ING-Diba AG - Mortgage Covered Bonds

Covered Bonds / Germany

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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.

I. Programme Overview

Overview
Year of initial rating assignment: 2011
Total outstanding liabilities: EUR 5,804,108,840
Total assets in the Cover Pool: EUR 3,705,000,000
Issuer name / CR Assessment: ING-Diba AG / Aa2
Group or parent name / CR Assessment: Non
Main collateral type: Residential

Covered bonds rating: Aaa
Entity used in Moody’s EL & TPI analysis: ING-Diba AG
CB anchor: ING-Diba AG
CR Assessment: Aa2(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 score post-haircut: 3.4%
Market Risk: 12.4% 79%

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 OC consistent with current rating (note 4) 0.0%

IV. Timely Payment Indicator & TPI Leeway

Legal framework
Does a specific covered bond law apply for this programme: Yes, Pfandbrief Act
Country in which collateral is based: Germany
Country in which issuer is based: Germany

Sensitivity scenario CB anchor
OC consistent with current rating

Scenarios: 1-4

 hateful text removed for clarity and conciseness
V. Asset Liability Profile

### Interest Rate & Duration Mismatch (note 5)
- Fixed rate assets in the cover pool: 100.0%
- WAL of outstanding covered bonds: 9.2 years

### Swap Arrangements
- Internal rate swaps (in the Cover Pool): No
- Currency swaps (in the Cover Pool): No

### Fixed rate covered bonds outstanding:
- 97.3%
- WAL of the cover pool: 30.2 years

### Intra-group interest rate swap(s)
- No

### Currency swap(s)
- No

### Maximum mismatch: 35.1% in EUR millions

### Amortisation profile (in millions) (note 7)

<table>
<thead>
<tr>
<th>Period in years</th>
<th>0%</th>
<th>5%</th>
<th>10%</th>
<th>15%</th>
<th>20%</th>
<th>25%</th>
<th>30%</th>
<th>35%</th>
<th>40%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0%</td>
<td>1%</td>
<td>2%</td>
<td>3%</td>
<td>5%</td>
<td>6%</td>
<td>8%</td>
<td>9%</td>
<td>10%</td>
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</table>

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VI. Performance Evolution

### Stressed refinancing needs per quarter (% of liabilities)

<table>
<thead>
<tr>
<th>Period in years</th>
<th>0%</th>
<th>5%</th>
<th>10%</th>
<th>15%</th>
<th>20%</th>
<th>25%</th>
<th>30%</th>
<th>35%</th>
<th>40%</th>
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<td>3%</td>
<td>5%</td>
<td>6%</td>
<td>8%</td>
<td>9%</td>
<td>10%</td>
</tr>
</tbody>
</table>

### Currency mix before swaps (Main Currencies)

<table>
<thead>
<tr>
<th>Cover pool</th>
<th>Covered Bonds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cover pool</td>
<td>Covered Bonds</td>
</tr>
</tbody>
</table>

### Collateral Score

<table>
<thead>
<tr>
<th>Quarter</th>
<th>0%</th>
<th>5%</th>
<th>10%</th>
<th>15%</th>
<th>20%</th>
<th>25%</th>
<th>30%</th>
<th>35%</th>
<th>40%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2019</td>
<td>0%</td>
<td>1%</td>
<td>2%</td>
<td>3%</td>
<td>5%</td>
<td>6%</td>
<td>8%</td>
<td>9%</td>
<td>10%</td>
</tr>
<tr>
<td>Q2 2019</td>
<td>0%</td>
<td>1%</td>
<td>2%</td>
<td>3%</td>
<td>5%</td>
<td>6%</td>
<td>8%</td>
<td>9%</td>
<td>10%</td>
</tr>
<tr>
<td>Q3 2019</td>
<td>0%</td>
<td>1%</td>
<td>2%</td>
<td>3%</td>
<td>5%</td>
<td>6%</td>
<td>8%</td>
<td>9%</td>
<td>10%</td>
</tr>
<tr>
<td>Q4 2019</td>
<td>0%</td>
<td>1%</td>
<td>2%</td>
<td>3%</td>
<td>5%</td>
<td>6%</td>
<td>8%</td>
<td>9%</td>
<td>10%</td>
</tr>
<tr>
<td>Q1 2020</td>
<td>0%</td>
<td>1%</td>
<td>2%</td>
<td>3%</td>
<td>5%</td>
<td>6%</td>
<td>8%</td>
<td>9%</td>
<td>10%</td>
</tr>
</tbody>
</table>

### OC consistent with covered bond rating vs. Current OC

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Covered Bond Rating</th>
<th>CR Assessment</th>
<th>OC needed</th>
<th>Surplus OC</th>
<th>Current OC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2019</td>
<td>Aaa</td>
<td>Aa2(cr)</td>
<td>118.1%</td>
<td>45.1%</td>
<td>63.0%</td>
</tr>
<tr>
<td>Q2 2019</td>
<td>Aaa</td>
<td>Aa2(cr)</td>
<td>118.1%</td>
<td>45.1%</td>
<td>63.0%</td>
</tr>
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<td>Q3 2019</td>
<td>Aaa</td>
<td>Aa2(cr)</td>
<td>118.1%</td>
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<td>Aaa</td>
<td>Aa2(cr)</td>
<td>118.1%</td>
<td>45.1%</td>
<td>63.0%</td>
</tr>
<tr>
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<td>Aaa</td>
<td>Aa2(cr)</td>
<td>118.1%</td>
<td>45.1%</td>
<td>63.0%</td>
</tr>
</tbody>
</table>

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(note 5) This assumes no prepayment.

(note 6) Based on principal flows only. Assumptions include no prepayments, 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

<table>
<thead>
<tr>
<th>Asset type</th>
<th>Residential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset balance</td>
<td>5,554,208,840</td>
</tr>
<tr>
<td>Average loan balance</td>
<td>80,029</td>
</tr>
<tr>
<td>Number of loans</td>
<td>69,401</td>
</tr>
<tr>
<td>Number of borrowers</td>
<td>60,490</td>
</tr>
<tr>
<td>Number of properties</td>
<td>61,087</td>
</tr>
<tr>
<td>WA seasoning (in months)</td>
<td>68</td>
</tr>
</tbody>
</table>

Specific Loan and Borrower characteristics

- Loans with an external guarantee in addition to a mortgage: 0.0%
- Interest only loans: 5.0%
- 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%

Details on LTV

- WA unindexed LTV (**) 88.5%

Performance

- Loans in arrears > 12 months: 0.0%
- Loans in arrears > 12 months - > 24 months: 0.0%
- Loans in arrears > 24 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

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(Notes) (*) may be based on property value at time of origination or further advance or borrower refinancing.
(Notes **) Typically borrowers with a previous personal bankruptcy or borrowers with record of court claims against them at time of origination.
(Notes ***) This "other" type refers to loans directly to Housing Cooperatives and to Landlords of Multi-Family properties (not included in Buy to Let).
VIII. Cover Pool Information - Supplementary Assets

**Overview**

- **Asset type:** Supplementary Assets
- **Asset balance:** 250,000,000
- **WA remaining Term (in months):** 22
- **Number of assets:** 3
- **Number of borrowers:** 3
- **Average assets size:** 83,333,333
- **Average exposure to borrowers:** 83,333,333

**Specific Loan and Borrower characteristics**

- Repo eligible assets: 100.0%
- Percentage of fixed rate assets: 100.0%
- Percentage of bullet assets: 100.0%
- Assets in non-domestic currency: 0.0%

**Performance**

- Assets in arrears (< 2 months): 0.0%
- Assets in arrears (< 6 months): 0.0%
- Assets in arrears (< 12 months): 0.0%
- Assets in an enforcement procedure: 0.0%

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**Chart A:** Interest rate type

- Fixed rate with reset years: 100.0%

**Chart B:** Percentage of supplementary assets

- Supplementary Assets: 4.3%

**Chart C:** Distribution by country, rating

- Country, Aaa: 100.0%

**Chart D:** Distribution by country rating

- Aaa, Fixed: 100.0%
## IX. Liabilities Information: Last 50 Issuances

<table>
<thead>
<tr>
<th>ISIN</th>
<th>Series Number</th>
<th>Currency</th>
<th>Outstanding Amount</th>
<th>Issue Date</th>
<th>Expected Maturity</th>
<th>Legal Final Maturity</th>
<th>Interest Rate Type</th>
<th>Coupon</th>
<th>Principal Payment</th>
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</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>
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<tr>
<td>A1KRJU</td>
<td>n/d</td>
<td>EUR</td>
<td>1,000,000,000</td>
<td>23/05/2019</td>
<td>23/05/2027</td>
<td>23/05/2027</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>23/05/2019</td>
<td>23/05/2027</td>
<td>23/05/2027</td>
<td>Fixed rate</td>
<td>1.250%</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRJX</td>
<td>n/d</td>
<td>EUR</td>
<td>500,000,000</td>
<td>23/05/2019</td>
<td>23/05/2027</td>
<td>23/05/2027</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>23/05/2019</td>
<td>23/05/2027</td>
<td>23/05/2027</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>23/05/2019</td>
<td>23/05/2027</td>
<td>23/05/2027</td>
<td>Fixed rate</td>
<td>2.340%</td>
<td>BULLET</td>
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<tr>
<td>A1KRJ1</td>
<td>n/d</td>
<td>EUR</td>
<td>10,000,000</td>
<td>23/05/2019</td>
<td>23/05/2027</td>
<td>23/05/2027</td>
<td>Fixed rate</td>
<td>1.250%</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRJ2</td>
<td>n/d</td>
<td>EUR</td>
<td>10,000,000</td>
<td>23/05/2019</td>
<td>23/05/2027</td>
<td>23/05/2027</td>
<td>Fixed rate</td>
<td>2.400%</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRJ3</td>
<td>n/d</td>
<td>EUR</td>
<td>10,000,000</td>
<td>23/05/2019</td>
<td>23/05/2027</td>
<td>23/05/2027</td>
<td>Fixed rate</td>
<td>2.300%</td>
<td>BULLET</td>
</tr>
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<td>n/d</td>
<td>EUR</td>
<td>10,000,000</td>
<td>23/05/2019</td>
<td>23/05/2027</td>
<td>23/05/2027</td>
<td>Fixed rate</td>
<td>2.300%</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRJ5</td>
<td>n/d</td>
<td>EUR</td>
<td>20,000,000</td>
<td>23/05/2019</td>
<td>23/05/2027</td>
<td>23/05/2027</td>
<td>Fixed rate</td>
<td>2.300%</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRJ6</td>
<td>n/d</td>
<td>EUR</td>
<td>50,000,000</td>
<td>23/05/2019</td>
<td>23/05/2027</td>
<td>23/05/2027</td>
<td>Fixed rate</td>
<td>2.300%</td>
<td>BULLET</td>
</tr>
</tbody>
</table>
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