ING DiBa AG - Mortgage Covered Bonds

Covered Bonds / Germany

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

I. Programme Overview

Overview

Year of initial rating assignment: 2011
Total outstanding liabilities: EUR 1,215,000,000
Total assets in the Cover Pool: EUR 3,717,582,815
Issuer name / CR Assessment: ING-DiBa AG / Aa3
Group or parent name / CR Assessment: n/a
Main collateral type: Residential

Ratings
Covered Bonds rating: Aaa
Entity used in Moody’s EL & TPI analysis: ING-DiBa AG
CB anchor: CR Assessment + 1 notch
CR Assessment: Aaa
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: 2.9%

Cover Pool losses
Collateral Risk (Collateral Score post-haircut): 3.4%
Market Risk: 15.8% (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 test where stressed: Dynamic

Current situation
COMM GDP: Decreased 4%
Current GDP: Decreased 7%
OC consistent with current rating (note 4): 0.0%

Sensitivity scenario CB anchor

Scenario 1: CB anchor is lowered by 1 notch
OC consistent with current rating: 6.5%

IV. Timely Payment Indicator & TPI Leeway

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

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

Timely payment
Refinancing period for principal payments of 6 months or greater: No
Dispability related to support timely payments on all issuances: Yes Funded

Please refer to section 4 of the Pfandbrief Act.

(footnotes)

(footnote 1) The data reported in this PD 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.

(footnote 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 Aa3(cr) or Baa3(cr). As the necessary OC following a notch downgrade may then be substantially higher than the amount suggested here, market risks 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 by Moody’s discretion.

(footnote 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 when ratings are capped under the TPI framework and, for example, where committee discretion is applied.

(footnote 4) The OC consistent with the current rating is the minimum level of over-collateralisation which is necessary to support the covered bond 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 Bond 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 those run.

6 June 2018

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V. Asset Liability Profile

<table>
<thead>
<tr>
<th>Swap Arrangements</th>
<th>Interest Rate &amp; Duration Mismatch (note 5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed rate assets in the cover pool:</td>
<td>100.0%</td>
</tr>
<tr>
<td>Fixed rate covered bonds outstanding:</td>
<td>91.8%</td>
</tr>
<tr>
<td>WAL of outstanding covered bonds:</td>
<td>14.7 years</td>
</tr>
<tr>
<td>Interest rate swap(s) in the Cover Pool:</td>
<td>No</td>
</tr>
<tr>
<td>Currency swap(s) in the Cover Pool:</td>
<td>No</td>
</tr>
<tr>
<td>Intra-group interest rate swap(s) provider(s):</td>
<td>No</td>
</tr>
<tr>
<td>Intra-group currency swap(s) provider(s):</td>
<td>No</td>
</tr>
<tr>
<td>WAL of the cover pool:</td>
<td>14.7 years</td>
</tr>
<tr>
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</tr>
</tbody>
</table>

Maximum mismatch: 65.5% in EUR millions

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

Chart 4: Currency mix before swaps (3 Main Currencies)

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

VI. Performance Evolution

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 at 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 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

| Asset type: Residential
| Asset balance: 3,642,582,815
| Average loan balance: 72,381
| Number of loans: 50,465
| Number of borrowers: 44,864
| Number of properties: 45,174
| WA remaining term (in months): 180
| WA seasoning (in months): 69

Details on LTV

- WA unindexed LTV (*): 95.7%
- WA indexed LTV: n/a
- LTV threshold: 60.0%
- Junior ranks: n/a
- Prior ranks: 0.0%

Performance

- Loans in a foreclosure procedure: 0.0%
- Valuation type: Lending Value
- LTV threshold: 60.0%

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: 5.9%
- Loans for second homes / Vacation: 0.0%
- Buy to let loans / Non-owner occupied properties: 13.3%
- Limited income verified: 0.0%
- Adverse credit characteristics (**): 0.0%

WA unindexed LTV (*): may be based on property value at time of origination or further advance or borrower refinancing.

WA indexed LTV: typically borrowers with a previous personal bankruptcy or borrowers with record of court claims against them at time of origination.

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

#### 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>
</tr>
<tr>
<td>WA remaining term (in months)</td>
<td>40</td>
</tr>
<tr>
<td>Number of assets</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% |

#### Performance

| Assets in arrears (1-2 months): | 0.0% |
| Assets in arrears (2-6 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% |

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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 rating

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## 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>
</tr>
</thead>
<tbody>
<tr>
<td>A1KRJQ</td>
<td>n/d</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>0.25%</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRJP</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>0.93%</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRJN</td>
<td>n/d</td>
<td>EUR</td>
<td>5,000,000</td>
<td>03/02/2013</td>
<td>03/02/2028</td>
<td>03/02/2028</td>
<td>Fixed rate</td>
<td>2.35%</td>
<td>BULLET</td>
</tr>
<tr>
<td>A1KRJO</td>
<td>n/d</td>
<td>EUR</td>
<td>10,000,000</td>
<td>11/02/2013</td>
<td>11/02/2021</td>
<td>11/02/2021</td>
<td>Fixed rate</td>
<td>1.62%</td>
<td>BULLET</td>
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<tr>
<td>A1KRJP</td>
<td>n/d</td>
<td>EUR</td>
<td>10,000,000</td>
<td>28/02/2013</td>
<td>28/02/2028</td>
<td>28/02/2028</td>
<td>Fixed rate</td>
<td>2.45%</td>
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<td>A1KRJQ</td>
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<td>10,000,000</td>
<td>19/06/2012</td>
<td>19/06/2019</td>
<td>19/06/2019</td>
<td>Fixed rate</td>
<td>1.90%</td>
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<tr>
<td>A1KRJR</td>
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<td>10,000,000</td>
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<td>26/04/2022</td>
<td>Fixed rate</td>
<td>2.40%</td>
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<tr>
<td>A1KRJS</td>
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<td>EUR</td>
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<td>26/04/2012</td>
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<td>Fixed rate</td>
<td>2.35%</td>
<td>BULLET</td>
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<tr>
<td>A1KRJT</td>
<td>n/d</td>
<td>EUR</td>
<td>10,000,000</td>
<td>21/02/2012</td>
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<td>21/02/2022</td>
<td>Fixed rate</td>
<td>2.00%</td>
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<tr>
<td>A1KRJU</td>
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<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>2.61%</td>
<td>BULLET</td>
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</tbody>
</table>

**Interest Rate Type**
- **Fixed rate**
- **Floating rate**
- **EURIBOR (EUR) 6 MONATE + 24 bps**

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