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Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V.

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Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V.

Major Rating Factors

Issuer Credit Rating
AAA/Stable/A-1+

Strengths:	Weaknesses:
• Almost certain government support in the event of financial distress. • The state's obligation to ensure FMO's financial commitments. • Historically strong financial profile.	• Volatile income stream. • High-risk lending profile.

Rationale

We equalize our ratings on FMO with those on The Netherlands (unsolicited AAA/Stable/A-1+), reflecting our opinion that there is an almost certain likelihood that the Dutch government would provide timely and sufficient extraordinary support to FMO in the event of financial distress.

In accordance with our criteria for government-related entities (GRE), our rating approach factors in our view of FMO's:

- Critical role as the key government vehicle for promoting private-sector growth in developing countries, an important public policy goal in The Netherlands; and
- Integral link with the Dutch government. The ratings reflect the 51% government ownership of and strong support for FMO, based on the government's obligation to maintain FMO's operations, its liquidity injections, and its commitment to preserve FMO's solvency, as well as a track record of such support.

The 1998 agreement between FMO and the government formally codified sovereign support to FMO. Under Article 8 of the agreement, the government is legally required to enable FMO to meet its obligations on time by providing liquidity. Article 7 states that the Dutch government is committed to cover losses from operations that cannot be covered by general reserves. The duration of the agreement is indefinite and its termination requires 12 years' notice by either party. The Netherlands' long-term commitment to, and support of, FMO is also demonstrated by the sovereign's obligation in most circumstances to safeguard the company's solvency (Article 7 of the agreement). We understand that although the government does not explicitly guarantee FMO's individual obligations, it views its maintenance guarantee on FMO's operations as equivalent to an explicit guarantee. To this end, the 1998 agreement also aims to provide financial support so that no situations arise in which FMO is unable to meet certain of its commitments on time. FMO's creditors have no direct recourse to the Dutch government. Rather, the government's obligation is to FMO. Moreover, we think that the ongoing privatization of ABN AMRO, one of the FMO's shareholders, will not have any impact on FMO's governance or operations.

FMO supports business and financial institutions in developing countries by providing capital and skills, which is part of the general policy of The Netherlands' Ministry of Development Cooperation, and therefore qualifies as a strategically important activity. It does so by arranging loans (€4.3 billion net loans outstanding on June 30, 2016), equity investments (€1.6 billion), guarantees, and other investment promotion activities. In addition, it manages several off-balance-sheet development funds on behalf of, and at the risk of, the Dutch government. Government funds represented 13% of FMO's total assets as of June 30, 2016.

FMO manages the following government funds: financing of Dutch small and midsize enterprise (SMEs) that invest in developing countries; a fund reaching out to SMEs via financial institutions (MASSIF); financing of funds earmarked for infrastructure projects in low-income countries (IDF); a fund financing energy projects (AEF); and financing of capacity development (CD). The CD financing enables targeted access to know-how, bundled to meet a company's full organizational needs, and is financed by the Dutch Ministry for Development Cooperation. It also stimulates technical cooperation between companies in developing countries and enterprises in industrialized nations. The Dutch government allocated additional funds to FMO in 2013, highlighting FMO's importance in achieving government policy.

According to FMO's dividend policy, the shareholders, including the government, may now take an increased dividend of up to 100% of distributable profit (about 5% of total profit), compared with 40%-60% previously. FMO's 2015 net profits climbed to €174 million, versus €124 million in 2014, mainly due to a hefty increase in equity investments. Net interest income, representing almost two-thirds of total revenues, grew significantly in 2015, and this brisk growth has continued so far this year. According to FMO's 2016 interim report, net profit in the first half of 2016 reached almost €57.0 million, lower than €97.5 million in the first half of 2015, mainly due to higher value adjustments on the loan portfolio. Still, based on FMO's track record of managing emerging market risks, we expect that it will remain profitable despite what we consider to be uncertain global economic growth conditions.

In 2014, FMO received its full banking license from De Nederlandsche Bank, the Dutch central bank, further improving its access to the international capital markets and widening its financing options. FMO can now fully benefit from emergency monetary policy measures that the European Central Bank (ECB) adopts. More recently, within the ECB's Public Sector Purchase program (PSPP), launched in March 2015, securities issued by FMO became eligible for the Eurosystem's expanded asset purchase at an early stage of the program's implementation. We estimate that the inclusion of FMO's securities did not have a significant impact on its already favorable borrowing conditions, which is partly explained by the fact that slightly more than one-third of the funding portfolio is euro-denominated. Nevertheless, we think that including FMO's securities into the ECB's PSPP benefits its funding options. Lastly, FMO is subject to the Bank Recovery and Resolution Directive, as implemented under Dutch law, with the competent resolution authority being the Dutch central bank.

Outlook

The stable outlook on FMO mirrors that on The Netherlands and also reflects our expectation that the 1998 agreement with the Dutch state regarding its support of FMO will remain in force for the foreseeable future.

If we receive new information that would lead us to reassess FMO's integral link with and critical role for the Dutch government, in turn prompting us to adopt a view of a lower probability of extraordinary government support, we could lower our long-term rating on FMO to below that on The Netherlands.

Extraordinary Government Support: Almost Certain In Light Of Public Policy Role

In our opinion, FMO's role is critical to meeting the official policy objectives of The Netherlands. This is because FMO operates essentially on behalf of the government, providing a key role in meeting economic and social objectives. Also, we assess FMO as having an integral link with the government. FMO is 51% owned by the government and offers high lending credit support, as well as the state's support for FMO's financial obligations and its commitment to continue funding FMO if necessary.

FMO was established in 1970 by the state, several Dutch companies, and trade unions as a joint-stock company under the "Law of May 1, 1970, on Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V." Under FMO's Articles of Association, the company is mandated to promote the economic and social progress of developing countries by funding private-sector investments--primarily through long-term loans and equity investments--in those countries in line with the Dutch government's policy goals on development cooperation. FMO also provides guarantees for third-party investments in developing economies and plays an active role in trade financing and syndicated loans. In addition, FMO manages several development funds and their associated risks on behalf of the government.

The relationship between the state and FMO is set out in a formal agreement first signed in 1991 and amended in 1998. The agreement has an indefinite term and its termination required 12 years' notice from either party. Moreover, FMO's authorized share capital comprises 49% 'B' shares which may be held by the private sector, and 51% 'A' shares, which may only be issued to, and owned by, the state. Neither state nor private sector shareholders have shown any interest in altering the ownership structure. Neither the initial banking license that FMO obtained in March 2008 nor the full license it received in March 2014 has affected the shareholder structure.

According to Article 8 of the 1998 agreement, "The state shall prevent situations arising in which FMO is unable to meet [its financial] commitments on time." The article comprehensively lists the types of obligations covered by this undertaking. This obligation exists solely between the state and FMO. The company's creditors do not have a direct claim against the state, and Article 8 does not formally constitute a full, unconditional guarantee. Nevertheless, we believe the pledge effectively ensures that FMO's obligations are fully supported by the state's credit standing. The Dutch central bank has allowed a 0% risk weighting on all the financial instruments and loans to FMO specified in

Article 8. Moreover, unlike other obligations that the state has toward FMO, Article 8 cannot be suspended under any circumstances while the agreement remains in force (Article 10).

Article 7 of the 1998 agreement also stipulates the state's "maintenance obligation" toward FMO, which, unlike the guarantee on the company's financial liabilities, can be suspended. Under this obligation, the state is committed to covering all of FMO's losses from operational risks that are unforeseen and not provisioned for, and that cannot be covered by the general reserve risk fund.

If FMO's financial situation were to deteriorate to the extent that it could be expected to invoke the state's obligations, the Dutch Ministry of Finance would be entitled to direct the company's financial and economic policies. Under such a scenario, FMO's failure to comply with the minister's directions could result in the suspension of the maintenance obligation. The likelihood of such a suspension seems remote, though, in our view, because cooperation between the state and FMO has always been good. Given the assessment of the likelihood of extraordinary state support, it is important to note that the Dutch State has an interest of more than 90% of shareholder's equity, due to the fact that it is entitled to a major part of FMO's reserves.

Additionally, state support for FMO is demonstrated by the funding the company has received in the past. From 1991 to 2005, FMO received annual average capital contributions of more than €45 million from the Dutch government. Given that FMO now has a very strong capital base relative to its business, we do not expect the state to resume capital contributions in the next few years. However, we understand that the Dutch state is committed, in principle, to future capital contributions if an expansion of FMO's loan portfolio requires it. In our view, FMO also benefits from advantageous bilateral tax treaties and de facto preferred creditor treatment in some of FMO's countries of operation.

Loans and equity investments on behalf of and at the risk of the Dutch government have risen again in 2015 compared to 2014, by almost 23%, to €886 million and we are expecting them to increase in 2016. We view this trend as evidence of FMO's policy importance to the Dutch government and the government's continued support for the finance institution's activities and expertise, considering the loans related on behalf of the government more than doubled between 2007 and 2015.

Finally, FMO is subject to the Bank Recovery and Resolution Directive, as implemented under Dutch law, with the competent resolution authority being the Dutch central bank.

Operations

During 2015, new commitments slightly decreased by 3% to €1.584 billion. In 2016, operations were expected to be consolidated, with a special focus on portfolio management. Total new investments are expected to moderate to €2.2 billion, of which €840 million will be so-called catalyzed funds, i.e. investments made by third parties. Projects in low-income and lower-middle-income countries account for the largest share of new contracts, representing about 78% of FMO investments at year-end 2015, in line with past performance. In terms of sectoral breakdown, financial institutions continue to account for the largest share of new commitments, followed by energy and agriculture. This year, FMO has targeted new commitments of €1.6 billion.

FMO's rapid loan growth in recent years is mostly explained by commercial banks pulling back from emerging markets, particularly for loans of longer duration, allowing FMO to capture new business and to emphasize its relevance to anticyclical development.

FMO's current focus sectors are financial institutions (about 45.5% of total committed portfolio at year-end 2015), energy (24.2%), followed by manufacturing, services, and infrastructure (21%). Alongside German and French development financial institutions, DEG and Proparco, International Finance Corp., and other financial partners, FMO also finances projects outside its main strategic sectors. Additionally, encouraging private investors to engage in frontier markets through syndicated loans and various risk-sharing agreements remains a priority.

Although FMO can benefit from market participant's risk aversion, a key challenge for the financial institution is the still-volatile demand for FMO products, especially considering the higher levels of short-term liquidity prevalent in low-income countries. We expect that FMO's equity portfolio--and balance sheet--will remain volatile due to exchange rate movements (other operations are effectively hedged against exchange rate fluctuations): equity investments are denominated in U.S. dollars (about 70%), euros (17%), and other currencies (13%) at the end of last year.

FMO's overall investment decisions must adhere to the principles stated in the Criteria Memorandum (an appendix to the 1998 agreement). In addition to promoting economic development in emerging economies, environmental and social factors are key for FMO when it considers investment projects. Additionally, FMO's management has established exposure limits by country, client, sector, and guarantor, to diversify risk.

Policies governing lending decisions

FMO's main activity is to provide loans (€4.2 billion at year-end 2015, from €3.9 billion on 2014). Lending and guarantee operations include project finance, corporate loans, and lines of credit to financial institutions, which in turn lend to local companies. In line with its mandate to operate commercially, the company provides funding on similar terms and conditions to those found in global financial markets.

FMO calculates what interest rate to charge by adding a spread over its own basic rate for fixed-rate loans, or over LIBOR or an equivalent benchmark for floating-rate loans. The spread generally varies between 200 basis points (bps) and 500 bps, reflecting borrower and country risks, the maturity of the loan, and current financial market conditions. In addition, FMO mobilizes funds from commercial banks through nonrecourse loan syndication. The company provides part of the funds for the loan and serves as the lender of record for the entire facility.

Policies governing equity investments

FMO's equity investments (€1.52 billion as of June 30, 2016, from €1.47 billion at year-end 2015) are increasing each year because of its efforts to diversify its product mix and meet client needs. FMO's equity investments comprise common and preference shares, subordinated loans with equity options, and other quasi-equity instruments. FMO almost always takes a minority equity investment and is the largest shareholder in just one case; we understand it is willing, in certain cases, to take seats on company boards.

The company's equity investments have an average duration of five years. In addition, exit arrangements, preferably through stock markets, are agreed at the outset. FMO participates in private equity funds, which in turn take stakes in local firms not listed on the relevant stock exchange.

Local currency financing and new products

FMO is involved in local-currency financing because foreign banks are often unable to offer local currency on longer tenors. Local-currency products have always been available to clients through government funds, but more recently FMO has started introducing its own products. FMO hedges all currency risk for its own products through The Currency Exchange Fund, of which FMO is an important shareholder. At the end of 2015, about 8% of net loans to the private sector was denominated in emerging market currencies.

Policies governing provisions

The company introduced a specific loan-provisions policy in 2003, linking the provision ratio (25%-100%) to internal ratings and the duration of arrears. The value-adjustment policy introduced the concept of incurred but not reported (IBNR) provisions in 2005, in accordance with International Financial Reporting Standards. The IBNR provision relates to risks that are present but not yet identified, and is calculated with a model that depends on such factors as country ratings, portfolio breakdowns, default risks, and recovery rates.

Table 1

FMO Balance Sheet

(Mil. EUR)	2016 H1	2015 H1	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total assets	8,820.4	8,395.3	8,421.3	7,087.6	6,184.3	5,564.5	5,059.3	4,305.1	3,772.4	3,654.0	2,685.0
Total loans (net)	4,335.3	4,205.4	4,307.2	3,859.8	2,980.9	2,821.5	2,584.7	2,269.0	1,941.9	1,762.6	1,315.5
Of which loans guaranteed by the state	56.6	56.0	56.8	58.5	54.4	58.9	62.6	56.3	36.6	39.5	39.5
Equity investment	1,528.9	1,377.7	1,467.5	1,124.4	943.2	890.5	795.4	688.0	530.8	456.1	337.0
Cash and interbank holdings	1,750.4	1,652.5	1,545.4	1,093.6	1,102.6	678.1	540.9	351.9	358.9	471.0	184.1
Marketable securities	637.7	628.0	611.6	593.3	664.7	729.8	666.7	558.7	624.5	564.1	585.6
Other assets	568.1	531.9	489.6	416.5	493.0	444.5	471.6	437.5	352.0	439.8	301.9
Total liabilities	6,226.3	6,001.6	5,910.4	4,950.1	4,221.4	3,749.9	3,394.7	2,791.3	2,445.2	2,425.4	1,502.9
Debt securities	5,701.9	5,104.5	5,347.6	4,197.0	3,609.8	3,291.6	2,678.5	2,365.3	2,180.6	1,295.2	1,117.9
Short-term credits*	132.6	259.2	76.0	261.1	226.9	240.4	558.0	279.0	148.0	1,016.0	242.0
Banks	0.0	0.0	0.0	81.2	76.9	27.8	0.0	0.0	0.0	0.0	2.0
Customer deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities	391.8	637.9	486.7	410.8	307.8	190.1	158.5	147.4	116.6	114.0	140.9
Capital	2,594.1	2,393.7	2,510.9	2,137.6	1,963.0	1,814.6	1,664.6	1,513.8	1,327.2	1,228.6	1,182.2
Of which share capital (paid-in)	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1
Of which reserves	2,585.0	2,384.6	2,501.8	2,128.5	1,953.9	1,805.5	1,655.6	1,504.7	1,318.1	1,219.5	1,173.1

*Predominantly collateral and deposits.

Profitability reached a historic amount but downturn is expected for 2016

We expect the company's annual results to remain relatively volatile, especially as levels of equity and mezzanine financing increase. However, we believe FMO can partly manage the volatility within its annual profits through the spreads it charges customers for financial products.

FMO's net profit increased in 2015 over 2014, to €174 million, which resulted in a return on shareholders' equity of 7.5%. Net interest income, the most significant component of FMO's revenues, representing almost two-thirds of total revenues, grew significantly in 2015, compared with one year earlier, and has fared well so far this year, too. Nevertheless, net profit for 2016 could be lower than in 2015. As of June 30, 2016, net profit was €56.8 million, down from €97.5 million at the same date last year. Return on equity has increased to 7.0% in 2015, from 6.2% in 2014.

FMO's main source of income remains the net interest on its loan portfolio. At two thirds of total revenues as of end-December 2015, net interest income was at its highest proportion of total income since 2007, and in absolute terms it was well above the Dec. 30, 2014 figure, reaching €227 million. Remuneration FMO receives for services rendered on behalf of the state amounted to €49 million by year-end 2015, which supported FMO's otherwise relatively volatile profitability.

According to the 1998 agreement, FMO allocates most of its net profits to the contractual reserve. In 2015, this amounted €168 million, leaving 6.2 million as net profit distributable. This represented a 96% of the total net profit in 2015. After this allocation, the management and supervisory boards then propose to shareholders how to appropriate the remaining net profit. FMO's dividend pay-out ratio is generally quite low, approximately 4% in 2015.

Table 2

FMO Profit And Loss Account

(Mil. EUR)	2016 H1	2015 H1	2015	2014	2013	2012	2011	2010	2009	2008	2007
Income	147.8	166.6	319.9	260.3	253.9	271.5	237.9	225.2	166.3	209.6	199.0
Net interest income	108.0	111.8	227.2	169.4	154.5	153.8	147.0	133.1	108.8	106.2	102.4
Income on equity investments	21.3	22.1	44.3	72.0	43.4	89.3	45.8	51.5	26.9	86.7	79.0
Of which dividend income	7.8	8.6	20.1	12.7	19.8	17.2	13.6	15.2	10.6	8.3	5.9
Remuneration for services rendered	12.5	12.6	25.9	25.1	22.9	19.1	18.4	19.3	21.3	25.2	23.0
Other income	5.9	20.1	22.5	(6.2)	33.1	9.3	26.7	21.3	9.3	(8.5)	(5.4)
Expenses	80.3	51.0	108.1	112.8	79.9	103.1	110.9	79.3	103.8	179.9	86.7
Operating expenses	42.0	37.0	79.5	61.7	62.4	57.4	51.5	49.8	52.0	55.5	51.2
Value adjustments	38.3	14.0	28.6	51.1	17.5	45.7	59.4	29.5	51.8	124.3	35.4
Of which to loans	14.7	7.2	8.4	33.7	(3.0)	29.1	36.9	8.7	49.7	90.0	20.0
Of which to equity	25.2	5.3	19.1	14.5	22.1	22.8	36.3	11.0	5.7	27.9	9.2
Of which to guarantees	1.6	1.5	1.0	2.9	(1.6)	(6.3)	(13.8)	9.8	(3.6)	6.0	6.0
Profit before tax	67.7	118.8	215.0	149.4	169.0	172.4	117.8	151.4	61.3	37.4	116.3
Taxes	11.0	21.3	40.7	25.0	35.6	27.2	24.4	25.2	1.3	(10.7)	11.3
Net profit	56.8	97.5	174.3	124.4	133.3	145.3	93.4	126.2	59.9	48.1	105.0

Funding And Liquidity: Both Benefit From Diversified Sources

FMO's principal sources of funds are the domestic and international financial markets, to which the company has good access, in our view. Access to domestic markets has been facilitated by the 0% risk weighting of FMO's obligations. We regard FMO's debt issuance program limit of €7 billion as its key funding vehicle (€7 billion Debt Issuance Programme, June 2016). In addition, FMO has a €1.5 billion commercial paper program in place, although to date it has not issued under this program. Additionally, given FMO's bank status, it has access to funding at the European Central Bank (ECB). In the context of the ECB's Public Sector Purchase Program (PSPP), triggered in March 2015, securities issued by FMO became eligible for the Eurosystem's expanded asset purchase at an early stage of the program. It is estimated that the inclusion of the FMO's securities did not significantly affect its already favorable borrowing conditions, partly explained by the fact that only slightly more than one-third of the funding portfolio is euro-denominated. Nevertheless, we believe that the inclusion of FMO's securities in the ECB's PSPP benefits its funding options.

FMO's management is actively trying to diversify its funding markets, having issued (besides euros), in Swiss francs and in U.S., Australian, and New Zealand dollars since 2013, and in some cases paying a premium to keep markets open.

FMO has been an active issuer over the last several years. This has allowed, among other things, an increase in short-term deposits, strengthening FMO's liquidity position in times of financial uncertainty. As a result, FMO held about 20% of its assets as cash-on-hand and short-term deposits as of end-June 2016, reflective of the conservative approach to managing liquidity. Internal liquidity risk guidelines require FMO to hold liquidity sufficient to cover at least six months of payment obligations. We estimate that if committed bank lines and possible repo-operations are included, FMO holds liquid resources sufficient to cover seven to eight months of its payment obligations.

Capital: Well-Capitalized Relative To Risk Profile

Because of its activities in what we consider to be high-risk countries, FMO has a much higher risk profile than commercial banks. On average, FMO's level of risk weighting assets is two-to-three times higher than that of commercial banks. Even so, we regard FMO as well-capitalized relative to the high-risk profile of its operations. The standardized Bank of International Settlements (BIS) ratio stood at 22.1% at the end of June 2015, up from 21.3% end 2014.

As of year-end 2015, total shareholder equity was €2.5 billion. Its reserve allocation policy has historically ensured that the ratio of adjusted common equity to total assets has remained at more than 40%, even during times of weaker performance. However, since 2008 this ratio has decreased, reaching 21.3% at year-end 2014 partly due to exchange-rate effects because euros are the denomination of 100% of its equity and the majority of its emerging market loans are USD-denominated. On the positive side, as of year-end 2015, this ratio increased to almost 23%. This ratio is still well above the minimum rate that the Dutch Central bank requires of FMO, which is 16%.

FMO has also designed a new capital model to help it handle any market-unfavorable circumstances. Within these measures, FMO has set up a target ratio that takes into account any market risks such as a future appreciation of the dollar or a potential scenario of a €300 million loss for FMO. According to the FMO's own calculations, the institution would still comply with the 16% target set by the Dutch Central Bank.

In addition, the company's equity includes the share premium reserve, the Development Fund, the contractual reserve, and other reserves. The share premium reserve contains funds that the government transferred during FMO's financial restructuring in 1991. The Development Fund includes the annual budgetary allocations made by the state. The annual contributions, which ended in 2005, increased the balance of the Development Fund to €658 million. The contractual reserve includes the share of the annual profit that FMO is obliged to allocate under the terms of the 1998 agreement, which for 2015 accounts for a 96% of total profit. The remainder of FMO's net profit, after deductions for the proposed dividend, is added to other reserves. We believe the low dividend pay-out ratio provides management with ample flexibility to translate operating results into equity increases.

Table 3

FMO Financial Ratios									
	2015	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**
Profitability									
Revenues/average assets	4.1	3.9	4.3	5.1	5.1	5.6	4.5	6.6	8.0
Net interest income/average assets	2.9	2.6	2.6	2.9	3.1	3.3	2.9	3.3	4.1
Operating expense/average assets	1.0	0.9	1.1	1.1	1.1	1.2	1.4	1.8	2.0
Pretax profits/average assets	2.8	2.3	2.9	3.2	2.5	3.7	1.6	1.2	4.6
Net profit/average assets (ROA)	2.2	1.9	2.3	2.7	2.0	3.1	1.6	1.5	4.2
Return on equity (ROE)	7.5	6.1	7.1	8.4	5.9	8.9	4.7	4.0	9.3
Net interest income/revenues	71.0	65.1	60.9	56.6	61.8	59.1	65.7	50.5	51.3
Operating expense/revenues	24.9	23.7	24.6	21.1	21.6	22.2	31.3	26.7	25.6
Provisions/revenues	8.9	19.6	6.9	16.8	25.0	12.9	31.3	59.0	17.6
Pretax profits/revenues	67.2	57.4	66.6	63.5	49.5	67.1	36.7	17.6	58.3
Revenue/employee (000 EUR)	859.9	711.2	755.7	887.3	840.6	833.3	628.8	843.4	843.2
Net profit/employee (000 EUR)	468.5	339.8	396.7	474.8	330.0	467.5	227.2	192.8	444.9
Liquidity (% of assets)									
Cash and deposits	18.4	15.4	17.8	12.2	10.7	8.2	9.5	12.9	6.9
Capital (%)									
Capital/assets	29.8	30.2	31.7	32.6	32.9	35.2	35.2	33.6	44.0
Capital/loans	58.3	55.4	65.9	64.3	64.4	66.7	68.3	69.7	89.0
Dividend payout ratio	3.6	3.6	5.0	1.5	2.0	1.5	2.5	2.5	2.1
Asset quality (%)									
Loan write-offs/average loans	0.1	0.6	0.1	0.6	0.8	0.3	0.5	0.4	0.0
Value adjustments for loans/average loans (gross)	0.2	1.0	0.1	1.1	1.6	0.4	2.7	5.8	1.6
Value adjustments for equity/average equity investments	1.5	1.4	2.4	2.7	4.8	1.6	1.2	7.0	3.3
Employees	372	366	352	306	283	270	264	249	236

Related Criteria And Research

Related Criteria

- Rating Government-Related Entities: Methodology And Assumptions, March 25, 2015
- General Criteria: Methodology For Linking Short-Term And Long-Term Ratings For Corporate, Insurance, And Sovereign Issuers, May 7, 2013
- General Criteria: Use Of CreditWatch And Outlooks, Sept. 14, 2009

Ratings Detail (As Of December 28, 2016)	
Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V.	
Issuer Credit Rating	AAA/Stable/A-1+
Senior Unsecured	AAA
Issuer Credit Ratings History	
25-Nov-2015	AAA/Stable/A-1+
26-May-2015	AA+/Positive/A-1+
29-Nov-2013	AA+/Stable/A-1+
17-Jan-2012	AAA/Negative/A-1+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.