Cover Pool Details – Overview (1/2)

Cover Pool details (as of Q1 18)

- **No new issuance in Q1 18**

- **Outstanding volume at €5,325m by end of Q1 18**

- **DB SAE Covered Bond rating was upgraded by one notch (from Aa2 to Aa1) from Moody’s on 16th April 2018 reflecting Moody’s update on Spanish’s sovereign rating.**
Cover Pool Details – Overview (2/2)

Cover Pool details\(^{(1)}\) (as of Q1 18)

- Average outstanding loan size: EUR 98.6k
- Number of loans: 80,537
- Weighted avg. loan seasoning (years): 7.3
- Weighted avg. remaining loan maturity (years): 20.2
- Total pool weighted avg. Loan-to-Value (LTV): 49.3%
- Total pool Non-Performing Loan (NPL) ratio: 2.00%
- Interest rate type: 99.9% FRN
- Residential mortgages: 95.0%
- EUR denominated loans: 98.9%
- 1\(^{st}\) residence mortgages: 88.8%

(1) Figures based on total cover pool (EUR 7.8bn)

Cover Pool eligibility

- Eligible 92%
- Non-eligible 8%

High quality mortgage portfolio with over 92% of the volume qualified as eligible
Cover Pool Details\(^{(1)}\) – Mortgage quality (1/3)

**Cover Pool by asset type**

- **Residential**: 95%
- **Commercial**: 5%

**Cover Pool Loan-to-Value (LTV) profile**

- 0-50%: 69%
- 50-60%: 11%
- 60-70%: 9%
- 70-80%: 8%
- 80-90%: 1%
- 90-100%: 1%
- >100%: 1%

WA 49.3%

- **Focus on residential mortgages**
- **Marginal exposure to commercial mortgages**
- **Almost no exposure to real estate developers**

\(^{(1)}\) Figures based on total cover pool (EUR 7.8bn)
Historical development of NPL \(^{(2)}\) ratio

- NPL ratio relatively stable at low level since 2016

Distribution by average loan size

- Well diversified portfolio
- No large lending risk concentration

(1) Figures based on total cover pool (EUR 7.8bn)
(2) NPL: Non-performing loans - Loan is defined as non-performing if a loan is due more than 90 days in arrears
Cover Pool Details\(^{(1)}\) – Mortgage quality (3/3)

Cover Pool maturity profile

- \(> 10\,\text{y}\): 69%
- \(5\,\text{y} - 10\,\text{y}\): 8%
- \(< 5\,\text{y}\): 3%

Seasoning

- Avg. 7.3 years

- \(< 1\,\text{y}\): 5%
- \(< 2\,\text{y}\): 5%
- \(< 3\,\text{y}\): 5%
- \(< 4\,\text{y}\): 6%
- \(< 5\,\text{y}\): 7%
- \(> 5\,\text{y}\): 72%

- Long-term mortgage portfolio
- Remaining average maturity over 20 years

- High credit quality demonstrated by high seasoning score

\(^{(1)}\) Figures based on total cover pool (EUR 7.8bn)
Credit quality – Locations

- Top 10 regions account for over 79% of DB S.A.E.’s mortgage portfolio
- Madrid and Barcelona region represent over 50% of total mortgage portfolio:
  - Lower unemployment rate than the Spanish average
  - Highest contributors to Spanish GDP
  - Economically resilient regions

<table>
<thead>
<tr>
<th>Mortgage loans - location</th>
<th>% of Pool</th>
</tr>
</thead>
<tbody>
<tr>
<td>Madrid</td>
<td>26.3</td>
</tr>
<tr>
<td>Barcelona</td>
<td>26.5</td>
</tr>
<tr>
<td>Málaga</td>
<td>4.1</td>
</tr>
<tr>
<td>Alicante</td>
<td>4.3</td>
</tr>
<tr>
<td>Valencia</td>
<td>3.9</td>
</tr>
<tr>
<td>Sevilla</td>
<td>3.8</td>
</tr>
<tr>
<td>Baleares</td>
<td>3.9</td>
</tr>
<tr>
<td>Girona</td>
<td>2.6</td>
</tr>
<tr>
<td>Tarragona</td>
<td>2.4</td>
</tr>
<tr>
<td>Cadiz</td>
<td>2.1</td>
</tr>
<tr>
<td>Rest</td>
<td>20.1</td>
</tr>
</tbody>
</table>

(1) Figures based on total cover pool (EUR 7.8bn)
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