria. Since ALAC notching does not benefit NOHCs, for simplicity the diagram above is stylized to show the positioning of these ratings with reference to the group SACP.

Key Statistics

DZ HYP AG Key Figures

Mil. EUR	2024	2023	2022	2021	2020
Adjusted assets	77,212	77,477	77,394	81,799	81,916
Customer loans (gross)	68,520	68,136	68,472	67,651	66,395
Adjusted common equity	2,250	2,105	2,121	2,088	1,768
Operating revenues	729	718	547	648	596
Noninterest expenses	252	254	289	274	272
Core earnings	246	211	81	214	148

EUR--euro.

DZ HYP AG Business Position

(%)	2024	2023	2022	2021	2020
Total revenues from business line (currency in millions)	729	720	681	653	603
Other revenues/total revenues from business line	100.0	100.0	100.0	100.0	100.0
Return on average common equity	4.6	2.6	2.4	3.5	4.2

DZ HYP AG Capital And Earnings

(%)	2024	2023	2022	2021	2020
Tier 1 capital ratio	11.8	11.9	12.1	11.1	9.8
S&P Global Ratings' RAC ratio before diversification	5.2	5.4	5.9	5.8	6.4
Adjusted common equity/total adjusted capital	100.0	100.0	100.0	97.1	75.2
Net interest income/operating revenues	98.3	98.6	122.3	102.6	101.0
Fee income/operating revenues	(2.9)	(2.0)	(3.7)	(5.9)	(6.4)
Cost to income ratio	34.6	35.3	52.7	42.2	45.5
Preprovision operating income/average assets	0.6	0.6	0.3	0.5	0.4
Core earnings/average managed assets	0.3	0.3	0.1	0.3	0.2
N.M.--Not meaningful.					

DZ HYP AG Risk-Adjusted Capital Framework Data

(€ 000s)	Exposure*	Basel III RWA	Average Basel III RW(%)	S&P Global Ratings RWA	Average S&P Global Ratings RW (%)
Credit risk					
Government & central banks	15,382,612	103,566	1	823,313	5
Of which regional governments and local authorities	12,311,993	77,723	1	571,235	5
Institutions and CCPs	4,048,378	24,992	1	942,645	23
Corporate	45,261,605	12,917,464	29	35,760,990	79
Retail	15,345,744	1,267,096	8	3,563,618	23
Of which mortgage	15,340,372	1,263,178	8	3,560,075	23
Securitization§	183,253	150,753	82	121,463	66
Other assets†	1,065,216	248,347	23	1,053,221	99
Total credit risk	81,286,807	14,712,218	18	42,265,250	52
Credit valuation adjustment					
Total credit valuation adjustment	'--	68,282	'--	0	'--
Market Risk					
Equity in the banking book	1,994	5,563	279	17,451	875

DZ HYP AG Risk-Adjusted Capital Framework Data

(€ 000s)	Exposure*	Basel III RWA	Average Basel III RW(%)	S&P Global Ratings RWA	Average S&P Global Ratings RW (%)
Credit risk					
Trading book market risk	'--	0	'--	0	'--
Total market risk	'--	5,563	'--	17,451	'--
Operational risk					
Total operational risk	'--	1,277,394	'--	1,413,855	'--
(€ 000s)	Exposure	Basel III RWA	Average Basel II RW (%)	S&P Global RWA	% of S&P Global RWA
Diversification adjustments					
RWA before diversification	'--	16,368,518	'--	43,696,555	100
Total Diversification/ Concentration Adjustments	'--	'--	'--	9,451,883	22
RWA after diversification	'--	16,368,518	'--	53,148,438	122
(€ 000s)		Tier 1 capital	Tier 1 ratio (%)	Total adjusted capital	S&P Global RAC ratio (%)
Capital ratio		**S&P Global Ratings RWA**	**S&P Global Ratings RWA**	**S&P Global Ratings RWA**	**S&P Global Ratings RWA**
Capital ratio before adjustments		1,930,493	11.8	2,249,584	5.1
Capital ratio after adjustments‡		1,930,493	11.8	2,249,584	4.2

*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 2024', S&P Global Ratings.

DZ HYP AG Risk Position

(%)	2024	2023	2022	2021	2020
Growth in customer loans	0.6	(0.5)	1.2	1.9	3.8
Total diversification adjustment/S&P Global Ratings' RWA before diversification	21.6	21.3	22.8	20.8	22.6
Total managed assets/adjusted common equity (x)	34.3	36.8	36.5	39.2	46.3
New loan loss provisions/average customer loans	0.1	0.2	0.1	0.1	0.1
Gross nonperforming assets/customer loans + other real estate owned	1.2	0.8	0.2	0.2	0.2
Loan loss reserves/gross nonperforming assets	68.7	90.5	322.8	207.6	179.4

N.M.--Not meaningful.

DZ HYP AG Funding And Liquidity

(%)	2024	2023	2022	2021	2020
Core deposits/funding base	2.5	1.76	1.6	2.0	2.5

DZ HYP AG Funding And Liquidity

Customer loans (net)/customer deposits	3,640.0	5,184.5	5,655.3	4,243.4	3,428.9
Long-term funding ratio	83.2	83.9	86.1	81.5	81.4
Stable funding ratio	88.9	90.1	93.2	93.2	95.0
Short-term wholesale funding/funding base	17.3	16.6	14.3	19.1	19.2
Broad liquid assets/short-term wholesale funding (x)	0.5	0.6	0.7	0.8	0.9
Broad liquid assets/total assets	8.2	8.7	9.3	14.0	15.6
Broad liquid assets/customer deposits	337.2	517.3	594.9	721.5	662.0
Net broad liquid assets/short-term customer deposits	(355.5)	(349.5)	(240.0)	(252.4)	(122.7)
Regulatory liquidity coverage ratio (LCR) (x)	278.0	305.3	--	--	--
Short-term wholesale funding/total wholesale funding	17.8	16.9	14.6	19.4	19.5

Rating Component Scores

Rating Component Scores

Issuer Credit Rating	A+/Stable/A-1
SACP	bbb-
Anchor	bbb+
Business position	Moderate (-1)
Capital and earnings	Moderate (-1)
Risk position	Adequate (0)
Funding and liquidity	Adequate and Adequate (0)
Comparable ratings analysis	0
Support	5
ALAC support	0
GRE support	0
Group support	5
Sovereign support	0
Additional factors	--

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

Related Criteria

- 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
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Related Research

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- DZ Bank AG Deutsche Zentral-Genossenschaftsbank Frankfurt am Main, Sept. 6, 2024
- Banking Industry Country Risk Assessment: Germany, Aug. 7, 2024

Ratings Detail (as of July 23, 2025)*	
DZ HYP AG	
Issuer Credit Rating	A+/Stable/A-1
Senior Secured	AAA/Stable
Senior Subordinated	A
Senior Unsecured	A+
Short-Term Debt	A-1
Short-Term Secured Debt	A-1+
Related Entities	
DZ BANK AG Deutsche Zentral-Genossenschaftsbank Frankfurt am Main	
Issuer Credit Rating	A+/Stable/A-1
Commercial Paper	
Foreign Currency	A+/A-1
Local Currency	A-1
Junior Subordinated	BBB-
Senior Secured	AA+/Stable
Senior Subordinated	A
Senior Unsecured	A+
Short-Term Debt	A-1
Subordinated	A-

*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.