

## **FITCH AFFIRMS ACHMEA BANK AT 'A'; OUTLOOK STABLE**

Fitch Ratings-London-10 July 2017: Fitch Ratings has affirmed Netherlands-based Achmea Bank N.V.'s Long-Term Issuer Default Rating (IDR) at 'A'. The Outlook is Stable. A full list of rating actions is at the end of this rating action commentary.

### **KEY RATING DRIVERS**

#### **IDRS, SUPPORT RATING AND SENIOR DEBT RATINGS**

Achmea Bank's IDRs, Support Rating and senior unsecured debt ratings are based on Fitch's view of the extremely high probability that the bank would receive support, in case of need, from its parent Achmea B.V. (Achmea), combined with Fitch's assessment of Achmea's creditworthiness.

Achmea Bank's role in Achmea, a leading Dutch insurance group operating predominantly in the Netherlands, has a high influence on the ratings. Achmea Bank consolidates Achmea's retail banking operations, offering primarily bank savings and mortgage loans, and originates mortgage loans for its sister company in the pension and life insurance business. It is also an important cross-selling tool with Achmea Bank's products linked to the selling of the group's insurance products. Our view is further supported by the bank's deep integration with the parent, common branding and reputational risks for Achmea in case of subsidiary default. Achmea also has a record of providing Achmea Bank with capital and liquidity when required. This includes a guarantee against a portfolio of loans transferred from another part of the group and two equity injections totalling EUR204 million in July 2015 and December 2016.

Fitch does not assign a Viability Rating to Achmea Bank given its close integration with the group and Fitch's opinion that the bank's franchise cannot be assessed on a standalone basis.

### **RATING SENSITIVITIES**

#### **IDRS, SUPPORT RATING AND SENIOR DEBT RATINGS**

A change of Achmea's creditworthiness as assessed by Fitch could result in a change of Achmea Bank's IDRs, Support Rating and senior unsecured debt ratings. The ratings are also sensitive to perceived changes in the bank's strategic importance to its parent, or to a significant change in Achmea's ability to provide support to the bank.

The rating actions are as follows:

Long-Term IDR affirmed at 'A'; Outlook Stable

Short-Term IDR affirmed at 'F1'

Support Rating affirmed at '1'

Senior unsecured notes long-term rating affirmed at 'A'

Senior unsecured notes short-term rating affirmed at 'F1'

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Applicable Criteria  
Global Bank Rating Criteria (pub. 25 Nov 2016)  
<https://www.fitchratings.com/site/re/891051>

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