

**Announcement of Periodic Review: Moody's announces completion of a periodic review of ratings of KfW IPEX-Bank GmbH**

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19 Oct 2020

Frankfurt am Main, October 19, 2020 -- Moody's Investors Service ("Moody's") has completed a periodic review of the ratings of KfW IPEX-Bank GmbH and other ratings that are associated with the same analytical unit. The review was conducted through a portfolio review in which Moody's reassessed the appropriateness of the ratings in the context of the relevant principal methodology(ies), recent developments, and a comparison of the financial and operating profile to similarly rated peers. The review did not involve a rating committee. Since 1 January 2019, Moody's practice has been to issue a press release following each periodic review to announce its completion.

This publication does not announce a credit rating action and is not an indication of whether or not a credit rating action is likely in the near future. Credit ratings and outlook/review status cannot be changed in a portfolio review and hence are not impacted by this announcement. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on [www.moody's.com](http://www.moody's.com) for the most updated credit rating action information and rating history.

Key rating considerations are summarized below.

KfW IPEX-Bank GmbH (IPEX-Bank)'s Aa2 deposit ratings reflect the bank's a3 Baseline Credit Assessment (BCA), the application of Moody's Advanced Loss Given Failure (LGF) analysis to its liabilities, which results in an extremely low loss-given-failure, and one notch of government support, given the strategic and financial importance of IPEX-Bank for its parent Kreditanstalt fuer Wiederaufbau (KfW; Senior Unsecured Aaa), which is Germany's largest government-owned development bank.

IPEX-Bank's a3 BCA reflects the bank's specific characteristics of financial integration into KfW, which includes IPEX-Bank's contractual access to funding via its parent, as well as the bank's strengthened financial metrics, particularly following various capital measures undertaken by KfW since 2017. The bank's BCA is restrained, though, by its subdued profitability and significant industry and single-borrower concentrations in project and export finance lending.

This document summarizes Moody's view as of the publication date and will not be updated until the next periodic review announcement, which will incorporate material changes in credit circumstances (if any) during the intervening period.

The principal methodology used for this review was Banks Methodology published in November 2019. Please see the Rating Methodologies page on [www.moody's.com](http://www.moody's.com) for a copy of this methodology.

This announcement applies only to EU rated and EU endorsed ratings. Non EU rated and non EU endorsed ratings may be referenced above to the extent necessary, if they are part of the same analytical unit.

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