

MOODY'S

INVESTORS SERVICE

Rating Action: Moody's withdraws the ratings of Depfa ACS Bank's public sector covered bonds

Global Credit Research - 24 Jan 2017

London, 24 January 2017 -- Moody's Investors Service has today withdrawn the Aa2 ratings assigned to the public sector covered bonds issued by DEPFA ACS BANK (the "issuer"; deposits Baa2; adjusted baseline credit assessment ba3; counterparty risk (CR) assessment Baa2(cr)).

RATINGS RATIONALE

Moody's has withdrawn the ratings because it believes it has insufficient or otherwise inadequate information to support the maintenance of the ratings. Please refer to the Moody's Investors Service's Policy for Withdrawal of Credit Ratings, available on its website, www.moody's.com.

On 4 November 2016, the issuer confirmed the repurchase and cancellation of €4.0 billion of its covered bonds and the related sale of €4.1 billion of its cover pool assets. In addition, the covered bond programme had some sizeable redemptions scheduled for the final quarter of 2016. Moody's inability to assess the impact of these changes on the rating assigned to the covered bonds, and on the programme's over-collateralisation and credit and market risks in particular, coupled with the expectation that Moody's will continue to have insufficient information going forward, necessitates the withdrawal of the ratings.

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Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

Please see www.moody's.com for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

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