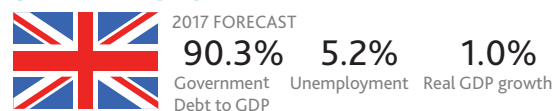


Rising Policy Risk Suggests Further Meaningful EU Integration Unlikely in 2017

The far-reaching nature and ubiquity of the political shifts under way in Europe means that the impact of the upcoming elections could be more significant from a credit perspective than is usually the case.

- » Policy uncertainty in several EU economies may drive market volatility and weaken regional growth
- » Fundamental flaws in the euro-area will persist due to a lack of meaningful further integration
- » The near-term prospect of a member state deciding to leave the EU or euro currency bloc is rising, but remains low
- » Europe's election calendar is one of many factors that will complicate negotiations over the UK's withdrawal from the EU

UNITED KINGDOM

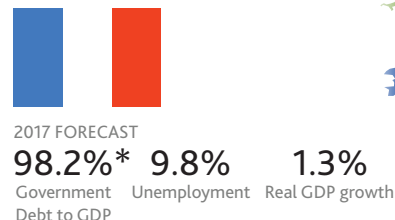


ELECTION DATE
General election, 8 June 2017

MAIN RULING PARTY
Conservatives

KEY OPPOSITION PARTIES
Labour
Liberal Democrats
Scottish National Party

FRANCE



ELECTION DATE
Presidential election, 7 May 2017 (second round)
Legislative Election – 11 June and 18 June 2017 (second round)

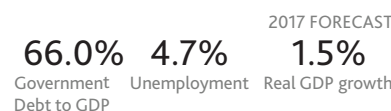
MAIN RULING PARTY
Parti Socialiste

KEY OPPOSITION PARTIES
Les Républicains
En Marche!
Front National

*Excludes SFEF

Source: Moody's Investors Service

GERMANY



ELECTION DATE
Federal Election, 24 September 2017

MAIN RULING PARTY
Christlich Demokratische Union Deutschlands (CDU)
Sozialdemokratische Partei Deutschlands (SPD)

KEY OPPOSITION PARTIES
Alternative für Deutschland (AfD)
Die Linke
Die Grünen

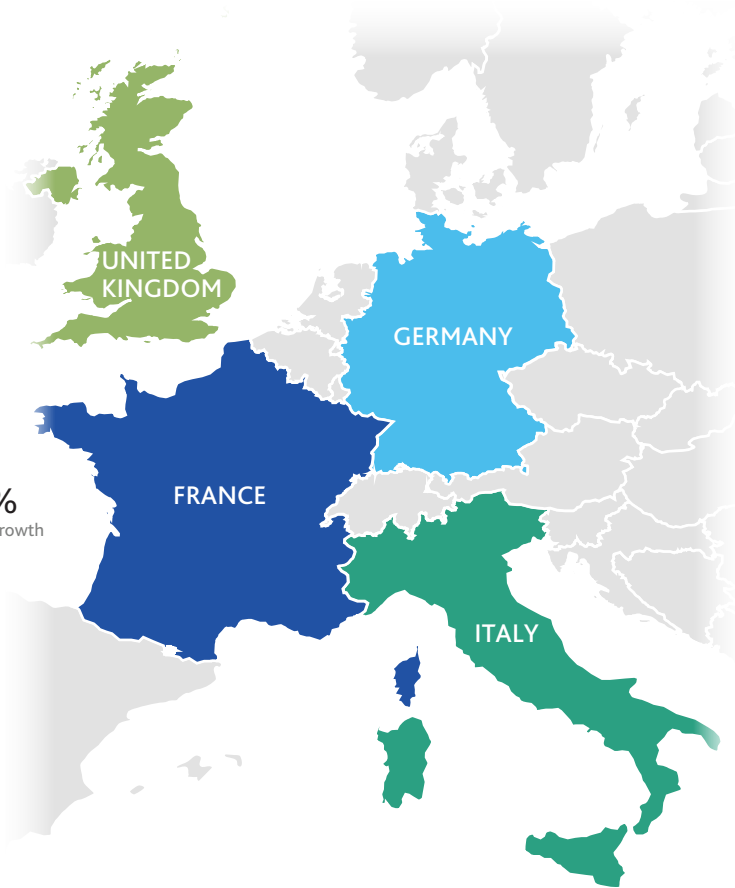
ITALY



ELECTION DATE
Federal Election, by 23 May 2018 (Potentially in 2017)

MAIN RULING PARTY
Partito Democratico

KEY OPPOSITION PARTIES
Movimento 5 Stelle
Forza Italia
Lega Nord



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