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PRESS RELEASE

PJSC «Deutsche Bank DBU» assigned credit rating

On 29th of May, 2017 at the meeting of the rating committee of “Rating agency “Expert-Rating”, LLC it was decided to assign a long-term credit rating to Public Joint-Stock Company “DEUTSCHE BANK DBU” (USREOU code 36520434) at the level uaAAA according to the national scale. Borrower (bank) or separate bond instrument with rating uaAAA is characterized by the highest solvency compared to other Ukrainian borrowers or bond instruments. Making decision to assign the credit rating according to the national scale, the Agency was guided by the following conclusions:

1. PJSC "DEUTSCHE BANK DBU" specializes in corporate customers segment and provides Ukrainian market with a number of unique banking products and services, high quality of which is ensured by high standards of technologies and solutions offered by Deutsche Bank AG globally. Deutsche Bank AG has an extensive working experience in Ukraine: has been presented in Ukrainian market as a representative office since 1993 and as a subsidiary bank – since autumn of 2009.

2. In fact, the market share of PJSC "DEUTSCHE BANK DBU" during the last 3 years fluctuated within the range of 0.07% - 0.2% in the total assets of the whole Ukrainian banking system. A relatively small market share of PJSC "DEUTSCHE BANK DBU" in Ukrainian banking system has no significant effect on its credit rating due to the Bank's access to the global network of Deutsche Bank AG and benefit from the global relationship with international clients portfolio, which ensures profitable and stable operational activity of the Bank.

3. Deutsche Bank AG is the only among foreign banks represented in Ukraine, which provides in writing its Declaration of Backing and ensures that PJSC “DEUTSCHE BANK DBU”, Ukraine is able to meet their contractual liabilities. The scale of activities, financial results and current long-term credit ratings of Deutsche Bank AG indicated that Deutsche Bank AG, as a parent, will be able, if necessary, to provide PJSC "DEUTSCHE BANK DBU" with an unprecedentedly high level of external support.

4. PJSC "DEUTSCHE BANK DBU" has entered the second quarter of 2017 with the authorized capital, the regulatory capital and the shareholders' equity, which exceeded the value of UAH 200 mln – a minimum requirement for the authorized and regulatory capital according to new NBU requirements, which come into force in July of 2017. Throughout the entire analysis period, PJSC "DEUTSCHE BANK DBU" maintained an unprecedentedly high level of the regulatory capital adequacy (N2). As of 3rd of May, 2017 the Bank's N2 ratio was 195.13%, while minimum regulatory requirement was 10% and the average N2 ratio in the banking system was 13.77%.

5. PJSC "DEUTSCHE BANK DBU" followed a conservative strategy of instant, current and short-term liquidity management. The Bank on a systematic basis maintained a substantially high rates of liquidity ratios (N4, N5 and N6), both in relation to the minimum regulatory requirements set by NBU, and in relation to the average respective ratios' rates in the banking system. So, for over a year PJSC "Deutsche Bank DBU" was unprecedentedly well provided with liquidity, which positively influenced its long-term credit rating.

6. Profitable operational activity of PJSC "DEUTSCHE BANK DBU" was of a systemic nature, as during the last 5 years and the first quarter of 2017 the Bank generated profit. This factor had a positive impact on a long-term credit rating of the Bank. PJSC "DEUTSCHE BANK DBU" finished the 2016 year with profit of UAH 112.796 mln, and the first quarter of 2017 – with profit of UAH 14.455 mln. According to the agency, systematic profitable operational activities of the Bank in Ukraine indicates that a strong and competitive business model of Deutsche Bank AG followed in emerging markets, has proven to be effective in Ukraine.

Analytical service of RA "Expert Rating"