ING DiBa AG - Mortgage Covered Bonds

Covered Bonds / Germany

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Reporting as at: 31/12/2016
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: 2011
Total outstanding balances: EUR 1,265,000,000
Total assets in the Cover Pool: EUR 3,365,875,364
Issuer name / CR Assessment: ING-DiBa AG / Aaa(cr)
Group or parent name / CR Assessment: -
Main collateral type: Residential
Ratings: Covered bonds rating: Aaa,
Crithyly used in Moody's IL & TPI analysis: ING-DiBa AG
CR anchor: CR Assessment + 1 notch
CR Assessment: Aaa(cr)
CLR: 2.0%
Uncollected claims used for Moody's IL analysis: Yes

II. Value of the Cover Pool

Collateral quality
Collateral score: 5.9%
Collateral score excl. systemic risk: 2.9%
Cover Pool losses
Collateral Risk (Collateral Score post-haircut): 3.4%
Market Risk: 79.5%
Collateral Score excl. systemic risk: 79.5%
Collateral Score: 79.5%
Total NPV stress test where stressed: Dynamic
Over-Collateralisation levels are provided on any of the following: nominal basis or unstressed NPV basis or on stressed NPV basis.
NPV test stress where stressed: Dynamic

III. Over-Collateralisation Levels

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 test where stressed: Dynamic
Current situation
Committed OC (Unstressed NPV): 2.0%
Current OC (Unstressed NPV): 292.8%
OC consistent with current rating (note 4): 0.0%

IV. Timely Payment Indicator & TPI Leeway

Timely Payment Indicator (TPI): High
TPI Leeway: 5%

[Note 1] The data reported on this 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 correctness of the data 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 comprised by issuers. The data reporting template (which issuers are required to use) is available on request.

[Note 2] 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 test where stressed: Dynamic

[Note 3] Sensitivity scenario CB anchor

[Note 4] OC consistent with current rating

Legal framework
Does a specific covered bond law apply for this programme: No
Main country in which collateral is based: Germany
Country in which issuer is based: Germany

Timely payment
Refinancing period for principal payments of 6 months or greater: Yes

Availability reserve to support timely payments on all issuances: No

Note 1: The OC consistent with the current rating is the minimum level of over-collateralisation which is necessary to support the covered bonds' ratings at its current level on the basis of the pool as at the cut-off date. The sensitivity run is based on certain assumptions, including that the Covered Bonds are not constrained by the TPI. Further, this sensitivity run is model output only and therefore a simplification or an approximation as it does not take into account certain assumptions that may change as an issue is downgraded, and as a result the actual OC number consistent with the current rating may be higher than shown. The OC requirement also differs from the model output in situations when a controller discretion is applied. In any event, the OC amounts stated are subject to change at any time at Moody's discretion.
V. Asset Liability Profile

<table>
<thead>
<tr>
<th>Swap Arrangements</th>
<th>Interest rate swap(s) in the Cover Pool</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intra-group interest rate swap(s) provider(s)</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Currency swap(s) in the Cover Pool</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Intra-group currency swap(s) provider(s)</td>
<td>No</td>
<td></td>
</tr>
</tbody>
</table>

Interest Rate & Duration Mismatch (note 5)

- Fixed rate assets in the cover pool: 100.0%
- Fixed rate covered bonds outstanding: 88.3%
- WAL of the cover pool: 15.1 years

WAL of outstanding covered bonds: 5.8 years

Currency swap(s) in the Cover Pool: No

Intra-group currency swap(s) provider(s): No

Maximum mismatch: 63.2% in EUR millions

Amortisation profile (in millions) (note 7)

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

VI. Performance Evolution

Chart 3: Stressed refinancing needs per quarter (% of liabilities) (note 4)

Maximum mismatch: 63.2%

Chart 4: Currency mix before swaps (3 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

OC needed

Current OC

Surplus 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 issuers/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 prepayment, no swap in place in Cover Pool and no further CB issuance.
### VII. Cover Pool Information - Residential Assets

#### Overview

<table>
<thead>
<tr>
<th>Asset type</th>
<th>Residential</th>
</tr>
</thead>
</table>

| Asset balance: | 3,290,875,364 |
| Average loan balance: | n/a |
| Number of loans: | 49,818 |
| Number of properties: | 44,683 |
| WA remaining term (in months): | 185 |
| WA seasoning (in months): | 67 |

#### Specific Loan and Borrower characteristics

- **Interest only loans:** 6.4%
- **Loans for second homes / Vacation:** 0.0%
- **Buy to let loans / Non owner occupied properties:** 12.0%
- **Limited income verified:** 0.0%
- **Adverse credit characteristics (**)**

#### 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 foreclosure procedure:** 0.0%

#### Details on LTV

- **WA unindexed LTV:** 99.9%
- **Valuation type:** Lending Value
- **Junior ranks:** n/a
- **Prior ranks:** 0.0%
- **n/d: information not disclosed by Issuer**
- **n/a: information not applicable**

#### 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).

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**Chart A:** Balance per LTV-band

**Chart B:** Percentage of residential assets

**Chart C:** LTV

**Chart D:** Interest rate type

**Chart E:** Main country regional distribution

**Chart F:** Seasoning (in months)
VIII. Cover Pool Information - Supplementary Assets

<table>
<thead>
<tr>
<th>Overview</th>
<th></th>
<th>Specific Loan and Borrower characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset type</td>
<td>Supplementary Assets</td>
<td>Repo eligible assets: 100.0%</td>
</tr>
<tr>
<td>Asset balance</td>
<td>75,000,000</td>
<td>Percentage of fixed rate assets: 100.0%</td>
</tr>
<tr>
<td>WA remaining Term (in months)</td>
<td>55</td>
<td>Percentage of bullet assets: 100.0%</td>
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<tr>
<td>Number of assets</td>
<td>1</td>
<td>Assets in non-domestic currency: 0.0%</td>
</tr>
<tr>
<td>Number of borrowers</td>
<td>1</td>
<td>Performance</td>
</tr>
<tr>
<td>Average asset size</td>
<td>75,000,000</td>
<td>Assets in arrears (≥ 2 months - &lt; 6 months): 0.0%</td>
</tr>
<tr>
<td>Assets in arrears (≥ 6 months - &lt; 12 months): 0.0%</td>
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<td></td>
</tr>
<tr>
<td>Number of assets in non-domestic currency: 0.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of borrowers in non-domestic currency: 0.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average exposure to borrowers: 75,000,000</td>
<td>Assets in arrears (&gt; 12 months): 0.0%</td>
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<tr>
<td>n/d: information not disclosed by Issuer</td>
<td>Assets in enforcement procedure: 0.0%</td>
<td></td>
</tr>
<tr>
<td>n/a: information not applicable</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Chart A:** Interest rate type  
- 100.0% Fixed rate with reset = 5 years

**Chart B:** Percentage of supplementary assets
- 2.2% Supplementary Assets

**Chart C:** Distribution by country, rating  
- Aaa: 100.0%

**Chart D:** Distribution by country rating
<table>
<thead>
<tr>
<th>ISIN</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>
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</thead>
<tbody>
<tr>
<td>A1KRQ</td>
<td>EUR</td>
<td>500,000,000</td>
<td>16/11/2016</td>
<td>16/11/2026</td>
<td>16/11/2026</td>
<td>Fixed rate</td>
<td>0.227%</td>
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<tr>
<td>A1KRP</td>
<td>EUR</td>
<td>5,000,000</td>
<td>28/02/2013</td>
<td>28/02/2023</td>
<td>28/02/2023</td>
<td>Fixed rate</td>
<td>2.540%</td>
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<tr>
<td>A1KRR</td>
<td>EUR</td>
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<td>11/02/2013</td>
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<td>1.625%</td>
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<td>A1KRL</td>
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<td>30/01/2013</td>
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<td>Floating rate</td>
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<td>A1KRD</td>
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<td>A1KRF</td>
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<td>16/03/2017</td>
<td>16/03/2017</td>
<td>Floating rate</td>
<td>EURIBOR (EUR) 3 MONTH + 25 b</td>
<td>BULLET</td>
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<tr>
<td>A1KRG</td>
<td>EUR</td>
<td>500,000,000</td>
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<td>13/03/2019</td>
<td>13/03/2019</td>
<td>Fixed rate</td>
<td>2.900%</td>
<td>BULLET</td>
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<tr>
<td>A1KRI</td>
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<td>21/02/2022</td>
<td>Fixed rate</td>
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<tr>
<td>A1KRJ</td>
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<td>03/02/2012</td>
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<td>03/02/2022</td>
<td>Floating rate</td>
<td>EURIBOR (EUR) 6 MONTH + 25 b</td>
<td>BULLET</td>
</tr>
</tbody>
</table>
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