

CREDIT OPINION

22 July 2025

Update



Send Your Feedback

RATINGS

Stichting Waarborgfonds MBO

Domicile	Netherlands
Long Term Rating	Aa1
Type	LT Issuer Rating - Dom Curr
Outlook	Stable

Please see the [ratings section](#) at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

Contacts

Gjorgji Josifov +420.23.474.7531
AVP-Analyst
gjorgji.josifov@moodys.com

Federico Impaglione +34.91.768.8234
Sr Ratings Associate
federico.impaglione@moodys.com

Massimo Visconti, +39.02.9148.1124
MBA
Associate Managing Director
massimo.visconti@moodys.com

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454

Stichting Waarborgfonds MBO (Netherlands)

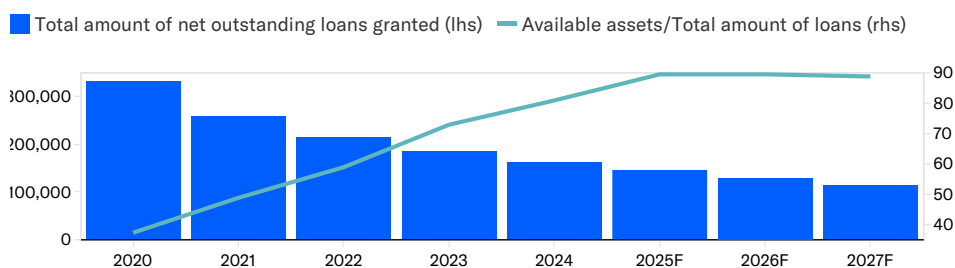
Update to credit analysis

Summary

The credit profile of [Stichting Waarborgfonds MBO](#) (WMBO, Aa1 stable) reflects its links with the [Government of the Netherlands](#) (Aaa stable) and government oversight of the adult and vocational education (MBO) sector. It also reflects clear public policy mandate and government's sufficient financing of the sector and its importance to the overall economy. The sound principles on which WMBO and the sector are run and the government's tight monitoring of member institutions' financial performance also underpin the credit profile. The rating is one notch below the government to reflect the lack of an explicit government backstop agreement which could result in a slight timing differential between a request for support from WMBO and when government support would be provided.

Exhibit 1

Outstanding guaranteed loans will decline further in 2025-2027 period



F = Forecast.

Source: WMBO and Moody's Ratings

Credit strengths

- » Strong institutional framework ensures ability to fulfill guarantees
- » Sufficient liquidity reserves and callable capital to meet declining guarantee payments
- » Stable operating performance with volatile investment returns

Credit challenges

- » No government backstop, but proven resolution framework
- » Concentration risk and small size of organisation

Rating outlook

The stable outlook reflects the outlook on the Government of the Netherlands' rating, given the public mandate and government linkages with the issuer.

Factors that could lead to an upgrade

An upgrade for WMBO could occur in presence of an explicit guarantee from the Dutch government to prevent liquidity shortages.

Factors that could lead to a downgrade

The rating could be lower in case of a shift in government policy indicating weaker support or an erosion of the strong oversight exercised by the central government. A downgrade of the Government of the Netherlands would also likely lead to a downgrade of the rating.

Profile

Founded in 1997 by the Netherlands' Minister of Education, Culture and Science and the Minister for Agriculture, WMBO guarantees the payment of interest and principal on loans taken out by domestic MBO institutions for premises. The guarantee arrangement enables MBO institutions to borrow at a lower cost. Guaranteed loans must meet certain criteria including a minimum period of 10 years, a straight-line repayment profile, and fixed interest rates. WMBO does not have any plans to guarantee variable-rate debt, thus mitigating interest-rate risk.

WMBO is a not-for-profit entity. Membership in the WMBO is compulsory for all Dutch MBO institutions. As of 2024, there were 57 MBO institutions in the Netherlands, offering vocational training mainly in economics, technology and social services/healthcare as well as offering introductory courses for immigrants. The government's duty to provide education, including adult and vocational education, whilst stated in general terms, is enshrined in the constitution and elevates the political profile of the sector.

WMBO is rated one notch below the Government of the Netherlands (Aaa stable) and hence at the lower end of the narrow range for Dutch guarantee funds, whose ratings span from Aaa to Aa1. While we believe government support for WMBO is high, its rating reflects the lack of explicit backstop agreement with the central government to provide liquidity support, as is the case for its peers [Stichting Waarborgfonds Eigen Woningen](#) (NHG, Aaa stable) and [Waarborgfonds Sociale Woningbouw](#) (WSW, Aaa stable). We believe, however, that in practice there is a strong incentive and a high probability of government support being mobilised in a stress scenario.

Detailed credit considerations

Moody's considers WMBO to be a government-related issuer. The WMBO's credit strength is inextricably linked to that of the Government of the Netherlands due to its clear public policy mandate, strong oversight by the central government. As such, its rating is derived primarily from the strength of the Government of the Netherlands without assigning a Baseline Credit Assessment (BCA) as is described in Moody's rating methodology for government related issuers entitled "[Government-Related Issuers](#)", published in May 2025.

Strong institutional framework ensures ability to fulfill guarantees

WMBO operates within a robust institutional framework, supported by regular oversight from the Education Executive Agency (Dienst Uitvoering Onderwijs or DUO) under the Ministry of Education. DUO continues to assess the solvency, liquidity, and profitability of MBO institutions using a standardized scoring system. WMBO complements this oversight with its own monitoring of guaranteed institutions, including annual reviews of financial statements and direct engagement with management teams.

The Dutch Constitution mandates government support for education, and the MBO sector plays a central role in delivering vocational training and maintaining a skilled workforce.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on <https://ratings.moody.com> for the most updated credit rating action information and rating history.

WMBO's guarantee mechanism is activated if a member institution defaults on a guaranteed loan. In such cases, WMBO steps in to fulfill the payment obligation and secures a floating charge on the institution's assets. The Minister of Education is notified, and both WMBO and the Ministry may intervene to restructure the institution or transfer its obligations to a more stable institution.

We believe sector-wide failures are highly unlikely given the role of the Dutch government in funding, regulating and supporting the sector.

- » All MBO institutions are regulated and overwhelmingly funded by the Dutch Ministry of Education, Culture and Science; this raises the national profile of sector and encourages intervention for an individual institution;
- » The provisions of the Constitution requiring the government to establish and maintain consideration of education in practice raises the profile of the sector.

The 2023 Berenschot study on WMBO's relevance, commissioned by the Board and the Committee of Representatives, highlighted the sector's shift toward treasury banking and declining demand for guarantees. WMBO has taken a neutral stance on its future and awaits sector-wide decisions.

Sufficient liquidity reserves and callable capital to meet declining guarantee payments

WMBO maintains a two-tiered capital structure: own-source capital and callable capital from member institutions. As of 31 December 2024, WMBO held €21.07 million in risk capital, including €12.09 million in general reserves and a €9.98 million government guarantee deposit. The investment portfolio is conservatively managed and includes highly rated (36% Aaa, 15% Aa and 38% A) bonds with the remainder invested in mortgage funds, with a portfolio duration of 3.17 years. WMBO is able to fully cover the debt service commitment of approximately €20 million for 2025 (WMBO projection) via own-source capital, or 14% of its total net guarantee portfolio outstanding as of 2024.

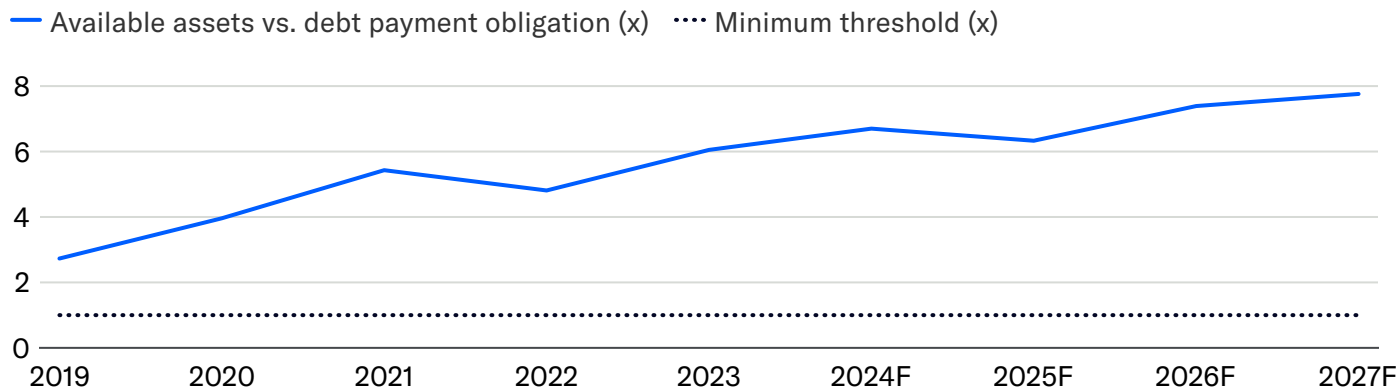
Callable capital from members totaled €112 million in 2024. If WMBO's reserves fall below the €9.98 million threshold, it can request from its members up to 2% of the annual government grant to MBO institutions. In 2024, this grant amounted to €5.57 billion, an increase of 0.6% when compared to previous year. Callable capital must be made available to WMBO within 30 days of the request. We believe that WMBO's liquid assets are sufficient to meet loan obligations during this 30-day period.

WMBO's guarantees are on amortizing loans, and the total residual debt of guaranteed loans declined from €180 million in 2023 to €160 million in 2024. Interest and principal payments are projected to fall to €18 million by 2027 down from €41 million five years ago. No new guarantees were issued in 2024, and this trend is expected to continue due to mergers, early repayments, and the growing preference for treasury banking.

The legislation does not limit the total value of loans that WMBO could guarantee. However, WMBO's policy is to ensure that the total capital-to-debt service ratio does not fall below 1.0x. The capital-to-debt service ratio stood at 6.1x in 2024, up from 5.1x in 2023, indicating strong coverage.

Exhibit 2

Capital-to-debt ratio expected well beyond critical threshold and will reach close to 8x in 2027



F = Forecast

Source: WMBO and Moody's Ratings

WMBO's board meets with selected institutions every year to discuss developments at these institutions and developments in the sector in general. WMBO also utilises information through MBO Raad (Association of MBO institutions). MBO Raad has its own ranking of institutions and WMBO has regular discussions with this association.

Stable operating performance with volatile investment returns

WMBO's revenue sources include a one-off guarantee fee (disagio) and investment income. No disagio was collected in 2024 due to the absence of new guarantees. However, WMBO reported a net result of €184,105, up from €26,734 in 2023, driven by bond amortization gains (€64,000) and unrealized gains on the ASR mortgage fund (€63,000).

Total revenues reached €396,696, while expenses declined to €212,123. WMBO applies conservative budgetary planning and forecasts a modest deficit in 2025 of around €10,000 by forecasting a poorer performance on portfolio's returns, while total expenditures are expected to be reduced by 4%. Results in general are driven by revenues from guarantees and portfolio returns being sufficient to cover operating costs. However, it has an element of revenue flexibility and can alter its fee charging if costs increase by more than forecasted, although it has no plans to increase the fee in the foreseeable future.

No government backstop, but proven resolution framework

Unlike NHG and WSW, WMBO does not benefit from a central government backstop. However, it has never been required to fulfill a guarantee or call on its members for capital. The 2018 resolution of AOC Edudelta demonstrated WMBO's ability to manage institutional distress effectively.

WMBO's guarantees cover only scheduled interest and principal payments. While loans can technically be accelerated, this is unlikely in practice due to the potential for sector-wide disruption.

WMBO closely monitors the strength of guaranteed institutions. The sector is also experiencing some mergers among smaller entities, which will lead to strengthening of their financial positions, mitigating the risk for WMBO. There has been no call on the guarantee as a result of the institution's financial difficulty, and WMBO does not expect a call on the guarantee.

Concentration risk and small size of organisation

As of end-2024, five institutions accounted for 88% of WMBO's guarantee exposure (€140 million out of €160 million), highlighting concentration risk. However, WMBO actively monitors these institutions and engages in regular dialogue to mitigate potential issues.

WMBO does not maintain any committed lines of liquidity to support its guarantee, although it anticipates having no difficulties with market access, due to its role as a government-created intermediary. Theoretically, this may leave WMBO exposed in the case that claims on its guarantee are higher than its current portfolio of cash and liquid securities, as its members are not contractually committed to consider any capital calls until 30 days following a declaration by WMBO of its necessity. However, we anticipate that

the Dutch government, due to its dominant funding and tight regulatory control of the sector would be highly likely to provide support in an unlikely case of distress for WMBO.

WMBO is managed by a three-member board, which is independent from MBO institutions and autonomous from the DUO (the government). Only the current board members may appoint successors. The board is also responsible for reviewing and approving all guarantees issued by WMBO.

ESG considerations

How environmental, social and governance risks inform our credit analysis of WMBO

We take account of the impact of environmental (E), social (S) and governance (G) factors when assessing sub-sovereign issuers' economic and financial strength. In the case of WMBO the materiality of environmental, social and governance considerations to its credit profile are as follows:

Environmental risks are not material to WMBO's credit profile. In line with the rest of the Netherlands, its main environmental risk exposures relate to flood risk. Flood risk is managed by region and national authorities, and therefore, the financial burden of adapting to increased flood risk will not fall on WMBO.

Social risks are material to WMBO's credit profile. WMBO is exposed to risks stemming from socially and educationally driven policy agendas. Nevertheless, risks are mitigated for the rating, given WMBO strategic role and the support coming from the Dutch central government.

Governance considerations are material to WMBO's credit profile. The governance framework is intrinsically intertwined with the supporting government, which exerts strong oversight and heavily influences the definition of its strategy.

For more detail on our approach to incorporating environmental, social and governance factors in credit analysis, please see our [cross-sector rating methodology](#).

Rating methodology

Moody's considers WMBO to be a government-related issuer. The WMBO's credit strength is inextricably linked to that of the Government of the Netherlands due to its clear public policy mandate, strong oversight by the central government, and backstop agreement provided by the central government. As such, its rating is derived primarily from the strength of the Government of the Netherlands, without assigning a Baseline Credit Assessment (BCA) as is described in Moody's rating methodology for government-related issuers entitled "[Government-Related Issuers](#)", published in May 2025.

Ratings

Exhibit 3

Category	Moody's Rating
STICHTING WAARBORGFONDS MBO	
Outlook	Stable
Issuer Rating -Dom Curr	Aa1

Source: Moody's Ratings

© 2025 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.

CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED OR OTHERWISE MADE AVAILABLE BY MOODY'S (COLLECTIVELY, "MATERIALS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S MATERIALS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S MATERIALS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES OR OTHERWISE MAKES AVAILABLE ITS MATERIALS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND MATERIALS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR MATERIALS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. FOR CLARITY, NO INFORMATION CONTAINED HEREIN MAY BE USED TO DEVELOP, IMPROVE, TRAIN OR RETRAIN ANY SOFTWARE PROGRAM OR DATABASE, INCLUDING, BUT NOT LIMITED TO, FOR ANY ARTIFICIAL INTELLIGENCE, MACHINE LEARNING OR NATURAL LANGUAGE PROCESSING SOFTWARE, ALGORITHM, METHODOLOGY AND/OR MODEL.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the credit rating process or in preparing its Materials.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it. MCO and all MCO entities that issue ratings under the "Moody's Ratings" brand name ("Moody's Ratings"), also maintain policies and procedures to address the independence of Moody's Ratings' credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service, Inc. and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at ir.moody.com under the heading "Investor Relations — Corporate Governance — Charter and Governance Documents - Director and Shareholder Affiliation Policy."

Moody's SF Japan K.K., Moody's Local AR Agente de Calificación de Riesgo S.A., Moody's Local BR Agência de Classificação de Risco LTDA, Moody's Local MX S.A. de C.V., I.C.V., Moody's Local PE Clasificadora de Riesgo S.A., and Moody's Local PA Clasificadora de Riesgo S.A. (collectively, the "Moody's Non-NRSRO CRAs") are all indirectly wholly-owned credit rating agency subsidiaries of MCO. None of the Moody's Non-NRSRO CRAs is a Nationally Recognized Statistical Rating Organization.

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657 AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.

Additional terms for India only: Moody's credit ratings, Assessments, other opinions and Materials are not intended to be and shall not be relied upon or used by any users located in India in relation to securities listed or proposed to be listed on Indian stock exchanges.

Additional terms with respect to Second Party Opinions and Net Zero Assessments (as defined in Moody's Ratings Rating Symbols and Definitions): Please note that neither a Second Party Opinion ("SPO") nor a Net Zero Assessment ("NZA") is a "credit rating". The issuance of SPOs and NZAs is not a regulated activity in many jurisdictions, including Singapore. JAPAN: In Japan, development and provision of SPOs and NZAs fall under the category of "Ancillary Businesses", not "Credit Rating Business", and are not subject to the regulations applicable to "Credit Rating Business" under the Financial Instruments and Exchange Act of Japan and its relevant regulation. PRC: Any SPO: (1) does not constitute a PRC Green Bond Assessment as defined under any relevant PRC laws or regulations; (2) cannot be included in any registration statement, offering circular, prospectus or any other documents submitted to the PRC regulatory authorities or otherwise used to satisfy any PRC regulatory disclosure requirement; and (3) cannot be used within the PRC for any regulatory purpose or for any other purpose which is not permitted under relevant PRC laws or regulations. For the purposes of this disclaimer, "PRC" refers to the mainland of the People's Republic of China, excluding Hong Kong, Macau and Taiwan.

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454