



Moody's Investors Service

## Credit Opinion: Erste Group Bank AG

Global Credit Research - 15 Feb 2010

Vienna, Austria

### Ratings

Category	Moody's Rating
Outlook	Negative
Bank Deposits	Aa3/P-1
Bank Financial Strength	C-
Senior Unsecured	Aa3
Senior Subordinate -Dom Curr	A1
Jr Subordinate -Dom Curr	*A1
Commercial Paper -Dom Curr	P-1
Other Short Term -Dom Curr	P-1
<b>Banca Comerciala Romana S.A.</b>	
Outlook	Stable
Bank Deposits -Fgn Curr	Baa3/P-3
Bank Deposits -Dom Curr	Baa2/P-2
Bank Financial Strength	D
<b>Ceska Sportelna, a.s.</b>	
Outlook	Negative
Bank Deposits	A1/P-1
Bank Financial Strength	C
<b>Erste Bank Hungary Rt</b>	
Outlook	Negative
Bank Deposits	Baa2/P-2
Bank Financial Strength	D

\* Placed under review for possible downgrade on November 18, 2009

### Contacts

Analyst	Phone
Dominique Nutolo/Frankfurt	49.69.707.30.700
Katharina Barten/Frankfurt	
Carola Schuler/Frankfurt	
Mira Kirschner/Frankfurt	

### Key Indicators

Erste Group Bank AG	[1]2009	2008	[2]2007	2006	2005	[3]Avg.
Total assets (EUR billion)	204.17	201.44	200.52	181.70	152.66	[4]9.40
Total capital (EUR billion)	19.43	17.14	16.99	16.11	10.75	[4]13.24
Return on average assets	0.57	0.50	0.80	0.71	0.63	0.63
Recurring earnings power [5]	1.62	1.08	1.19	1.18	1.12	1.14
Net interest margin	2.69	2.65	2.30	2.07	1.98	2.22
Cost/income ratio (%)	56.68	66.76	63.45	62.04	63.55	64.34

Problem loans % gross loans	--	5.03	4.18	4.49	4.77	4.76
Tier 1 ratio (%)	7.30	6.21	6.09	6.22	6.40	6.32

[1] As of June 30. [2] Statement period in which the bank switched to Basel II accounting framework. [3] The average calculations are based on Basel I and Basel II data where applicable. [4] Compound annual growth rate. [5] Preprovision income % average assets.

## Opinion

### SUMMARY RATING RATIONALE

Moody's assigns a bank financial strength rating (BFSR) of C- to Erste Group Bank AG (Erste Bank, formerly Erste Bank der österreichischen Sparkassen AG), which translates into a Baseline Credit Assessment (BCA) of Baa2. The rating derives from the bank's strong retail franchises throughout Austria and the more mature economies in Central & Eastern Europe (CEE), good earnings diversification (by geography and segment) its resilient performance during the global economic crisis, good deposit funding base as well as modest profitability and capital levels. The rating also incorporates the impact of the capital and funding provided by the Austrian government.

Moody's believes that the probability of both sector and systemic support for Erste Bank is very high, which results in a five-notch uplift in the debt and deposit ratings to Aa3/Prime-1 from its Baa2 Baseline Credit Assessment. Austria is a medium support country. The BFSR and the long-term debt and deposit ratings all carry a negative outlook.

### Credit Strengths

- Clear strategic focus on stable, low-risk retail banking, with firmly entrenched franchises in Austria and, increasingly, on neighbouring CEE countries
- Integration of, and co-operation with, Austrian Sparkassen (savings banks) underpins the bank's domestic position
- Well-diversified recurring earnings benefit from stable, granular revenue sources domestically and internationally
- Good risk management and control framework across the group
- Resilient retail deposit bases provide stable sources for funding and liquidity

### Credit Challenges

- Challenging operating environment in Austria, with intense competition, persistently low margins and moderate but gradually improving efficiency and profitability. Returns on RWA are substantially lower than in CEE markets.
- Maintaining a robust risk-return profile in the current downturn in the more volatile CEE markets
- Growth in business volume puts strain on long-term funding and capital requirements
- Revenues, earnings and capital (goodwill) increasingly directed towards CEE, with less stable Romania weighing heavily
- Improving asset quality measures, in terms of both reported problem loans and reserve coverage
- Satisfactory regulatory and tight economic capitalisation, and high reliance on hybrid capital securities

### Rating Outlook

The outlook for the BFSR and the long-term debt and deposit ratings are negative.

Positive implications for Erste Bank's BFSR would depend on (1) significant improvements in the quality of regulatory capital and a materially stronger economic capitalisation (TCE % RWA), (2) marked and sustainable improvements in risk-adjusted profitability in Austria, both in the Sparkassen segment and in Erste Bank's own Retail & Mortgage business, (3) overall stronger efficiency and bottom-line profitability (net income % RWA) at group level, and/or (4) a significant reduction in the stock of non-performing loans, notably in Austria, and a group-wide strengthening in reserve coverage levels.

Upward pressure could be exerted on the bank's debt and deposit ratings as a result of (1) a higher BFSR, and (2) increased strength of the Sparkassen sector in Austria overall, and the potential support this may imply for Erste Bank.

### **What Could Change the Rating - Down**

Downward pressure could be exerted on Erste Bank's BFSR as a result of: (1) a widespread deterioration in the economic and political health and solidity of Erste Bank's core markets in CEE, (2) material economic problems in one of the group's major markets - e.g. Romania - hence eroding asset quality and straining capital, (3) an inappropriately heavy reliance on hybrid capital securities in order to maintain satisfactory regulatory capital requirements, (4) a deterioration of asset quality beyond our current expectations, and/or (5) a marked shift in the balance of revenues, earnings and economic capital between the Austrian, and more mature CEE markets and the still nascent CEE economies.

The bank's debt and deposit ratings could possibly experience (1) a downgrade of the BFSR, and (2) a deterioration in the commercial and financial profile of the Sparkassen sector in Austria overall, and the lower potential support this may imply for Erste Bank.

### **Recent Results and Developments**

For the first nine months of 2009, Erste Bank reported net profit of EUR 720 million, down from EUR 1.463 billion in the respective period in 2008, as overall good banking and trading results were offset as risk provisions more than doubled. The main driver for the increased risk charges were non-performing loans in the retail and SME segment of operations in Romania and Slovakia. Tier 1 stood at 7.4%, up from 6.2% at YE-08

Under the Republic of Austria banking support package, Erste Bank has benefited from the following measures: (i) EUR 1.22 billion capital increase in the form of participation capital, concluded during the first half of 2009, subscribed by the Republic of Austria (in addition EUR 540 million was subscribed by private investors). Participation capital (Article §23 Paragraph 4&5 of the Austrian Banking Act) ranks pari passu with ordinary shares, is non-dilutive, non-cumulative and non-convertible. The terms of the agreement do not restrict the bank's dividend payout, and (ii) issue of comprehensive EUR 4 billion government guaranteed bonds in Q1-09 and Q2-09.

In addition to the capital increase under the banking support package, the bank raised another EUR 1.74 billion of fresh capital on the capital market in November 2009

On 1 April 2009, Erste Bank's BFSR was downgraded to C- (mapping to a BCA of Baa2) from C (BCA of A3). The long-term debt and deposit ratings were confirmed. The outlook of the BFSR and the long-term debt and deposit rating was changed to negative. The rating action concluded the review on Erste Group Bank initiated on 11 December 2008. This rating action reflected our expectation that the persistent turmoil in international capital markets is likely to have a negative impact on the economies of Erste Group Bank's core markets in CEE, therefore increasing the pressure on asset quality which is exacerbated by some concentration risks in its loan portfolio, capital ratios, revenues and earnings.

Please see relevant press release for further details on this rating action on moodys.com.

### **DETAILED RATING CONSIDERATIONS**

Detailed considerations for Erste Bank's currently assigned ratings are as follows:

#### **Bank Financial Strength Rating**

Moody's assigns a BFSR of C- to Erste Group Bank AG (Erste Bank, formerly Erste Bank der österreichischen Sparkassen AG), which translates into a BCA of Baa2. The rating derives from the bank's strong retail franchises throughout Austria and the more mature economies in CEE, good earnings diversification (by geography and segment), its resilient performance during the global economic crisis, good deposit funding base as well as modest profitability and capital levels. The rating, in addition, incorporates the provision of government capital and funding.

The C- BFSR is in line with the outcome of Moody's bank financial strength scorecard.

Qualitative Factors (50%)

Factor 1: Franchise Value

Trend: Neutral

The strength of Erste Bank's franchise is positive for the bank's credit quality and ratings. Erste Bank, in conjunction with the Austrian Sparkassen, is the second-largest banking group in Austria and benefits from a deeply entrenched retail banking franchise. Erste Bank has about 20% market share for domestic deposits and loans.

Throughout recent years, the bank has scaled back its large corporate business and does not appear overly reliant on capital-market or treasury-related operations even though it remains - to a limited and manageable extent - engaged in international corporate lending mainly through its branches in London and New York. Overall, we believe that its limited exposure to the US economy is well managed and in line with the bank's expertise and risk-bearing capacity.

Over the last decade, Erste Bank has very successfully built its presence in CEE countries, initially in what are now more mature markets but, more recently, with a growing emphasis on economies that are still in the earlier stages of a long-term convergence process. With a clear strategic focus on retail banking, Erste Bank can claim market-leading positions in the Czech and Slovak Republics, Hungary and Romania - markets which contribute the bulk of the group's earnings in CEE.

Domestically and internationally, the group benefits from its broad geographical spread - mainly in Austria, the Czech and Slovak Republics, Hungary and, with a rapidly growing weight, Romania - and the granular nature of its activities. The well-diversified revenues, earnings, customer loans and deposits provide for a high degree of earnings stability. We believe, however, that in light of its size and anticipated growth, Romania's largest financial institution Banca Comerciala Romana (BCR) will represent a disproportionate share in the medium term.

In 2008, Erste Bank transferred its Austrian retail and SME businesses, as well as related subsidiaries, into a separate legal entity, Erste Bank Osterreich. Moody's does not believe this affects the credit quality of Erste Group Bank AG. Rather, managing the Austrian business in the same way as the group's other regional operations should, over time, lead to more meaningful progress on efficiency and risk-adjusted bottom-line profitability, thus addressing one of the group's current weaknesses.

Overall, the score for franchise value is B.

## Factor 2: Risk Positioning

Trend: Neutral

Erste Bank's main shareholder is the Austrian savings bank foundation (31%, not rated). The remainder is held by a number of institutional and private investors.

In our view, Erste Bank's current risk positioning weighs on its intrinsic credit quality. While further progress in banks' risk management capabilities is often desirable and generally possible, Erste Bank appears sufficiently well equipped to properly gauge, monitor and steer the business, market, credit, liquidity, reputation and operational risks inherent in its business. In particular, we note that Erste Bank AG is the main risk taker within the group and that, at the level of regional offices and subsidiaries, credit, market and liquidity risks are generally managed within tight parameters. We also view positively that, in light of the group's dynamic growth in CEE, equal attention has been given to building group-wide risk management standards and practices, and that credit, market and liquidity risks are all monitored centrally for the group.

It is also our conviction that credit risk concentrations, including those in the financial services sector, may pose a challenge for banks' credit quality. Following the decision to focus primarily on retail banking and to de-emphasise the large corporate and capital-markets businesses, borrower and industry concentrations to truly risk-bearing borrowers generally appear manageable when adjusted for Erste Bank's exposure to the financial services sector. Erste Bank's good liquidity management and profile benefit from the group's retail focus and meaningful volumes of sticky retail deposits to which the bank and its subsidiaries have access domestically and in the respective local currencies. About 60% of the bank's funding derives from customers' deposits. Overall, Erste Bank's risk profile is predominantly determined by business and credit risks; the appetite for market risks appears moderate and primarily relates to the structural risks characteristic for most retail-oriented financial institutions.

With effect from January 2007, Erste Bank has used Basel II standards to calculate its regulatory solvency. For credit risks in Austria and the Czech Republic, the bank uses an internal, rating-based approach whereas the group's other countries are still covered by the standard approach. Market risks are captured through an internal model. For operational risks, the basic indicator approach applies.

The bank releases complete audited reports under IFRS on a semi-annual basis, as well as quarterly trading updates. Management provides good insight into business and financial performance of the bank.

The bank issued EUR 4 billion government guaranteed bonds in 2009 (with 2-, 3- and 5-year maturities), under the government guaranteed bond programme for Austrian banks (Interbankmarktstärkungsgesetz). We note, that under

the programme the bank can issue up to EUR 6 billion.

The score for Erste Bank's risk positioning is D.

#### Factor 3: Regulatory Environment

This factor does not address bank-specific issues; instead, it evaluates whether regulatory bodies are independent and credible, demonstrate enforcement powers and adhere to global standards of best practices for risk control.

#### Factor 4: Operating Environment

Trend: Neutral

Erste Bank operates principally in Austria and across several countries in the CEE region. With Erste Bank having substantial operations in more than one country, we use a weighted average of the operating environment score of each country in which the bank operates, with the weights based on operating earnings of the countries in question to the bank's overall profits.

The Score for operating environment is B-.

#### Quantitative Factors (50%)

#### Factor 5: Profitability

Trend: Weakening

Despite the downward pressure on returns in CEE and the International Business, these operations continue to be the key pillars of the group's profitability, contributing 57% of pre-tax profit in the first nine months of 2009 (down from 82% year-on-year). Operations remain profitable, except for Ukraine which recorded a net loss of EUR 48 million in the first nine months of 2009).

In light of Erste Bank's increasingly tight capitalisation, we believe that a growing portion of profits should be used in the short term for bolstering the group's core capital, rather than for increasing dividend payouts, which stood at a modest 20% in the past years.

For YE-08, the bank reported a EUR 860 million net profit (down 27% year-on-year), as the overall improved banking profits were offset by doubled loan loss provisions. Fair value mark-to-market valuations resulted in a negative net EUR 74 million in the P&L, and a negative EUR 549 million impact on equity.

For the first nine months of 2009, Erste Bank reported a consolidated EUR 720 million net profit, down from EUR 1.463 billion in the respective period in 2008.

The score for Erste Bank's profitability is C.

#### Factor 6: Liquidity

Trend: Neutral

Both the Austrian operations and the CEE subsidiaries benefit from a base of attractive, stable retail deposits. Furthermore, the group has significantly diversified its funding sources across instruments, investors, tenors and currencies. Based upon its robust liquidity profile and good liquidity management capabilities, Erste Bank scores B- on liquidity.

In this context, we note positively that at group level, the growth in customer deposits has kept pace with the growth in customer loans in the past years.

We do not expect the bank to deviate from current practices and believe that future loan growth in CEE will be accompanied by a corresponding increase in long-term funding.

The score for Erste Bank's liquidity is B-.

#### Factor 7: Capital Adequacy

Trend: Neutral

In relation to global banking peers, Erste Bank compares unfavourably in terms of its adequate regulatory and tight

economic capitalisation. Despite resilient profitability, internally generated capital has been insufficient to support the cash- and capital-intensive expansion in CEE and the substantial goodwill associated with it.

Please note that reported ratios under Basel II pursuant to Austrian banking regulation only capture credit risks and are not fully comparable to ratios in line with BIS standards. We also note unfavourably that Erste Bank heavily relies on hybrid capital so that the quality of its regulatory capital is comparatively weak.

Following the EUR 1.76 billion capital increase in the form of participation capital in the first half of 2009 (see Recent Results section) Tier 1 stood at 7.30% as at June 2009 (6.21% at YE-08).

The bank raised another EUR 1.74 billion of capital in November 2009 on the capital market.

Erste Bank scores D on capital adequacy.

#### Factor 8: Efficiency

Trend: Weakening

Efficiency indicators are somewhat weak, reflecting the strong weight on retail banking of the group. At June 2009, the bank's cost-to-income ratio stood at 56%, improving significantly from 76% during 2008 and about 62% in the preceding years.

The group scores D on efficiency.

#### Factor 9: Asset Quality

Trend: Weakening

At group level, problem loans accounted for 6.30% of total loans at Q3-09, up from 5.03% in 2008. The bulk of problem loans (50%) is concentrated in Austria, but is in line with the share of total loans and increased moderately in the first nine months of 2009 (from 6.1% at YE-08 to 6.6% in Q3-09). In contrast, problem loans in the CEE area almost doubled in the same period of 2009, especially in Romania where the bank booked 15% of problem loans, and 27% of 'watch list' loans (compared to a group loan share of 9%). Romania is Erste Bank's third-largest market, after Austria and the Czech Republic.

Reserve coverage levels have been decreasing in past years and stood at 57% at Q3-09, down from 73% in 2005. These coverage levels are low, compared to other peers, also taking into account available mortgage collateral on many retail and SME exposures and the relative granularity of the loan book.

We anticipate a further increase in problem loans, which will put further pressure on profitability and ultimately capital, which is, however, incorporated in the current ratings.

Erste Bank scores D+ on asset quality.

#### **Global Local Currency Deposit Rating (Joint Default Analysis)**

Moody's assigns global local currency (GLC) deposit ratings of Aa3/Prime-1 to Erste Group Bank AG (formerly Erste Bank der österreichischen Sparkassen AG).

The GLC deposit rating is supported by Erste Bank's BCA of Baa2, as well as the positive contributions from the Austrian Sparkassen to the consolidated earnings and capital of Erste Bank, which are fully included in the consolidated financial statements and shown in the "savings banks" segment. Furthermore, the GLC rating reflects Moody's assessment of a very high probability of systemic support for Erste Bank AG and its creditors should a crisis occur. Backed by Austria's Aaa local-currency deposit ceiling (LCDC), the bank receives a five-notch uplift from its BCA, bringing the GLC rating to Aa3. The systemic support assessment is based upon Erste Bank's sizeable national market share, its critical role for the country's payment system and the Sparkassen sector's relative importance to the country's banking system.

#### **Notching Considerations**

Ratings for Erste Bank's junior obligations should be notched off the adjusted BCA (Baa2) because Moody's is of the opinion that there is no legal authority in place in Austria's bank regulators to impose losses on subordinated creditors outside of a liquidation scenario.

#### **Foreign Currency Deposit Rating**

The Foreign Currency Deposit Ratings of Erste Bank are unconstrained given that Austria, in common with other EU members, has a country ceiling of Aaa.

Moody's foreign currency deposit ratings for Erste Bank are Aa3/Prime-1.

### **Foreign Currency Debt Rating**

The Foreign Currency Debt Ratings of Erste Bank are unconstrained given that Austria, in common with other EU members, has a country ceiling of Aaa.

Moody's foreign currency debt ratings for Erste Bank are Aa3/Prime-1.

## **ABOUT MOODY'S BANK RATINGS**

### Bank Financial Strength Rating

Moody's Bank Financial Strength Ratings (BFSRs) represent Moody's opinion of a bank's intrinsic safety and soundness and, as such, exclude certain external credit risks and credit support elements that are addressed by Moody's Bank Deposit Ratings. BFSRs do not take into account the probability that the bank will receive such external support, nor do they address risks arising from sovereign actions that may interfere with a bank's ability to honor its domestic or foreign currency obligations. Factors considered in the assignment of BFSRs include bank-specific elements such as financial fundamentals, franchise value, and business and asset diversification. Although BFSRs exclude the external factors specified above, they do take into account other risk factors in the bank's operating environment, including the strength and prospective performance of the economy, as well as the structure and relative fragility of the financial system, and the quality of banking regulation and supervision.

### Global Local Currency Deposit Rating

A deposit rating, as an opinion of relative credit risk, incorporates the BFSR as well as Moody's opinion of any external support. Specifically, Moody's Bank Deposit Ratings are opinions of a bank's ability to repay punctually its deposit obligations. As such, they are intended to incorporate those aspects of credit risk relevant to the prospective payment performance of rated banks with respect to deposit obligations, which includes: intrinsic financial strength, sovereign transfer risk (in the case of foreign currency deposit ratings), and both implicit and explicit external support elements. Moody's Bank Deposit Ratings do not take into account the benefit of deposit insurance schemes which make payments to depositors, but they do recognize the potential support from schemes that may provide assistance to banks directly.

According to Moody's joint default analysis (JDA) methodology, the global local currency deposit rating of a bank is determined by the incorporation of external elements of support into the bank's Baseline Credit Assessment. In calculating the Global Local Currency Deposit rating for a bank, the JDA methodology also factors in the rating of the support provider, in the form of the local currency deposit ceiling for a country, Moody's assessment of the probability of systemic support for the bank in the event of a stress situation and the degree of dependence between the issuer rating and the Local Currency Deposit Ceiling.

### National Scale Rating

National scale ratings are intended primarily for use by domestic investors and are not comparable to Moody's globally applicable ratings; rather they address relative credit risk within a given country. AAaa rating on Moody's National Scale indicates an issuer or issue with the strongest creditworthiness and the lowest likelihood of credit loss relative to other domestic issuers. National Scale Ratings, therefore, rank domestic issuers relative to each other and not relative to absolute default risks. National ratings isolate systemic risks; they do not address loss expectation associated with systemic events that could affect all issuers, even those that receive the highest ratings on the National Scale.

### Foreign Currency Deposit Rating

Moody's ratings on foreign currency bank obligations derive from the bank's local currency rating for the same class of obligation. The implementation of JDA for banks can lead to high local currency ratings for certain banks, which could also produce high foreign currency ratings. Nevertheless, it should be noted that foreign currency deposit ratings are in all cases constrained by the country ceiling for foreign currency bank deposits. This may result in the assignment of a different, and typically lower, rating for the foreign currency deposits relative to the bank's rating for local currency obligations.

### Foreign Currency Debt Rating

Foreign currency debt ratings are derived from the bank's local currency debt rating. In a similar way to foreign currency deposit ratings, foreign currency debt ratings may also be constrained by the country ceiling for foreign currency bonds and notes; however, in some cases the ratings on foreign currency debt obligations may be allowed to pierce the foreign currency ceiling. A particular mix of rating factors are taken into consideration in order to assess whether a foreign currency bond rating pierces the country ceiling. They include the issuer's global local currency rating, the foreign currency government bond rating, the country ceiling for bonds and the debt's eligibility to pierce that ceiling.

#### About Moody's Bank Financial Strength Scorecard

Moody's bank financial strength model (see scorecard below) is a strategic input in the assessment of the financial strength of a bank, used as a key tool by Moody's analysts to ensure consistency of approach across banks and regions. The model output and the individual scores are discussed in rating committees and may be adjusted up or down to reflect conditions specific to each rated entity.

### Rating Factors

#### Erste Group Bank AG

Rating Factors [1]	A	B	C	D	E	Total Score	Trend
<b>Qualitative Factors (50%)</b>						<b>C+</b>	
<b>Factor: Franchise Value</b>						<b>B</b>	<b>Improving</b>
<b>Market Share and Sustainability</b>		<b>x</b>					
<b>Geographical Diversification</b>			<b>x</b>				
<b>Earnings Stability</b>	<b>x</b>						
<b>Earnings Diversification [2]</b>							
<b>Factor: Risk Positioning</b>						<b>D</b>	<b>Improving</b>
<b>Corporate Governance [2]</b>				<b>x</b>			
- Ownership and Organizational Complexity	--	--	--	--	--		
- Key Man Risk	--	--	--	--	--		
- Insider and Related-Party Risks	--	--	--	--	--		
<b>Controls and Risk Management</b>		<b>x</b>					
- Risk Management		<b>x</b>					
- Controls	<b>x</b>						
<b>Financial Reporting Transparency</b>		<b>x</b>					
- Global Comparability	<b>x</b>						
- Frequency and Timeliness	<b>x</b>						
- Quality of Financial Information		<b>x</b>					
<b>Credit Risk Concentration</b>	--	--	--	--	--		
- Borrower Concentration	--	--	--	--	--		
- Industry Concentration	--	--	--	--	--		
<b>Liquidity Management</b>		<b>x</b>					
<b>Market Risk Appetite</b>		<b>x</b>					
<b>Factor: Operating Environment</b>						<b>A</b>	<b>Neutral</b>
<b>Economic Stability</b>	<b>x</b>						
<b>Integrity and Corruption</b>	<b>x</b>						
<b>Legal System</b>	<b>x</b>						
<b>Financial Factors (50%)</b>						<b>D+</b>	
<b>Factor: Profitability</b>						<b>C</b>	<b>Weakening</b>
PPP % Avg RWA- Basel II			1,81%				
Net Income % Avg RWA- Basel II			1,16%				
<b>Factor: Liquidity</b>						<b>B-</b>	<b>Neutral</b>
(Mkt funds-Liquid Assets) % Total Assets			2,24%				



<b>Liquidity Management</b>		x					
<b>Factor: Capital Adequacy</b>						<b>D</b>	<b>Neutral</b>
Tier 1 ratio (%) - Basel II				6,15%			
Tangible Common Equity / RWA- Basel II				2,73%			
<b>Factor: Efficiency</b>						<b>D</b>	<b>Weakening</b>
Cost/income ratio				67,18%			
<b>Factor: Asset Quality</b>						<b>D+</b>	<b>Weakening</b>
Problem Loans % Gross Loans			4,57%				
Problem Loans % (Equity + LLR)				40,11%			
<b>Lowest Combined Score (15%)</b>						<b>D</b>	
<b>Economic Insolvency Override</b>						<b>Neutral</b>	
<b>Aggregate Score</b>						<b>C</b>	
<b>Assigned BFSR</b>						<b>C-</b>	

[1] - Where dashes are shown for a particular factor (or sub-factor), the score is based on non public information [2] - A blank score under Earnings diversification or Corporate Governance indicates the risk is neutral



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