

KA Finanz AG

Update

Ratings

Foreign Currency	
Long-Term IDR	BBB+
Short-Term IDR	F2
Support Rating	2
Support Rating Floor	BBB+

Sovereign Risk

Foreign-Currency Long-Term IDR	AA+
Local-Currency Long-Term Rating	AA+

Outlooks

Foreign-Currency Long-Term IDR	Stable
Sovereign Foreign-Currency Long-Term IDR	Stable
Sovereign Local-Currency Long-Term IDR	Stable

Financial Data

KA Finanz AG

	1 Jan 2015 ^a	31 Dec 2014
Total assets (USDm)	15,573	8,845
Total assets (EURm)	13,918	6,671
Total equity (EURm)	541	404
Common equity Tier 1 capital ratio (%)	15.4	14.5
Total capital ratio (%)	20.1	20.9
Fitch core capital ratio (%)	15.4	15.2
Tangible equity/tangible assets (%)	3.9	5.5

^a Pro forma, unaudited, company information including the merged assets and liabilities from Kommunalkredit Austria AG

Key Rating Drivers

State Support-Driven IDRs: KA Finanz AG's (KF) Issuer Default Ratings are driven by Fitch Ratings' view that support from its owner, the Republic of Austria (AA+/Stable/F1+), is highly likely, due to Austria's reasonable flexibility to provide support to the bank, its intention to remain KF's sole owner until the wind-down is complete, and significant funding guarantees.

Ratings Unaffected by Merger: In 3Q15, EUR6.7bn of the assets of KF's former sister bank and a corresponding volume of liabilities were merged into KF with retroactive effect under local GAAP as of 1 January 2015, while the rest were transferred to Kommunalkredit Austria AG, a newly incorporated bank. We believe that the merger has not reduced the state's propensity to support KF and its strong willingness to ensure it remains adequately capitalised.

Significant State Funding Guarantees: Fitch's view of Austria's support commitment is underpinned by significant government funding guarantees that were substantially increased in 2015. These cover KF's EUR1bn five-year senior unsecured notes issued in 2015 and its EUR3.5bn commercial paper programme. Assuming full use of the latter, state-guaranteed funding covers about a third of KF's post-merger assets and the majority of its bail-inable debt.

Moderate Bail-in Risk: The EU's Bank Recovery and Resolution Directive (BRRD) has been fully transposed, with its bail-in tool, into Austrian law, effective from 1 January 2015. Austria's approach to KF's wind-down was clearly formulated at an early stage and has been consistently executed, and we expect its wind-down to remain largely aligned with the contractual maturities of its solid assets and with limited loss-generating divestments.

We consider resolution measures unlikely under reasonable stress assumptions as we expect KF to incur only manageable losses commensurate with its loss-absorption capacity as long as its wind-down progresses as planned. However, large single credit losses could trigger such measures, which could include bail-in of senior creditors.

Sound Asset Quality: The merger improved the average internal rating of KF's assets to 'A+' from 'A-'. It might also have increased KF's borrower concentration, as the two former sister banks had a similar public-sector focus. However, any increase is unlikely to be significant as they had significantly reduced concentration in recent years. We view KF's high concentration on large exposures as the main potential source of large, unexpected capital depletion.

Solid Capital: The merger has barely affected KF's solid capitalisation: on 1 January 2015, its pro forma transitional common equity Tier 1 ratio was 15.4% and its total capital ratio 20.1%. We do not expect additional capital needs in the foreseeable future despite the fairly high cost of the state guarantees, which prevents material internal capital generation.

Rating Sensitivities

State Support Ability and Propensity: KF's ratings are primarily sensitive to Austria's ability and propensity to provide support. Fitch does not believe that Austria's ability to support KF will diminish materially, provided the sovereign rating remains in the 'AA' range.

Wind-Down Progress: Unexpectedly large credit losses could make further capital injections by the government necessary. State recapitalisation could trigger a fresh state aid review from the European Commission, in our view. Fitch believes that, as KF is subject to BRRD, the bank may be required to take resolution measures including senior creditor bail-in. However, we view this scenario as unlikely due to KF's solid risk profile and comfortable capital buffer.

Related Research

[2016 Outlook: Austrian Banks \(December 2015\)](#)

[EU State-Sponsored Wind-Down Institutions \(April 2015\)](#)

[Fitch Affirms Austria at 'AA+'; Outlook Stable \(August 2015\)](#)

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Appendix

The following table shows KF's pro forma opening balance sheet including the merged assets and liabilities from Kommunalkredit Austria AG. The 1H15 data on the next pages are as reported and do not include the merger, which closed in 3Q15.

KA Finanz AG's Post-Merger Balance Sheet

(EURm)

1 January 2015

Assets	
Loans and advances to customers	6,996
Loans and advances to banks	3,206
Bonds and other fixed income securities	2,198
Public sector debt instruments eligible as collateral for central bank funding	789
Cash and due from banks	431
Other assets	299
Total Assets	13,918
Liabilities and Equity	
Customer deposits	1,698
Deposits from banks	4,484
Commercial paper and short-term borrowing	6,575
Reserves for pensions and other	134
Deferred liabilities	54
Other liabilities	297
Pref. shares and hybrid capital accounted for as debt	136
Common Equity	541
Total liabilities and equity	13,918

Source: Company information, not audited

Related Criteria

[Global Bank Rating Criteria](#)

KA Finanz AG
Income Statement

	30 Jun 2015 6 Months - Interim EURm Unaudited	31 Dec 2014 Year End EURm Unqualified	31 Dec 2013 Year End EURm Unqualified	31 Dec 2012 Year End EURm Unqualified
1. Interest Income on Loans	n.a.	n.a.	n.a.	n.a.
2. Other Interest Income	162.7	392.3	480.9	688.2
3. Dividend Income	n.a.	n.a.	n.a.	n.a.
4. Gross Interest and Dividend Income	162.7	392.3	480.9	688.2
5. Interest Expense on Customer Deposits	n.a.	n.a.	n.a.	n.a.
6. Other Interest Expense	161.4	381.0	494.1	731.6
7. Total Interest Expense	161.4	381.0	494.1	731.6
8. Net Interest Income	1.3	11.3	(13.2)	(43.4)
9. Net Gains (Losses) on Trading and Derivatives	n.a.	n.a.	n.a.	n.a.
10. Net Gains (Losses) on Other Securities	0.0	0.0	15.8	(9.9)
11. Net Gains (Losses) on Assets at FV through Income Statement	n.a.	n.a.	n.a.	n.a.
12. Net Insurance Income	n.a.	n.a.	n.a.	n.a.
13. Net Fees and Commissions	(8.7)	(21.7)	(52.8)	(101.3)
14. Other Operating Income	0.0	0.0	0.0	1.0
15. Total Non-Interest Operating Income	(8.7)	(21.7)	(37.0)	(110.2)
16. Personnel Expenses	n.a.	n.a.	n.a.	0.0
17. Other Operating Expenses	7.8	14.1	17.5	19.9
18. Total Non-Interest Expenses	7.8	14.1	17.5	19.9
19. Equity-accounted Profit/ Loss - Operating	n.a.	n.a.	n.a.	n.a.
20. Pre-Impairment Operating Profit	(15.2)	(24.5)	(67.7)	(173.5)
21. Loan Impairment Charge	n.a.	0.3	244.0	(38.2)
22. Securities and Other Credit Impairment Charges	(13.4)	(10.7)	21.0	(65.0)
23. Operating Profit	(1.8)	(14.1)	(332.7)	(70.3)
24. Equity-accounted Profit/ Loss - Non-operating	n.a.	n.a.	n.a.	n.a.
25. Non-recurring Income	2.4	14.1	332.6	0.0
26. Non-recurring Expense	n.a.	n.a.	0.0	0.0
27. Change in Fair Value of Own Debt	n.a.	n.a.	n.a.	n.a.
28. Other Non-operating Income and Expenses	n.a.	n.a.	n.a.	n.a.
29. Pre-tax Profit	0.6	0.0	(0.1)	(70.3)
30. Tax expense	0.6	0.0	0.0	0.4
31. Profit/Loss from Discontinued Operations	n.a.	n.a.	n.a.	n.a.
32. Net Income	0.0	0.0	(0.1)	(70.7)
33. Change in Value of AFS Investments	n.a.	n.a.	n.a.	n.a.
34. Revaluation of Fixed Assets	n.a.	n.a.	n.a.	n.a.
35. Currency Translation Differences	n.a.	n.a.	n.a.	n.a.
36. Remaining OCI Gains/(losses)	n.a.	n.a.	n.a.	n.a.
37. Fitch Comprehensive Income	0.0	0.0	(0.1)	(70.7)
38. Memo: Profit Allocation to Non-controlling Interests	n.a.	n.a.	n.a.	n.a.
39. Memo: Net Income after Allocation to Non-controlling Interests	0.0	0.0	(0.1)	(70.7)
40. Memo: Common Dividends Relating to the Period	n.a.	n.a.	n.a.	n.a.
41. Memo: Preferred Dividends Related to the Period	n.a.	n.a.	n.a.	n.a.

Exchange rate

USD1 = EUR0.893SD1 = EUR0.8237 USD1 = EUR0.72510 ;D1 = EUR0.75790

KA Finanz AG
Balance Sheet

	30 Jun 2015 6 Months - Interim EURm	31 Dec 2014 Year End EURm	31 Dec 2013 Year End EURm	31 Dec 2012 Year End EURm
Assets				
A. Loans				
1. Residential Mortgage Loans	n.a.	n.a.	n.a.	n.a.
2. Other Mortgage Loans	n.a.	n.a.	n.a.	n.a.
3. Other Consumer/ Retail Loans	n.a.	n.a.	n.a.	n.a.
4. Corporate & Commercial Loans	n.a.	n.a.	n.a.	n.a.
5. Other Loans	2,212.4	628.3	702.1	797.2
6. Less: Reserves for Impaired Loans	n.a.	0.0	0.0	0.0
7. Net Loans	2,212.4	628.3	702.1	797.2
8. Gross Loans	2,212.4	628.3	702.1	797.2
9. Memo: Impaired Loans included above	n.a.	0.0	0.0	0.0
10. Memo: Loans at Fair Value included above	n.a.	n.a.	n.a.	n.a.
B. Other Earning Assets				
1. Loans and Advances to Banks	1,927.3	17.4	(1.9)	26.5
2. Reverse Repos and Cash Collateral	n.a.	2,011.0	1,660.8	2,643.3
3. Trading Securities and at FV through Income	n.a.	n.a.	n.a.	n.a.
4. Derivatives	n.a.	n.a.	n.a.	n.a.
5. Available for Sale Securities	n.a.	n.a.	n.a.	n.a.
6. Held to Maturity Securities	n.a.	n.a.	n.a.	n.a.
7. Equity Investments in Associates	0.0	0.0	0.0	0.0
8. Other Securities	2,170.1	4,014.4	5,483.3	6,646.2
9. Total Securities	2,170.1	6,025.4	7,144.1	9,289.5
10. Memo: Government Securities included Above	469.6	1,311.7	2,490.2	2,847.6
11. Memo: Total Securities Pledged	n.a.	n.a.	n.a.	n.a.
12. Investments in Property	n.a.	n.a.	n.a.	n.a.
13. Insurance Assets	n.a.	n.a.	n.a.	n.a.
14. Other Earning Assets	n.a.	n.a.	n.a.	n.a.
15. Total Earning Assets	6,309.8	6,671.1	7,844.3	10,113.2
C. Non-Earning Assets				
1. Cash and Due From Banks	140.6	430.7	128.0	550.9
2. Memo: Mandatory Reserves included above	n.a.	n.a.	n.a.	n.a.
3. Foreclosed Real Estate	n.a.	n.a.	n.a.	n.a.
4. Fixed Assets	0.1	0.1	0.1	0.1
5. Goodwill	n.a.	n.a.	n.a.	n.a.
6. Other Intangibles	n.a.	n.a.	n.a.	n.a.
7. Current Tax Assets	n.a.	n.a.	n.a.	n.a.
8. Deferred Tax Assets	n.a.	n.a.	n.a.	n.a.
9. Discontinued Operations	n.a.	n.a.	n.a.	n.a.
10. Other Assets	173.6	183.5	221.8	305.3
11. Total Assets	6,624.1	7,285.4	8,194.2	10,969.5
Liabilities and Equity				
D. Interest-Bearing Liabilities				
1. Customer Deposits - Current	0.0	0.2	24.5	5.7
2. Customer Deposits - Savings	n.a.	n.a.	n.a.	n.a.
3. Customer Deposits - Term	600.0	889.8	396.7	353.6
4. Total Customer Deposits	600.0	890.0	421.2	359.3
5. Deposits from Banks	1,862.6	2,121.0	1,576.9	2,975.9
6. Repos and Cash Collateral	n.a.	n.a.	n.a.	n.a.
7. Commercial Paper and Short-term Borrowings	3,322.9	3,243.5	4,986.5	4,885.7
8. Total Money Market and Short-term Funding	5,785.5	6,254.5	6,984.6	8,220.9
9. Senior Unsecured Debt (original maturity > 1 year)	n.a.	182.5	89.9	1,578.1
10. Subordinated Borrowing	n.a.	136.1	155.9	167.0
11. Covered Bonds	n.a.	n.a.	n.a.	n.a.
12. Other Long-term Funding	n.a.	n.a.	n.a.	n.a.
13. Total LT Funding (original maturity > 1 year)	n.a.	318.6	245.8	1,745.1
14. Derivatives	n.a.	n.a.	n.a.	n.a.
15. Trading Liabilities	n.a.	n.a.	n.a.	n.a.
16. Total Funding	5,785.5	6,573.1	7,230.4	9,966.0
E. Non-Interest Bearing Liabilities				
1. Fair Value Portion of Debt	n.a.	n.a.	n.a.	n.a.
2. Credit impairment reserves	n.a.	n.a.	n.a.	n.a.
3. Reserves for Pensions and Other	113.1	111.2	194.3	150.6
4. Current Tax Liabilities	n.a.	n.a.	n.a.	n.a.
5. Deferred Tax Liabilities	n.a.	n.a.	n.a.	n.a.
6. Other Deferred Liabilities	37.0	39.7	137.6	n.a.
7. Discontinued Operations	n.a.	n.a.	n.a.	n.a.
8. Insurance Liabilities	n.a.	n.a.	n.a.	n.a.
9. Other Liabilities	140.7	150.2	201.8	422.5
10. Total Liabilities	6,076.3	6,874.2	7,764.1	10,539.1
F. Hybrid Capital				
1. Pref. Shares and Hybrid Capital accounted for as Debt	144.2	7.6	26.5	26.8
2. Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	0.0	0.0	0.0
G. Equity				
1. Common Equity	403.6	403.6	403.6	403.6
2. Non-controlling Interest	n.a.	n.a.	n.a.	n.a.
3. Securities Revaluation Reserves	n.a.	n.a.	n.a.	n.a.
4. Foreign Exchange Revaluation Reserves	n.a.	n.a.	n.a.	n.a.
5. Fixed Asset Revaluations and Other Accumulated OCI	n.a.	n.a.	n.a.	n.a.
6. Total Equity	403.6	403.6	403.6	403.6
7. Total Liabilities and Equity	6,624.1	7,285.4	8,194.2	10,969.5
8. Memo: Fitch Core Capital	403.6	403.6	403.6	403.6
9. Memo: Fitch Eligible Capital	n.a.	403.6	403.6	403.6

Exchange rate

USD1 = EUR0.893D1 = EUR0.823D1 = EUR0.725D1 = EUR0.75790

Comparability of 1H15 balance sheet data to previous periods is limited due to different disclosure of interim financial statements

KA Finanz AG
Summary Analytics

	30 Jun 2015 6 Months - Interim	31 Dec 2014 Year End	31 Dec 2013 Year End	31 Dec 2012 Year End
A. Interest Ratios				
1. Interest Income on Loans/ Average Gross Loans	n.a.	n.a.	n.a.	n.a.
2. Interest Expense on Customer Deposits/ Average Customer Deposits	n.a.	n.a.	n.a.	n.a.
3. Interest Income/ Average Earning Assets	5.06	5.39	5.35	6.08
4. Interest Expense/ Average Interest-bearing Liabilities	5.27	5.51	5.74	6.28
5. Net Interest Income/ Average Earning Assets	0.04	0.16	(0.15)	(0.38)
6. Net Int. Inc Less Loan Impairment Charges/ Av. Earning Assets	n.a.	0.15	(2.86)	(0.05)
7. Net Interest Inc Less Preferred Stock Dividend/ Average Earning Assets	0.04	0.16	(0.15)	(0.38)
B. Other Operating Profitability Ratios				
1. Non-Interest Income/ Gross Revenues	117.57	208.65	73.71	71.74
2. Non-Interest Expense/ Gross Revenues	(105.41)	(135.58)	(34.86)	(12.96)
3. Non-Interest Expense/ Average Assets	0.23	0.18	0.18	0.15
4. Pre-impairment Op. Profit/ Average Equity	(7.59)	(6.07)	(17.04)	(39.96)
5. Pre-impairment Op. Profit/ Average Total Assets	(0.44)	(0.32)	(0.71)	(1.35)
6. Loans and securities impairment charges/ Pre-impairment Op. Profit	88.16	42.45	(391.43)	59.48
7. Operating Profit/ Average Equity	(0.90)	(3.49)	(83.72)	(16.19)
8. Operating Profit/ Average Total Assets	(0.05)	(0.18)	(3.48)	(0.55)
9. Operating Profit / Risk Weighted Assets	(0.14)	(0.53)	(9.33)	(1.44)
C. Other Profitability Ratios				
1. Net Income/ Average Total Equity	0.00	0.00	(0.03)	(16.28)
2. Net Income/ Average Total Assets	0.00	0.00	0.00	(0.55)
3. Fitch Comprehensive Income/ Average Total Equity	0.00	0.00	(0.03)	(16.28)
4. Fitch Comprehensive Income/ Average Total Assets	0.00	0.00	0.00	(0.55)
5. Taxes/ Pre-tax Profit	100.00	n.a.	0.00	(0.57)
6. Net Income/ Risk Weighted Assets	0.00	0.00	0.00	(1.45)
D. Capitalization				
1. Fitch Core Capital/ Risk Weighted Assets	15.87	15.22	11.32	8.28
2. Fitch Eligible Capital/ Risk Weighted Assets	n.a.	15.22	11.32	8.28
3. Tangible Common Equity/ Tangible Assets	6.09	5.54	4.93	3.68
4. Tier 1 Regulatory Capital Ratio	14.80	14.52	10.80	8.30
5. Total Regulatory Capital Ratio	20.50	20.91	16.30	13.10
6. Core Tier 1 Regulatory Capital Ratio	n.a.	n.a.	n.a.	n.a.
7. Equity/ Total Assets	6.09	5.54	4.93	3.68
8. Cash Dividends Paid & Declared/ Net Income	n.a.	n.a.	n.a.	n.a.
9. Internal Capital Generation	0.00	0.00	(0.02)	(17.52)
E. Loan Quality				
1. Growth of Total Assets	(9.08)	(11.09)	(25.30)	(26.39)
2. Growth of Gross Loans	252.12	(10.51)	(11.93)	(76.86)
3. Impaired Loans/ Gross Loans	n.a.	n.a.	n.a.	n.a.
4. Reserves for Impaired Loans/ Gross Loans	n.a.	0.00	0.00	0.00
5. Reserves for Impaired Loans/ Impaired Loans	n.a.	n.a.	n.a.	n.a.
6. Impaired loans less Reserves for Impaired Loans/ Fitch Core Capital	n.a.	n.a.	n.a.	n.a.
7. Impaired Loans less Reserves for Impaired Loans/ Equity	n.a.	n.a.	n.a.	n.a.
8. Loan Impairment Charges/ Average Gross Loans	n.a.	0.03	18.03	(1.53)
9. Net Charge-offs/ Average Gross Loans	n.a.	n.a.	n.a.	n.a.
10. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Assets	n.a.	n.a.	n.a.	n.a.
F. Funding and Liquidity				
1. Loans/ Customer Deposits	368.73	70.60	166.69	221.88
2. Interbank Assets/ Interbank Liabilities	103.47	0.82	(0.12)	0.89
3. Customer Deposits/ Total Funding (excluding derivatives)	10.37	13.54	5.83	3.61
4. Liquidity Coverage Ratio	n.a.	n.a.	n.a.	n.a.
5. Net Stable Funding Ratio	n.a.	n.a.	n.a.	n.a.

KA Finanz AG
Reference Data

	30 Jun 2015	31 Dec 2014	31 Dec 2013	31 Dec 2012
	6 Months - Interim	Year End	Year End	Year End
	EURm	EURm	EURm	EURm
A. Off-Balance Sheet Items				
1. Managed Securitizd Assets Reported Off-Balance Sheet	n.a.	n.a.	n.a.	n.a.
2. Other off-balance sheet exposure to securitizations	n.a.	n.a.	n.a.	n.a.
3. Guarantees	699.0	732.7	2,565.1	7,208.7
4. Acceptances and documentary credits reported off-balance sheet	n.a.	n.a.	n.a.	n.a.
5. Committed Credit Lines	n.a.	n.a.	n.a.	n.a.
6. Other Contingent Liabilities	n.a.	n.a.	n.a.	n.a.
7. Total Assets under Management	n.a.	n.a.	n.a.	n.a.
B. Average Balance Sheet				
Average Loans	1,420.4	1,185.8	1,353.5	2,489.0
Average Earning Assets	6,490.5	7,275.6	8,982.1	11,314.3
Average Assets	6,954.8	7,757.6	9,569.7	12,860.3
Average Managed Securitizd Assets (OBS)	n.a.	n.a.	n.a.	n.a.
Average Interest-Bearing Liabilities	6,179.3	6,908.5	8,608.1	11,640.6
Average Common equity	403.6	403.6	397.4	434.2
Average Equity	403.6	403.6	397.4	434.2
Average Customer Deposits	745.0	641.6	422.2	446.9
C. Maturities				
Asset Maturities:				
Loans & Advances < 3 months	n.a.	n.a.	n.a.	n.a.
Loans & Advances 3 - 12 Months	n.a.	n.a.	n.a.	n.a.
Loans and Advances 1 - 5 Years	n.a.	n.a.	n.a.	n.a.
Loans & Advances > 5 years	n.a.	n.a.	n.a.	n.a.
Debt Securities < 3 Months	n.a.	n.a.	n.a.	n.a.
Debt Securities 3 - 12 Months	n.a.	n.a.	n.a.	n.a.
Debt Securities 1 - 5 Years	n.a.	n.a.	n.a.	n.a.
Debt Securities > 5 Years	n.a.	n.a.	n.a.	n.a.
Loans & Advances to Banks < 3 Months	n.a.	n.a.	n.a.	n.a.
Loans & Advances to Banks 3 - 12 Months	n.a.	n.a.	n.a.	n.a.
Loans & Advances to Banks 1 - 5 Years	n.a.	n.a.	n.a.	n.a.
Loans & Advances to Banks > 5 Years	n.a.	n.a.	n.a.	n.a.
Liability Maturities:				
Retail Deposits < 3 months	n.a.	395.3	251.6	189.2
Retail Deposits 3 - 12 Months	n.a.	460.1	111.4	95.2
Retail Deposits 1 - 5 Years	n.a.	n.a.	25.4	22.6
Retail Deposits > 5 Years	n.a.	34.6	32.8	52.3
Other Deposits < 3 Months	n.a.	n.a.	n.a.	n.a.
Other Deposits 3 - 12 Months	n.a.	n.a.	n.a.	n.a.
Other Deposits 1 - 5 Years	n.a.	n.a.	n.a.	n.a.
Other Deposits > 5 Years	n.a.	n.a.	n.a.	n.a.
Deposits from Banks < 3 Months	n.a.	1,062.9	938.7	745.9
Deposits from Banks 3 - 12 Months	n.a.	595.2	311.0	1,231.4
Deposits from Banks 1 - 5 Years	n.a.	462.9	327.2	868.6
Deposits from Banks > 5 Years	n.a.	n.a.	n.a.	130.0
Senior Debt Maturing < 3 months	n.a.	n.a.	n.a.	n.a.
Senior Debt Maturing 3-12 Months	n.a.	n.a.	n.a.	n.a.
Senior Debt Maturing 1 - 5 Years	n.a.	n.a.	n.a.	n.a.
Senior Debt Maturing > 5 Years	n.a.	n.a.	n.a.	n.a.
Total Senior Debt on Balance Sheet	n.a.	n.a.	n.a.	n.a.
Fair Value Portion of Senior Debt	n.a.	n.a.	n.a.	n.a.
Subordinated Debt Maturing < 3 months	n.a.	n.a.	n.a.	n.a.
Subordinated Debt Maturing 3-12 Months	n.a.	n.a.	n.a.	n.a.
Subordinated Debt Maturing 1 - 5 Year	n.a.	n.a.	n.a.	n.a.
Subordinated Debt Maturing > 5 Years	n.a.	n.a.	n.a.	n.a.
Total Subordinated Debt on Balance Sheet	n.a.	136.1	155.9	167.0
Fair Value Portion of Subordinated Debt	n.a.	n.a.	n.a.	n.a.
D. Risk Weighted Assets				
1. Risk Weighted Assets	2,543.4	2,652.3	3,566.0	4,872.7
2. Fitch Adjustments to Risk Weighted Assets	n.a.	n.a.	n.a.	n.a.
3. Fitch Adjusted Risk Weighted Assets	2,543.4	2,652.3	3,566.0	4,872.7
E. Equity Reconciliation				
1. Equity	403.6	403.6	403.6	403.6
2. Add: Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	0.0	0.0	0.0
3. Add: Other Adjustments	n.a.	n.a.	n.a.	n.a.
4. Published Equity	403.6	403.6	403.6	403.6
F. Fitch Eligible Capital Reconciliation				
1. Total Equity as reported (including non-controlling interests)	403.6	403.6	403.6	403.6
2. Fair value effect incl in own debt/borrowings at fv on the B/S- CC only	0.0	0.0	0.0	0.0
3. Non-loss-absorbing non-controlling interests	0.0	0.0	0.0	0.0
4. Goodwill	0.0	0.0	0.0	0.0
5. Other intangibles	0.0	0.0	0.0	0.0
6. Deferred tax assets deduction	0.0	0.0	0.0	0.0
7. Net asset value of insurance subsidiaries	0.0	0.0	0.0	0.0
8. First loss tranches of off-balance sheet securitizations	0.0	0.0	0.0	0.0
9. Fitch Core Capital	403.6	403.6	403.6	403.6
10. Eligible weighted Hybrid capital	n.a.	0.0	0.0	0.0
11. Government held Hybrid Capital	0.0	0.0	0.0	0.0
12. Fitch Eligible Capital	n.a.	403.6	403.6	403.6

Exchange Rate

USD1 = EUR0.893;D1 = EUR0.823;D1 = EUR0.725;D1 = EUR0.75790

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