Bayerische Landesbank

Key facts and statistics - 9M September 2019

Company overview
Bayerische Landesbank (BayernLB), a German federal state bank headquartered in Munich, holds a 2.9% market share among German banking institutions, based on its total consolidated assets of €244.2 billion as of 30 September 2019.

BayernLB operates as the principal bank of the Free State of Bavaria, and is a member of the Sparkassen-Finanzgruppe. The bank also offers a range of financial products and services to retail customers, medium-sized companies (Mittelstand), large corporate clients, real estate customers, financial institutions and the public sector.

As of 05 February 2020, BayernLB provided its services from its head office in Munich; through offices in Dusseldorf, Berlin, Frankfurt, Hamburg, Stuttgart, and Leipzig; and through its branch office in Nuremberg. Its domestic business is complemented by its 100%-owned subsidiary Deutsche Kreditbank AG (DKB), a commercial bank that conducts public sector, corporate and online retail operations. The bank also operates internationally through branches in London, Milan, New York and Paris; a representative office in Moscow; and has presence in China (Shanghai and Taicang).

On 1 July 1972, following the merger of the two banks Bayerische Gemeindebank and Bayerische Landesbodenkreditanstalt, the bank was established as Bayerische Landesbank Girozentrale. In 2005, it adopted a new corporate identity under the BayernLB brand. As of February 2020, the Free State of Bavaria held a stake of approximately 75% in the bank, and the Association of Bavarian Savings Banks held the remaining 25%.

Sources: Company reports (factbook Feb 2020, investor presentation Nov 2019, annual report Dec 2018), Deutsche Bundesbank, Company data, Moody’s Investors Service research
Financial highlights
Note: The financials presented below are those reported by the entity and are not adjusted for Moody’s analytic purposes. For Moody’s generated ratios, please see Bayerische Landesbank’s page on www.moodys.com.

Exhibit 1
Latest full-year results
Bayerische Landesbank

<table>
<thead>
<tr>
<th>(in € Million)</th>
<th>31-Dec-18</th>
<th>31-Dec-17</th>
<th>31-Dec-16</th>
<th>% Change 18/17</th>
<th>% Change 17/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>220,227</td>
<td>214,455</td>
<td>212,150</td>
<td>2.69</td>
<td>1.09</td>
</tr>
<tr>
<td>Total Shareholders’ Equity</td>
<td>11,255</td>
<td>10,700</td>
<td>11,035</td>
<td>5.19</td>
<td>(3.04)</td>
</tr>
<tr>
<td>Shareholders’ Equity excluding Minority Interest</td>
<td>11,237</td>
<td>10,687</td>
<td>11,019</td>
<td>5.15</td>
<td>(3.01)</td>
</tr>
<tr>
<td>Total Regulatory Capital</td>
<td>11,465</td>
<td>10,756</td>
<td>11,059</td>
<td>6.59</td>
<td>(2.74)</td>
</tr>
<tr>
<td>CET 1 Ratio (%)</td>
<td>15.2</td>
<td>15.3</td>
<td>14.7</td>
<td>(10) bps</td>
<td>60 bps</td>
</tr>
<tr>
<td>Net Income</td>
<td>828</td>
<td>679</td>
<td>550</td>
<td>21.94</td>
<td>23.45</td>
</tr>
<tr>
<td>Net Income Attributable to Equity Holders</td>
<td>822</td>
<td>677</td>
<td>545</td>
<td>21.42</td>
<td>24.22</td>
</tr>
</tbody>
</table>

Notes: 1) "Total Assets", "Total Shareholders’ Equity" and “Shareholders’ Equity excluding Minority Interest” figures for 31-Dec-17 have been restated as of 1-Jan-18, under IFRS 9.
2) "Total Shareholders’ Equity" figures for 31-Dec-16 were adjusted as per IAS 8.42
Sources: Company reports (financial statements Dec 2018 and Dec 2017)

Exhibit 2
Latest nine months results
Bayerische Landesbank

<table>
<thead>
<tr>
<th>(in € Million)</th>
<th>30-Sep-19</th>
<th>30-Sep-18</th>
<th>% Change 19/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>244,200</td>
<td>227,400</td>
<td>6.88</td>
</tr>
<tr>
<td>Total Shareholders’ Equity</td>
<td>11,400</td>
<td>11,000</td>
<td>3.64</td>
</tr>
<tr>
<td>Total Regulatory Capital</td>
<td>11,200</td>
<td>10,500</td>
<td>6.67</td>
</tr>
<tr>
<td>CET 1 Ratio (%)</td>
<td>14.5</td>
<td>14.7</td>
<td>(20) bps</td>
</tr>
<tr>
<td>Net Income</td>
<td>394</td>
<td>569</td>
<td>(30.76)</td>
</tr>
<tr>
<td>Net Income Attributable to Equity Holders</td>
<td>394</td>
<td>564</td>
<td>(30.14)</td>
</tr>
</tbody>
</table>

Source: Company reports (investor presentations as of Sep 2019 and Sep 2018)

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.moodys.com for the most updated credit rating action information and rating history.
Business description
BayernLB is a German specialised bank offering financial products and services to retail customers, medium-sized and large corporate clients, financial institutions and the public sector with main focus on direct banking, corporate finance, real estate finance and structured and asset-based finance.

On December 19, 2019 BayernLB announced an overhaul of its capital markets operations and repositioning of its business model. The group’s new strategic plan, under which it aims to build on the dynamic growth of its key direct-banking subsidiary DKB, accompanied by a business focus on commercial real estate and selected corporate sectors, will transform the group further away from a full-fledged universal bank model. The plan involves significant investments into upgrading information technology systems, as well as a significant reduction of its capital-markets oriented businesses. The future structure of BayernLB will focus on three main segments: DKB, Real Estate/Savings Banks & Financial Institutions and Corporates & Markets. DKB will serve as a tech bank and partner for sustainability topics for BayernLB’s customers (detailed description below). Real Estate/Savings Banks & Financial Institutions will focus on providing real estate lending and being a central bank to the Bavarian savings banks as well as a partner to the public sector and financial institutions. Corporates & Markets will be providing support in structured asset finance, corporate lending and selected capital markets products mainly to companies from five industries: energy, mobility, technology, mechanical and plant engineering, construction and basic materials.

Previously, BayernLB had been operating through the following four main business segments: Corporates & Mittelstand; Real Estate & Savings Banks/Association; Financial Markets and DKB. The bank also maintained a Central Areas & Others segment, to account for its internal operations and it includes items that could not be directly attributed to other segments (consolidation).

For the first nine months ended 30 September 2019 (9M 2019), the largest contributor to the bank’s net interest income was DKB (55.7%).

**Corporates & Mittelstand (currently part of Corporates & Markets):** This segment provides its products and services to large corporate customers, multinational companies and Mittelstand companies in Germany. In particular, the customers include DAX- and MDAX listed companies, and family-owned businesses. It also conducts syndicated loan business with Bavarian savings banks to serve its corporate clients. Other services includes traditional loan financing (such as working capital, capital expenditure and trade financing), leasing finance, syndication, and placing bonds and Schuldschein note loans on the market. Among others, it also finances global projects related to infrastructure, energy and renewable energy sectors. As of the first nine months of 2019, this segment contributed 31.2% to the bank’s risk-weighted assets (RWA) and 15.1% to the net interest income in 9M 2019.

**Real Estate & Savings Banks/Association:** This segment incorporates the bank’s commercial and residential real estate businesses in Germany and abroad, the savings banks and other financial institutions, development business and the public sector department. The Real Estate division provides long-term commercial and residential real estate financing and services for property developers and portfolios. The Savings Banks/Association division, which incorporates the Public Sector department, provides transactions conducted with the government and non-Bavarian municipal customers. The Savings Banks unit acts as an operational hub for various services provided to the savings banks and their customers. The Savings Banks unit also offers a wide range of products and services in the foreign notes, coins and precious metals market. In addition, this segment comprises the development bank Bayerische Landesbodenkreditanstalt which is responsible for non-competitive residential construction and urban development business under public mandate on behalf of BayernLB, and consolidated subsidiary Real I.S. which is a real estate asset manager. As of the first nine months of 2019, this segment contributed 14.3% to the bank’s RWA and 16.3% to the net interest income in 9M 2019.

**Financial Markets (currently part of Corporates & Markets):** This segment offers capital market products (including fixed-income, structured products and retail certificates, structured interest rate products and equities execution) and treasury products (including short-term interest rates, fixed-income derivatives, foreign exchange and commodities) which were cross sold to BayernLB’s Corporates, Mittelstand, Savings Banks and Real Estate customers. It also includes trading and issuing activities, asset liability management and the activities of the asset management subsidiary BayernInvest Kapitalverwaltungsgesellschaft mbH. As of the first nine months of 2019, this segment contributed 14.4% to the bank’s RWA and 11.3% to the net interest income in 9M 2019.

**DKB:** This segment includes the core business activities of the bank’s 100%-owned subsidiary DKB, a retail online bank also specialising, among other sectors, in the residential housing, agriculture and renewable energy sectors and catering to retail,
infrastructure and corporate customers, and DKB sub-group (non-core activities). The segment also includes operations of Bayern Card-Services GmbH - S-Finanzgruppe, Munich, which focuses on credit card services. DKB operated with total assets of €80.1 billion and served more than 4.1 million customers as of 30 June 2019. As of the first nine months of 2019, this segment contributed 36.0% to the bank’s RWA and 55.7% to the net interest income in 9M 2019.

Central Areas & Others: This segment comprises the earnings contributions of the following central areas: Corporate Centre; Financial Office; Operating Office and Risk Office. It also includes cross-divisional transactions not allocated to any main business segment. Moreover, it includes core business transactions that cannot be allocated to either a business area or a central area. As of the first nine months of 2019, this segment contributed 4.0% to the bank’s RWA and 1.6% to the net interest income in 9M 2019.

Sources: Company reports (investor presentation Nov 2019), Company data, Moody’s Investors Service research

Distribution channels
BayernLB has extensive operations in its core home market of Bavaria, as well as throughout Germany through its subsidiary banks.

As of February 2020, the bank distributed its products and services from its offices in Munich, Düsseldorf, Berlin, Frankfurt, Hamburg, Stuttgart and Leipzig, and through its branch office in Nuremberg. The bank also operates internationally through branches in London, Milan, New York and Paris; from a representative office in Moscow; and through its presence in China.
BayernLB also distributes its services through alternative delivery channels, including direct online banking facilities and its internet-based, multi-specialty subsidiary DKB. The bank also delivers services through other subsidiaries, including its wholly owned real estate subsidiary LB Immobilienbewertungsgesellschaft mbH (LBImmoWert).

As of 30 June 2019, the bank’s shares of the German banking system in terms of total customer loans and deposits were as follows:

Exhibit 6
Market shares of Bayerische Landesbank

<table>
<thead>
<tr>
<th>(% Share)</th>
<th>30-Jun-19</th>
<th>31-Dec-18</th>
<th>31-Dec-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer loans</td>
<td>4.0</td>
<td>4.0</td>
<td>4.0</td>
</tr>
<tr>
<td>Customer deposits</td>
<td>2.7</td>
<td>2.5</td>
<td>2.5</td>
</tr>
</tbody>
</table>

Notes: 1) “Customer loans” for the bank includes “Loans and Advances to Customers”.  
2) “Customer deposits” for the bank includes “Liabilities to Customers”.  
Sources: Company reports (factbook Feb 2020, annual report Dec 2018, interim report June 2019), Company data, Deutsche Bundesbank

**Ownership structure**
BayernLB is a public law institution registered in Germany and a member of the Sparkassen-Finanzgruppe. It is owned indirectly, through BayernLB Holding AG, by the Free State of Bavaria and the Association of Bavarian Savings Banks, which hold approximately 75% and 25% of its shares, respectively.

Exhibit 7
Ownership structure as of February 2020

*Legally dependent institution established under public law within BayernLB
Sources: Company reports (factbook Feb 2020, annual report Dec 2018)

**Subsidiaries**
As of 31 December 2018, the bank’s subsidiaries included in the consolidated financial statements were as follows:

Exhibit 8
Bayerische Landesbank

| Subsidiary                                                      | Registered Office | Direct  | Indirect |
|                                                               |                  |        |          |
| BayernCard-Services GmbH - S-Finanzgruppe                     | Munich           | 50.1   | –         |
| BayernInvest Kapitalverwaltungsgesellschaft mbH*              | Munich           | 100.0  | –         |
| Deutsche Kreditbank Aktiengesellschaft*                        | Berlin           | 100.0  | –         |
| Real I.S. AG Gesellschaft für Immobilien Assetmanagement*     | Munich           | 100.0  | –         |

*A profit and loss transfer agreement has been concluded with the company.  
Source: Company report (annual report Dec 2018)
Company management

Exhibit 9
Bayerische Landesbank

<table>
<thead>
<tr>
<th>Management Board</th>
<th>Affiliation</th>
<th>Age*</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stephan Winkelmeier</td>
<td>Chief Executive Officer and Member of the Management Board</td>
<td>52</td>
<td>Corporate Center, Group Treasury and Deutsche Kreditbank AG</td>
</tr>
<tr>
<td>Dr. Edgar Zoller</td>
<td>Deputy Chief Executive Officer and Member of the Management Board</td>
<td>62</td>
<td>Real Estate and Savings Banks/Association, Bayerische Landesbodenkreditanstalt and Real I.S. AG Gesellschaft für Immobilien Assetmanagement</td>
</tr>
<tr>
<td>Marcus Kramer</td>
<td>Chief Risk Officer and Member of the Management Board</td>
<td>56</td>
<td>Risk Office</td>
</tr>
<tr>
<td>Dr. Markus Wiegelmann</td>
<td>Chief Financial Officer, Chief Operating Officer and Member of the Management Board</td>
<td>50</td>
<td>Financial Office and Operating Office</td>
</tr>
<tr>
<td>Michael Bücker</td>
<td>Member of the Management Board</td>
<td>57</td>
<td>Corporates and Markets</td>
</tr>
</tbody>
</table>

As of Feb 2020
*As of 31 Dec 2019

Sources: Company report (interim financial report June 2019), Company data

Exhibit 10
Bayerische Landesbank

<table>
<thead>
<tr>
<th>Supervisory Board</th>
<th>Affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. Wolf Schumacher</td>
<td>Chairman of the Supervisory Board</td>
</tr>
<tr>
<td>Walter Strohmaier</td>
<td>Deputy Chairman of the Supervisory Board</td>
</tr>
<tr>
<td>Jan-Christian Dreessen</td>
<td>Member of the Supervisory Board</td>
</tr>
<tr>
<td>Dr. Roland Fleck</td>
<td>Member of the Supervisory Board</td>
</tr>
<tr>
<td>Dr. Ute Geipel-Faber</td>
<td>Member of the Supervisory Board</td>
</tr>
<tr>
<td>Dr. Kurt Gribl</td>
<td>Member of the Supervisory Board</td>
</tr>
<tr>
<td>Harald Hübner</td>
<td>Member of the Supervisory Board</td>
</tr>
<tr>
<td>Dr. Thomas Langer</td>
<td>Member of the Supervisory Board</td>
</tr>
<tr>
<td>Dr. Jorg Schneider</td>
<td>Member of the Supervisory Board</td>
</tr>
<tr>
<td>Henning Sohn</td>
<td>Member of the Supervisory Board</td>
</tr>
<tr>
<td>Judith Steiner</td>
<td>Member of the Supervisory Board</td>
</tr>
</tbody>
</table>

As of 1 June 2019
Source: Company data

Company history

BayernLB originated in the late nineteenth century with the passage of a law establishing the Landeskultur-Rentenanstalt, a bond agency for land cultivation entrusted with rights to issue and monitor loans, and the Giroverband, an institution founded by representatives of Bavarian savings banks in 1914 to introduce a system of non-cash payments by establishing the first central clearing unit for cheques and giro services.

Subsequently, in 1917, an independent office for the central clearing unit was founded in Nuremberg, which was replaced in the same year by the Girozentrale bayerischer Sparkassen, the central giro institution for the Bavarian savings banks.

In 1925, the Girozentrale and the Bavarian Association of Savings Banks split. The Girozentrale bayerischer Sparkassen was renamed Bayerische Gemeindebank (Girozentrale) Öffentliche Bankanstalt (Bayerische Gemeindebank, Bayerische Gemeindebank, Bavarian Municipal Bank under Public Law [central clearing unit]), and was relocated to Munich from Nuremberg.

In 1929, Bayerische Landesbausparkasse (Bavarian Home Loans and Savings) was founded as a department of Bayerische Gemeindebank. That same year, Landeskultur-Rentenanstalt was established as an independent legal entity under public law, with the right to issue certificates for fixed-interest land cultivation bonds.

In 1949, the Landeskultur-Rentenanstalt was renamed Bayerische Landesbodenkreditanstalt (Bavarian Mortgage Bank).
On 1 July 1972, Bayerische Landesbank Girozentrale was established following a majority vote by savings bank representatives who approved the merger of Bayerische Gemeindebank and Bayerische Landesbodenkreditanstalt. The arrangement was supported by the Bayerische Landesbank Act in June 1972, which provided the bank with DEM400 million in nominal capital, half provided by the Free State of Bavaria and the other half by the Association of Bavarian Savings Banks. These measures established Bayerische Landesbank as a central bank for savings banks, a principal bank to the Free State of Bavaria and a universal bank.

In 2005, the state-provided guarantees were withdrawn. The bank adopted a new corporate identity and was renamed BayernLB.

Following the financial crisis in 2008, the Free State of Bavaria provided aid in the form of equity and a risk shield for BayernLB’s structured credit portfolio, and SoFFin provided a guarantee.

Subsequently, in 2009, the bank initiated a restructuring programme, mainly involving the winding down of non-core bank activities. This process included the transfer of the bank’s entire 50% stake in LB (Swiss) Privatbank AG to Landesbank Hessen-Thueringen in exchange for all its shares in LBLux. The divestment also involved the sale of its 67.1% stake in Hypo Group Alpe Adria, Klagenfurt, to the Republic of Austria, thereby nationalising the bank.

In July 2012, the EC formally approved the restructuring plan laid down by the bank. In accordance with the conditions laid down by the EC to divest additional non-core businesses and shareholdings, the bank disposed of Bayerische Landesbausparkasse in December 2012, sold its shareholding of around 2% in Deutsche Lufthansa AG in January 2013, and disposed of its 92% stake in GBW AG in April 2013.

In 2014, BayernLB announced that it had divested its entire ABS portfolio, which had a nominal value of €6.5 billion (as of 30 June 2014). The sale’s proceeds were used to end the guarantee by the Free State of Bavaria for the portfolio.

In November 2015, the Free State of Bavaria and BayernLB reached an understanding with the Republic of Austria to resolve the disputes pertaining to receivables due to the bank from HETA Asset Resolution AG (HETA, formerly Hypo Group Alpe Adria). As part of the settlement, the Republic of Austria paid €1.23 billion, ending all legal disputes with BayernLB.

On 30 June 2017, BayernLB repaid the last tranche to the Free State of Bavaria and closed the EU state aid payments early.

On 19 December 2018, HETA announced that it had reached a final settlement with the creditors of its disputed claims. As a result of this agreement, all open litigation between HETA and BayernLB was settled.

On 19 December 2019, BayernLB announced its new strategic positioning and merging the bank’s capital market business with its corporate customer units, which will focus on five innovative industries. The bank aims to pursue growth opportunities in the other two segments that also were the strongest drivers of the group’s results, DKB and CRE.

Sources: Company reports (investor presentation Dec 2019, annual report Dec 2018 and Dec 2017), Moody’s Investors Service research

Peer group

» DekaBank Deutsche Girozentrale
» Landesbank Baden-Württemberg
» Landesbank Hessen-Thueringen GZ
» Norddeutsche Landesbank GZ
» UniCredit Bank AG

Related websites and information sources

For additional information, please see:
Moody’s related publications
Issuer page on moodys.com
» Bayerische Landesbank

Credit opinion
» Bayerische Landesbank: Update to credit analysis, December 2019 (1200764)
» Government of Germany – Aaa Stable, Regular update, July 2019 (1183081)

Outlook
» Sovereigns – Euro Area: 2020 outlook negative as worsening global environment heightens exposure to shocks, January 2020 (1197591)

Banking system profile
» Banks - Germany: Banking System Profile, December 2018 (1144148)

Banking system outlook
» Banking System Outlook - Germany: Slowing economy and rising profitability challenges drive our negative outlook, November 2019 (1186962)

Country statistics
» Germany, Government of, June 2019 (333700)

Rating methodology
» Banks Methodology, November 2019

To access any of these reports, click on the entry above. Note that these references are current as of the date of publication of this report and that more recent reports may be available on the issuer’s page. All research may not be available to all clients.
MOODY’S INVESTORS SERVICE

© 2020 Moody’s Corporation, Moody’s Investors Service, Inc., Moody’s Analytics, Inc. and/or their licensors and affiliates (collectively, “MOODY’S”). All rights reserved.

CREDIT RATINGS ISSUED BY MOODY’S INVESTORS SERVICE, INC. AND/OR ITS CREDIT RATINGS AFFILIATES ARE MOODY’S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED BY MOODY’S (COLLECTIVELY, “PUBLICATIONS”) MAY INCLUDE SUCH CURRENT OPINIONS. MOODY’S INVESTORS SERVICE DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE MOODY’S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY’S INVESTORS SERVICE CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS (“ASSESSMENTS”), AND OTHER OPINIONS INCLUDED IN MOODY’S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY’S PUBLICATIONS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY’S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY’S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY’S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY’S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY’S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES ITS PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY’S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND PUBLICATIONS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY’S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR PUBLICATIONS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER. ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY’S PRIOR WRITTEN CONSENT.

MOODY’S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by MOODY’S from sources believed to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided “AS IS” without warranty of any kind. MOODY’S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY’S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY’S is not an auditor and cannot in every instance independently verify or validate information received in the rating process or in preparing its Publications.

To the extent permitted by law, MOODY’S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY’S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY’S.

To the extent permitted by law, MOODY’S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY’S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY’S IN ANY FORM OR MANNER WHATSOEVER.

Moody’s Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody’s Corporation (“MCO”), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody’s Investors Service, Inc. for credit ratings opinions and services rendered by it fees ranging from $1,000 to approximately $2,700,000. MCO and Moody’s Investors Service also maintain policies and procedures to address the independence of Moody’s Investors Service credit ratings and credit rating processes. Information regarding Members of Moody’s Investors Service’ Director and Shareholder Affiliation Policy.”

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY’S affiliate, Moody’s Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody’s Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to “wholesale clients” within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY’S that you are, or are accessing the document as a representative of, a “wholesale client” and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to “retail clients” within the meaning of section 761G of the Corporations Act 2001. MOODY’S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.

Additional terms for Japan only: Moody’s Japan K.K. (“MJJK”) is a wholly-owned credit rating agency subsidiary of Moody’s Group Japan K.K., which is wholly-owned by Moody’s Overseas Holdings Inc., a wholly-owned subsidiary of MCO. Moody’s SF Japan K.K. (“MSFJ”) is a wholly-owned credit rating agency subsidiary of MJJK. MSFJ is not a Nationally Recognized Statistical Rating Organization (“NRSRO”). Therefore, credit ratings assigned by MSFJ are Non-NRSRO Credit Ratings. Non-NRSRO Credit Ratings are assigned by an entity that is not a NRSRO and, consequently, the rated obligation will not qualify for certain types of treatment under U.S. laws. MJJK and MSFJ are credit rating agencies registered with the Japan Financial Services Agency and their registration numbers are FSA Commissioner (Ratings) No. 2 and 3 respectively.

MJJK or MSFJ (as applicable) hereby disclose that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MJJK or MSFJ (as applicable) have, prior to assignment of any credit rating, agreed to pay to MJJK or MSFJ (as applicable) for credit ratings opinions and services rendered by it fees ranging from JPY125,000 to approximately JPY250,000,000. MJJK and MSFJ also maintain policies and procedures to address Japanese regulatory requirements.