

## Press Release



DEUTSCHE  
PFANDBRIEFBANK

### **pbb Deutsche Pfandbriefbank ends Fitch Mandate for Public Sector Pfandbriefe**

Munich, 17 February 2012 – In the future, pbb Deutsche Pfandbriefbank wants to have its public sector Pfandbriefe rated by the rating agencies Moody's Investor Service and Standard & Poor's. These Pfandbriefe are currently rated at Aaa by Moody's and at AA+ by S&P. The bank no longer wants to continue the rating from Fitch Ratings.

Fitch had rated the public sector Pfandbriefe of pbb Deutsche Pfandbriefbank with the highest rating of AAA. However, following a review, Fitch requires a considerably higher over collateralisation in order for this rating to be maintained. pbb Deutsche Pfandbriefbank views this over collateralisation as not justifiable and will therefore forego the rating of its public sector Pfandbriefe by Fitch. At the same time as the withdrawal of the rating, Fitch has carried out a last assessment of the public sector Pfandbriefe with a rating of A+.

### **Notes for the Editor**

Pfandbriefe are issued against a cover pool. A public sector cover pool includes claims against public sector borrowers. These claims act as collateral for the Pfandbriefe. The German Pfandbrief Act demands that public sector cover pools have an over collateralisation of 2 percent. The value of the cover pool is, therefore, always at least 2 percent higher than the value of all the Pfandbriefe which have been issued against this cover pool. The rating agencies require an additional over collateralisation from the Pfandbriefbanks which should primarily cover possible defaults.

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