Banco Santander, S.A. (Spain) - Mortgage Covered Bonds

Covered Bonds / Spain

Contacts

del Leon, Jose - +34 (917) 688-218 - Jose.DeLeon@moodys.com
Senoner, Alexander - +44 (207) 772-5281 - Alexander.Senoner@moodys.com

Monitoring

Client Service Desk

London: +44 20 772-5454, csdlondon@moodys.com

Reporting as of: 29/06/2018

All amounts in EUR (unless otherwise specified)

For information on how to read this report, see the latest Moody's Global Covered Bond Monitoring Overview

I. Programme Overview

Overview

Year of initial rating assignment: 2002
Total outstanding liability: EUR 20,319,500,000
Total assets in the Cover Pool: EUR 51,968,765,060
Issuer name / CR Assessment: Banco Santander S.A. / A3(cr)
Group or parent name / CR Assessment: Banco Santander S.A. / A3(cr)
Main collateral type: Residential

Ratings

Covered Bonds rating: Aaa (cr)
Entity used in Moody's EL & TPI analysis: Banco Santander S.A. (Spain)
CB anchor: CR Assessment + 1 notch
CR Assessment: Aaa (cr)

SUR: n/a

Unsecured claim used for Moody's EL analysis: Yes

II. Value of the Cover Pool

Collateral quality

Collateral Score: 24.3%
Collateral Score excl. systemic risk: n/a

Cover Pool losses

Collateral Risk (Collateral Score post-haircut): 9.6%
Unhedged Risk: 23.3%
Liquidity risk: 30.8% (1400%)

III. Over-Collateralisation Levels

Over-Collateralisation levels are provided on nominal basis

Current situation

Committed OC (Nominal): 25.0%
Current OC: 155.8%
OC consistent with current rating (note 4): 29.3%

Current OC based on "Carbon Engine" collateral: 84.4%

IV. Timely Payment Indicator & TPI Leeway

Timely Payment Indicator (TPI)

TPI Leeway: 2

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

<table>
<thead>
<tr>
<th>CR Assessment</th>
<th>Probable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aaa(1)</td>
<td>Aaa(1)</td>
</tr>
<tr>
<td>A3(cr)</td>
<td>Aaa(1)</td>
</tr>
<tr>
<td>A2(cr)</td>
<td>Aaa(1)</td>
</tr>
<tr>
<td>A1(cr)</td>
<td>Aaa(1)</td>
</tr>
<tr>
<td>Baa2(cr)</td>
<td>Aaa(1)</td>
</tr>
<tr>
<td>Baa1(cr)</td>
<td>Aaa(1)</td>
</tr>
<tr>
<td>Baa3(cr)</td>
<td>Aaa(1)</td>
</tr>
<tr>
<td>Ba1(cr)</td>
<td>Aaa(1)</td>
</tr>
</tbody>
</table>

Cover Pool losses

Sensitivity scenario CB anchor

O/C consistent with current rating

Scenario 1: CB anchor is lowered by 1 notch

25.0%

Legal framework

Yes, Spain

Main country in which collateral is based: Spain

Country in which issuer is based: Spain

Timely payment

Refinancing period for principal payments of 6 months or greater: No

Liquidity reserve to support timely payments on all issuances: No

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 are changed 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 Baa3(cr), in that in order to stay within the necessary OC stated here, the Issuer's CR assessment may change to Aaa (cr) or Aa1 (cr) respectively.

Note (3): This refers to the minimum level of excess 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 that may change as issuer's CR assessment changes, and as a result the actual OC number consistent with the current rating may be lower than shown. The OC required may also differ from the model output in situations where certain assumptions are changed. In any event, the OC amounts stated here are subject to change at any time at Moody's discretion.

Note (4): The OC consistent with the current rating is the minimum level of excess 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 Bond 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's CR assessment changes, and as a result the actual OC number consistent with the current rating may be lower than shown. All amounts in EUR (unless otherwise specified).

Page 1
V. Asset Liability Profile

**Interest Rate & Duration Mismatch (note 5)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed rate assets in the cover pool</td>
<td>11.2%</td>
</tr>
<tr>
<td>Interest rate swap(s) in the Cover Pool</td>
<td>No</td>
</tr>
<tr>
<td>WAL of outstanding covered bonds</td>
<td>0.0</td>
</tr>
<tr>
<td>WAL of the cover pool</td>
<td>0.0</td>
</tr>
</tbody>
</table>

**Fixed rate covered bonds outstanding**

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed rate covered bonds outstanding</td>
<td>95.5%</td>
</tr>
</tbody>
</table>

**Intra-group swap(s) provider(s)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intra-group currency swap(s) provider(s)</td>
<td>No</td>
</tr>
</tbody>
</table>

**Currency swap(s) in the Cover Pool**

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Currency swap(s) in the Cover Pool</td>
<td>No</td>
</tr>
</tbody>
</table>

**WAL of outstanding covered bonds**

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>WAL of outstanding covered bonds</td>
<td>5.9</td>
</tr>
</tbody>
</table>

**WAL of the cover pool**

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>WAL of the cover pool</td>
<td>0.0</td>
</tr>
</tbody>
</table>

**Swap Arrangements**

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest rate swap(s) in the Cover Pool</td>
<td>No</td>
</tr>
<tr>
<td>Intra-group swap(s) provider(s)</td>
<td>No</td>
</tr>
<tr>
<td>Currency swap(s) in the Cover Pool</td>
<td>No</td>
</tr>
</tbody>
</table>

**Intra-group currency swap(s) provider(s)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intra-group currency swap(s) provider(s)</td>
<td>No</td>
</tr>
</tbody>
</table>

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.moodys.com for the most updated credit rating action information and rating history.

Banco Santander, S.A. (Spain) - Mortgage Covered Bonds Page 2
VII. Cover Pool Information - Residential Assets

Overview

- **Asset type:** Residential
- **Loan balance:** 39,750,990,669
- **Average loan balance:** 78,932
- **Number of loans:** 503,608
- **Number of properties:** n/d
- **WA remaining term (in months):** 297
- **WA seasoning (in months):** n/d

Specific Loan and Borrower characteristics

- Loans with an external guarantee in addition to a mortgage: n/a
- Loans for second homes / Vacation: 2.1%
- Buy to let loans / Non-owner occupied properties: 0.1%
- Limited income verified: n/d
- Adverse credit characteristics (**): 0.0%

Performance

- Loans in arrears [1-3 (months) - 6 (months)]: n/d
- Loans in arrears [6 (months) - 12 (months)]: n/d
- Loans in arrears [>12 (months)]: n/d
- Loans in foreclosure procedure: n/d

Multi-Family Properties

- Loans to tenants of tenant-owned Housing Cooperatives: n/d
- Other type of Multi-Family loans (**): n/d

Details on LTV

- WA unindexed LTV (*): n/d
- WA Indexed LTV: 58.3%
- Valuation type: Lending Value
- LTV threshold: n/a
- Junior ranks: n/d
- Prior ranks: n/a

Banco Santander updates periodically the property values of the cover pool.

Charts:

- **Chart A:** Balance per LTV-band
- **Chart B:** Percentage of residential assets
- **Chart C:** LTV
- **Chart D:** Interest rate type
- **Chart E:** Main country regional distribution
- **Chart F:** Seasoning (in months)
VIII. Cover Pool Information - Commercial Assets

Overview

Asset type: Commercial
Asset balance: 12,217,774,391
Average loan balance: 396,913
Number of loans: 30,782
Average loan balance: 396,913
Number of properties: n/d
Largest 20 loans: 8.3%
Largest 10 borrowers: 12.0%
WA remaining term (in months): 138
WA seasoning (in months): n/a
Main countries: Spain (100%)

Specific Loan and Borrower characteristics

Asset type: Commercial
Loans in non-domestic currency: n/d
Percentage of fixed rate loans: n/d

Performance

Loans in a foreclosure procedure: n/d
Details on LTV

WA current LTV: n/d
WA indexed LTV: n/d
Valuation type: Lending Value

Junior ranks: n/d
Prior and Equal ranks: n/d

Chart A: Balance per LTV-band (Indexed)

Chart B: Percentage of commercial assets

Chart C: Borrower concentration

Chart D: Property type

Chart E: Main country regional distribution

Chart F: Remaining Term (in years)

Chart G: Seasoning

(Chart annotations include: Commercial Assets, 23.5% of pool; 34.6% Commercial; 18.3% Retail; 11.9% Multifamily; 8.5% Land; 5.4% Other)

(Charts and data visualizations are not transcribed due to nature of the content and the need for specific software to interpret visual data.)

Information not disclosed by Issuer

(Note *) Based on original property valuation.
### IX. Liabilities Information: Last 50 Issuances

<table>
<thead>
<tr>
<th>ISIN</th>
<th>Series/Number</th>
<th>Currency</th>
<th>Outstanding Amount</th>
<th>Issuance Date</th>
<th>Expected Maturity</th>
<th>Legal Final Maturity</th>
<th>Interest Rate Type</th>
<th>Principal Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>ES0413900517</td>
<td>Series 6/2017</td>
<td>EUR</td>
<td>350,000,000</td>
<td>26/06/2018</td>
<td>26/06/2023</td>
<td>26/06/2023</td>
<td>Floating rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900509</td>
<td>Series 5a</td>
<td>EUR</td>
<td>12,500,000</td>
<td>26/12/2017</td>
<td>26/12/2029</td>
<td>26/12/2029</td>
<td>Floating rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900479</td>
<td>Series 2a</td>
<td>EUR</td>
<td>700,000,000</td>
<td>26/06/2017</td>
<td>26/06/2022</td>
<td>26/06/2022</td>
<td>Fixed rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900483</td>
<td>Series 3a</td>
<td>EUR</td>
<td>2,000,000,000</td>
<td>26/06/2017</td>
<td>26/06/2021</td>
<td>26/06/2021</td>
<td>Floating rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900447</td>
<td>Series 3a</td>
<td>EUR</td>
<td>250,000,000</td>
<td>20/12/2017</td>
<td>20/12/2021</td>
<td>20/12/2021</td>
<td>Fixed rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900422</td>
<td>Series 3a</td>
<td>EUR</td>
<td>350,000,000</td>
<td>27/06/2016</td>
<td>27/06/2020</td>
<td>27/06/2020</td>
<td>Floating rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900433</td>
<td>Series 5a</td>
<td>EUR</td>
<td>4,000,000,000</td>
<td>22/06/2016</td>
<td>22/06/2021</td>
<td>22/06/2021</td>
<td>Fixed rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900400</td>
<td>Series 6a</td>
<td>EUR</td>
<td>24,000,000</td>
<td>24/06/2016</td>
<td>24/06/2016</td>
<td>24/06/2016</td>
<td>Fixed rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900400</td>
<td>Series 6a</td>
<td>EUR</td>
<td>100,000,000</td>
<td>05/05/2016</td>
<td>29/02/2036</td>
<td>29/02/2036</td>
<td>Fixed rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900400</td>
<td>Series 6a</td>
<td>EUR</td>
<td>257,000,000</td>
<td>18/04/2016</td>
<td>29/02/2036</td>
<td>29/02/2036</td>
<td>Fixed rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900400</td>
<td>Series 6a</td>
<td>EUR</td>
<td>35,000,000</td>
<td>18/04/2016</td>
<td>29/02/2036</td>
<td>29/02/2036</td>
<td>Fixed rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900400</td>
<td>Series 6a</td>
<td>EUR</td>
<td>500,000,000</td>
<td>23/03/2016</td>
<td>23/03/2036</td>
<td>23/03/2036</td>
<td>Fixed rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900400</td>
<td>Series 6a</td>
<td>EUR</td>
<td>393,000,000</td>
<td>28/02/2016</td>
<td>28/02/2036</td>
<td>28/02/2036</td>
<td>Fixed rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900400</td>
<td>Series 6a</td>
<td>EUR</td>
<td>1,000,000,000</td>
<td>25/02/2016</td>
<td>25/02/2026</td>
<td>25/02/2026</td>
<td>Fixed rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900400</td>
<td>Series 6a</td>
<td>EUR</td>
<td>1,000,000,000</td>
<td>09/09/2015</td>
<td>09/09/2022</td>
<td>09/09/2022</td>
<td>Fixed rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900400</td>
<td>Series 6a</td>
<td>EUR</td>
<td>1,750,000,000</td>
<td>27/12/2015</td>
<td>27/12/2024</td>
<td>27/12/2024</td>
<td>Fixed rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900400</td>
<td>Series 6a</td>
<td>EUR</td>
<td>1,750,000,000</td>
<td>27/12/2014</td>
<td>27/12/2024</td>
<td>27/12/2024</td>
<td>Fixed rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900400</td>
<td>Series 6a</td>
<td>EUR</td>
<td>1,000,000,000</td>
<td>25/06/2016</td>
<td>25/06/2020</td>
<td>25/06/2020</td>
<td>Floating rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900492</td>
<td>Series 1a</td>
<td>EUR</td>
<td>15,000,000</td>
<td>22/07/2015</td>
<td>22/07/2030</td>
<td>22/07/2030</td>
<td>Fixed rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900492</td>
<td>Series 1a</td>
<td>EUR</td>
<td>200,000,000</td>
<td>22/07/2015</td>
<td>22/07/2030</td>
<td>22/07/2030</td>
<td>Fixed rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900492</td>
<td>Series 1a</td>
<td>EUR</td>
<td>300,000,000</td>
<td>22/07/2015</td>
<td>22/07/2030</td>
<td>22/07/2030</td>
<td>Fixed rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900492</td>
<td>Series 1a</td>
<td>EUR</td>
<td>1,500,000,000</td>
<td>04/05/2015</td>
<td>04/05/2035</td>
<td>04/05/2035</td>
<td>Fixed rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900492</td>
<td>Series 1a</td>
<td>EUR</td>
<td>500,000,000</td>
<td>04/05/2015</td>
<td>04/05/2035</td>
<td>04/05/2035</td>
<td>Fixed rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900492</td>
<td>Series 1a</td>
<td>EUR</td>
<td>1,000,000,000</td>
<td>04/05/2015</td>
<td>04/05/2035</td>
<td>04/05/2035</td>
<td>Fixed rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900492</td>
<td>Series 1a</td>
<td>EUR</td>
<td>1,500,000,000</td>
<td>04/05/2015</td>
<td>04/05/2035</td>
<td>04/05/2035</td>
<td>Fixed rate</td>
<td>BULLET</td>
</tr>
<tr>
<td>ES0413900492</td>
<td>Series 1a</td>
<td>EUR</td>
<td>1,000,000,000</td>
<td>04/05/2015</td>
<td>04/05/2035</td>
<td>04/05/2035</td>
<td>Fixed rate</td>
<td>BULLET</td>
</tr>
</tbody>
</table>

**Note:** The Interest Rate Type column indicates the type of interest rate for each issuance, such as fixed rate or floating rate. The Principal Payment column indicates the principal payment method for each issuance.
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, PRICE VOLATILITY: CREDIT RATINGS AND MOODY'S OPINION INCLUDING BUT NOT LIMITED TO QUANTITATIVE MODEL, BASED-ESTIMATES OF CREDIT RISK AND RELATED OBLIGATIONS OR COMMENTARY REFERENCED IN THIS REPORT. MOODY'S ANALYTICS, INC., CREDIT RATINGS AND MOODY'S PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, HOLD, OR SELL PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS AND PUBLICATIONS COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS AND PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH U.S. LAW, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SELLING.

MOODY'S CREDIT RATINGS AND PUBLICATIONS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND SHOULD BE CONSIDERED 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.

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, TRANSMITTED, DECOMPILED, REREGISTERED 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 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 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 of a 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, licensees and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental 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, licensees or suppliers is advised 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 particular credit rating assigned by Moody's.

To the extent permitted by law, Moody’s and its directors, officers, employees, agents, representatives, licensees and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to 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, licensees 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 its services in assigning or retaining a rating, as the case may be, fees ranging from $1,500 to approximately $573,000. MCO and its affiliates also maintain policies and procedures to address the independence of MCO's ratings and rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities and rating services, is included in the MCO rating actions that are accessed on www.moodys.com in each of the ratings reporting services published on the Moody's website:

1. Moody's Investors Service
2. Moody's Analytics
3. Moody's Platform Services (India) Limited
4. Moody's Technology Group

Additional terms for Australia only: any publications issued in Australia of this document are pursuant to the Australian Financial Services License of Moody's Investors Service Pty Limited ABN 09 100 357 977 AFSL 306969 and Moody's Analytics Australia Pty Ltd ABN 94 100 357 977 AFSL 306969 (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 the document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. Moody's credit ratings are an expression of our creditworthiness of a debt obligation of the issuer, but not on the equity securities of the issuer or any form of security that is available to retail clients. It would be misleading 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 K.K., which is wholly-owned by Moody's Overseas Holdings Inc., a wholly-owned subsidiary of MCO. Moody's Japan K.K. ("MJKK") is a wholly-owned credit rating agency subsidiary of MJKK, and is a Nationally Recognized Statistical Rating Organization ("NRSRO"). Therefore, credit ratings assigned by MJKK are Non-NRSRO Credit Ratings. Non-NRSRO Credit Ratings are assigned by an entity that is not a NRSRO and, consequently, the NRSRO qualification will not apply for certain types of treatment under U.S. laws. MJKK and/or its credit rating agencies registered with the Japan Financial Services Agency and their registration numbers and 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 JPY500,000 to approximately JPY3,500,000,000. MJKK and MSFJ also maintain policies and procedures to address Japanese regulatory requirements.