

Deutsche Postbank AG (/gws/en/esp/issr/80360687)



Fitch: No Rating Impact on Deutsche Postbank AG's Mortgage Pfandbriefe from Entity Merger

Fitch Ratings-Frankfurt/London-28 May 2018: Fitch Ratings says the merger of Deutsche Postbank AG with Deutsche Bank Privat- und Geschaeftskunden AG will not affect the 'AAA'/Stable rating of Deutsche Postbank AG's mortgage Pfandbrief programme. The legal successor has been renamed DB Privat- und Firmenkundenbank AG (PFK).

The legal completion of the merger on 25 May 2018 led to an immediate transfer of Postbank's mortgage Pfandbrief programme to PFK (see Fitch Rates DB Privat- und Firmenkundenbank AG 'BBB+'; Withdraws Postbank's Ratings' dated 28 May 2018 at www.fitchratings.com). Following the merger the payments of all amounts due on the covered bonds will become obligations of PFK.

There is no impact on the covered bond rating since PFK is rated at the same level as Deutsche Postbank was prior to the merger with a 'BBB+' Long-Term IDR. Thus the rating composition remains unchanged, i.e. an IDR uplift of two notches, a payment continuity uplift of four notches and two notches of recovery uplift.

As the characteristics of the mortgage Pfandbrief programme also remain unchanged, we expect the 'AAA' breakeven overcollateralisation (OC) for the merged programme to be in line with the current 'AAA' breakeven OC of 16.5%. The programme continues to be classified as dormant and Fitch continues to rely on the publicly stated level of OC of 16.5%.

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