

Announcement of Periodic Review: Moody's announces completion of a periodic review of ratings of Municipality Finance Plc

24 Jun 2019

Stockholm, June 24, 2019 -- Moody's Investors Service ("Moody's") has completed a periodic review of the ratings of Municipality Finance Plc 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.moodys.com for the most updated credit rating action information and rating history.

Key rating considerations are summarized below.

Municipality Finance Plc.'s (MuniFin's) Aa1 debt and issuer ratings are based on its role as the main provider of funding to the Finnish municipal sector and to the central government-subsidised housing sector; its public policy mandate to act as the de facto debt management office for the Regional and Local Governments (RLGs); and the joint guarantee by RLGs in Finland (Aa1) with income tax levying power, provided through the Municipal Guarantee Board (Aa1). The ratings also reflect the institution's predictable financial performance, as well as its low risk appetite which is consistent with its peers.

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 Government-Related Issuers published in June 2018. Please see the Rating Methodologies page on www.moodys.com for a copy of this methodology.

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