ING DiBa AG - Mortgage Covered Bonds

Covered Bonds / Germany

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Reporting as of: 30/09/2017
All amounts in EUR (unless otherwise specified)

For information on how to read this report, see the latest Moody's Global Covered Bond Monitoring Overview

I. Programme Overview

Overview
- Year of initial rating assignment: 2007
- Total collateralised liabilities: EUR 1,235,000,000
- Total assets in the Cover Pool: EUR 3,452,946,217
- Group or parent name: CR Assessment: ING-DiBa AG Aaa
- Main collateral type: Residential

Ratings
- Covered Bonds rating: Aaa
- Legal framework: Germany

Entity used in Moody's EL & TPI analysis: ING DiBa AG

CB anchor: CR Assessment + 1 notch

II. Value of the Cover Pool

Collateral quality
- Collateral score: 5.9%
- Collateral score excl. systemic risk: 2.9%

Cover Pool losses
- Collateral score (Collateral Score post-haircut): 3.4% 21%
- Market link: 12.5% 79%
- 15.8% [100%]

III. Over-Collateralisation Levels (note 2 & 3)

Over-Collateralisation (OL) 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 test where stressed: Dynamic

Current situation
- Committed OC (Stressed NPV): 2.0%
- Current OC (Unstressed NPV): 218.4%
- OC consistent with current rating (note 4): 0.0%

IV. Timely Payment Indicator & TPI Leeway

Timely Payment Indicator (TPI)

[Data not provided]

TPI Leeway:

Sensitivity scenario CB anchor

Background period for principal payments of 6 months or greater: Yes
Legally reserve to support timely payments on all issuances: Yes Funded *

[Note 1] 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 in or to it, and it believes the assumptions it has made are reasonable, cannot guarantee that they are or will remain accurate. Although Moody’s secures all issuers to provide reporting data in a consistent manner, there may be differences in the way that certain data is categorized by issuers. The data reporting template (which issuers are required to use) is available on request.
[Note 2] If the current OC is calculated to be consistent with the current rating under Moody’s expected loss model, however, the necessary OC consistent with a given rating level may differ from the amount when ratings are capped under the TPI framework and, for example, when committee discretion is applied.
[Note 3] The necessary OC is applied. If the current OC is calculated to be consistent with the current rating under Moody’s expected loss model, however, the necessary OC consistent with a given rating level may differ from the amount when ratings are capped under the TPI framework and, for example, when committee discretion is applied.
[Note 4] This assumes the Covered Bonds rating is not constrained by the TPI. Also to the extent rating assumptions change, FSBing a downgrading, as an upgrade of the issuer’s necessary OC, stakeholders may also change. This is especially significant in the case of Issuers currently rated A2 or A3, as the necessary OC following a 1 notch downgrade may then be substantially higher than the amount suggested here without the benefit of an OC discount.

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V. Asset Liability Profile

Interest Rate & Duration Mismatch (note 5)

- Fixed rate assets in the cover pool: 100.0%
- Fixed rate covered bonds outstanding: 81.0%
- WAL of outstanding covered bonds: 5.2 years
- WAL of the cover pool: 14.9 years
- Fixed rate covered bonds outstanding: 91.9%
- Intra-group interest rate swap(s) provider(s): No
- Intra-group currency swap(s) provider(s): No

Maximum mismatch: 64.7%

Swap Arrangements

- Interest rate swap(s) in the Cover Pool: No
- Currency swap(s) in the Cover Pool: 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.
VII. Cover Pool Information - Residential Assets

**Overview**

- **Asset type:** Residential
- **Average loan balance:** €3,377,946,217
- **Number of loans:** 49,275
- **Number of properties:** 44,155
- **WA remaining term (in months):** 183
- **WA seasoning (in months):** 69

**Details on LTV**

- **WA unindexed LTV:** 97.6%
- **WA indexed LTV:** 0.0%
- **Valuation type:** Lending Value
- **Junior ranks:** n/a
- **Prior ranks:** 0.0%
- **Other type of Multi-Family loans:** n/a

**Performance**

- Loans in arrears (≥ 2 months - < 6 months): 0.0%
- Loans in arrears (≥ 6 months - < 12 months): 0.0%
- Loans in arrears (≥ 12 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

**Specific Loan and Borrower characteristics**

- Loans with an external guarantee in addition to a mortgage: 0.0%
- Interest only Loans: 0.2%
- Loans for second homes / Vacation: 0.0%
- Buy to let loans / Non owner occupied properties: 12.8%
- Limited income verified: 0.0%
- Adverse credit characteristics (**): 0.0%

**Details on LTV**

- **WA unindexed LTV:** 97.6%
- **WA indexed LTV:** 0.0%
- **Valuation type:** Lending Value
- **Junior ranks:** n/a
- **Prior ranks:** 0.0%
- **Other type of Multi-Family loans:** n/a

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

*(Note **) Typically borrowers with a previous personal bankruptcy or borrowers with record of court claims against them at time of origination.

*(Note ***) The "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

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<thead>
<tr>
<th>Asset Type</th>
<th>Supplementary Assets</th>
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<tr>
<td>Asset balance</td>
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<tr>
<td>WA remaining Term (in months)</td>
<td>46</td>
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<tr>
<td>Number of assets</td>
<td>1</td>
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<tr>
<td>Average assets size</td>
<td>75,000,000</td>
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<tr>
<td>Average exposure to borrowers</td>
<td>75,000,000</td>
</tr>
</tbody>
</table>

/\ Information not disclosed by Issuer

Performance

- Performance:
  - Average assets size: 75,000,000
  - Average exposure to borrowers: 75,000,000
  - Performance:
    - Average assets size: 100.0%
    - Average exposure to borrowers: 100.0%
  - Performance:

Specific Loan and Borrower Characteristics

- Repo eligible assets: 100.0%
- Percentage of fixed rate assets: 100.0%
- Percentage of bullet assets: 100.0%
- Percentage of non-domestic currency: 0.0%
- Number of borrowers: 1
- Number of assets: 1
- Average assets size: 75,000,000
- Average exposure to borrowers: 75,000,000
- Performance:
  - Assets in arrears (< 2 months): 0.0%
  - Assets in arrears (2 months - < 6 months): 0.0%
  - Assets in arrears (6 months - < 12 months): 0.0%
  - Assets in arrears (> 12 months): 0.0%
  - Assets in enforcement procedure: 0.0%

\% Information not disclosed by Issuer
\% Information not applicable

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Chart A: Interest rate type

Chart B: Percentage of supplementary assets

Chart C: Distribution by country, rating

Chart D: Distribution by country rating

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<table>
<thead>
<tr>
<th>ISIN</th>
<th>Series Number</th>
<th>Currency</th>
<th>Outstanding</th>
<th>Maturity</th>
<th>Expected Maturity</th>
<th>Legal Final Maturity</th>
<th>Interest Rate Type</th>
<th>Coupon</th>
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<td>05/02/2019</td>
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