CREDIT OPINION
4 February 2025

Update

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RATINGS

Landesbank Hessen-Thueringen Girozentrale

Domicile	Frankfurt am Main, Germany
Long Term CRR	Aa2
Type	LT Counterparty Risk Rating - Fgn Curr
Outlook	Not Assigned
Long Term Debt	Aa2
Type	Senior Unsecured - Dom Curr
Outlook	Stable
Long Term Deposit	Aa2
Type	LT Bank Deposits - Fgn Curr
Outlook	Stable

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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Landesbank Hessen-Thueringen Girozentrale

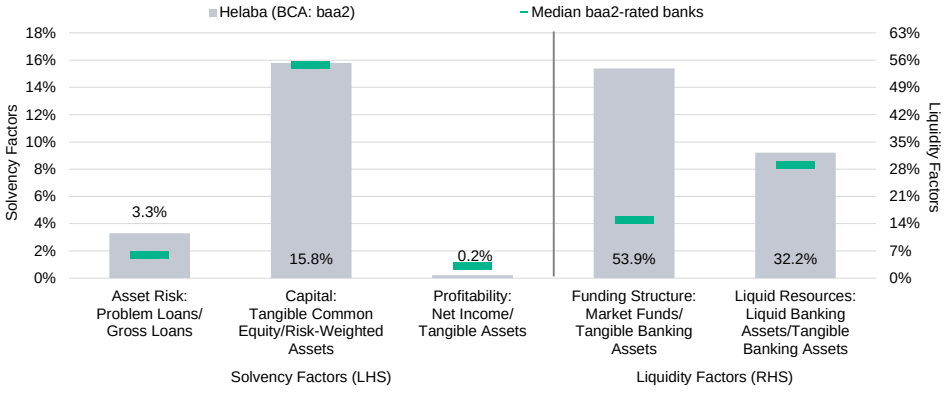
Update to credit analysis

Summary

Landesbank Hessen-Thueringen GZ's (Helaba) Aa2 deposit and senior unsecured debt ratings reflect its baa2 BCA; a two-notch rating uplift from its membership in the institutional protection scheme of Sparkassen-Finanzgruppe (S-Finanzgruppe; Aa2 stable, a2[1]); three notches of rating uplift from our Advanced Loss Given Failure (LGF) analysis, which incorporates the relative loss severity of a liability class; and a one-notch rating uplift resulting from government support, given its membership in the systemically relevant S-Finanzgruppe.

The baa2 BCA reflects the materially weakened asset quality of the bank's commercial real estate portfolio and its exposure to the strained German economy. At the same time, the BCA incorporates the bank's improved capitalisation, which provides Helaba with headroom to withstand adverse developments. Helaba's improved net interest income in the higher-interest-rate environment enables the bank to absorb increased loan loss provisions. The BCA takes into account Helaba's elevated market funding dependence, despite access to funding from savings and development banks. However, the bank's ample liquid resources continue to provide a strong mitigant against any potential funding challenges.

Exhibit 1
Key financial ratios



Sources: Moody's Ratings and company filings

Credit strengths

» Sound capitalisation, which continues to provide Helaba with sufficient capacity to withstand adverse economic developments

» Improved net interest income in the higher rates environment

» Good access to sector funds and sound liquid resources, which could be bolstered further by retained covered bond issuance in case of need

Credit challenges

» High exposures to the cyclical and currently struggling commercial real estate (CRE) sector, as well as to the recessionary German economy

» Continued subdued profitability in an international context

» Dependence on confidence-sensitive market funding, which remains significant despite its access to sector and development bank funds

Outlook

The stable outlook on Helaba's long-term deposit, long-term issuer, and senior unsecured ratings reflects the stable outlook of S-Finanzgruppe. The stable outlook further incorporates our expectation of a broadly unchanged liability structure of Helaba.

Factors that could lead to an upgrade

» An upgrade of Helaba's long-term ratings could be triggered by an improvement in the financial strength of S-Finanzgruppe.

» Helaba's junior senior unsecured and subordinate ratings could potentially also be upgraded if the bank were to issue substantial additional volumes of capital instruments, such that it reduces the loss severity for these instrument classes.

» An upgrade of the BCA could result from a sustainably strengthened financial profile, in particular an improved business diversification, reduced concentration risks in the loan book, and a significant reduction in market funding. However, an upgrade of Helaba's BCA would not result in an upgrade of its Adjusted BCA or its ratings.

Factors that could lead to a downgrade

» Helaba's ratings would be downgraded following a downgrade of the Adjusted BCA, either as a result of a deterioration in the financial strength of S-Finanzgruppe or caused by a significantly weaker BCA of Helaba.

» Furthermore, a shift in the liability structure towards non-bail-in-able instruments, such that it increases the loss severity for a respective debt class and results in a reduced rating uplift from our Advanced LGF analysis, could result in a downgrade.

» The BCA could be downgraded in case of a further substantial weakening of Helaba's asset quality, a concurrent decline in capitalisation and profitability, and a deterioration of the bank's combined liquidity profile.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on https://ratings.moodys.com for the most updated credit rating action information and rating history.

Key indicators

Exhibit 2

Landesbank Hessen-Thueringen Girozentrale (Consolidated Financials) [1]

	06-24[2]	12-23[2]	12-22[2]	12-21[2]	12-20[2]	CAGR/Avg.[3]
Total Assets (EUR Billion)	196.3	191.2	198.7	194.3	194.0	0.3[4]
Total Assets (USD Billion)	210.4	211.2	212.1	220.1	237.3	(3.4)[4]
Tangible Common Equity (EUR Billion)	10.0	9.8	9.5	8.7	8.2	5.9[4]
Tangible Common Equity (USD Billion)	10.7	10.8	10.1	9.9	10.0	1.9[4]
Problem Loans / Gross Loans (%)	3.3	2.7	0.8	1.0	0.7	1.7[5]
Tangible Common Equity / Risk Weighted Assets (%)	15.8	16.0	14.6	13.6	13.5	14.7[6]
Problem Loans / (Tangible Common Equity + Loan Loss Reserve) (%)	32.4	27.8	9.2	12.0	8.4	18.0[5]
Net Interest Margin (%)	1.0	1.0	0.7	0.6	0.6	0.8[5]
PPI / Average RWA (%)	1.9	2.1	1.2	1.0	0.8	1.4[6]
Net Income / Tangible Assets (%)	0.3	0.3	0.1	0.2	0.1	0.2[5]
Cost / Income Ratio (%)	59.6	56.5	68.4	70.3	75.7	66.1[5]
Market Funds / Tangible Banking Assets (%)	53.3	53.9	58.8	55.4	54.5	55.2[5]
Liquid Banking Assets / Tangible Banking Assets (%)	34.8	32.2	36.2	36.5	36.5	35.3[5]
Gross Loans / Due to Customers (%)	167.7	183.7	194.1	178.9	179.3	180.8[5]

[1] All figures and ratios are adjusted using Moody's standard adjustments. [2] Basel III - fully loaded or transitional phase-in; IFRS. [3] May include rounding differences because of the scale of reported amounts. [4] Compound annual growth rate (%) based on the periods for the latest accounting regime. [5] Simple average of periods for the latest accounting regime. [6] Simple average of Basel III periods.

Sources: Moody's Ratings and company filings

Profile

Helaba is a German universal bank, with a regional focus on the German federal states of Hesse, Thuringia, North Rhine-Westphalia, and Brandenburg. The bank operates as a central institution for the savings banks in the aforementioned four federal states and, thus, covers around 40% of all savings banks in Germany. As of 30 June 2024, the bank reported total consolidated assets of €206.1 billion and employed a staff of around 6,600. As of the same date, the bank's share capital was 8.1% owned by the State of Hesse and 4.05% by the Free State of Thuringia, with the remainder being owned by several savings banks' entities. A new capital structure was implemented on 5 August 2024, resulting in an increase of the stake owned by the State of Hesse to 30.1%. The share of the Free State of Thuringia declined to 3.5%, with the remainder of 66.4% owned by the savings banks.

In addition to its role as a central institution for the regional savings banks, Helaba provides a range of wholesale and retail banking services to corporate and private clients; institutional customers; and central, regional and local public authorities, as well as municipal corporations. Moreover, Helaba consolidates Wirtschafts- und Infrastrukturbank Hessen (WIBank), a regional development bank, which benefits from a direct statutory refinancing guarantee from the State of Hesse.

For further details, please refer to Helaba's latest Issuer Profile and our German Banking System Outlook.

Weighted macro profile of Strong +

As of 30 June 2024, 71% of Helaba's exposures derived from Germany, which has a Strong (+) macro profile assigned. Other European countries (macro profile of Strong) accounted for 20%, and North America (Strong +) accounted for 9%. The weighted average of these exposures results in a Strong + weighted macro profile for Helaba.

Detailed credit considerations

High exposure to cyclical CRE risks manifests in deteriorating asset quality

We assign a baa2 Asset Risk score, two notches below the a3 initial score, taking into account the bank's total exposure to the cyclical and currently challenged CRE sector, as well as to the recessionary German economy at large. Furthermore, given the bank's sizeable derivatives book, which partly stems from savings banks' hedging needs, we consider the bank's exposure to market risk as an additional driver for the adjustment.

In the first half of 2024 Helaba's problem loans rose to €3,679 million from €3,058 million as of 31 December 2023. The main drivers continued to be the bank's CRE portfolio, although at a slower pace compared with H1 2023. Additionally, larger individual cases in the

Corporates & Markets segment contributed to the increase. The problem loan ratio (according to our definition) increased to 3.3% in H1 2024 from 0.8% as of year-end 2022.

Helaba's total CRE exposures fell to €35.7 billion in terms of business volume as of 30 June 2024 (€39.2 billion as of year-end 2022) as a result of limitations on new CRE business. Since H2 2023, the lending in the Real Estate Finance segment has been rather limited to prolongations and reduction of riskier assets. The bank intends to resume new CRE lending once the markets recover. CRE continues to represent a considerable concentration risk, especially compared with the group's Common Equity Tier 1 (CET1) capital of €10 billion as of H1 2024.

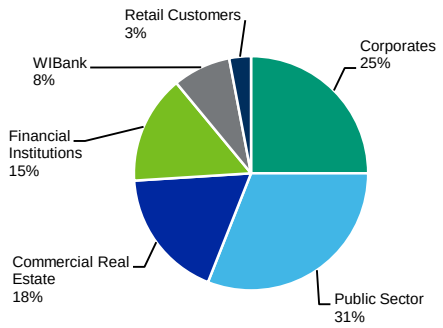
As of the same date, office space exposure dominated the portfolio with a share of 50% of business volume, followed by residential buildings (22%), retail and shopping centres (13%), logistics properties (7%) and other categories (7%). In terms of geography, 39% of exposures derived from Germany, followed by North America (27%), the UK and France (16% in total), and other European countries (18%). Until 2022, Helaba's CRE portfolio had a sound history of low credit losses compared with those of its peers. However, given the rapid increase in problem loans and the bank's sizeable exposure to the office sector, we expect that asset quality will deteriorate further at Helaba by the end of 2024 and potentially in 2025, though at a slower pace as compared with 2023.

Helaba's corporate and asset finance book poses additional credit risks, especially in Germany's recessionary environment, potentially leading to more problem loans beyond those individual cases seen in H1 2024.

Exhibit 3

Helaba's exposures exhibit some significant sector concentrations

Business volume by customer group as of 30 June 2024

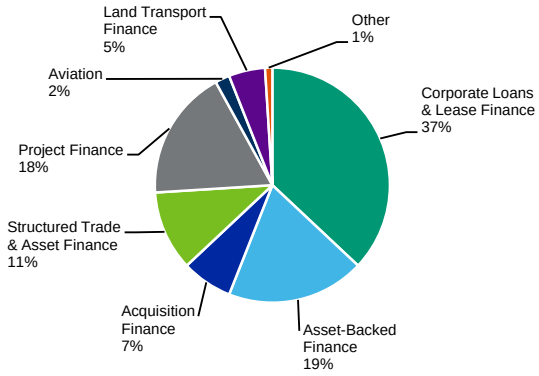


Sources: Moody's Ratings and company filings

Exhibit 4

Corporate banking book is diversified but contains exposures to higher-risk sectors

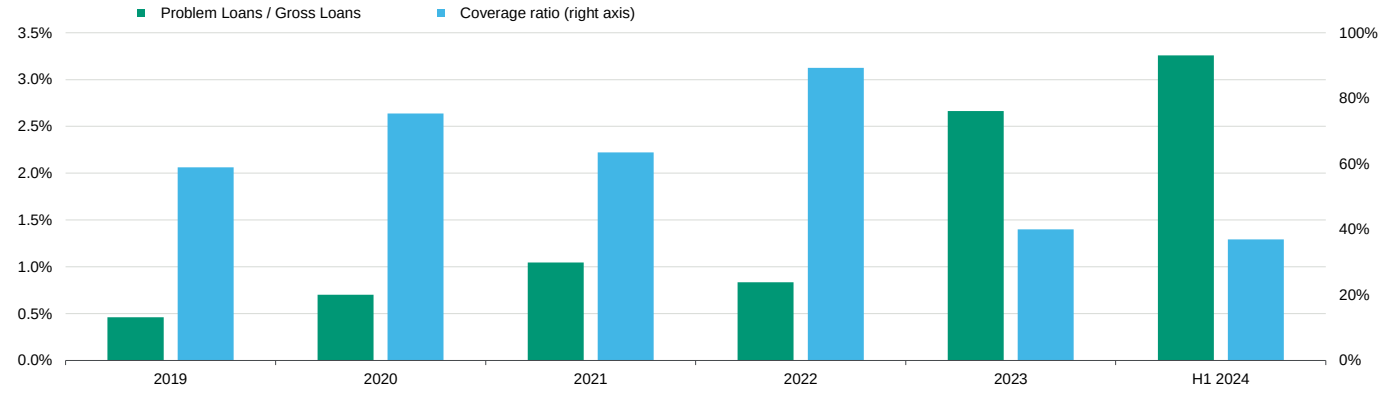
Corporate banking and asset finance business volume by product area as of 30 June 2024



Sources: Moody's Ratings and company filings

Exhibit 5

Helaba's problem loan ratio has increased sharply since 2022



Problem loan ratio in accordance with our definition.
Sources: Moody's Ratings and company filings

New capital structure implemented in August 2024

Helaba's assigned Capital score is a2, two notches below the aa3 initial score reflects potentially more outsized negative rating migrations due to the deteriorated credit environment in Germany and the limited stress capital resilience in an adverse scenario because of the rather moderate pre-provision profitability of the bank.

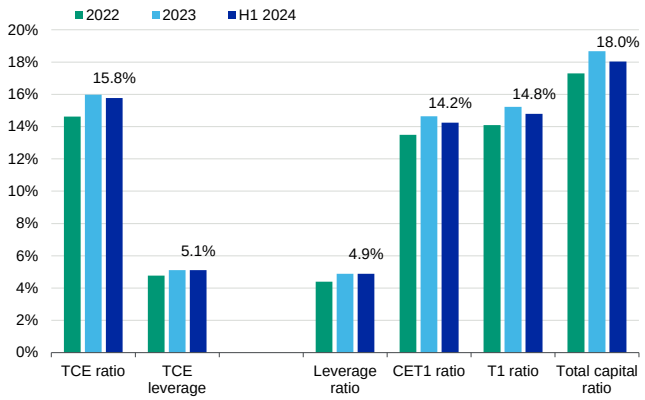
As of H1 2024, the bank's CET1 ratio was at 14.2%, up from 13.9% in H1 2023, however, lower than 14.7% as of year-end 2023. Following the capital restructuring, implemented in August 2024, the CET1 ratio recorded an initial drop of 0.5% to 13.7% as of June 2024. Our measure of risk-based capital, based on tangible common equity (TCE)/risk-weighted assets (RWA), was at 15.8% as of H1 2024, down from 16% as of year-end 2023.[2]

On 5 August 2024, Helaba's new capital structure was implemented. The restructuring was carried out to meet current regulatory standards. It followed the capital review conducted by the European Banking Authority (Europe-wide review of banks' capital components) regarding the in-kind contributions from the State of Hesse to the bank in 1998 and 2005. The State of Hesse replaced its silent participations totaling €1.92 billion with a direct equity investment of €1.5 billion and a €500 million Additional Tier 1 (AT1) bond. As a result of the restructuring, the bank's CET1 capital decreased by €420 million, while its AT1 capital has increased.

For the full year 2024, we expect that the TCE ratio might soften again since the recessionary credit environment might result in further negative rating migrations and, hence, higher RWA, increasing the bank's risk-density as measured by RWA/tangible assets. Nonetheless, Helaba will be able to maintain sufficient capital buffers, currently ranging between 4.7% for CET1 and 3.4% for Tier 1 capital as of June 2024, in comparison to its regulatory minimum capital requirements, which are currently at 9.47%, 11.39% and 13.96% on the basis of CET1, Tier 1 and Total Capital, respectively.[3]

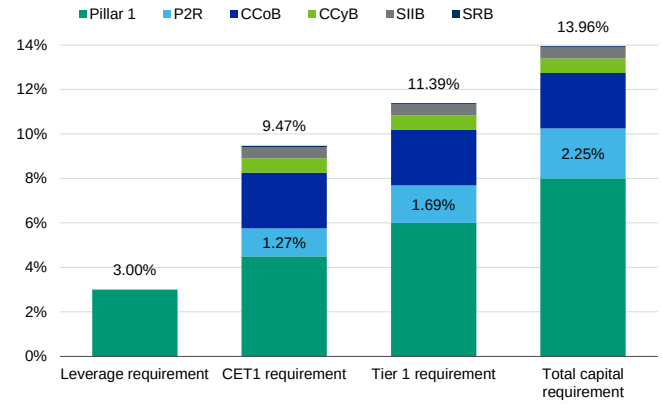
In terms of leverage, Helaba's regulatory leverage ratio remained at 4.9% in H1 2024, while our leverage measure, which is based on TCE/tangible assets, was at 5.1% as of H1 2024. Both leverage ratios are expected to remain above or close to our 5% baseline expectation, and we therefore do not negatively adjust for leverage in the positioning of our assigned Capital score.

Exhibit 6
Helaba's solid capitalisation as of 30 June 2024



TCE = Tangible common equity (our calculation); TCE leverage compares TCE with tangible banking assets; CET1 = Common Equity Tier 1; T1 = Tier 1 capital; the 2023 TCE ratio and TCE leverage are our estimates.
Sources: Moody's Ratings and company filings

Exhibit 7
Helaba's capital requirements as of 30 June 2024



CCoB = Capital conservation buffer, CCyb = Countercyclical capital buffer, SIIB = Systemically important institutions buffer, SRB = Systemic risk buffer.
Sources: Moody's Ratings and company filings

Improved profitability helps to absorb elevated risk provisions

We assign a b1 Profitability score, in line with the initial score. The initial score reflects a three-year (2021-23) average return on tangible assets of 0.2%, aligning with a b1 score. The assigned score also reflects our expectation of an earnings run rate in the next two to three years that aligns with the b1 score, given the current challenges for the bank's CRE and corporate clients.

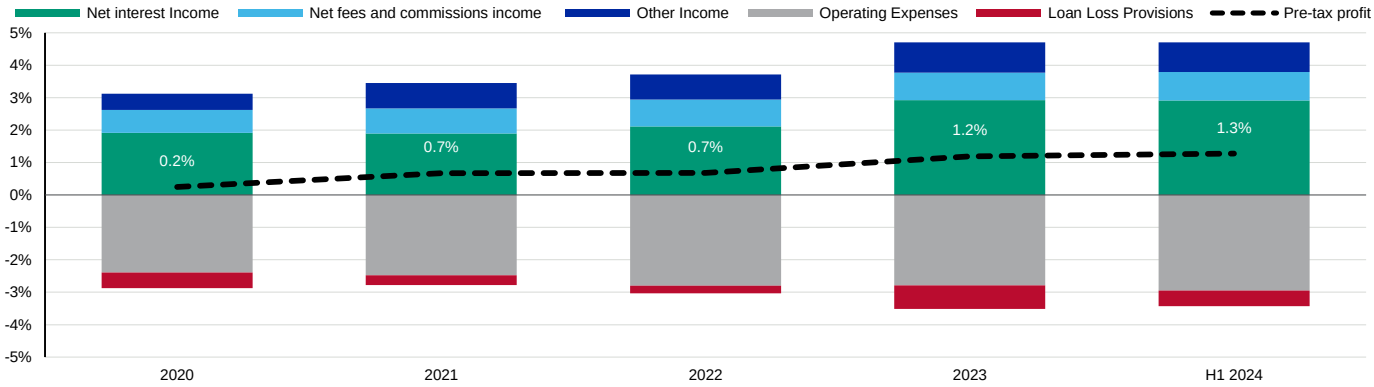
In H1 2024, Helaba continued to report an improved net income of €298 million, 24% above H1 2023, despite substantial loan loss provisions (net addition of €173 million in H1 2024 versus €108 million in H1 2023). The bank's net interest income continued to benefit from the favourable interest environment, rising by a further 11% year over year. Additionally, contributions from the Investment Property segment (GWH Group), as well as from other income,[4] supported the improvement in the reported net income, whereas operating costs rose by only 2% in H1 2024 from H1 2023. The increase in operating costs was balanced by the end of the bank levy (an expense of €66 million in H1 2023). Helaba guides for stable profitability in 2024, targeting to reach or exceed €750 million of profit before tax on a sustained basis. In the medium-term the bank targets to reach €1 billion profit before tax.

We expect Helaba's net interest income to decrease again in 2025, reflecting the gradually declining interest rates and overall lower loan balances given reduced investment levels of corporate clients and still-lower CRE new business, and a declining liability margin. We expect non-interest income to remain flat or slightly improve offsetting lower net interest income. With increasing operating costs and continued elevated loan loss provisions due to the recessionary operating environment in Germany, we anticipate Helaba's reported net income to remain within the 0.125% to 0.250% range, aligning with a b1 score.

Exhibit 8

Helaba's earnings recovered from the 2020 dip

Profitability breakdown as a percentage of average RWA



H1 2024 data is annualised.

Sources: Moody's Ratings and company filings

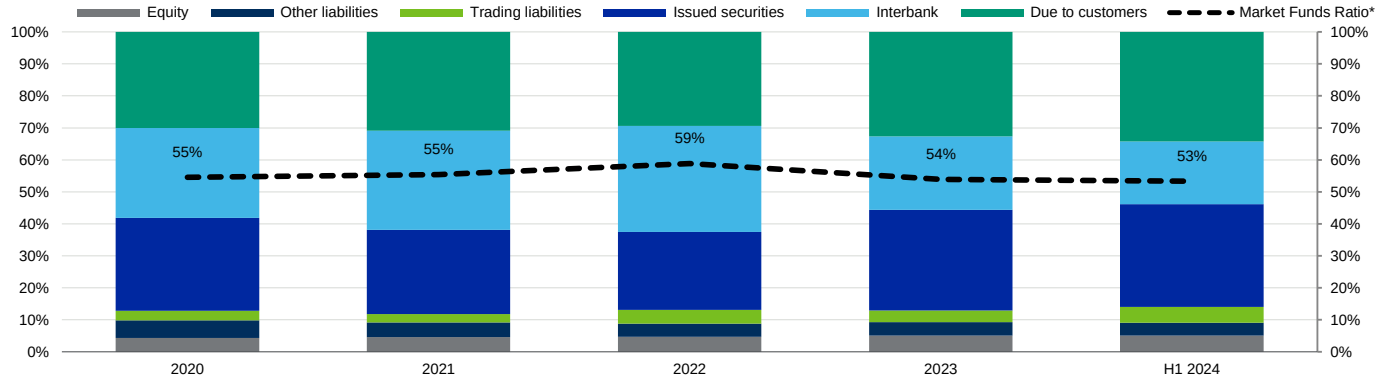
Funding from savings banks mitigates wholesale funding dependence

Our ba1 assigned Funding Structure score is five notches above the b3 initial score. The positive adjustment reflects that our initial calculation of market funds includes sector and development bank funding, as well as the bank's remaining TLTRO III drawings (as of year-end 2023), which are not confidence-sensitive funding sources. Conversely, we consider promissory notes, registered bonds and structured products sold to customers as market funding.

Helaba benefits from good access to stable funding resources provided by regional savings banks (and their retail clients), its own retail client base, its strong covered bond franchise, access to development bank loans,[5] and central bank funding. However, the bank also uses confidence-sensitive funding instruments, such as interbank, money market, bond and promissory note funding, as well as institutional client deposits, which exposes the bank to refinancing risks in a more adverse market environment. In addition, Helaba's derivatives book, along with the related risk of volatile collateralisation requirements, creates funding risk for the bank. These factors, as well as Helaba's net stable funding ratio of 123.5% as of 30 June 2024 and the bank's aim to broadly match-fund its lending business, are reflected in our ba1 assigned Funding Structure score.

Before the pandemic, Helaba typically issued €13 billion to €18 billion in medium- and long-term debt instruments to a broad and diversified investor base per year, of which covered bonds usually accounted for about a third. In 2020 and 2021, however, only €5.1 billion and €11.0 billion of medium- and long-term funding was sourced from the financial markets, respectively, given the bank's €24.2 billion of TLTRO III drawings in 2020 and 2021. With €16.2 billion in 2023 and €11.5 billion planned in 2024, the bank returned to its usual issuance levels. The last TLTRO tranche of €6.6 billion, outstanding as of year-end 2023, was repaid in 2024. The €11.5 billion market funding in 2024 reflects the bank's lower funding requirements this year.

Exhibit 9
Helaba's liability structure and market funds ratio



*Market funds ratio = market funds/tangible banking assets.
Sources: Moody's Ratings and company filings

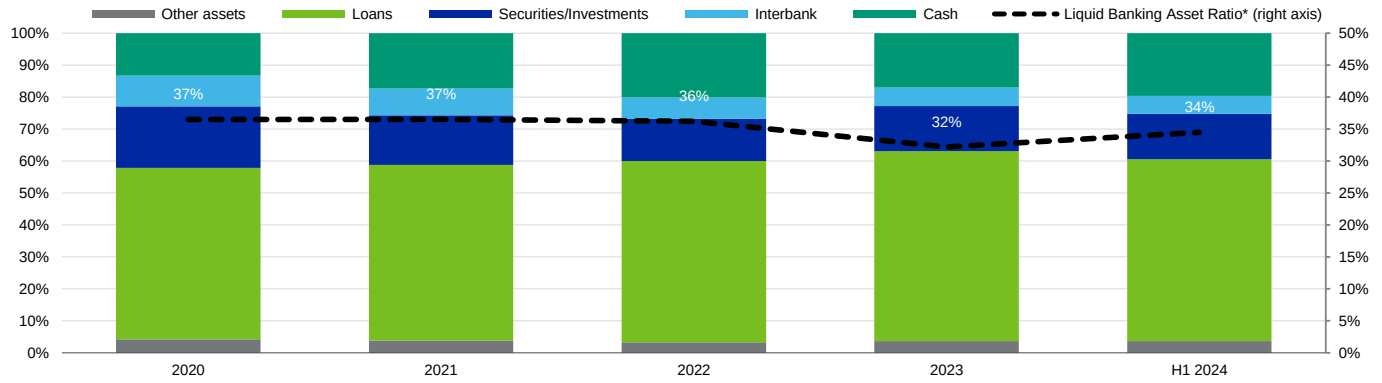
Sound liquidity could be further bolstered by covered bond issuance

The assigned a3 Liquid Resources score is positioned one notch below the a2 initial score, which reflects our consideration of asset encumbrance, level 3 fair-value and trading assets, intragroup restrictions, and repayment of the remaining TLTRO III funds. This is partly offset by Helaba's over-collateralised cover pools, which the bank could use to source additional liquidity at short notice if required. Together with Helaba's diversified funding mix, the bank's ample liquidity reserves provide it with significant flexibility in a more adverse market environment, mitigating potential funding challenges.

From our initial calculation of liquid banking assets, we deduct asset encumbrance, which mostly stems from Helaba's development bank pass-through loans, which represent collateral for its development bank funding that is passed on to the savings banks and to other banks, but also from collateral provided for repo transactions and for the bank's TLTRO III drawings. We also do not consider level 3 fair-value and trading assets as liquid because they are fair-valued on a mark-to-model basis and cannot be sold easily in times of market stress.

Conversely, additional liquidity could be generated at short notice through the issuance of retained covered bonds that can serve as collateral for additional central bank funding. As of 30 June 2024, Helaba reported an outstanding nominal volume of €9.2 billion and €18.8 billion for its mortgage and public sector covered bond programmes, respectively, against cover pool volumes of €15.9 billion and €31.5 billion. The resulting over-collateralisation provides Helaba with substantial leeway to generate additional liquidity through covered bond issuance if required.

Exhibit 10
Helaba's asset structure and liquid banking assets ratio

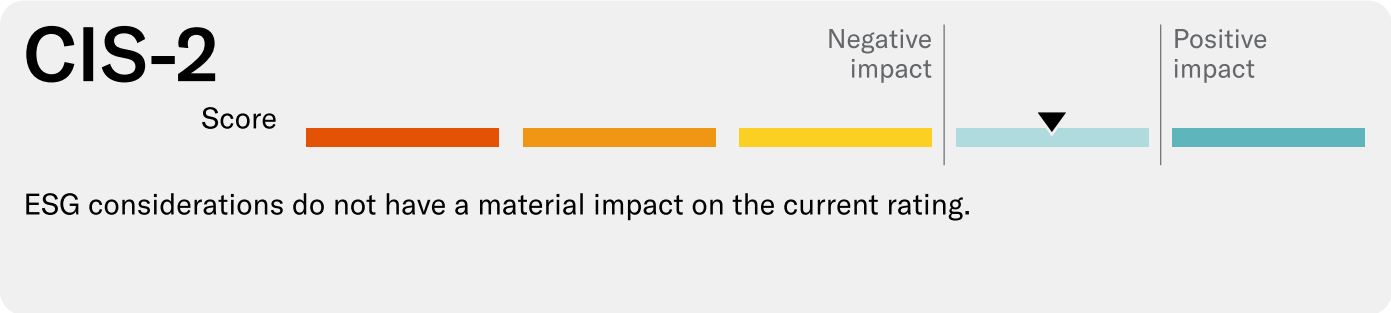


*Liquid banking assets ratio = Liquid banking assets/tangible banking assets.
Sources: Moody's Ratings and company filings

ESG considerations

Landesbank Hessen-Thueringen Girozentrale's ESG credit impact score is CIS-2

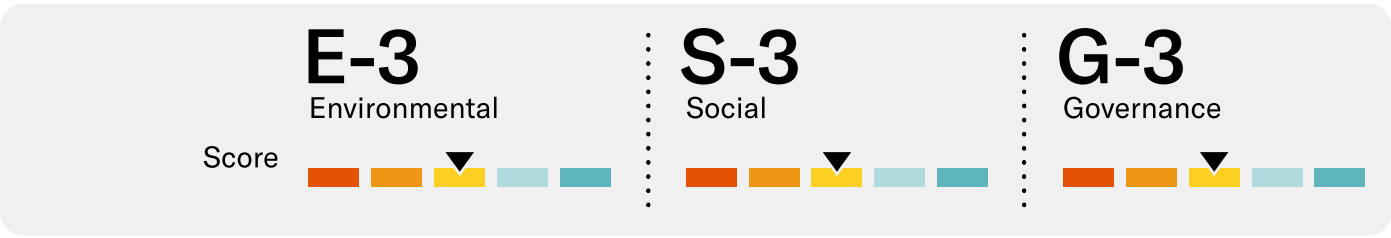
Exhibit 11
ESG credit impact score



Source: Moody's Ratings

Helaba's **CIS-2** reflects the mitigating rating impact of affiliate support from Sparkassen-Finanzgruppe (S-Finanzgruppe) over Helaba's ESG risk profile. Environmental and social risk factors have a limited impact on the bank's credit profile to date. The bank's corporate governance risks mainly stem from the bank's weak financial strategy, resulting in subdued operational efficiency in an international context.

Exhibit 12
ESG issuer profile scores



Source: Moody's Ratings

Environmental

Helaba faces moderate exposure to environmental risks primarily because of its portfolio exposure to carbon transition risk as a large, mostly regional banking group. In line with its peers, Helaba is facing mounting business risks and stakeholder pressure to meet broader carbon transition goals. In response, Helaba is actively engaging in optimising its loan portfolio towards less carbon-intensive assets.

Social

S-Finanzgruppe member banks such as Helaba face moderate social risks related to customer relations as well as to demographic and societal trends. Risks related to the distribution of financial products such as regulatory and reputational risks, as well as exposure to litigation are mitigated by developed policies and procedures, many of which are standardized across the sector. High cyber and personal data risks are managed by continued investment in technology by member banks, complemented by the access to and collaboration with dedicated centralized IT functions of the group. Operating mostly in Germany, S-Finanzgruppe's member banks face challenges from aging population affecting long-term economic growth prospects and impacting demand for certain banking products. The group's scale should support its ability to adapt to consumer preferences, regulatory changes, and societal trends such as digitization.

Governance

Helaba's governance risks are moderate, reflecting higher risk appetite and concentration risks inherent in its business model as a universal bank. Its strategy, risk management function and organisational structure are in line with industry practices. Management's ability to address the bank's subdued profitability remains a concern because it provides only a limited buffer against adverse

developments and limits the bank's capital generation capacity and, hence, growth prospects. Finally, as a public-sector bank, Helaba is partly owned by the federal states of Hesse and Thuringia, which is reflected in the composition of its board of directors, which also includes representatives from S-Finanzgruppe. Germany's developed institutional framework mitigates associated governance risks.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Support and structural considerations

Affiliate support

Helaba benefits from cross-sector support from S-Finanzgruppe. Cross-sector support reduces the probability of default because the support would be available to stabilise a distressed member bank and not just to compensate for losses in resolution. The very high support assumption assigned to Helaba and to the other Landesbanks reflects their cross-liability scheme membership, but only partial ownership by S-Finanzgruppe members. Cross-sector support for Helaba provides a two-notch rating uplift from the baa2 BCA, leading to an a3 Adjusted BCA.

The probability of Helaba receiving cross-sector support has risen following the strengthening of the institutional protection scheme (IPS) of S-Finanzgruppe, whose statutes were updated earlier in 2024. The revised statutes result in a more rule-based IPS that implements an early intervention system with clearly identified triggers and timely escalation of decision-making steps, as well as increased ex ante funds over time, which, in our view, increase the likelihood and timeliness of support for Helaba. In our assessment, we considered the likelihood of support based on the new and improved governance structure of the IPS, the economic rationale to improve sector cohesion through swift and positive support decisions, and the capacity of the sector in different scenarios, including a situation in which a number of larger members require capital support concurrently.

Loss Given Failure (LGF) analysis

Helaba is subject to the EU Bank Recovery and Resolution Directive (BRRD), which we consider to be an operational resolution regime. We therefore apply our Advanced LGF analysis, using our standard assumptions.

In our Advanced LGF analysis, we consider the results of both the formal legal position (pari passu, or 'de jure' scenario), to which we assign a 75% probability, and an alternative liability ranking, reflecting resolution authority discretion to prefer deposits over senior unsecured debt (full depositor preference, or 'de facto' scenario), to which we assign a 25% probability.

We further assume residual TCE of 3% and losses post-failure of 8% of tangible banking assets. In addition, we assume a 26% share of deposits being “junior” wholesale deposits, for which we factor in a 25% run-off before failure, while we assume a 5% run-off in preferred deposits. These ratios are in line with our standard assumptions.

Our Advanced LGF analysis indicates that deposits and senior unsecured debt are likely to face extremely low loss given failure, resulting in a three-notch uplift from the a3 Adjusted BCA. The analysis for junior senior unsecured debt indicates a two-notch uplift from the a3 Adjusted BCA, while the outcome for subordinated debt is baa1, one notch below the a3 Adjusted BCA.

Government support considerations

Following the introduction of the BRRD, we have lowered our expectations about the degree of support the government might provide to a bank in Germany in the event of need. Because of its size on a consolidated basis, we consider S-Finanzgruppe to be systemically important. We, therefore, attribute a moderate probability of German government support for all members of the sector, in line with support assumptions for other systemically relevant banking groups in Europe. Hence, we still include one notch of government support uplift in our Counterparty Risk Ratings (CRRs), senior unsecured debt and deposit ratings for S-Finanzgruppe member banks that are incorporated in Germany, including Helaba. For junior senior debt and subordinated debt instruments, the likelihood of government support is low, and therefore, these ratings do not include any related uplift.

Methodology and scorecard

Methodology

The principal methodology used in rating Helaba was our Banks Methodology.

About Moody's Bank Scorecard

Our Bank Scorecard is designed to capture, express and explain in summary form our Rating Committee's judgment. When read in conjunction with our research, a fulsome presentation of our judgment is expressed. As a result, the output of our scorecard may materially differ from that suggested by raw data alone (though it has been calibrated to avoid the frequent need for strong divergence). The scorecard output and the individual scores are discussed in rating committees and may be adjusted up or down to reflect conditions specific to each rated entity.

Rating methodology and scorecard factors

Exhibit 13

Rating Factors

Macro Factors							
Weighted Macro Profile	**Strong +**	**100%**					
Factor		**Historic Ratio**	**Initial Score**	**Expected Trend**	**Assigned Score**	**Key driver #1**	**Key driver #2**
Solvency							
Asset Risk							
Problem Loans / Gross Loans		3.3%	a3	↔	baa2	Sector concentration	Market risk
Capital							
Tangible Common Equity / Risk Weighted Assets (Basel III - transitional phase-in)		15.8%	aa3	↔	a2	Stress capital resilience	Risk-weighted capitalisation
Profitability							
Net Income / Tangible Assets		0.2%	b1	↔	b1	Expected trend	Return on assets
Combined Solvency Score			a3		baa2		
Liquidity							
Funding Structure							
Market Funds / Tangible Banking Assets		53.9%	b3	↔	ba1	Extent of market funding reliance	Expected trend
Liquid Resources							
Liquid Banking Assets / Tangible Banking Assets		32.2%	a2	↔	a3	Additional liquidity resources	Asset encumbrance
Combined Liquidity Score			ba2		baa2		
Financial Profile					baa2		
Qualitative Adjustments					Adjustment		
Business Diversification					0		
Opacity and Complexity					0		
Corporate Behavior					0		
Total Qualitative Adjustments					0		
Sovereign or Affiliate constraint					Aaa		
BCA Scorecard-indicated Outcome - Range					baa1 - baa3		
Assigned BCA					baa2		
Affiliate Support notching					2		
Adjusted BCA					a3		

Balance Sheet is not applicable.

Debt Class	De Jure waterfall		De Facto waterfall		Notching		LGF Notching Guidance vs. Adjusted BCA	Assigned LGF notching	Additional Notching	Preliminary Rating Assessment
	Instrument volume + subordination	Sub-ordination	Instrument volume + subordination	Sub-ordination	De Jure	De Facto				
Counterparty Risk Rating	-	-	-	-	-	-	-	3	0	aa3
Counterparty Risk Assessment	-	-	-	-	-	-	-	3	0	aa3 (cr)
Deposits	-	-	-	-	-	-	-	3	0	aa3
Senior unsecured bank debt	-	-	-	-	-	-	-	3	0	aa3
Junior senior unsecured bank debt	-	-	-	-	-	-	-	2	0	a1
Dated subordinated bank debt	-	-	-	-	-	-	-	-1	0	baa1

Instrument Class	Loss Given Failure notching	Additional notching	Preliminary Rating Assessment	Government Support notching	Local Currency Rating	Foreign Currency Rating
Counterparty Risk Rating	3	0	aa3	1	Aa2	Aa2
Counterparty Risk Assessment	3	0	aa3 (cr)	1	Aa2(cr)	
Deposits	3	0	aa3	1	Aa2	Aa2
Senior unsecured bank debt	3	0	aa3	1	Aa2	
Junior senior unsecured bank debt	2	0	a1	0	A1	
Dated subordinated bank debt	-1	0	baa1	0	Baa1	

[1] Where dashes are shown for a particular factor (or sub-factor), the score is based on non-public information.
Source: Moody's Ratings

Ratings

Exhibit 14

Category	Moody's Rating
LANDESBANK HESSEN-THUERINGEN GIROZENTRALE	
Outlook	Stable
Counterparty Risk Rating	Aa2/P-1
Bank Deposits	Aa2/P-1
Baseline Credit Assessment	baa2
Adjusted Baseline Credit Assessment	a3
Counterparty Risk Assessment	Aa2(cr)/P-1(cr)
Issuer Rating -Dom Curr	Aa2
Senior Unsecured -Dom Curr	Aa2
Junior Senior Unsecured -Dom Curr	A1
Junior Senior Unsecured MTN -Dom Curr	(P)A1
Subordinate -Dom Curr	Baa1
Commercial Paper -Dom Curr	P-1

Source: Moody's Ratings

Endnotes

1 The ratings shown are S-Finanzgruppe's corporate family rating and outlook, as well as its BCA.

2 The difference between our TCE ratio and the bank's CET1 ratio stems from the deduction of own debt gains, synthetic positions in CET1 capital, and miscellaneous other items from regulatory capital.

3 Helaba's capital requirements include the systemic risk buffer and countercyclical capital buffer implemented by the German regulator BaFin in February 2023, as well as a 2.25% Pillar 2 Requirement (P2R) on a Total Capital basis, which was increased from 2.0% following the European Central Bank's (ECB) 2023 Supervisory Review and Evaluation Process (SREP). The 2.25% is in line with the median P2R for all banks under ECB supervision.

4 Other income comprises centrally consolidated equity investments, central units that cannot be allocated to the individual segments, and treasury activities.

5 Helaba's development bank funding is sourced via its own development bank WIBank, as well as from other German development banks.

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