MOODY'S RATINGS

CREDIT OPINION
2 May 2025

Update

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Advanzia Bank S.A.

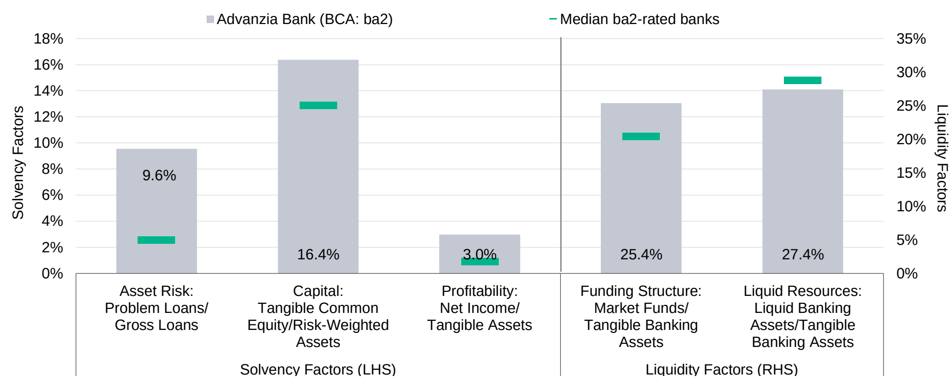
Update of credit analysis

Summary

Advanzia Bank S.A.'s (Advanzia) deposit and issuer ratings of Baa3 result from (1) the bank's Baseline Credit Assessment (BCA) of ba2, (2) the application of our Advanced Loss Given Failure (LGF) analysis, resulting in a very low loss given failure and a two-notch uplift for deposit and senior unsecured ratings and (3) a low probability of government support, resulting in no uplift. The outlook on the deposit and issuer ratings is stable.

Advanzia's BCA of ba2 reflects (1) the bank's very high asset risk incurred through its unsecured consumer lending activities pursued in Western Europe, primarily in Germany, since its foundation in 2005, (2) its very high profitability resulting from high-margin revolving credits, providing good coverage of loan-loss charges, (3) its limited risk-weighted capitalisation buffer above regulatory minima, reflecting high loan growth and dividend payouts, (4) its funding profile dependent on price-sensitive online saving deposits which the bank wants to gradually diversify into more stable, albeit confidence-sensitive, market funding instruments, (5) its adequate liquidity and (6) elevated regulatory risks on consumer lending activities, especially as the bank is exclusively focused on these activities.

Exhibit 1
Rating Scorecard - Key financial ratios



Note: Asset Risk and Profitability reflect the weaker of either the latest figure or the three-year and latest figure average. Capital is the latest reported figure. Funding Structure and Liquid Resources reflect the latest fiscal year-end figures.
Source: Moody's Financial Metrics

RATINGS

Advanzia Bank S.A.

Domicile	Luxembourg
Long Term CRR	Baa2
Type	LT Counterparty Risk Rating - Fgn Curr
Outlook	Not Assigned
Long Term Debt	Baa3
Type	Senior Unsecured - Dom Curr
Outlook	Stable
Long Term Deposit	Baa3
Type	LT Bank Deposits - Fgn Curr
Outlook	Stable

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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Credit strengths

- Established presence and track record in Germany
- Strong profitability driven by very high net interest margins and very good operating efficiency, which allows solid coverage of loan-loss charges
- Adequate capitalisation, supported by strong earnings generation, despite modest buffers above regulatory minima
- Ample liquidity bringing comfort against deposit outflows and drawings on revolving credit limits

Credit challenges

- Very high asset risk linked to unsecured credit card lending, albeit highly granular, unseasoned portfolios in some new markets, and challenges due to economic weakness
- High albeit decreasing dependence on online saving deposits for funding
- Elevated business risk linked to regulatory landscape

Rating outlook

The stable outlook on Advanzia's long-term deposit, issuer and senior unsecured debt ratings reflects our view that the bank will be able to maintain an adequate credit profile over the outlook horizon thanks to the very high profitability of its lending activities.

Factors that could lead to an upgrade

- Although unlikely at present given the uncertain economic environment, we could upgrade the BCA if Advanzia decided to substantially increase its capitalisation buffers, while preserving its profitability and risk profile.

Factors that could lead to a downgrade

- We could downgrade the BCA and ratings as a result of a significant deterioration in asset quality impacting profitability and capitalisation. In addition, a downgrade could also occur if net interest margins and profitability were to substantially decrease.
- Advanzia's long-term deposit and senior unsecured debt ratings could also be downgraded as a result of an increase in loss given failure, should these instruments benefit from lower subordination and instrument volume than is currently the case.

Key Indicators

Exhibit 2
Advanzia Bank S.A. (Unconsolidated Financials) [1]

	12-24[2]	12-23[2]	12-22[2]	12-21[2]	12-20[2]	CAGR/Avg.[3]
Total Assets (EUR Million)	4,473.8	4,155.6	3,248.4	3,126.1	2,649.9	14.0[4]
Total Assets (USD Million)	4,632.6	4,590.5	3,466.9	3,542.2	3,242.3	9.3[4]
Tangible Common Equity (EUR Million)	430.9	363.2	265.9	297.8	254.5	14.1[4]
Tangible Common Equity (USD Million)	446.2	401.2	283.7	337.4	311.4	9.4[4]
Problem Loans / Gross Loans (%)	9.6	7.8	7.3	9.4	11.1	9.0[5]
Tangible Common Equity / Risk Weighted Assets (%)	16.4	16.0	13.5	17.3	17.0	16.0[6]
Problem Loans / (Tangible Common Equity + Loan Loss Reserve) (%)	44.1	38.1	40.8	45.2	53.1	44.3[5]
Net Interest Margin (%)	10.3	9.8	10.7	10.2	10.3	10.3[5]
PPI / Average RWA (%)	14.3	13.2	14.3	14.0	13.5	13.9[6]
Net Income / Tangible Assets (%)	3.1	2.2	3.6	3.8	3.8	3.3[5]
Cost / Income Ratio (%)	32.2	34.8	33.8	33.3	36.2	34.1[5]
Market Funds / Tangible Banking Assets (%)	25.4	21.1	14.3	13.7	8.0	16.5[5]
Liquid Banking Assets / Tangible Banking Assets (%)	27.4	33.4	26.6	33.6	31.9	30.6[5]
Gross Loans / Due to Customers (%)	130.9	109.6	107.7	99.3	92.3	107.9[5]

[1] All figures and ratios are adjusted using Moody's standard adjustments. [2] Basel III - fully loaded or transitional phase-in; IFRS. [3] May include rounding differences because of the scale of reported amounts. [4] Compound annual growth rate (%) based on the periods for the latest accounting regime. [5] Simple average of periods for the latest accounting regime. [6] Simple average of Basel III periods.
Sources: Moody's Ratings and company filings

Profile

Advanzia Bank S.A. (Advanzia) is a Luxembourg-based digital bank founded in 2005, which specializes in consumer credit through the issuance of credit cards to customers in Germany (around 84% of gross loans to retail customers), Luxembourg, France, Austria, Spain and Italy. Advanzia had gross outstanding loans of €3.6 billion (including Professional Card Services for private banks) as of end-December 2024, representing the loan balances of approximately 2.8 million credit card customers. Advanzia is largely funded through deposits, which amounted to €2.7 billion at end-December 2024, raised through approximately 61,200 private individuals essentially based in Germany.

In addition to Advanzia's own-branded credit cards issued to private customers, the bank's operations are supported by around 110 business partnerships for co-branded credit card programs and by card issuing services[1] to around 100 partner banks under white label. In this PCS business line, Advanzia is the lender but does not bear the credit risk of the end-customer using the card. The bank promotes its own branded Mastercard Gold credit cards through online marketing channels and distributes its white-labelled and co-branded credit cards via business partner networks.

Advanzia is an independent bank, with a limited number of private investors. The Norway-based Kistefos Group, a private investment company, has been the controlling shareholder since 2006 and currently holds 61.3% of the issued shares.

Detailed credit considerations

Elevated problem loans and cost of risk reflect very high inherent credit risk of credit card revolving credits

Advanzia's asset risk is very high, reflecting the risk characteristics of unsecured credit card lending, which we view as prone to high levels of impairment in economic downturns. The bank's problem loan ratio excluding Professional Card Services was 9.6% at year-end 2024. Nonetheless, this ratio is not fully reflective of asset risks because problem loans are regularly sold or written off, hence deflating it.

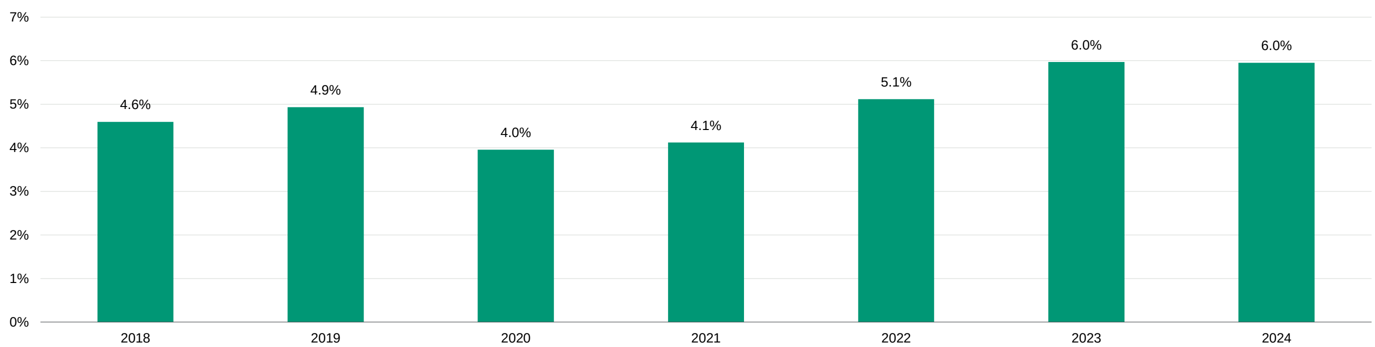
Most problem loans are outsourced to external debt collection agencies after 90 days past-due (60 days in France) with legal claim entitlements lasting up to 30 years in Germany. Advanzia does not engage in partial repayment plans with defaulted customers and internal forbearance is rare. The bank also regularly sells problem loans to institutional investors via two processes, (1) aged collection portfolios or (2) agreements to sell future collection cases on a monthly basis.

In February 2025, the bank further extended the agreement with a German debt collection until May, covering 40% of new German NPLs while other claims are serviced through external debt collection agencies. The bank also realized its first NPL sale in the Spanish market. We expect future NPL sales could become more costly considering the weak economic environment.

Advanzia's cost of risk was 6% of average credit card loans in 2024, which is reflective of the risky nature of credit card revolvers. The average cost of risk between 2020 and 2024 was very high at 5% annually. Credit card fraud represented between 1% and 5% of the loan losses during this period.

- In Germany, the bank has a long experience in managing consumer loan portfolios and its cost of risk is pretty stable, albeit high. Advanzia's underwriting practices strongly benefit from the buildup of long track records and the testing and fine-tuning of credit risk models over long periods. Hence, the cost of risk is usually more elevated and volatile in countries where the risk is less seasoned.
- In France, the bank has difficulties to optimize the risk-reward balance of its lending operations, a situation that is largely due to the legal constraints contained in the law known as the "Lagarde legislation"[2], leading to much higher cost of risk in this country. The bank significantly reduced its loan origination in the country in recent years and decided to exit this market in 2024.
- In Italy and Spain, the bank reported very high levels of loan-loss charges, both countries being still in their launching phase, but it decided to limit growth there until models are more seasoned.

Exhibit 3
Advanzia's cost of risk is structurally high
Loan-loss charges in percentage of average gross customer loans



Sources: Company reports and Moody's Ratings

Although asset risk is very high, it is also very granular. The average loan size was reported to be only around €1,800 euros in 2024. The initial credit limit for a new client has historically been €1,000-€1,500 with a maximum of €3,000. After a few months, the limit increases if no credit event is reported. On average, credit limits are €4,500 with a cap of €12,500. Hence, the 20 largest problem loans, including accrued interest, accounted for only €328,400 at year-end 2024. In addition, stage 3 loans were almost fully covered (98%) by provisions at year-end 2024.

Although the current economic weakness and increasing unemployment in Germany will weigh on clients' creditworthiness, we think that any deterioration in the cost of risk should be limited thanks to a recent tightening of underwriting. Recovery rates on recent vintages appears lower than in the past. The slow expansion in Spain and Italy has resulted into higher loan-loss charges, as risk models are not seasoned in the first few years. The bank has slowed down its expansion in these two countries as a result. The French portfolio gave rise to credit costs in line with the rest of the group in 2024. We expect loan losses to remain elevated until extinction of the French book.

We also expect a higher stock of NPL compared with recent years due to less favorable NPL sale agreements with debt collection agencies.

Our assigned Asset Risk score of b3 is adjusted down by four notches to reflect high non-performing loan formation, partly hidden by sales and write-offs.

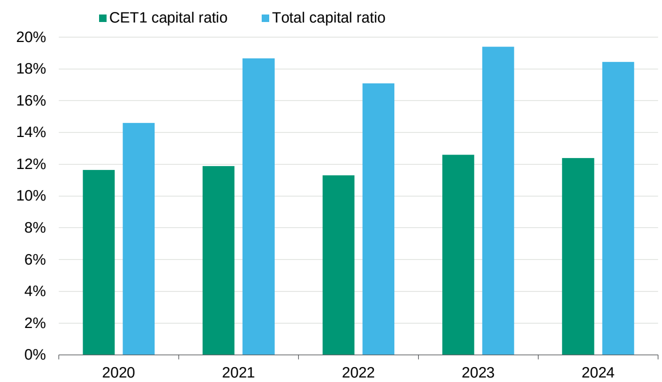
Capitalisation is supported by high earnings generation, but offers only modest buffers above regulatory minima

The bank's Common Equity Tier 1 (CET1) ratio was 12.4% excluding interim profits (15.7% including interim profits) at end-December 2024 (Exhibit 4). This was modestly above the EU's Supervisory Review and Evaluation Process (SREP) CET1 minimum of 10.5%, including countercyclical buffer. Similarly, the bank's total capital, including Additional Tier 1 (AT1) and Tier 2 debt, was 18.4% excluding interim profits (21.8% including interim profits) against the SREP requirement for total capital of 16.2%.

Exhibit 4

The bank retains modest capital buffers above regulatory minima

Regulatory capital ratios (in percentage terms)

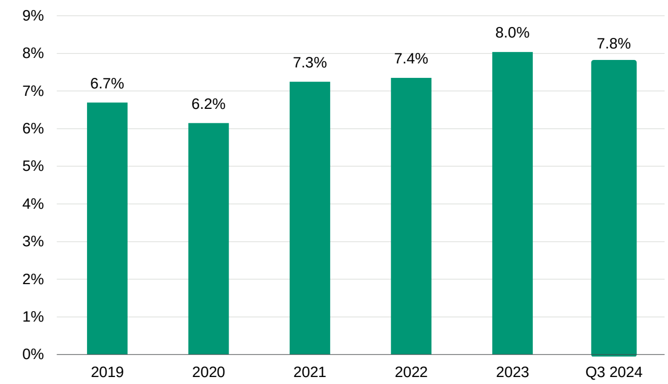


Sources: Company reports and Moody's Ratings

Exhibit 5

Leverage ratio remains high

Regulatory Tier 1 leverage ratio (in percentage terms)



Sources: Company reports and Moody's Ratings

The cushion above the regulatory minima has been constrained by the bank's significant loan growth (16% per year on average during the period 2021-2024 for retail loans) and the modest earnings retention. The dividend payout ratio was around 80% in 2021, 51% in 2022, 55% in 2023 and 71% in 2024. Most excess cash versus Advanzia's target buffer over regulatory minima is therefore upstreamed to the shareholders and earnings retention is minimal.

Nonetheless, Advanzia's very high return on equity (29% on average in the last three years) enables the bank to accrue capital quickly. In addition, Advanzia can also moderate quickly its loan-loss charges by reducing its loan origination, given that most losses occur at a very early stage of the loan life. The capacity to slow down loan origination also provides Advanzia with some flexibility on customer acquisition costs.

The bank uses the standardized approach for the calculation of risk weights. The new risk weights applicable as of 2025 following the implementation of Basel IV are 45% for exposures to transactors, 75% for exposures to revolvers and 100% for non-performing exposures (on the portion net of provisions). These high risk weights coupled with the SREP requirements result in relatively high capital requirements.

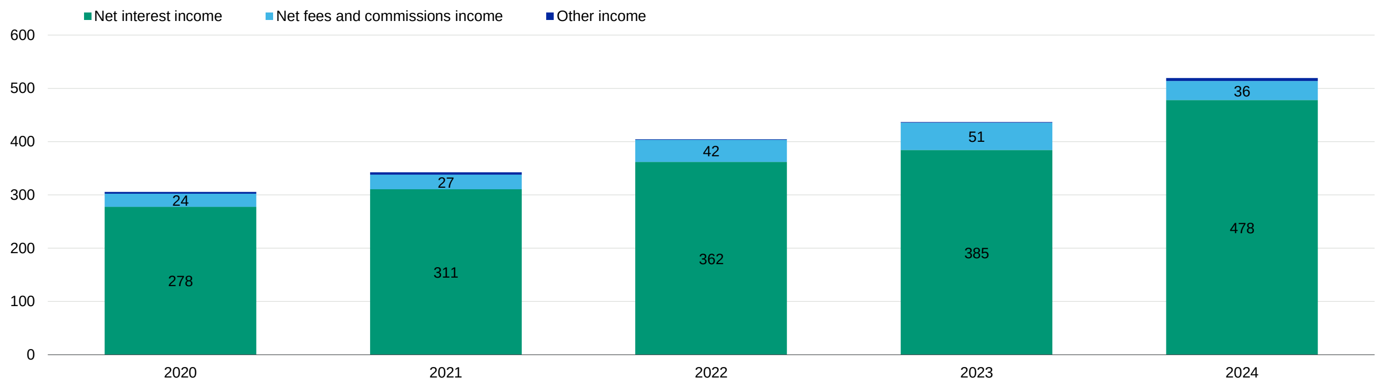
Our assigned Capital score of ba1 is adjusted down to reflect the tightly managed capital buffer over regulatory minima despite high asset risks.

Profitability and efficiency are strong, driven by very high net interest margins

Advanzia reports strong profitability and efficiency metrics thanks to the very high interest rates charged to its credit card borrowers (Exhibit 6). Net income was 3.1% of tangible assets in 2024, above the 2.2% level recorded in 2023. These profits are largely driven by very high net interest margins, which were reported to be 15% on the retail customers loan book in 2024.

The bank's strong presence in Germany, dating 2006, accounted for 84% of its €3.5 billion of gross loans to retail credit card customers at year-end 2024, with a market share of approximately 23% of issued cards.[3] This portfolio is a stable anchor for the bank's profitability. Advanzia has a long track record of highly profitable growth in this country. Lending activities in France were much smaller and did not result in satisfactory performance, leading Advanzia to announce their discontinuation in 2024. The bank started its lending activities in Austria in 2015. The lending activities in Spain and Italy were only launched in 2019 and 2021, respectively, and growth in these countries was slowed down by the bank since the second half of 2023 until risk models are more refined, in view of initial losses.

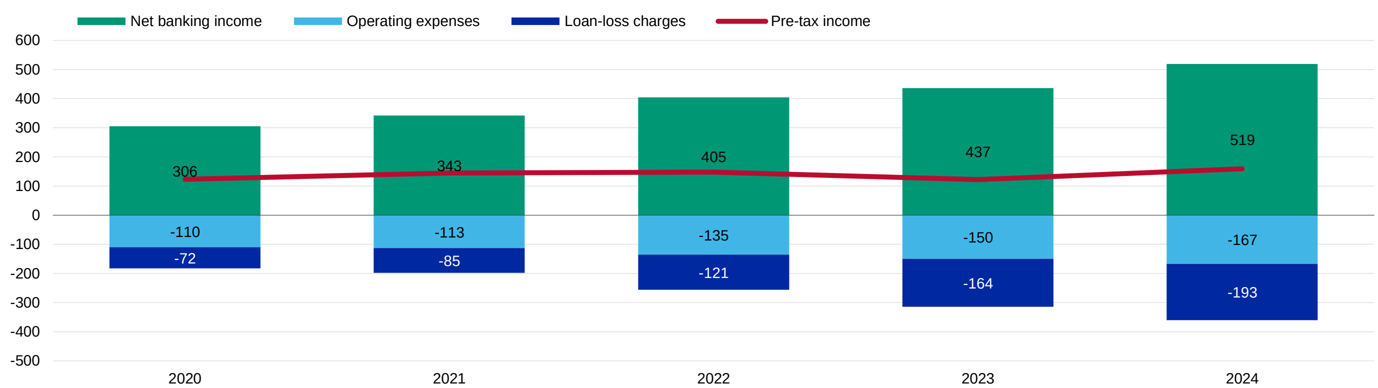
Exhibit 6
Net interest income is the main driver of Advanzia's revenue
Breakdown of net banking income in € million



Sources: Company reports and Moody's Ratings

The bank's net interest margins amply cover operating expenses, resulting into strong operating efficiency as shown by its low cost-to-income ratio of 32% in 2024 (including client acquisition costs). Costs incurred for the acquisition of new clients amounted to 28% of operating expenses during the same year. These expenses can be rapidly cut to protect profitability in a severe downturn scenario. High operating profits are necessary to cover high loan-loss charges, which represented 55% of operating profits in 2024 and 57% in 2023.

Exhibit 7
Rising revenues offset higher impairment charges
Breakdown of pre-tax income in € million



Sources: Company reports and Moody's Ratings

The bank's in-force credit cards are spread among customers with three differing profitability profiles: (1) The "transactors", who use the credit cards for purchases but repay their whole balance before month-end and therefore before accruing interests, are relatively neutral for the overall profits of the bank; (2) the "borrowers", or revolving users, bring most of the profits as they are charged very high interest rates; and (3) the "inactive customers" are a cost for the bank but represent potential revenue in the future. The aim of the bank is to increase the number of borrowers and their share of wallet. In addition, Advanzia aims to increase commissions thanks to insurance fees, membership fees, interchange, ATM fees, forex fees and data monetisation, as net fee and commission income represented only 7% of net banking income in 2024.

We believe that a major business risk for the bank and its profitability is regulatory risk which can involve the establishment of interest rate caps. Although the revision of the European Union's Consumer Credit Directive (CCD) did not established EU-wide caps, interest rate caps could still be put into force at local levels, which would significantly impact the profitability of Advanzia's activities. Previous instances of such caps can be found in France, where the bank's business had a much less favourable risk-reward profile, slowing down loan growth as a result.

Going forward, profitability should remain high, but profit margins will tighten slightly due to higher funding costs given the recent issuance of debt securities. In addition, sluggish macroeconomic conditions in Germany will likely keep loan-loss charges high.

Our assigned Profitability score of a2 is adjusted down by three notches to reflect inherent earnings volatility, upcoming margin pressure and high regulatory risk on earnings prospects.

The funding profile has been historically stable thanks to granular online saving deposits and a low reliance on wholesale markets

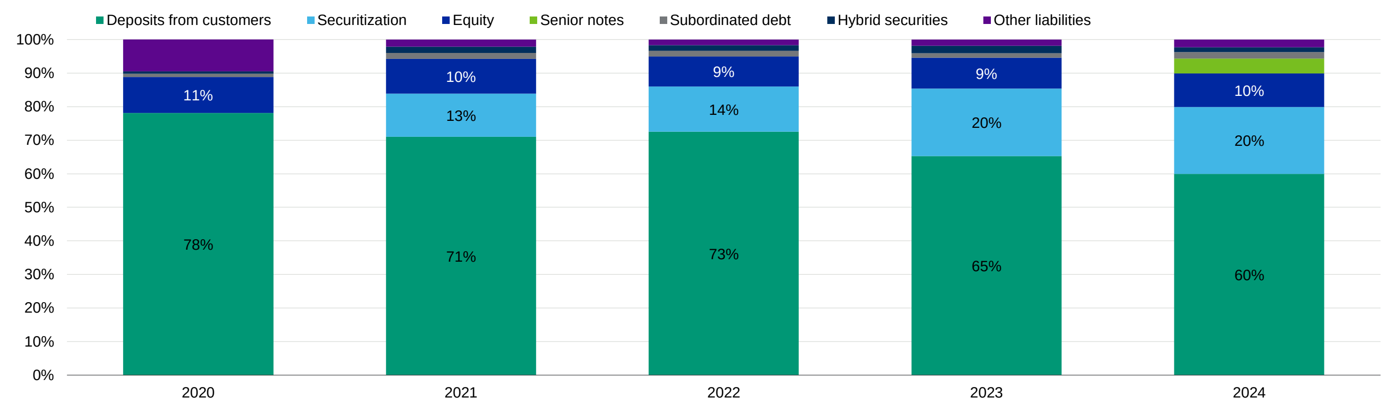
The funding profile has been historically stable thanks to granular online saving deposits and a low reliance on wholesale markets. Advanzia finances its credit card lending activities essentially through retail saving deposits raised online, which proved to be a relatively stable and flexible source of funding historically even if they are on-demand deposits.

Saving deposits represented 60% of total funding (including shareholders' equity) at year-end 2024, the remainder being mostly provided by securitization (20%), common equity (10%) and senior notes (4%). The bank also has a €25 million senior secured multicurrency overdraft facility, which is usually only partially drawn for hedging purposes.

Exhibit 8

Advanzia is essentially funded through customer deposits but diversification is underway

Breakdown of liabilities and shareholder's equity



Sources: Company reports and Moody's Ratings

The bank issued an inaugural securitization in 2021 as part of its objective to reduce its reliance on saving deposits. Although deposits will remain the principal source of funding, the goal is to have a better balance between deposits, securitization and senior unsecured funding. Advanzia made further progress on funding diversification in April 2024 through the inaugural issuance of €200 million senior unsecured debt. Market funding, which represented 25% of tangible banking assets at year-end 2024, will therefore progressively increase.

We view positively the ongoing plan of the bank to diversify and lengthen its funding sources away from competitive and price-sensitive online deposits. Saving deposits raised online with individuals who are not captive clients of the bank are more volatile than traditional retail bank deposits, being subject to uncertain inflows linked to the success of a campaign to attract deposits or sudden outflows due to changes in interest rates paid by competitors. In addition, the deposits raised by Advanzia are sight deposits, which can be withdrawn instantaneously by depositors. Nonetheless, saving deposits were to a large extent raised in Germany (Around 95%) and were around 85% covered by national deposit guarantee schemes at year-end 2024, which offers some degree of comfort on their stability.

The bank reported a regulatory net stable funding ratio of 135% at year-end 2024.

Our assigned Funding Structure score of ba2 is adjusted down by four notches to reflect the nature of deposits raised by the bank and the limited track record of market access.

Ample liquidity allows good comfort against deposit outflows and drawings on revolving credit limits

The bank maintains ample liquidity on its balance sheet, which we view as adequate to its funding profile. Liquid assets of €1.2 billion, consisting of cash at central banks, nostro bank accounts and loans to financial institutions, represented 27% of tangible assets and 46% of deposits at year-end 2024, offering good security against deposit outflows and unexpected client drawdowns on unused credit card limits.

The bank also needs large liquidity buffers to face an unexpected increase in client drawings on their revolving credit limits. Credit card loan balances reached €3.6 billion at end-December 2024 (including PCS), but undrawn revolving credit limits, which are off-balance sheet commitments, reached an additional €7.2 billion at the same date. Nonetheless, the bank has the legal right to cancel most unused limits in a matter of a few days (and all within two months) and turn the drawn amounts into amortizing loans, an action that was not needed in the bank's history.

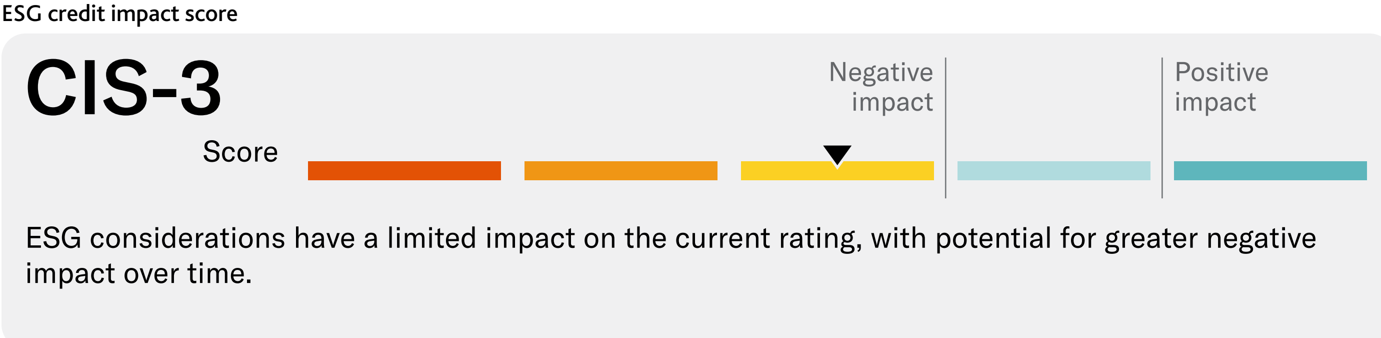
Asset encumbrance was 26% of the balance sheet at year-end 2024 and we expect asset encumbrance to increase to around 40% in the future, as securitization becomes a larger proportion of the bank's funding. The bank reported a regulatory liquidity coverage ratio of 170% at end-December 2024 (230% at year-end 2023).

Our assigned BCA is ba2, one notch below the Financial Profile of ba1. Similar to its peer monoline issuers, we apply a negative qualitative adjustment of one notch, reflecting the limited business diversification of the bank.

ESG considerations

Advanzia Bank S.A.'s ESG credit impact score is CIS-3

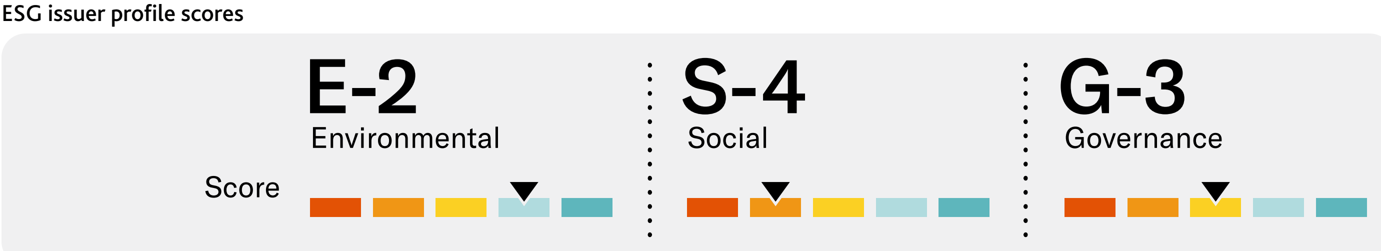
Exhibit 9
ESG credit impact score



Source: Moody's Ratings

Advanzia Bank's **CIS-3** indicates the limited impact of ESG considerations on the current rating, with potential for greater impact over time, mainly due to moderate governance risks. As a credit card lender, Advanzia Bank faces high exposure to social risks, particularly related to treating customers fairly and product pricing. Well-developed frameworks and processes help mitigate but not eliminate these risks.

Exhibit 10
ESG issuer profile scores



Source: Moody's Ratings

Environmental
Advanzia has a low exposure to environmental risk because its lending operations are focused on unsecured consumer loans.

Social
Advanzia's faces high social risks related to customer relations, in particular regulatory risks in its various regional markets, and to treating customers fairly from both a conduct and pricing point of view. Regulatory scrutiny and intervention in many of Advanzia Bank's markets increases social risk for the firm, often with financial implications. Societal trends such as digitalisation also strain the business model as do requirements to manage and mitigate potential breaches of data privacy.

Governance
Advanzia's governance risks are moderate. The bank's risk management and risk appetite are prudent and satisfactory, mitigating risks implied by its credit card lending model. Nonetheless, the bank's financial strategy is characterized by fast loan growth, tight capital buffers in light of elevated asset risks and high earnings distribution. Governance risks are stemming from the bank's still modest track record in accessing the unsecured funding markets and demonstrating its ability to diversify funding sources.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Support and structural considerations

Affiliate support
We believe that the probability that Advanzia's shareholders, including its majority shareholder Kistefos, would extend support in case of need is low, resulting in no affiliate support uplift and an Adjusted BCA of ba2, in line with the BCA.

Loss Given Failure (LGF) analysis
Advanzia is subject to the European Union Bank Recovery and Resolution Directive, which is an Operational Resolution Regime. In estimating Loss Given Failure and in line with our standard assumptions, we assume residual TCE of 3% and losses post-failure of 8% of tangible banking assets, a 25% run-off in junior wholesale deposits and a 5% run-off in preferred deposits, and assign a 25% probability to deposits being preferred to senior unsecured debt. In addition, we assume a 10% share of wholesale deposits relative to total deposits, which is our central assumption for banks relying mostly on retail deposits.

Advanzia's deposits and senior unsecured debt are likely to face very low loss given failure because of the loss absorption provided by the volume of senior instruments and the amount of subordination in the form of AT1 and Tier 2 subordinated debt. This results in a two-notch uplift from the Adjusted BCA.

Government support considerations
We expect a low probability of government support for Advanzia's deposits and senior obligations, resulting in no uplift for the deposit and senior unsecured ratings of the bank.

Rating methodology and scorecard factors

Exhibit 11
Rating Factors

Macro Factors							
Weighted Macro Profile	**Strong +**	**100%**					
Factor		**Historic Ratio**	**Initial Score**	**Expected Trend**	**Assigned Score**	**Key driver #1**	**Key driver #2**
Solvency							
Asset Risk							
Problem Loans / Gross Loans		9.6%	ba2	↓	b3	Long-run loss performance	Unseasoned risk
Capital							
Tangible Common Equity / Risk Weighted Assets (Basel III - transitional phase-in)		16.4%	aa2	↓	ba1	Capital retention	
Profitability							
Net Income / Tangible Assets		3.0%	aa1	↔	a1	Earnings quality	Expected trend
Combined Solvency Score			a2		ba2		
Liquidity							
Funding Structure							
Market Funds / Tangible Banking Assets		25.4%	baa2	↓↓	ba2	Deposit quality	Expected trend
Liquid Resources							
Liquid Banking Assets / Tangible Banking Assets		27.4%	a3	↔	a3	Asset encumbrance	
Combined Liquidity Score			baa1		baa3		
Financial Profile			a3		ba1		
Qualitative Adjustments					Adjustment		
Business Diversification					-1		
Opacity and Complexity					0		
Corporate Behavior					0		
Total Qualitative Adjustments					-1		
Sovereign or Affiliate constraint					Aaa		
BCA Scorecard-indicated Outcome - Range					ba1 - ba3		
Assigned BCA					ba2		
Affiliate Support notching					0		
Adjusted BCA					ba2		

Balance Sheet	in-scope (EUR Million)	% in-scope	at-failure (EUR Million)	% at-failure
Other liabilities	1,278	28.7%	1,466	32.9%
Deposits	2,684	60.2%	2,497	56.0%
Preferred deposits	2,416	54.2%	2,295	51.5%
Junior deposits	268	6.0%	201	4.5%
Senior unsecured bank debt	200	4.5%	200	4.5%
Dated subordinated bank debt	85	1.9%	85	1.9%
Preference shares (bank)	77	1.7%	77	1.7%
Equity	134	3.0%	134	3.0%
Total Tangible Banking Assets	4,457	100.0%	4,457	100.0%

Debt Class	De Jure waterfall		De Facto waterfall		Notching		LGF Notching Guidance vs. Adjusted BCA	Assigned LGF notching	Additional Notching	Preliminary Rating Assessment
	Instrument volume + subordination	Sub-ordination	Instrument volume + subordination	Sub-ordination	De Jure	De Facto				
Counterparty Risk Rating	15.6%	15.6%	15.6%	15.6%	3	3	3	3	0	baa2
Counterparty Risk Assessment	15.6%	15.6%	15.6%	15.6%	3	3	3	3	0	baa2 (cr)
Deposits	15.6%	6.6%	15.6%	11.1%	2	3	2	2	0	baa3
Senior unsecured bank debt	15.6%	6.6%	11.1%	6.6%	2	1	2	2	0	baa3

Instrument Class	Loss Given Failure notching	Additional notching	Preliminary Rating Assessment	Government Support notching	Local Currency Rating	Foreign Currency Rating
Counterparty Risk Rating	3	0	baa2	0	Baa2	Baa2
Counterparty Risk Assessment	3	0	baa2 (cr)	0	Baa2(cr)	
Deposits	2	0	baa3	0	Baa3	Baa3
Senior unsecured bank debt	2	0	baa3	0	Baa3	Baa3

[1] Where dashes are shown for a particular factor (or sub-factor), the score is based on non-public information.
Source: Moody's Ratings

Ratings

Exhibit 12

Category	Moody's Rating
ADVANZIA BANK S.A.	
Outlook	Stable
Counterparty Risk Rating	Baa2/P-2
Bank Deposits	Baa3/P-3
Baseline Credit Assessment	ba2
Adjusted Baseline Credit Assessment	ba2
Counterparty Risk Assessment	Baa2(cr)/P-2(cr)
Issuer Rating	Baa3
Senior Unsecured -Dom Curr	Baa3
ST Issuer Rating	P-3

Source: Moody's Ratings

Endnotes

1 Professional Card Services (PCS).

2 The Lagarde legislation is a French consumer protection law on consumer credit and over-indebtedness enacted on 1 July 2010. The law notably aims at protecting French consumers against abusive lending.

3 Advanzia's internal analysis using ECB data.

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