ING-Diba AG - Mortgage Covered Bonds

Covered Bonds / Germany

Contacts
Widmayer, Patrick  -  +49 (697) 073-0715  -  Patrick.Widmayer@moodys.com
Kumar, Kiran  -  +91 (806) 113-3659  -  Kiran.Kumar3@moodys.com

Monitoring
Client Service Desk
Monitor.CB@moodys.com
Click on the icon to download data into Excel & to see Glossary of terms used
Click here to access the covered bond programme webpage on moodys.com

Reporting as of: 31/03/2020
All amounts in EUR (unless otherwise specified)

For information on how to read this report, see the latest Moody's Covered Bonds Sector Update

Data as provided to Moody's Investors Service (note 1)

I. Programme Overview
Overview
Year of initial rating assignment: 2011
Total outstanding liabilities: EUR 3,705,000,000
Total assets in the Cover Pool: EUR 5,804,108,840
Issuer name / CR Assessment: ING-DiBa AG / Aa2(cr)
Group or parent name / CR Assessment: ING-DiBa AG / Aa2(cr)
Main collateral type: Residential
Rating
Covered bonds rating: Aaa
Entity used in Moody's EL & TPI analysis: ING-DiBa AG
CB anchor: CR Assessment + 1 notch
CR Assessment: Aa1(cr)
SUR: n/a
Unsecured claim used for Moody's EL analysis: Yes

II. Value of the Cover Pool
Collateral quality
Collateral Score: 5.0%
Collateral Score excl. systemic risk: 3.0%
Cover Pool losses
Collateral risk (Collateral Score post-haircut): 3.4% 21%
Market Risk: 12.4% 79%
Refinancing risk: 15.6% (100%)

III. Over-Collateralisation Levels (notes 2 & 3)
Over-Collateralisation (OC) figures presented below include Eligible only collateral.
Over-Collateralisation levels are provided on any of the following: nominal basis or unstressed NPV basis or on stressed NPV basis.
NPV stress assumptions applied as required by the legal framework for German Pfandbriefe.

Current situation
Committed OC (Stressed NPV): 2.0%
Current OC (Unstressed NPV): 63.2%
Scenario 1: CB anchor is lowered by 1 notch 0.0%
OC consistent with current rating (note 4) 0.0%

IV. Timely Payment Indicator & TPI Leeway

<table>
<thead>
<tr>
<th>CR Assessment</th>
<th>Rating</th>
<th>Germany</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aaa(cr)</td>
<td>High</td>
<td>Yes, Pfandbrief Act</td>
</tr>
<tr>
<td>Aa1(cr)</td>
<td>High</td>
<td>Germany</td>
</tr>
<tr>
<td>Aa2(cr)</td>
<td>High</td>
<td>Germany</td>
</tr>
<tr>
<td>Aa3(cr)</td>
<td>High</td>
<td>Germany</td>
</tr>
<tr>
<td>A1(cr)</td>
<td>High</td>
<td>Germany</td>
</tr>
<tr>
<td>A2(cr)</td>
<td>High</td>
<td>Germany</td>
</tr>
<tr>
<td>A3(cr)</td>
<td>High</td>
<td>Germany</td>
</tr>
<tr>
<td>Baa1(cr)</td>
<td>High</td>
<td>Germany</td>
</tr>
<tr>
<td>Baa2(cr)</td>
<td>High</td>
<td>Germany</td>
</tr>
<tr>
<td>Baa3(cr)</td>
<td>High</td>
<td>Germany</td>
</tr>
<tr>
<td>Ba1(cr)</td>
<td>High</td>
<td>Germany</td>
</tr>
<tr>
<td>Ba2(cr)</td>
<td>High</td>
<td>Germany</td>
</tr>
<tr>
<td>Ba3(cr)</td>
<td>High</td>
<td>Germany</td>
</tr>
<tr>
<td>B1(cr)</td>
<td>High</td>
<td>Germany</td>
</tr>
<tr>
<td>B2(cr)</td>
<td>High</td>
<td>Germany</td>
</tr>
</tbody>
</table>

Legal framework
Does a specific covered bond law apply for this programme: Yes, Pfandbrief Act
Main country in which collateral is based: Germany
Country in which issuer is based: Germany
Refinancing period for principal payments of 6 months or greater: No
Liquidity reserve to support timely payments on all issuances: Nas/Funded
Please refer to section 4 of the Pfandbrief Act

Sensitivity scenario CB anchor

<table>
<thead>
<tr>
<th>OC consistent with current rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scenario 1: CB anchor lowered by 1 notch</td>
</tr>
</tbody>
</table>

Chart 1: Rating history

Chart 2: Asset types in cover pool

Residential assets, 95.7%
Other / Supplementary assets, 4.3%

Note: The data reported in this PO is based on information provided by the issuer and may include certain assumptions made by Moody's. Moody's accepts no responsibility for the information provided to it and, whilst it believes the assumptions it has made are reasonable, cannot guarantee that they are or will remain accurate. Although Moody's encourages all issuers to provide reporting data in a consistent manner, there may be differences in the way that certain data is categorised by issuers. The data reporting template (which Issuers are requested to use) is available on request.

Note (2) This assumes the Covered Bonds rating is not constrained by the TPI. Also to the extent rating assumptions change following a downgrade or an upgrade of the issuer, the necessary OC stated here may also change. This is especially significant in the case of CR assessments of A3(cr) or Baa3(cr), as the necessary OC following a notch downgrade may then be substantially higher than the amount suggested here as market rates are considered more critically by Moody’s at this time. In any event, the necessary OC amounts stated here are subject to change at anytime at Moody’s discretion.

Note (3) This is the minimum OC calculated to be consistent with the current rating under Moody’s expected loss model. However, the level of OC consistent with a generating level may differ from the amount where ratings are capped under the TPI framework and, for example, where committee discretion is applied.

Note (4) The OC consistent with the current rating is the minimum level of over-collateralisation which is necessary to support the covered bond’s rating at its current level on the basis of the pool as per the cut-off date. The sensitivity run is based on certain assumptions, including that the Covered Bonds rating is not constrained by the TPI. Further, this sensitivity run is a model output only and therefore a simplification as it does not take into account certain assumptions that may change as an issuer is downgraded, and as a result the actual OC number consistent with the current rating may be higher than shown. The OC required may also differ from the model output in situations when committee discretion is applied to any event, the actual OC amounts stated here are subject to change at anytime at Moody’s discretion.
V. Asset Liability Profile

Interest Rate & Duration Mismatch (note 5)

- Fixed rate assets in the cover pool: 100.0%
- WAL of outstanding covered bonds: 30.2 years
- WAL of the cover pool: 30.2 years
- WAL of the cover pool: 30.2 years
- Maximum mismatch: 35.1%

Swap Arrangements

- Internal rate swaps in the Cover Pool: No
- Intra-group interest rate swap(s) provider(s): No
- Intra-group currency swap(s) provider(s): No

VI. Performance Evolution

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moodys.com for the most updated credit rating action information and rating history.

Note: This assumes no prepayment.

Chart 3: Stressed refinancing needs per quarter (% of liabilities)

Chart 4: Currency mix before swaps (Main Currencies)

Chart 5: Amortisation profile (in millions) (note 7)

Chart 6: Collateral Score

Chart 7: Cover Pool Losses

Chart 8: OC consistent with covered bond rating vs. Current OC

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moodys.com for the most updated credit rating action information and rating history.

Note 5: This assumes no prepayment.
Note 6: Based on principal flows only. Assumptions include no prepayment, principal collections limited to the portion of assets that make up the amount of the liabilities plus committed OC, no further CB issuance and no further assets added to the cover pool.
Note 7: Assumptions include no swap in place in Cover Pool, no prepayment and no further CB issuance.
VII. Cover Pool Information - Residential Assets

Overview

- **Asset type**: Residential
- **Average loan balance**: 80,029
- **Number of loans**: 69,401
- **Number of borrowers**: 60,490
- **Number of properties**: 61,087
- **WA seasoning (in months)**: 68

Specific Loan and Borrower characteristics

- Loans with an external guarantee in addition to a mortgage: 0.0%
- Interest only loans: 3.0%
- Loans for second homes / Vacation: 0.0%
- Buy to let loans / Non owner occupied properties: 36.3%
- Limited income verified: 0.0%
- Adverse credit characteristics (**): 0.0%

Asset balance: Interest only Loans 5.0%

- **Average loan balance**: 80,029
- **Loans for second homes / Vacation**: 0.0%
- **Number of loans**: 69,401
- **Buy to let loans / Non owner occupied properties**: 16.3%
- **Number of borrowers**: 60,490
- **Limited income verified**: 0.0%
- **Number of properties**: 61,087
- **WA remaining term (in months)**: 378
- **WA seasoning (in months)**: 68

**Details on LTV**

- **WA unindexed LTV (**)**: 88.5%
- **WA Indexed LTV**: n/a

**Valuation type**: Lending Value

- **LTV threshold**: 60.0%
- **Junior ranks**: n/a
- **Loans with Prior Ranks**: 0.0%

Performance

- Loans in arrears (1-2 months): 0.0%
- Loans in arrears (3+ months): 0.0%
- Loans in a foreclosure procedure: 0.0%

Multi-Family Properties

- Loans to tenants of tenant-owned Housing Cooperatives: n/a
- Other type of Multi-Family loans (***): n/a

---

(note **) may be based on property value at time of origination or further advance or borrower refinancing.

(note ***) This “other” type refers to loans directly to Housing Cooperatives and to Landlords of Multi-Family properties (not included in Buy to Let).

---

ING-DiBa AG - Mortgage Covered Bonds

Page 3

29 May 2020
VIII. Cover Pool Information - Supplementary Assets

Overview

<table>
<thead>
<tr>
<th>Asset Type:</th>
<th>Supplementary Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset balance</td>
<td>250,000,000</td>
</tr>
<tr>
<td>WA remaining term (in months)</td>
<td>22</td>
</tr>
<tr>
<td>Number of assets</td>
<td>3</td>
</tr>
<tr>
<td>Number of borrowers</td>
<td>3</td>
</tr>
<tr>
<td>Average assets size</td>
<td>83,333,333</td>
</tr>
<tr>
<td>Average exposure to borrowers</td>
<td>83,333,333</td>
</tr>
</tbody>
</table>

Specific Loan and Borrower characteristics

<table>
<thead>
<tr>
<th>Description</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Repo eligible assets</td>
<td>100.0%</td>
</tr>
<tr>
<td>Percentage of fixed rate assets</td>
<td>100.0%</td>
</tr>
<tr>
<td>Percentage of bullet assets</td>
<td>100.0%</td>
</tr>
<tr>
<td>Assets in non-domestic currency</td>
<td>0.0%</td>
</tr>
<tr>
<td>Assets in arrears ( &gt; 2 months – ≤ 6 months)</td>
<td>0.0%</td>
</tr>
<tr>
<td>Assets in arrears ( &gt; 6 months – ≤ 12 months)</td>
<td>0.0%</td>
</tr>
<tr>
<td>Assets in arrears ( &gt; 12 months)</td>
<td>0.0%</td>
</tr>
<tr>
<td>Assets in enforcement procedure</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

Performance

- Average assets size: 83,333,333
- Average exposure to borrowers: 83,333,333
## IX. Liabilities Information: Last 50 Issuances

<table>
<thead>
<tr>
<th>ISIN</th>
<th>Series Number</th>
<th>Currency</th>
<th>Outstanding Amount</th>
<th>Issuance Date</th>
<th>Expected Maturity</th>
<th>Legal Final Maturity</th>
<th>Interest Rate Type</th>
<th>Coupon</th>
<th>Principal Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1KRJT</td>
<td>n/d</td>
<td>EUR</td>
<td>750,000,000</td>
<td>23/05/2019</td>
<td>23/05/2027</td>
<td>23/05/2027</td>
<td>Fixed rate</td>
<td>0.125%</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRJV</td>
<td>n/d</td>
<td>EUR</td>
<td>1,000,000,000</td>
<td>09/10/2018</td>
<td>09/10/2023</td>
<td>09/10/2023</td>
<td>Fixed rate</td>
<td>0.250%</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRJW</td>
<td>n/d</td>
<td>EUR</td>
<td>500,000,000</td>
<td>09/10/2018</td>
<td>09/10/2023</td>
<td>09/10/2023</td>
<td>Fixed rate</td>
<td>0.250%</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRJX</td>
<td>n/d</td>
<td>EUR</td>
<td>500,000,000</td>
<td>09/10/2018</td>
<td>09/10/2023</td>
<td>09/10/2023</td>
<td>Fixed rate</td>
<td>0.250%</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRJY</td>
<td>n/d</td>
<td>EUR</td>
<td>50,000,000</td>
<td>11/11/2014</td>
<td>11/11/2024</td>
<td>11/11/2024</td>
<td>Fixed rate</td>
<td>0.937%</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRJZ</td>
<td>n/d</td>
<td>EUR</td>
<td>5,000,000</td>
<td>03/02/2012</td>
<td>03/02/2022</td>
<td>03/02/2022</td>
<td>Fixed rate</td>
<td>2.300%</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRK0</td>
<td>n/d</td>
<td>EUR</td>
<td>10,000,000</td>
<td>16/11/2013</td>
<td>16/11/2021</td>
<td>16/11/2021</td>
<td>Fixed rate</td>
<td>1.625%</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRK1</td>
<td>n/d</td>
<td>EUR</td>
<td>10,000,000</td>
<td>26/04/2012</td>
<td>26/04/2022</td>
<td>26/04/2022</td>
<td>Fixed rate</td>
<td>2.400%</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRK2</td>
<td>n/d</td>
<td>EUR</td>
<td>10,000,000</td>
<td>03/04/2012</td>
<td>03/04/2020</td>
<td>03/04/2020</td>
<td>Fixed rate</td>
<td>2.300%</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRK3</td>
<td>n/d</td>
<td>EUR</td>
<td>10,000,000</td>
<td>26/04/2012</td>
<td>26/04/2022</td>
<td>26/04/2022</td>
<td>Fixed rate</td>
<td>2.400%</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRK4</td>
<td>n/d</td>
<td>EUR</td>
<td>10,000,000</td>
<td>03/02/2012</td>
<td>03/02/2022</td>
<td>03/02/2022</td>
<td>Floating rate</td>
<td>EURIBOR 6M + 25 bps</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRK5</td>
<td>n/d</td>
<td>EUR</td>
<td>20,000,000</td>
<td>21/02/2012</td>
<td>21/02/2022</td>
<td>21/02/2022</td>
<td>Fixed rate</td>
<td>1.250%</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRK6</td>
<td>n/d</td>
<td>EUR</td>
<td>50,000,000</td>
<td>03/02/2012</td>
<td>03/02/2022</td>
<td>03/02/2022</td>
<td>Floating rate</td>
<td>EURIBOR 6M + 25 bps</td>
<td>BULLET</td>
</tr>
</tbody>
</table>
AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

OTHER OPINIONS OR PUBLICATIONS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFORMED, DECOMPILED, RECREATED, REVISED, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BANKROLL THAT IS DERIVED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BANKROLL.

All information contained herein is obtained by Moody’s from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. Moody’s adopts all necessary measures so that the information it uses in assigning a credit rating of a sufficient quality and from sources Moody’s considers to be reliable including, when appropriate, independent third-party sources. However, Moody’s is not an auditor and cannot in every instance independently verify or validate information received in the rating process or in preparing its Publications.

To the extent permitted by law, Moody’s and its directors, officers, employees, agents, representatives, licensees and suppliers disclaim liability to any person or entity for any indirect, special, consequential, incidental losses or damages whatsoever arising from or in connection with the information contained herein or the inability to use any such information, even if Moody’s or any of its directors, officers, employees, agents, representatives, licensees or suppliers is subject to advance of the possibility of such losses or damages, including but not limited to: (i) any loss of present or prospective profits or (ii) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by Moody’s.

To the extent permitted by law, Moody’s and its directors, officers, employees, agents, representatives, licensees and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to: (i) breaches of contract or tortuous activities or operations of any kind whatsoever connected to or arising from the information contained herein or the use thereof; (ii) any decision based upon such information; or (iii) any action taken or not taken by any person in reliance upon such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION GIVEN OR MADE BY MOODY’S IN ANY FORM OR MANNER WHATSOEVER.

Moody’s Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody’s Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, certificates, notes and commercial paper) and other financial instruments are charged fees to Moody’s for credit ratings opinions and services rendered by it and certain third-party data providers.

Additional terms for Australia only: Any publications from Australia of this document is pursuant to the Australian Financial服务业 License of MCO’s affiliate, Moody’s Investors Service Pty Limited ABN 61 009 979 653 (AFLR 60959) and/or Moody’s Analytics Australia Pty Ltd ABN 14 105 159 792 AFS License 383091 as applicable. This document is intended to be provided only to "Wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to Moody’s that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. Moody’s credit ratings are an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.

Additional terms for Japan only: Moody’s Japan K.K. ("MJKK") is a wholly-owned credit rating agency subsidiary of Moody’s Group Japan K.K., which is wholly owned by Moody’s Investors Services Asia Limited, a wholly-owned subsidiary of Moody’s Corporation. MJKK is a registered entity with the Financial Services Agency of Japan (FSA; registered numbers 1 and 2) under the FSA’s Registration and Financial Instruments Transactions Law and the associated rules. MJKK also maintains policies and procedures to address Japanese regulatory requirements.