Moody’s Rating Action

Moody's Investors Service has downgraded the rating of a number of term bonds issued by RHG Mortgage Securities (RMS) as a result of the implementation of Moody's rating guidance entitled “Moody's Approach to Assessing Risk Mitigation in Servicing Transfers in Australia”. The reason for the rating downgrade given by Moody's is insufficient liquidity support in the affected transactions, in view of operational risk as outlined in the revised criteria.

As a result of Moody’s revised criteria, Moody’s has increased its required level of liquidity support required by a bond structure taking into account a number of factors outlined in the revised criteria. The RMS bonds complied with the Moody’s required liquidity support level at the date they were issued.

This action by Moody’s will have minimal, if any, impact on the Group’s profit or the day to day operations of RHG.

Further media enquiries

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