ING-DiBa - Mortgage Pfandbriefe

Covered Bonds / Germany

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Click on the icon to download data into Excel & to see Glossary of terms used

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Reporting as of:
30/09/2015
All amounts in EUR (unless otherwise specified)

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

I. Programme Overview

Overview

<table>
<thead>
<tr>
<th>Program name</th>
<th>Country</th>
<th>CR Assessment (RHS)</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Germany</td>
<td></td>
</tr>
</tbody>
</table>

Current rating is Aaa(ND).
Timely Payment Indicator (TPI): High
Does a specific covered bond law apply for this programme: Yes, Pfandbrief Act
Pfandbrief rating (note 3): Aaa

2.9%

30/09/2015

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

II. Value of the Cover Pool

Collateral quality

<table>
<thead>
<tr>
<th>Collateral Score excl. systemic risk</th>
<th>2.9%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collateral Score</td>
<td>5.9%</td>
</tr>
</tbody>
</table>

Cover Pool losses

<table>
<thead>
<tr>
<th>Collateral Rule (Collateral Score post-Acu)</th>
<th>2.9%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Risk</td>
<td>72.5%</td>
</tr>
<tr>
<td>Total 72.5% (150.9%)</td>
<td></td>
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</tbody>
</table>

III. Over-Collateralisation Levels

Over-Collateralisation (OC) figures presented below include Eligible only collateral. Over-collateralisation levels are provided on any of the following: normal basis or unstressed NPV basis or on stressed NPV basis. NPV stress test where stressed: Dynamic

Current situation

| Committed OC (Stressed NPV) | 2.9% |
| Current OC (Unstressed NPV) | 256.6 |
| OC consistent with current rating (note 4) | 0.0% |

IV. Timely Payment Indicator & TPI Leeway

Time Payment Indication (TPI)

TPI leverage %

Chart 1: Rating history

Chart 2: Asset types in cover pool

Other / Supplementary assets, 18%
Residential assets, 82%

Sensitivity scenario CB anchor

<table>
<thead>
<tr>
<th>OC consistent with current rating</th>
<th>6.5%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scenario 1: CB anchor is lowered by</td>
<td>1 notch</td>
</tr>
</tbody>
</table>

Legal framework

Does a specific covered bond law apply for this programme: Yes, Pfandbrief Act
Maturity country: Germany
Issuer country: Germany

Timely payment

No

*Please refer to section 4 of the Pfandbrief Act

[Notes]

1. The data reported in the PO is based on information provided by the issuer and may include certain assumptions made by Moody’s. Moody’s is not responsible 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 issuers to provide reporting data in a consistent manner, there may be differences in the way that certain data is compared by issuers. The data reporting template (which issuers are requested to use) is available upon request.

2. This assumes that the Covered Bond rating is not constrained by the TPI. Also to the extent rating assumptions change following a downgrade or an upgrade of the issuing, the necessary OC levels may also change. This is especially significant in the case of issuers currently rated A2 or A3, as the necessary OC numbers stated here are subject to change as ratings change at Moody’s discretion.

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 given rating level may differ from the level where ratings are capped under the TPI framework and, for example, where committee discretion is applied.

4. The OC consistent with the current rating is the minimum level of over-collateralisation which is necessary to support the covered bond rating. It is not calculated to be consistent on the basis of the pool as per the cut-off date. The sensitivity run is based on certain assumptions, including that the Covered Bond is not constrained by the TPI. Further, this sensitivity run is a model output only and therefore a simplification as it does not contain in 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 requesting may also differ from the model output in situations when committee discretion is applied. In any event, the OC amounts stated here are subject to change at any time at Moody’s discretion.

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

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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: 88.3%
- WAL of outstanding covered bonds: 3.0 years
- WAL of the cover pool: 17.1 years

**Swap Arrangements**
- Interest rate swap(s) in the Cover Pool: No
- Intra-group interest rate swap(s) provider(s): No
- Currency swap(s) in the Cover Pool: No
- Intra-group currency swap(s) provider(s): No

*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 prepayment, no swap in place in Cover Pool and no further CB issuance.

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**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.*

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**Chart 3:** Stressed refinancing needs per quarter (% of liabilities)
*Maximum mismatch: 73.8%*

**Chart 4:** Currency mix before swaps (3 Main Currencies)
- EUR: 61.6%
- USD: 31.7%
- JPY: 6.7%

**Chart 5:** Amortisation profile (in millions) (note 7)
- Covered Bonds: 1,285
- Cover pool: 1,406

**Chart 6:** Collateral Score
- Q3 2014: 0%
- Q4 2014: 5%
- Q1 2015: 5%
- Q2 2015: 5%
- Q3 2015: 0%

**Chart 7:** Cover Pool Losses
- Q3 2014: 0.0%
- Q4 2014: 0.0%
- Q1 2015: 0.0%
- Q2 2015: 0.0%
- Q3 2015: 0.0%

**Chart 8:** OC consistent with covered bond rating vs. Current OC
- Q3 2014: 296.4%
- Q4 2014: 264.6%
- Q1 2015: 265.6%
- Q2 2015: 265.6%
VII. Cover Pool Information - Residential Assets

Overview

<table>
<thead>
<tr>
<th>Feature</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset type</td>
<td>Residential</td>
</tr>
<tr>
<td>Asset balance</td>
<td>3,992,001,554</td>
</tr>
<tr>
<td>Average Loan balance</td>
<td>72,103</td>
</tr>
<tr>
<td>Number of loans</td>
<td>55,365</td>
</tr>
<tr>
<td>Number of properties</td>
<td>49,427</td>
</tr>
<tr>
<td>WA remaining term (in months)</td>
<td>208</td>
</tr>
<tr>
<td>WA seasoning (in months)</td>
<td>52</td>
</tr>
</tbody>
</table>

Specific Loan and Borrower characteristics

- Loans with an external guarantee in addition to a mortgage: n/a
- Interest only loans: 8.3%
- Loans for second Homes / Vacation: 0.0%
- Buy to let loans / Non owner occupied properties: 0.0%
- Limited income verified: 0.0%
- Adverse credit characteristics (**): 0.0%

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

Details on LTV

- WA unindexed LTV (*)
- WA indexed LTV: n/a
- Valuation type: Lending Value
- WA unindexed LTV: 98.8%
- Prior ranks: 0.0%
- Junior ranks: n/a
- Information not disclosed by issuer

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

Charts:

- Chart A: Balance per LTV-band
- Chart B: Percentage of residential assets
- Chart C: Time line evolution of pool’s LTV
- Chart D: Interest rate type
- Chart E: Main country regional distribution
- Chart F: Seasoning (in months)
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>75,000,000</td>
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<tr>
<td>WA remaining Term (in months)</td>
<td>70</td>
</tr>
<tr>
<td>Number of assets</td>
<td>1</td>
</tr>
<tr>
<td>Number of borrowers</td>
<td>1</td>
</tr>
<tr>
<td>Average assets size</td>
<td>75,000,000</td>
</tr>
<tr>
<td>Average exposure to borrowers</td>
<td>75,000,000</td>
</tr>
</tbody>
</table>

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

Performance

- Aaa, 100.0%
- Fixed rate with reset = 5 years

Charts:

- Chart A: Interest rate type
- Chart B: Percentage of supplementary assets
- Chart C: Distribution by country, rating
- Chart D: Distribution by country rating
### Appendix 1: Liabilities Information: Last 50 Issues

<table>
<thead>
<tr>
<th>ISIN</th>
<th>Sales 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</th>
<th>Type</th>
<th>Coupon</th>
<th>Principal Payment</th>
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<tbody>
<tr>
<td>A1KRJG</td>
<td>nd</td>
<td>EUR</td>
<td>5,000,000</td>
<td>28/02/2013</td>
<td>28/02/2018</td>
<td>28/02/2028</td>
<td>Fixed rate</td>
<td>1.590%</td>
<td>2.345%</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRJH</td>
<td>nd</td>
<td>EUR</td>
<td>50,000,000</td>
<td>19/06/2012</td>
<td>19/06/2019</td>
<td>19/06/2019</td>
<td>Fixed rate</td>
<td>EURIBOR (EUR) 3 MONTH</td>
<td>30 bps</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRJG</td>
<td>nd</td>
<td>EUR</td>
<td>25,000,000</td>
<td>26/04/2012</td>
<td>26/04/2017</td>
<td>26/04/2017</td>
<td>Floating Rate</td>
<td>EURIBOR (EUR) 3 MONTH</td>
<td>30 bps</td>
<td>BULLET</td>
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<tr>
<td>A1KRJH</td>
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<td>EUR</td>
<td>10,000,000</td>
<td>26/04/2012</td>
<td>26/04/2017</td>
<td>26/04/2017</td>
<td>Fixed rate</td>
<td>EURIBOR (EUR) 3 MONTH</td>
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<td>EUR</td>
<td>50,000,000</td>
<td>03/02/2012</td>
<td>03/02/2017</td>
<td>03/02/2017</td>
<td>Floating Rate</td>
<td>EURIBOR (EUR) 3 MONTH</td>
<td>30 bps</td>
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<tr>
<td>A1KRJH</td>
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<td>EUR</td>
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<td>15/03/2012</td>
<td>15/03/2017</td>
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<td>Fixed rate</td>
<td>2.500%</td>
<td>2.705%</td>
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<td>A1KRJG</td>
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