

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

Fitch Ratings-London-28 June 2018: 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 an extremely high probability of support, in case of need, for the bank from its parent Achmea B.V. (Achmea, A/Stable).

Achmea Bank's role in Achmea, one of the leading Dutch insurance groups operating predominantly in the Netherlands, has a high influence on the bank's 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 linking Achmea Bank's products to 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**

Achmea Bank's ratings are sensitive to a change in Achmea's ability to support the subsidiary, as reflected in the parent's Long-Term IDR. The ratings are also sensitive to perceived changes in the bank's strategic importance to the parent.

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 debt long-term rating affirmed at 'A'

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

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Applicable Criteria  
Bank Rating Criteria (pub. 22 Jun 2018)  
<https://www.fitchratings.com/site/re/10034713>

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