

## Landesbank Hessen-Thuringen Public-Sector Covered Bonds

### Covered Bonds / Germany



**Contacts** Lenhard, Martin - +49 (697) 073-0743 - Martin.Lenhard@moodys.com  
Miro Reig, Paloma - +44 (207) 772-1683 - Paloma.Miro@moodys.com

**Monitoring** Monitor\_CB@moodys.com  
**Client Service Desk** London: +44 20 7772-5454, csdlondon@moodys.com

Click on the icon to download data into Excel & to see Glossary of terms used  
Click [here](#) to access the covered bond programme webpage on moodys.com

**Reporting as of:** 31/07/2016 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

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

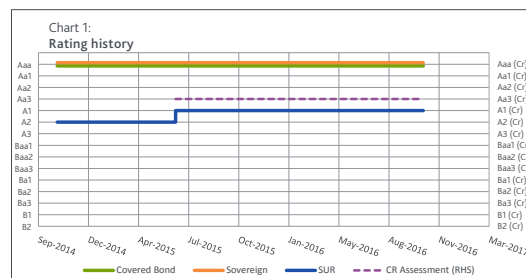
### I. Programme Overview

#### Overview

Year of initial rating assignment:	1995
Total outstanding liabilities:	EUR 17,485,611,065
Total assets in the Cover Pool:	EUR 21,823,760,446
Issuer name / CR Assessment:	Landesbank Hessen-Thuringen GZ / Aa3(cr)
Group or parent name / CR Assessment:	n/a
Main collateral type:	Public Sector

#### Ratings

Covered bonds rating:	Aaa
Entity used in Moody's EL & TPI analysis:	Landesbank Hessen-Thuringen GZ
CB anchor:	CR Assessment + 1 notch
CR Assessment:	Aa3(cr)
SUR:	A1
Unsecured claim used for Moody's EL analysis:	Yes



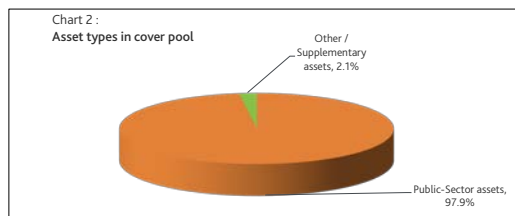
### II. Value of the Cover Pool

#### Collateral quality

Collateral Score:	3.9%
Collateral Score excl. systemic risk:	n/a

#### Cover Pool losses

Collateral Risk (Collateral Score post-haircut):	2.1%	20%
Market Risk:	8.3%	80%
	10.4%	(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: Internal risk model

#### Current situation

Committed OC (Stressed NPV):	2.0%
Current OC (Unstressed NPV):	24.8%
OC consistent with current rating (note 4):	0.0%

#### Sensitivity scenario CB anchor

	OC consistent with current rating	
Scenario 1: CB anchor is lowered by	1 notch	2.5%

### IV. Timely Payment Indicator & TPI Leeway

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

#### Extract from TPI table - CB anchor is CR Assessment + 1 notch

CR Assessment	High
Aaa(cr)	Aaa
Aa1(cr)	Aaa
Aa2(cr)	Aaa
<b>Aa3(cr)</b>	<b>Aaa</b>
A1(cr)	Aaa
A2(cr)	Aaa
A3(cr)	Aaa
Baa1(cr)	Aaa

#### 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
Liquidity reserve to support timely payments on all issuances:	Yes *

\* Please refer to section 4 of the Pfandbrief Act.

(note 1) The data reported in this PO 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 (note 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 issuers currently rated A2 or A3, as the necessary OC following a 1 notch downgrade may then be substantially higher than the amount suggested here as 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 at Moody's discretion.  
(note 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 this amount where ratings are capped under the TPI framework and, for example, where committee discretion is applied.

(note 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 Bonds 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 shown. The OC required 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.

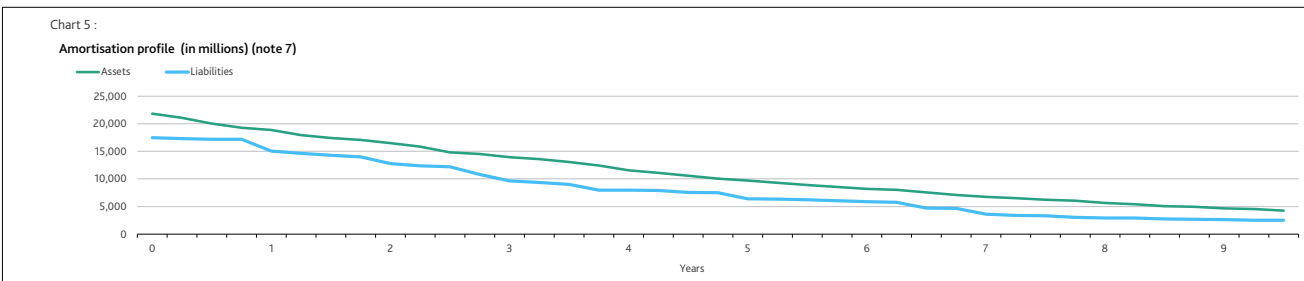
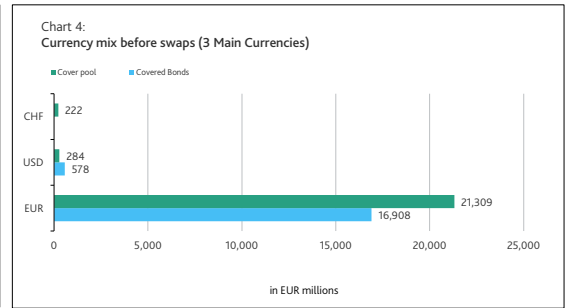
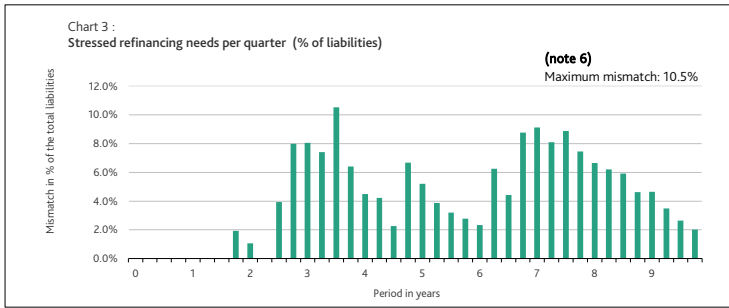
V. Asset Liability Profile

Interest Rate & Duration Mismatch (note 5)

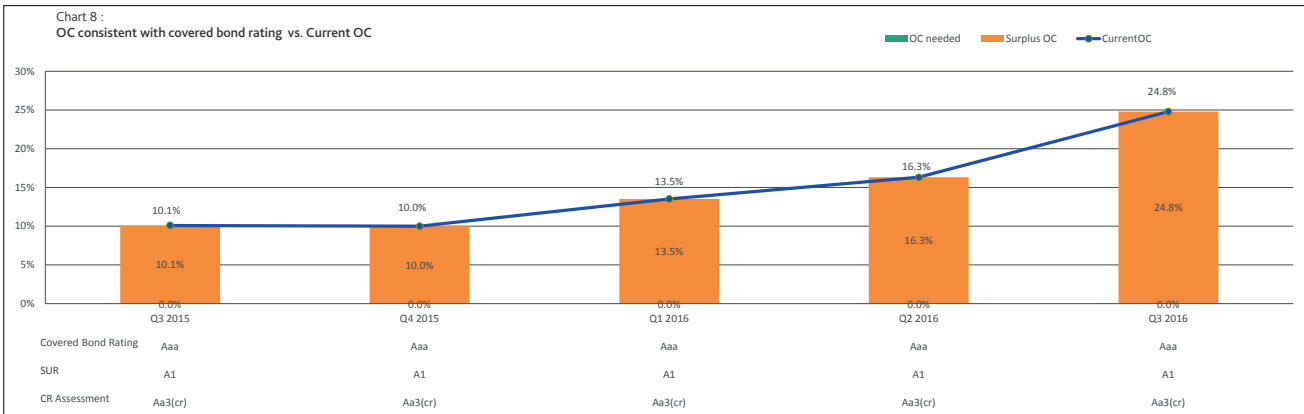
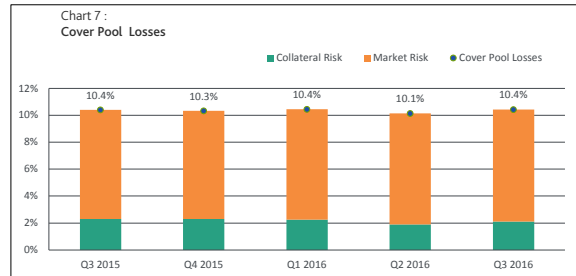
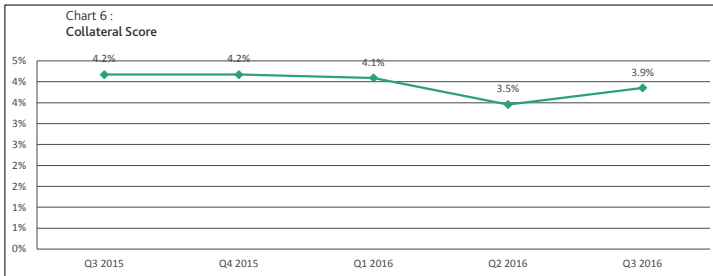
Fixed rate assets in the cover pool:	88.4%
Fixed rate covered bonds outstanding:	94.4%
WAL of outstanding covered bonds:	5.3 years
WAL of the cover pool:	5.9 years

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



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.moody's.com](http://www.moody's.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 swaps in place in Cover Pool, no prepayment and no further CB issuance.

VII. Cover Pool Information - Public Sector Assets

Overview

Asset type:	Public Sector
Asset balance:	21,375,731,871
WA remaining Term (in months):	109
Number of borrowers:	6,321
Number of loans / bonds:	22,697
Exposure to the 10 largest borrowers:	14.4%
Average exposure to borrowers:	3,381,701

n/d: information not disclosed by Issuer

n/a: information not applicable

Specific Loan and Borrower characteristics

Repo eligible loans / bonds:	2.9%
Percentage of fixed rate loans / bonds:	88.1%
Percentage of bullet loans/ bonds:	28.4%
Loans / bonds in non-domestic currency:	2.2%

Performance

Loans / bonds in arrears (≥ 2months - < 6months):	0.0%
Loans / bonds in arrears (≥ 6months - < 12months):	0.0%
Loans / bonds in arrears (≥ 12months):	0.0%
Loans / bonds in a foreclosure procedure:	0.0%

	Germany	France	Ireland	Other	Totals
Direct claim against supranational	0.0%	0.0%	0.0%	0.0%	<b>0.0%</b>
Direct claim against sovereign	0.1%	0.0%	0.0%	0.0%	<b>0.1%</b>
Loan with guarantee of sovereign	0.0%	0.3%	2.2%	1.3%	<b>3.9%</b>
Direct claim against region/federal state	9.5%	0.0%	0.0%	0.7%	<b>10.2%</b>
Loan with guarantee of region/federal state	6.0%	0.0%	0.0%	0.0%	<b>6.0%</b>
Direct claim against municipality	66.4%	2.5%	0.0%	1.9%	<b>70.7%</b>
Loan with guarantee of municipality	8.5%	0.0%	0.0%	0.2%	<b>8.7%</b>
Others	0.4%	0.0%	0.0%	0.0%	<b>0.4%</b>
	<b>90.9%</b>	<b>2.8%</b>	<b>2.2%</b>	<b>4.1%</b>	

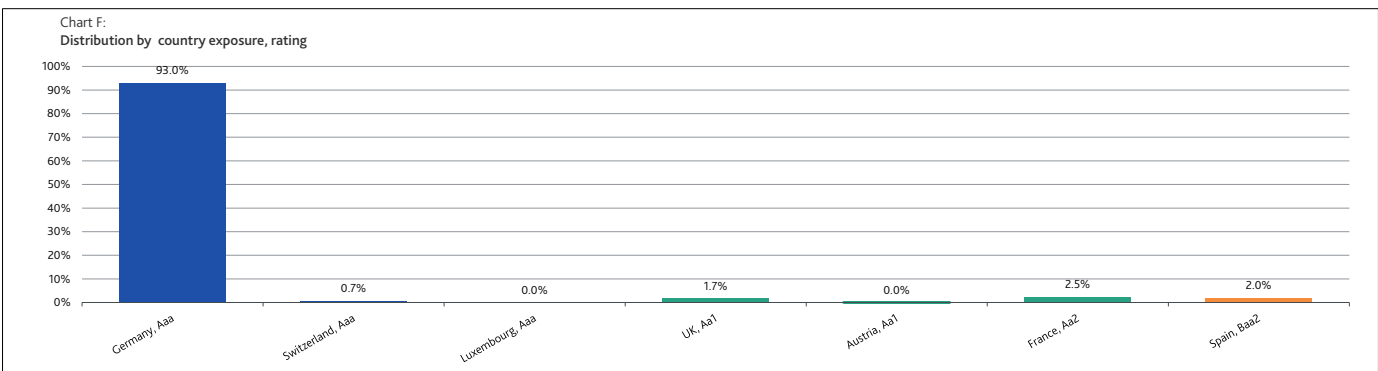
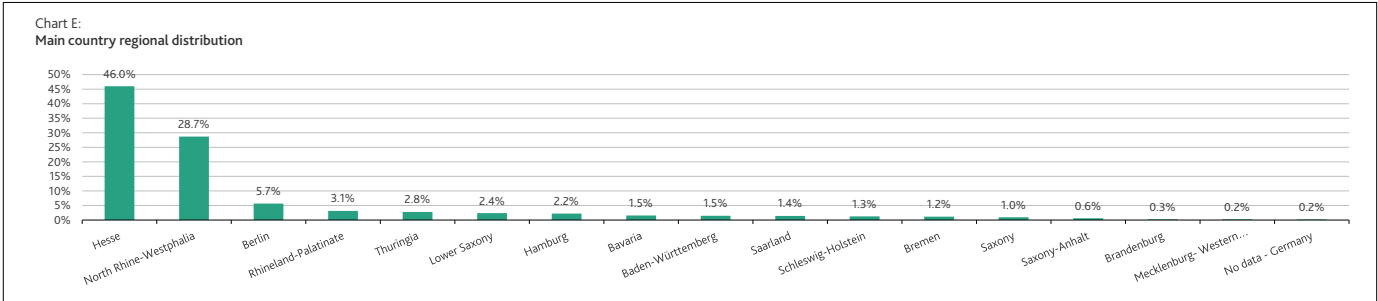
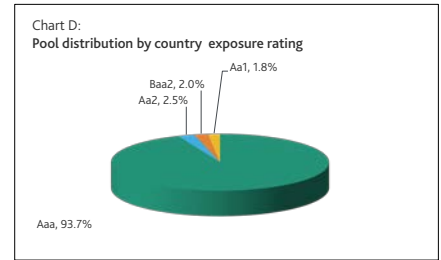
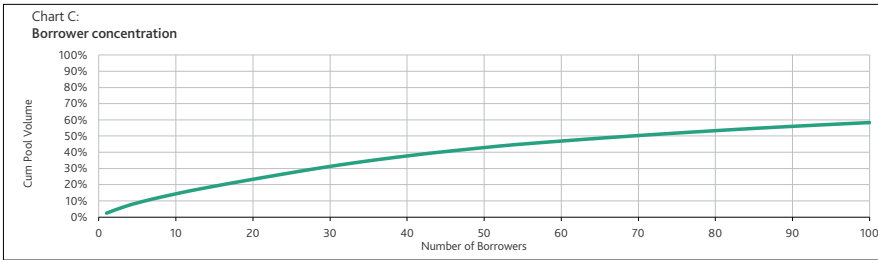
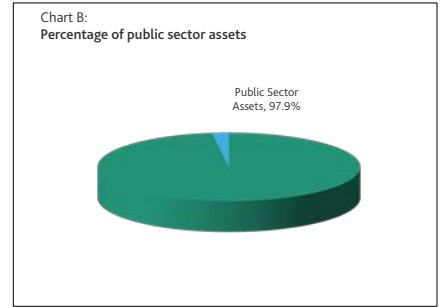


Table A and Chart C are based on debtor data. Charts D, E and F are based on guarantor data or, on unavailability of such information, on debtor data, as reported by the issuer.

VIII. Cover Pool Information - Supplementary Assets

Overview

Asset type:	Supplementary Assets
Asset balance:	448,028,574
WA remaining Term (in months):	2
Number of assets:	75
Number of borrowers:	13
Average assets size:	5,973,714
Average exposure to borrowers:	34,463,736

n/d: information not disclosed by Issuer

n/a: information not applicable

Specific Loan and Borrower characteristics

Repo eligible assets:	n/d
Percentage of fixed rate assets:	100.0%
Percentage of bullet assets:	100.0%
Assets in non-domestic currency:	11.9%
<b>Performance</b>	
Assets in arrears ( ≥ 2months - < 6months):	0.0%
Assets in arrears ( ≥ 6months - < 12months):	0.0%
Assets in arrears ( > 12months):	0.0%
Assets in a enforcement procedure:	0.0%

