16 December 2025 Press release Investors

Helaba completes its second credit risk sharing transaction

Helaba (Landesbank Hessen-Thüringen) has successfully completed its second credit risk sharing transaction. Subject to regulatory approval, the Bank will be able to release RWAs of around EUR 1.0 billion for the reference portfolio of large corporate loans amounting to approx. EUR 2.3 billion. This innovative transaction meets the required criteria for "simple, transparent, standardised" securitisation (STS compliance).

In a credit risk sharing transaction, also known as on-balance-sheet securitisation, actual loans are not being sold, default risks are synthetically transferred to investor(s). The contractual relationship between Helaba and its borrowers remains unaffected. There were three tranches which referenced a corporate portfolio of EUR 2.3 billion, with Helaba holding the equity tranche (first loss) as well as the senior tranche. A securitisation special purpose entity Kingston Capital (“SSPE”) provided Helaba with credit protection for the mezzanine tranche, which was funded by the SSPE issuing credit-linked notes (CLNs) equivalent to the amount of the credit protection. The CLNs were sold to two international institutional investors, following a competitive bidding process. Helaba acted as Originator, Co-Arranger and Lead Manager in the chosen transaction structure, which included additional support from Alantra as Co-Arranger and Financial Advisor.

Astrid Joost-van der Spek, Managing Director and Head of Capital Markets, commented a delighted “this is a very positive development and in view of the upcoming surge in financing needs, also related to the transformation, such SRT transactions will become an essential part of balance sheet management“, on the successful completion of the transaction.

Holger Beyer, Managing Director at Alantra commented: “It was a privilege to assist the Helaba team in the successful execution of this landmark transaction. The level of investor interest in the transaction and the pricing achieved are testament to the quality of Helaba’s loan origination and track record in corporate lending.”

Tim Austrup, Head of Corporate Banking at Helaba, is also pleased with the deal: “Our second synthetic loan securitization was not only successfully placed again, but also achieved improved economics with a significantly shorter structuring and placement process. We drew on the experience gained from our extremely successful customer business and demonstrated our many years of expertise in structuring and portfolio selection.”

Helaba was supported by Deloitte and STS Verification International, while Clifford Chance acted as Helaba’s legal advisor.

Contact



Rolf Benders

Head of Communication / Press Officer

+49 69 / 91 32 - 21 92

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