

Existing corporate hybrid issues

Comparison of existing hybrid securities

Issuer	Linde	Michelin	Henkel	Südzucker	Vattenfall	Dong	Bayer	Thomson
Ticker	ED0243342	ED2417449	XS0234434222	XS0222524372	XS0223129445	XS0223249003	XS0225369403	FR0010237016
Announcement date	17/06/2003	26/11/2003	25/11/2005	15/06/2005	17/06/2005	21/06/2005	18/07/2005	25/09/2005
Maturity	Perpetual	03/12/2033	Perpetual	Perpetual	Perpetual	29/06/3005	18/07/2105	Perpetual
First call date	03/07/2013	03/12/2013	25/11/2015	30/06/2015	29/06/2015	29/06/2015	18/07/2015	25/09/2015
Early redemption						From 2010 to 2014, at Bund + step-up		
Coupon	6%	6.375%	5.375%	5.25%	5.25%	5.5%	5%	5.75%
Floating margin	€3m +337.5bp	€3m +295bp	€3m +285bp	€3m +310bp	€3m +295bp	€3m +320bp	€3m +280bp	€3m +362.5bp
Issuer rating	A3/ BBB+	Baa2/ BBB+	BBB/ BBB-	A3/ A-	A2/ A-	Baa1/ BBB+		
Hybrid rating	Baa1/ BBB-	Baa3/ BBB-	NR/ BB+	Baa2/ BBB-	Baa1/ BBB-	Baa3/ BBB-		
Subordination				Subordinated to other sub. obligations			Subordinated to other sub. obligations	
Optional deferral	yes	yes	yes	yes	yes	yes	yes	yes
Payment of arrears	Cumulative, not compounded	Cumulative, compounded	Cumulative, not compounded	Cumulative, not compounded	Cumulative, not compounded	Cumulative, compounded	Cumulative, not compounded	Non cumulative
Payment of deferred interest	Cash	Cash	Cash if optional deferral, ACSM if mandatory deferral	Cash		Sell new shares, pari/ passu securities or further hybrids		None
Mandatory deferral	no	no	yes	yes	yes	no	yes	no
Financial ratio for mandatory deferral			Adjusted Operating Cash Flow/ Adjusted Debt	Cash flow/ Sales revenue	(FFO + Interests paid)/ Interest expenses		Gross cash flow/ Sales	
Trigger			15%	5.00%	2.500		7%	
Current ratio			21.6%	11.40%	8.120		12.40%	
Hist. average			32.4%	11.27%	4.781		11.41%	
Standard deviation			10.8%	1.02%	1.450		1.5%	

Source: SG Credit Research