

## NORD/LB Luxembourg S.A. - Public-Sector Covered Bonds

### Covered Bonds / Luxembourg

<b>Contacts</b>	Zeidler, Alexander - +44 (207) 772-8713 - Alexander.Zeidler@moodys.com Bisio Lopez, Juan Francisco - +34 (917) 688-246 - JuanFrancisco.BisioLopez@moodys.com	
<b>Monitoring</b>	Monitor.CB@moodys.com	Click on the icon to download data into Excel & to see Glossary of terms used Click <a href="#">here</a> to access the covered bond programme webpage on moodys.com
<b>Client Service Desk</b>	London: +44 20 7772-5454, csdlondon@moodys.com	

<b>Reporting as of:</b>	30/06/2018	All amounts in EUR (unless otherwise specified)	For information on how to read this report, see the latest <a href="#">Moody's Global Covered Bond Monitoring Overview</a>
<b>Data as provided to Moody's Investors Service (note 1)</b>			

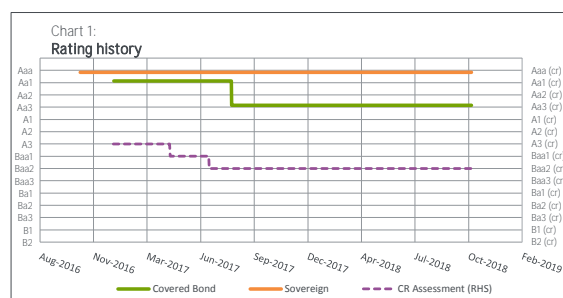
### I. Programme Overview

#### Overview

Year of initial rating assignment:	2017	
Total outstanding liabilities:	EUR	4,401,544,426
Total assets in the Cover Pool:	EUR	5,488,121,333
Issuer name / CR Assessment:	NORD/LB Luxembourg S.A. Covered Bond Bank / Baa2(cr)	
Group or parent name / CR Assessment:	Norddeutsche Landesbank GZ / Baa2(cr)	
Main collateral type:	Public Sector	

#### Ratings

Covered bonds rating:	Aa3	
Entity used in Moody's EL & TPI analysis:	NORD/LB Luxembourg S.A. Covered Bond Bank	
CB anchor:	CR Assessment + 1 notch	
CR Assessment:	Baa2(cr)	
SUR:	n/a	
Unsecured claim used for Moody's EL analysis:	Yes	



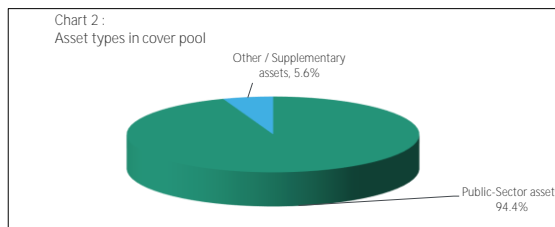
### II. Value of the Cover Pool

#### Collateral quality

Collateral Score:	13.1%
Collateral Score excl. systemic risk:	n/a

#### Cover Pool losses

Collateral Risk (Collateral Score post-haircut):	6.5%	24%
Market Risk:	20.6%	76%
	27.1%	(100%)



### III. Over-Collateralisation Levels (notes 2 & 3)

Over-Collateralisation (OC) figures presented below include Eligible only collateral. Over-Collateralisation levels are provided on nominal basis

#### Current situation

Committed OC (Nominal):	2.0%
Current OC:	26.4%
OC consistent with current rating (note 4)	8.5%

The OC consistent with the covered bond rating is maintained by the issuer on a nominal basis and a NPV basis

#### Sensitivity scenario CB anchor

	OC consistent with current rating	
Scenario 1: CB anchor is lowered by	1 notch	15.0%

Of which 0.0% over-collateralisation (OC) is committed form. Moody's recognizes the 2.0% OC requirement in the Luxembourg legislation and the issuer's voluntary adherence ("Selbstverpflichtung") to liquidity and OC levels as detailed in its announcement on 31.05.2015

### IV. Timely Payment Indicator & TPI Leeway

Timely Payment Indicator (TPI):	Probable
TPI Leeway:	1

#### Extract from TPI table - CB anchor is CR Assessment + 1 notch

CR Assessment	Probable
A2(cr)	Aaa
A3(cr)	Aaa
Baa1(cr)	Aaa
<b>Baa2(cr)</b>	<b>Aa1</b>
Baa3(cr)	Aa2
Ba1(cr)	A1
Ba2(cr)	A2-Baa1
Ba3(cr)	A3-Baa2

#### Legal framework

Does a specific covered bond law apply for this programme:	Yes, Luxembourg Covered Bond Law
Main country in which collateral is based:	Various
Country in which issuer is based:	Luxembourg

#### Timely payment

Refinancing period for principal payments of 6 months or greater:	No
Liquidity reserve to support timely payments on all issuances:	Yes

The issuer voluntarily adheres to maintaining a 180-day liquidity cover following the concept of the German Pfandbrief regulation

(note 1) The data reported in this PO is based on information provided by the issuer and may include certain assumptions made by Moody's. Moody's accepts no responsibility for the information provided to it and, whilst it believes the assumptions it has made are reasonable, cannot guarantee that they are or will remain accurate. Although Moody's encourages all issuers to provide reporting data in a consistent manner, there may be differences in the way that certain data is categorised by issuers. The data reporting template (which Issuers are requested to use) is available on request.

(note 2) This assumes the Covered Bonds rating is not constrained by the TPI. Also to the extent rating assumptions change following a downgrade or an upgrade of the Issuer, the necessary OC stated here may also change. This is especially significant in the case of CR assessments of A3(cr) or Baa1(cr), as the necessary OC following a 1 notch downgrade may then be substantially higher than the amount suggested here as market risks are considered more critically by Moody's at this time. In any event, the necessary OC amounts stated here are subject to change at any time at Moody's discretion.

(note 3) This is the minimum OC calculated to be consistent with the current rating under Moody's expected loss model. However, the level of OC consistent with a given rating level may differ from this amount where ratings are capped under the TPI framework and, for example, where committee discretion is applied.

(note 4) The OC consistent with the current rating is the minimum level of over-collateralisation which is necessary to support the covered bond rating at its current level on the basis of the pool as per the cut-off date. The sensitivity run is based on certain assumptions, including that the Covered Bonds rating is not constrained by the TPI. Further, this sensitivity run is a model output only and therefore a simplification as it does not take into account certain assumptions that may change as an issuer is downgraded, and as a result the actual OC number consistent with the current rating may be higher than shown. The OC required may also differ from the model output in situations when committee discretion is applied. In any event, the OC amounts stated here are subject to change at any time at Moody's discretion.

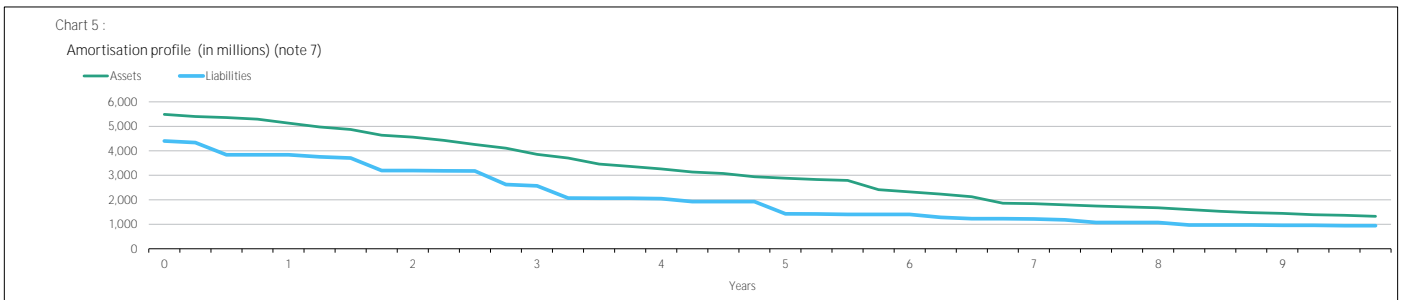
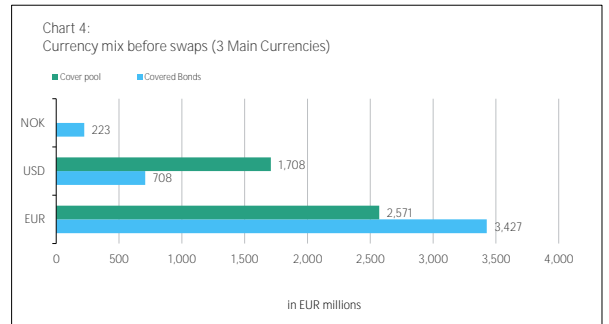
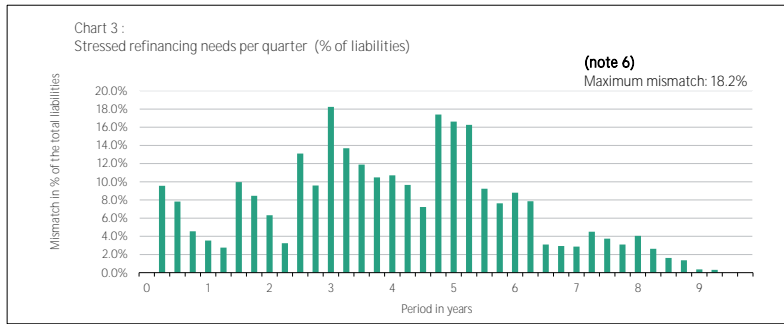
V. Asset Liability Profile

Interest Rate & Duration Mismatch (note 5)

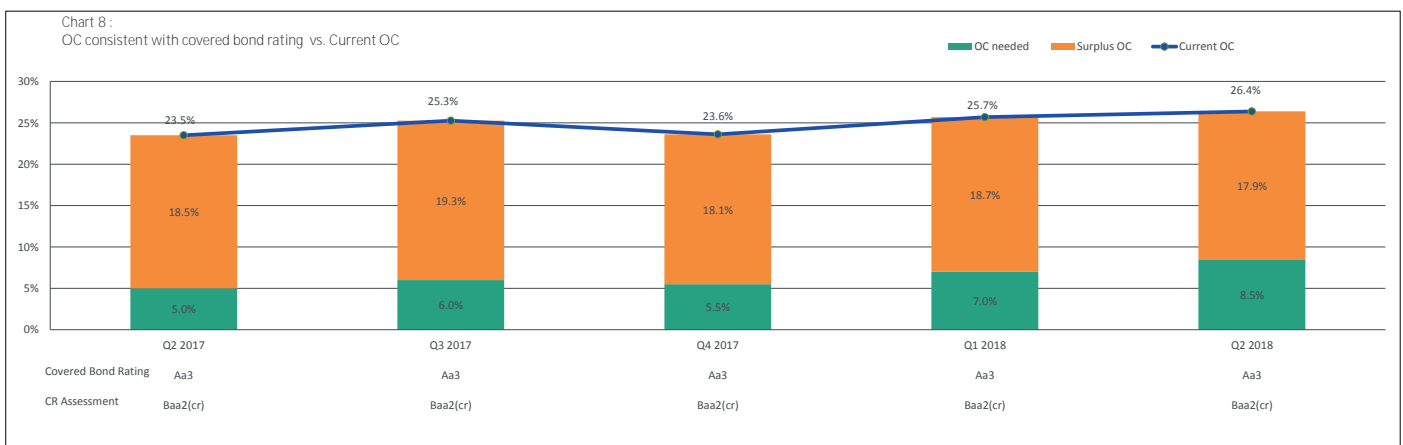
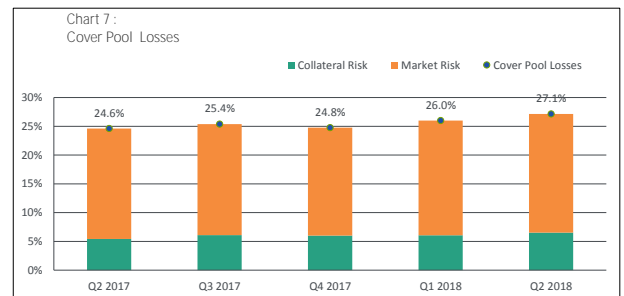
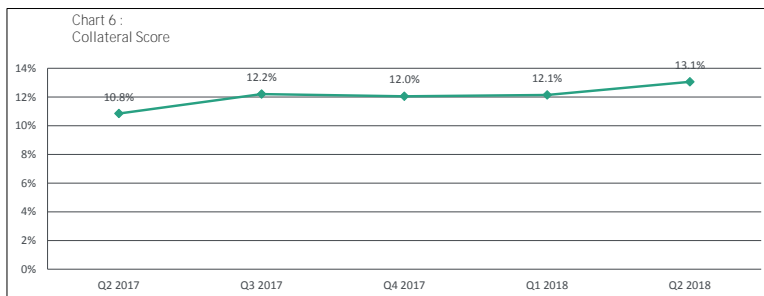
Fixed rate assets in the cover pool:	68.9%
Fixed rate covered bonds outstanding:	100.0%
WAL of outstanding covered bonds:	6.1 years
WAL of the cover pool:	7.1 years

Swap Arrangements

Interest rate swap(s) in the Cover Pool:	Yes
Intra-group interest rate swap(s) provider(s):	Yes
Currency swap(s) in the Cover Pool:	Yes
Intra-group currency swap(s) provider(s):	Yes



VI. Performance Evolution



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.moody.com](http://www.moody.com) for the most updated credit rating action information and rating history.

(note 5) This assumes no prepayment.

(note 6) Based on principal flows only. Assumptions include no prepayments, principal collections limited to the portion of assets that make up the amount of the liabilities plus committed OC, no further CB issuance and no further assets added to the cover pool.

(note 7) Assumptions include no swap in place in Cover Pool, no prepayment and no further CB issuance.

VII. Cover Pool Information - Public Sector Assets

Overview

Asset type:	Public Sector
Asset balance:	5,182,321,333
WA remaining Term (in months):	114
Number of borrowers:	197
Number of loans / bonds:	353
Exposure to the 10 largest borrowers:	26.5%
Average exposure to borrowers:	26,306,200

Specific Loan and Borrower characteristics

Repo eligible loans / bonds:	53.4%
Percentage of fixed rate loans / bonds:	67.1%
Percentage of bullet loans/ bonds:	41.6%
Loans / bonds in non-domestic currency:	56.3%
<b>Performance</b>	
Loans / bonds in arrears ( ≥ 2months - < 6months):	0.0%
Loans / bonds in arrears ( ≥ 6months - < 12months):	0.0%
Loans / bonds in arrears ( ≥ 12months):	0.0%
Loans / bonds in a foreclosure procedure:	0.0%

	Germany	USA	UK	Other	Totals
Direct claim against supranational	0.0%	0.0%	0.0%	0.7%	<b>0.7%</b>
Direct claim against sovereign	0.0%	0.0%	0.0%	3.6%	<b>3.6%</b>
Loan with guarantee of sovereign	2.2%	0.0%	0.0%	0.0%	<b>2.3%</b>
Direct claim against region/federal state	6.2%	0.0%	0.0%	1.6%	<b>7.8%</b>
Loan with guarantee of region/federal state	4.3%	0.0%	0.0%	3.1%	<b>7.4%</b>
Direct claim against municipality	0.0%	0.3%	0.0%	0.6%	<b>0.9%</b>
Loan with guarantee of municipality	0.0%	10.9%	0.0%	0.0%	<b>10.9%</b>
Others	20.1%	15.3%	18.7%	12.4%	<b>66.4%</b>
	<b>32.8%</b>	<b>26.5%</b>	<b>18.7%</b>	<b>22.0%</b>	

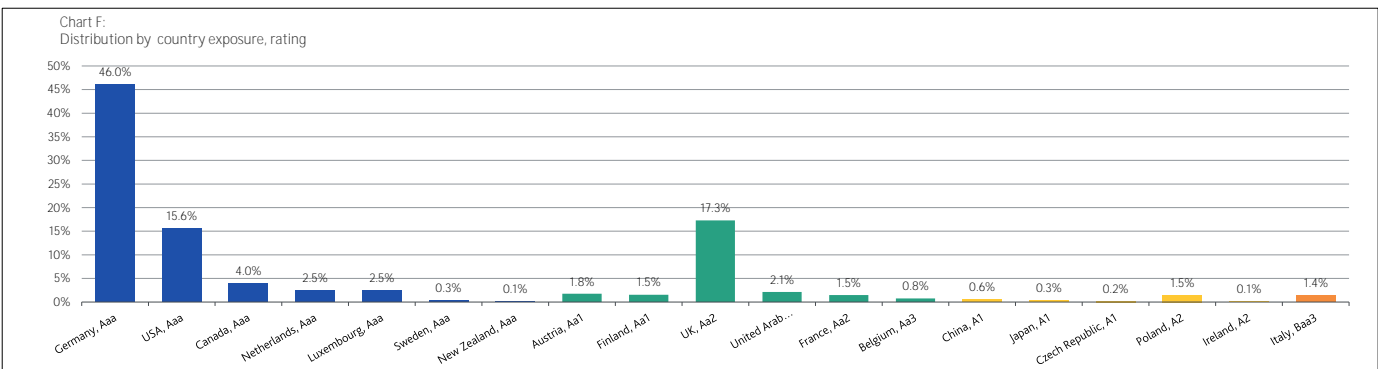
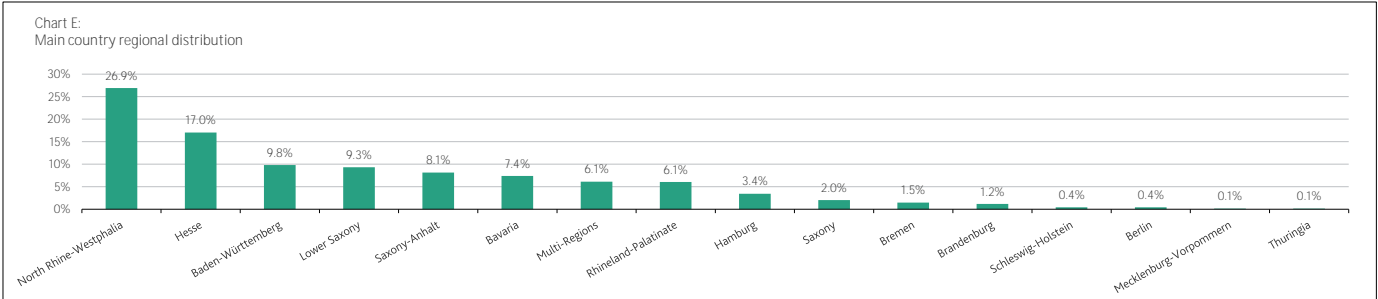
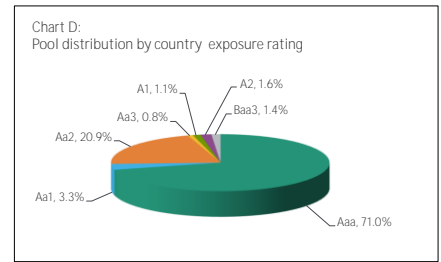
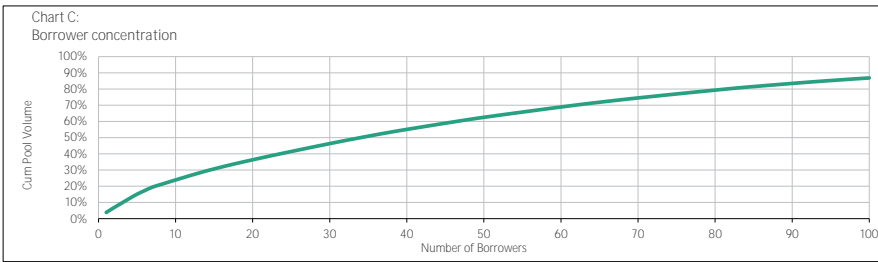
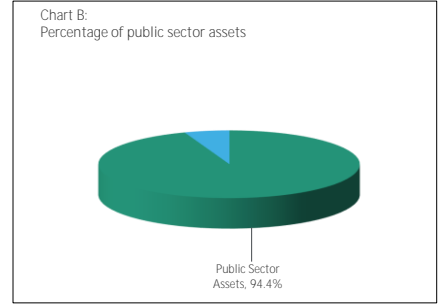


Table A and Chart C are based on debtor data. Charts D, E and F are based on guarantor data or, on unavailability of such information, on debtor data, as reported by the issuer. NORDB/LB Luxembourg S.A. - Public-Sector Covered Bonds

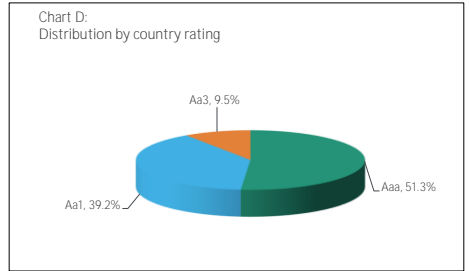
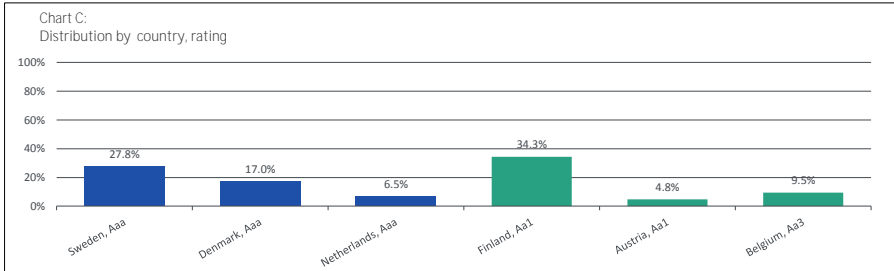
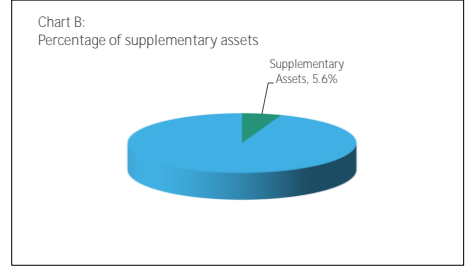
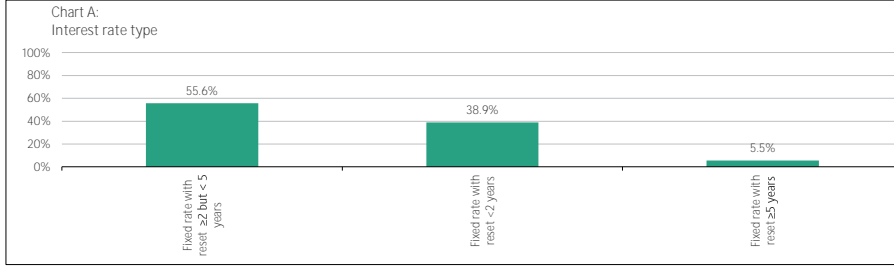
VIII. Cover Pool Information - Supplementary Assets

Overview

Asset type:	Supplementary Assets
Asset balance:	305,800,000
WA remaining Term (in months):	28
Number of assets:	19
Number of borrowers:	12
Average assets size:	16,094,737
Average exposure to borrowers:	25,483,333

Specific Loan and Borrower characteristics

Repo eligible assets:	100.0%
Percentage of fixed rate assets:	100.0%
Percentage of bullet assets:	100.0%
Assets in non-domestic currency:	0.0%
<b>Performance</b>	
Assets in arrears (≥ 2months - < 6months):	0.0%
Assets in arrears (≥ 6months - < 12months):	0.0%
Assets in arrears (> 12months):	0.0%
Assets in a enforcement procedure:	0.0%



IX. Swap Information

Counterparty	Type	Notional Amount	Collateral trigger	Replacement Trigger
<b>Total</b>	<b>Total</b>	<b>2,984,150,491</b>		
	Currency	1,963,525,623		
	Interest rate	1,020,624,868		
<b>Norddeutsche Landesbank GZ</b>	<b>Subtotal</b>	<b>2,984,150,491</b>		
	Currency	1,963,525,623	None	n/a
	Interest rate	1,020,624,868	None	n/a

The swap counterparty is already posting collateral (cash).

X. Liabilities Information: Last 50 Issuances

ISIN	Series Number	Currency	Outstanding Amount	Issuance Date	Expected Maturity	Legal Final Maturity	Interest Rate Type	Coupon	Principal Payment
XS1769800019	EMTN Series 102	USD	650,000,000	16/02/2018	16/02/2021	16/02/2021	Fixed rate	2.875%	BULLET
XS1734579441	EMTN Series 100	EUR	25,000,000	13/12/2017	13/12/2024	13/12/2024	Fixed rate	0.490%	BULLET
XS1623756019	EMTN Series 98	USD	75,000,000	06/06/2017	03/08/2026	03/08/2026	Fixed rate	2.880%	BULLET
XS1617529323	EMTN Series 97	EUR	10,000,000	23/05/2017	23/05/2022	23/05/2022	Fixed rate	0.300%	BULLET
XS1569741884	EMTN Series 94	EUR	500,000,000	23/02/2017	23/08/2021	23/08/2021	Fixed rate	0.250%	BULLET
XS1432510631	EMTN Series 87	EUR	500,000,000	15/06/2016	15/06/2023	15/06/2023	Fixed rate	0.375%	BULLET
XS1327548530	EMTN Series 80	EUR	5,000,000	02/12/2015	02/12/2024	02/12/2024	Fixed rate	0.850%	BULLET
XS1316421137	EMTN Series 79	EUR	500,000,000	06/11/2015	06/11/2018	06/11/2018	Fixed rate	0.125%	BULLET
XS1289534262	EMTN Series 77	EUR	50,000,000	10/09/2015	10/09/2019	10/09/2019	Fixed rate	0.250%	BULLET
XS1199018398	EMTN Series 74	EUR	500,000,000	10/03/2015	10/03/2020	10/03/2020	Fixed rate	0.250%	BULLET
XS1152098338	EMTN Series 71	USD	100,000,000	11/12/2014	08/07/2024	08/07/2024	Fixed rate	3.000%	BULLET
XS0630821980	EMTN Series 61	NOK	500,000,000	25/05/2011	25/05/2021	25/05/2021	Fixed rate	5.000%	BULLET
XS0557954368	EMTN Series 57	EUR	5,000,000	12/11/2010	05/11/2020	05/11/2020	Fixed rate	3.125%	BULLET
XS0451363708	EMTN Series 48	EUR	2,000,000	11/09/2009	30/08/2019	30/08/2019	Floating rate	3M EURIBOR + 57 bps	Other amortising
XS0385944946	EMTN Series 31	NOK	525,000,000	04/09/2008	04/09/2018	04/09/2018	Fixed rate	5.630%	BULLET
XS0307349125	EMTN Series 5	NOK	1,000,000,000	06/09/2007	06/09/2022	06/09/2022	Fixed rate	5.670%	BULLET
XS0306020057	EMTN Series 4	NOK	100,000,000	20/06/2007	20/06/2022	20/06/2022	Fixed rate	5.600%	BULLET
CH0030943903	EMTN Series 1	CHF	50,000,000	23/05/2007	23/05/2033	23/05/2033	Fixed rate	3.193%	BULLET

© 2018 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 ITS RATINGS AFFILIATES ("MIS") ARE MOODY'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MOODY'S PUBLICATIONS MAY INCLUDE MOODY'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES. MOODY'S 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. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS AND MOODY'S 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. CREDIT RATINGS AND MOODY'S PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND CREDIT RATINGS AND MOODY'S PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. NEITHER CREDIT RATINGS NOR MOODY'S PUBLICATIONS COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS AND PUBLISHES MOODY'S 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 AND MOODY'S 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 OR MOODY'S 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.

CREDIT RATINGS AND MOODY'S 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 by it 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 the Moody's 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 SUCH RATING OR 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. have, prior to assignment of any rating, agreed to pay to Moody's Investors Service, Inc. for appraisal and rating services rendered by it fees ranging from \$1,500 to approximately \$2,500,000. MCO and MIS also maintain policies and procedures to address the independence of MIS's ratings and rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold ratings from MIS and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at [www.moody's.com](http://www.moody's.com) under the heading "Investor Relations — Corporate Governance — 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. It would be reckless and inappropriate for retail investors to use MOODY'S credit ratings or publications when making an investment decision. If in doubt you should contact your financial or other professional adviser.

Additional terms for Japan only: Moody's Japan K.K. ("MJKK") is a wholly-owned credit rating agency subsidiary of Moody's Group Japan G.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 MJKK. 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. MJKK 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. MJKK 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 MJKK or MSFJ (as applicable) have, prior to assignment of any rating, agreed to pay to MJKK or MSFJ (as applicable) for appraisal and rating services rendered by it fees ranging from JPY200,000 to approximately JPY350,000,000. MJKK and MSFJ also maintain policies and procedures to address Japanese regulatory requirements.