

Rating Action: Moody's takes action on 12 Italian financial institutions

23 Oct 2018

Rating actions follow the downgrade of Italy's sovereign rating to Baa3, stable outlook

Paris, October 23, 2018 -- Moody's Investors Service ("Moody's") today took rating actions on 12 Italian financial institutions. The rating agency downgraded the long-term deposit ratings and/or the Counterparty Risk Ratings (CRRs) of eight banks, the long-term issuer and/or senior unsecured debt ratings of three institutions, and the long-term Counterparty Risk Assessments (CRAs) of seven banks. Furthermore, Moody's revised the outlooks on the long-term deposit and senior unsecured debt ratings of UniCredit S.p.A. (UniCredit), and on the long-term issuer rating of FCA Bank S.p.A. (FCA Bank) to stable from positive. Finally, Moody's affirmed the standalone baseline credit assessments (BCAs) of Banca IMI S.p.A. (Banca IMI) at baa3 and of Credit Agricole Cariparma S.p.A. (CA Cariparma) at ba1.

Today's rating action concludes the review for downgrade initiated on 30 May 2018 (please refer to Moody's press release, "Moody's reviews Italian banks for downgrade" at https://www.moodys.com/research/--PR_384255), and was prompted by the rating agency's downgrade of the Government of Italy's bond rating to Baa3 with stable outlook from Baa2, ratings under review for downgrade. For further information on the sovereign rating action, please refer to Moody's press release dated 19 October 2018 ("Moody's downgrades Italy's ratings to Baa3, stable outlook" at https://www.moodys.com/research/--PR_390302).

Today's actions affect ratings of the following groups: UniCredit, Intesa Sanpaolo S.p.A. (Intesa Sanpaolo), Banca IMI, Cassa Depositi e Prestiti S.p.A. (CDP), Mediobanca S.p.A. (Mediobanca), CA Cariparma, FCA Bank, Banca Nazionale Del Lavoro S.p.A. (BNL), Credito Emiliano S.p.A. (Credem), Cassa Centrale Raiffeisen S.p.A. (Raiffeisen), Invitalia S.p.A. (Invitalia) and Banca del Mezzogiorno - MCC S.p.A. (Banca del Mezzogiorno).

The full list of the affected ratings can be found at the end of this press release.

RATINGS RATIONALE

-- ITALY'S MACRO PROFILE REMAINS MODERATE+

Moody's maintained its Macro Profile for Italy at Moderate+. While the operating environment for banks is negatively affected by the increased susceptibility to political event risk in the country, credit conditions have moderately improved following a material reduction in the level of problem loans in the Italian banking system over the last two years. Moody's now expects problem loans to fall below 11% of gross loans by the end of 2018, and to decline further in 2019, compared to a peak of over 18% in 2015. As a result, the agency reduced its negative adjustment to the macro profile in respect of credit conditions to one notch from two. At the same time, Moody's maintained its one-notch negative adjustment to the macro profile in respect of funding conditions, reflecting a challenging wholesale funding environment and the banks' continued high reliance on European Central Bank funding.

-- DOWNGRADE OF THE LONG-TERM DEPOSIT RATINGS AND COUNTERPARTY RISK RATINGS

In accordance with Moody's Banks methodology, deposit ratings and CRRs are typically constrained to two notches above the sovereign bond rating, reflecting the agency's view that the expected loss of rated bank instruments is unlikely to be significantly below that of the sovereign's own debt.

Moody's therefore downgraded the long-term deposit ratings of Intesa Sanpaolo, Banca IMI, Mediobanca, and FCA Bank to Baa1 (stable outlook) from A3 ratings under review; of CA Cariparma to Baa1 (negative outlook) from A3 ratings under review; and of Raiffeisen to Baa1 ratings under review from A3 ratings under review. CA Cariparma's long-term deposit rating now has a negative outlook, reflecting the trend of reducing bail-in-able retail bonds, which would protect depositors in a resolution scenario. Raiffeisen's long-term ratings remain on review for downgrade to reflect the forthcoming consolidation of Italy's networks of mutual banks.

Moody's also downgraded the long-term deposit rating of Credem to Baa3 (stable outlook) from Baa2

(negative outlook), affirmed its long-term CRR of Baa1, and affirmed its subordinated debt rating at Ba1. The downgrade of the long-term deposit rating was prompted by higher loss-given-failure due to the decrease in the bank's stock of bail-in-able debt.

Moody's downgraded the CRRs of BNL, Intesa Sanpaolo, Banca IMI, Mediobanca, FCA Bank, and Raiffeisen to Baa1 from A3. The actions were prompted by the downgrade of the Italy's government bond rating.

-- REVISION OF OUTLOOKS ON UNICREDIT AND FCA BANK

The revision of the outlooks to stable from positive on UniCredit's Baa1 long-term deposit and senior unsecured debt ratings, and on FCA Bank's Baa1 long-term issuer rating, reflects the stable outlook on Italy's Baa3 government bond rating. In accordance with Moody's Banks methodology, long-term ratings are constrained to two notches above the sovereign bond rating. Despite the potential for improvements in the banks' adjusted BCAs, UniCredit's and FCA Bank's long-term deposit and senior debt/issuer ratings would not be upgraded given the new Italian sovereign debt rating.

-- DOWNGRADE OF THE DEBT AND/OR ISSUER RATINGS OF CASSA DEPOSITI E PRESTITI, INVITALIA, AND BANCA DEL MEZZOGIORNO

The issuer and senior unsecured debt ratings of CDP and Invitalia are based on Moody's assumptions of very high dependence and high support from the Italian government. The downgrade of Italy's sovereign debt rating to Baa3 stable from Baa2 ratings under review indicates a lower capacity of the government to support CDP and Invitalia. Moody's reflected this in a downgrade of the issuer and senior debt ratings of CDP and Invitalia to Baa3 stable from Baa2 ratings under review. The short-term issuer and commercial paper ratings of CDP were also downgraded to Prime-3 from Prime-2 in line with the downgrade of the institution's long-term ratings.

Similarly, the downgrade of Banca del Mezzogiorno's long-term issuer rating to Ba1 stable from Baa3 ratings under review reflects the diminished capacity of the Italian government to support the bank. This results in the elimination of the previous one-notch uplift to Banca del Mezzogiorno's long-term issuer rating from government support.

-- AFFIRMATIONS FOR BANCA IMI AND CA CARIPARMA

Moody's also affirmed Banca IMI's baa3 standalone BCA, reflecting the high integration of the bank with its parent Intesa Sanpaolo, and the group's plans to merge the two banks. A large portion of Banca IMI's balance sheet and net interest income derives from links to Intesa Sanpaolo, with which Banca IMI shares most of its clients and management structure. As such, Banca IMI's BCA can no longer be reliably distinguished from that of Intesa Sanpaolo.

The rating agency also affirmed the ba1 standalone BCA and baa2 adjusted BCA of CA Cariparma, reflecting the stability of the bank's financials, as well as Moody's assessment of a very high probability of support from its parent Credit Agricole S.A.

--- DOWNGRADE OR CONFIRMATION OF COUNTERPARTY RISK ASSESSMENTS

According to Moody's methodology, CR Assessments do not typically exceed by more than one notch the rating of the sovereign in which the bank is domiciled, or by more than two notches if the adjusted BCA is already above the sovereign rating.

The downgrade of Italy's sovereign rating has therefore triggered the downgrade of the long-term CR Assessments of UniCredit, Intesa Sanpaolo, Banca IMI, Mediobanca, Credem, FCA Bank, and Raiffeisen to Baa2(cr) from Baa1(cr), and the confirmation of the long-term CR Assessments of BNL and CA Cariparma at Baa1(cr), because their adjusted BCA is currently at Baa2, above Italy's sovereign debt rating.

-- WHAT COULD MOVE THE RATINGS UP/DOWN

The ratings affected by the two-notch constraint above Italy's Baa3 sovereign rating could be upgraded or downgraded following an upgrade or downgrade of Italy's sovereign rating, which we consider unlikely in the short-to-medium term given the stable outlook on Italy's sovereign rating.

The ratings could also be downgraded following a deterioration of the affected entities' baseline credit assessments driven, for example, by worsening asset quality, losses, or reduced capitalisation. The ratings could also be downgraded following higher loss-given-failure, driven by a material decrease in the banks' stock

of bail-in-able debt, for example.

LIST OF AFFECTED RATINGS

Issuer: Credit Agricole Cariparma S.p.A.

..Downgrades:

...Long-term Counterparty Risk Ratings, downgraded to Baa1 from A3

...Long-term Bank Deposits, downgraded to Baa1 Negative from A3 Rating under Review

..Confirmation:

...Long-term Counterparty Risk Assessment, confirmed at Baa1(cr)

..Affirmations:

...Baseline Credit Assessment, affirmed ba1

...Adjusted Baseline Credit Assessment, affirmed baa2

..Outlook Action:

...Outlook changed to Negative from Rating under Review

Issuer: UniCredit S.p.A.

..Downgrade:

...Long-term Counterparty Risk Assessment, downgraded to Baa2(cr) from Baa1(cr)

..Affirmations:

...Long-term Bank Deposits, affirmed Baa1, outlook changed to Stable from Positive

...Senior Unsecured Medium-Term Note Program, affirmed (P)Baa1

...Senior Unsecured Regular Bond/Debenture, affirmed Baa1, outlook changed to Stable from Positive

..Outlook Action:

...Outlook changed to Stable from Positive

Issuer: UniCredit Int'l Bank (Luxembourg) S.A.

..Affirmations:

...Backed Senior Unsecured Medium-Term Note Program, affirmed (P)Baa1

...Backed Senior Unsecured Regular Bond/Debenture, affirmed Baa1, outlook changed to Stable from Positive

..Outlook Action:

...Outlook changed to Stable from Positive

Issuer: UniCredit S.p.A., London Branch

..Downgrade:

...Long-term Counterparty Risk Assessment, downgraded to Baa2(cr) from Baa1(cr)

..No Outlook assigned

Issuer: UniCredit S.p.A., New York Branch

..Downgrade:

....Long-term Counterparty Risk Assessment, downgraded to Baa2(cr) from Baa1(cr)

..Affirmation:

....Long-term Bank Deposits, affirmed Baa1, outlook changed to Stable from Positive

..Outlook Action:

....Outlook changed to Stable from Positive

Issuer: UniCredit Bank Ireland p.l.c.

..Affirmations:

....Backed Senior Unsecured Medium-Term Note Program, affirmed (P)Baa1

....Backed Senior Unsecured Regular Bond/Debenture, affirmed Baa1, outlook changed to Stable from Positive

..Outlook Action:

....Outlook changed to Stable from Positive

Issuer: Intesa Sanpaolo S.p.A.

..Downgrades:

....Long-term Counterparty Risk Assessment, downgraded to Baa2(cr) from Baa1(cr)

....Long-term Counterparty Risk Ratings, downgraded to Baa1 from A3

....Long-term Bank Deposits, downgraded to Baa1 Stable from A3 Rating under Review

..Outlook Action:

....Outlook changed to Stable from Rating under Review

Issuer: Intesa Sanpaolo S.p.A., Hong Kong Branch

..Downgrades:

....Long-term Counterparty Risk Assessment, downgraded to Baa2(cr) from Baa1(cr)

....Long-term Counterparty Risk Ratings, downgraded to Baa1 from A3

..No Outlook assigned

Issuer: Intesa Sanpaolo S.p.A., London Branch

..Downgrades:

....Long-term Counterparty Risk Assessment, downgraded to Baa2(cr) from Baa1(cr)

....Long-term Counterparty Risk Ratings, downgraded to Baa1 from A3

..No Outlook assigned

Issuer: Intesa Sanpaolo S.p.A., New York Branch

..Downgrades:

....Long-term Counterparty Risk Assessment, downgraded to Baa2(cr) from Baa1(cr)

....Long-term Counterparty Risk Ratings, downgraded to Baa1 from A3

....Long-term Bank Deposits, downgraded to Baa1 Stable from A3 Rating under Review

..Outlook Action:

...Outlook changed to Stable from Rating under Review

Issuer: Banca IMI S.p.A.

..Downgrades:

...Long-term Counterparty Risk Assessment, downgraded to Baa2(cr) from Baa1(cr)

...Long-term Counterparty Risk Ratings, downgraded to Baa1 from A3

...Long-term Bank Deposits, downgraded to Baa1 Stable from A3 Rating under Review

..Affirmation:

...Baseline Credit Assessment, affirmed baa3

..Outlook Action:

...Outlook changed to Stable from Rating under Review

Issuer: Mediobanca S.p.A.

..Downgrades:

...Long-term Counterparty Risk Assessment, downgraded to Baa2(cr) from Baa1(cr)

...Long-term Counterparty Risk Ratings, downgraded to Baa1 from A3

...Long-term Bank Deposits, downgraded to Baa1 Stable from A3 Rating under Review

..Outlook Action:

...Outlook changed to Stable from Rating under Review

Issuer: Banca Nazionale Del Lavoro S.p.A.

..Downgrades:

...Long-term Counterparty Risk Ratings, downgraded to Baa1 from A3

..Confirmation:

...Long-term Counterparty Risk Assessment, confirmed at Baa1(cr)

..Outlook remains unchanged at Negative

Issuer: Credito Emiliano S.p.A.

..Downgrades:

...Long-term Counterparty Risk Assessment, downgraded to Baa2(cr) from Baa1(cr)

...Long-term Bank Deposits, downgraded to Baa3 Stable from Baa2 Negative

...Short-term Bank Deposits, downgraded to P-3 from P-2

..Affirmations:

...Short-Term Counterparty Risk Assessment, affirmed P-2(cr)

...Long-term Counterparty Risk Ratings, affirmed Baa1

...Short-term Counterparty Risk Ratings, affirmed P-2

...Subordinate Regular Bond/Debenture, affirmed Ba1

..Outlook changed to Stable from Negative

Issuer: FCA Bank S.p.A.

..Downgrades:

....Long-term Counterparty Risk Assessment, downgraded to Baa2(cr) from Baa1(cr)

....Long-term Counterparty Risk Ratings, downgraded to Baa1 from A3

....Long-term Bank Deposits, downgraded to Baa1 Stable from A3 Rating under Review

..Affirmation:

....Long-term Issuer Rating, affirmed Baa1, outlook changed to Stable from Positive

..Outlook Action:

....Outlook changed to Stable from Rating under Review

Issuer: FCA Bank S.p.A., Irish Branch

..Downgrades:

....Long-term Counterparty Risk Assessment, downgraded to Baa2(cr) from Baa1(cr)

....Long-term Counterparty Risk Ratings, downgraded to Baa1 from A3

..Affirmations:

....Senior Unsecured Medium-Term Note Program, affirmed (P)Baa1

....Senior Unsecured Regular Bond/Debenture, affirmed Baa1, outlook changed to Stable from Positive

..Outlook Action:

....Outlook changed to Stable from Positive

Issuer: FCA CAPITAL IRELAND P.L.C.

..Affirmations:

....Backed Senior Unsecured Regular Bond/Debenture, affirmed Baa1, outlook changed to Stable from Positive

..No Outlook assigned

Issuer: FCA Capital Suisse SA

..Affirmations:

....Backed Senior Unsecured Regular Bond/Debenture, affirmed Baa1, outlook changed to Stable from Positive

..Outlook Action:

....Outlook changed to Stable from Positive

Issuer: Cassa Centrale Raiffeisen S.p.A.

..Downgrades and placed on Review for further Downgrade:

....Long-term Counterparty Risk Assessment, downgraded to Baa2(cr) from Baa1(cr)

....Long-term Counterparty Risk Ratings, downgraded to Baa1 from A3

....Long-term Bank Deposits, downgraded to Baa1 Rating under Review from A3 Rating under Review

..Placed on Review for Downgrade:

...Short-term Counterparty Risk Assessment, currently P-2(cr)

..Outlook remains unchanged at Rating under Review

Issuer: Cassa Depositi e Prestiti S.p.A.

..Downgrades:

...Short-term Issuer Rating, downgraded to P-3 from P-2

...Long-term Issuer Rating, downgraded to Baa3 Stable from Baa2 Rating under Review

...Commercial Paper, downgraded to P-3 from P-2

...Senior Unsecured Medium-Term Note Program, downgraded to (P)Baa3 from (P)Baa2

...Senior Unsecured Regular Bond/Debenture, downgraded to Baa3 Stable from Baa2 Rating under Review

..Outlook Action:

...Outlook changed to Stable from Rating under Review

Issuer: Invitalia S.p.A.

..Downgrades:

...Long-term Issuer Rating, downgraded to Baa3 Stable from Baa2 Rating under Review

...Senior Unsecured Regular Bond/Debenture, downgraded to Baa3 Stable from Baa2 Rating under Review

..Outlook Action:

...Outlook changed to Stable from Rating under Review

Issuer: Banca del Mezzogiorno - MCC S.p.A.

..Downgrades:

...Long-term Issuer Ratings, downgraded to Ba1 Stable from Baa3 Rating under Review

..Outlook Action:

...Outlook changed to Stable from Rating under Review

PRINCIPAL METHODOLOGIES

The principal methodology used in rating Credit Agricole Cariparma S.p.A., UniCredit S.p.A., UniCredit Int'l Bank (Luxembourg) S.A., UniCredit S.p.A., London Branch, UniCredit S.p.A., New York Branch, UniCredit Bank Ireland p.l.c., Intesa Sanpaolo S.p.A., Intesa Sanpaolo S.p.A., Hong Kong Branch, Intesa Sanpaolo S.p.A., London Branch, Intesa Sanpaolo S.p.A., New York Branch, Banca IMI S.p.A., Mediobanca S.p.A., Banca Nazionale Del Lavoro S.p.A., Credito Emiliano S.p.A., FCA Bank S.p.A., FCA Bank S.p.A., Irish Branch, FCA CAPITAL IRELAND P.L.C., FCA Capital Suisse SA, Cassa Centrale Raiffeisen S.p.A. and Banca del Mezzogiorno - MCC S.p.A. was Banks published in August 2018. The principal methodology used in rating Cassa Depositi e Prestiti S.p.A. and Invitalia S.p.A. was Government-Related Issuers published in June 2018. Please see the Rating Methodologies page on www.moodys.com for a copy of these methodologies.

REGULATORY DISCLOSURES

For ratings issued on a program, series or category/class of debt, this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series or category/class of debt or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the credit rating action on the support

provider and in relation to each particular credit rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on www.moodys.com.

For any affected securities or rated entities receiving direct credit support from the primary entity(ies) of this credit rating action, and whose ratings may change as a result of this credit rating action, the associated regulatory disclosures will be those of the guarantor entity. Exceptions to this approach exist for the following disclosures, if applicable to jurisdiction: Ancillary Services, Disclosure to rated entity, Disclosure from rated entity.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

The below contact information is provided for information purposes only. Please see the ratings tab of the issuer page at www.moodys.com, for each of the ratings covered, Moody's disclosures on the lead rating analyst and the Moody's legal entity that has issued the ratings.

The relevant office for each credit rating is identified in "Debt/deal box" on the Ratings tab in the Debt/Deal List section of each issuer/entity page of the website.

Please see www.moodys.com for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

Please see the ratings tab on the issuer/entity page on www.moodys.com for additional regulatory disclosures for each credit rating.

Fabio Ianno
VP - Senior Credit Officer
Financial Institutions Group
Moody's France SAS
96 Boulevard Haussmann
Paris 75008
France
JOURNALISTS: 44 20 7772 5456
Client Service: 44 20 7772 5454

Nicholas Hill
MD - Banking
Financial Institutions Group
JOURNALISTS: 44 20 7772 5456
Client Service: 44 20 7772 5454

Releasing Office:
Moody's France SAS
96 Boulevard Haussmann
Paris 75008
France
JOURNALISTS: 44 20 7772 5456
Client Service: 44 20 7772 5454

MOODY'S
INVESTORS SERVICE

© 2018 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 INVESTORS SERVICE, INC. AND ITS RATINGS AFFILIATES ("MIS") ARE MOODY'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT

RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MOODY'S PUBLICATIONS MAY INCLUDE MOODY'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES. 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. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS AND MOODY'S OPINIONS INCLUDED IN MOODY'S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S PUBLICATIONS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. CREDIT RATINGS AND MOODY'S PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND CREDIT RATINGS AND MOODY'S PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. NEITHER CREDIT RATINGS NOR MOODY'S PUBLICATIONS COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS AND PUBLISHES MOODY'S PUBLICATIONS 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 AND MOODY'S PUBLICATIONS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS OR MOODY'S PUBLICATIONS 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.

CREDIT RATINGS AND MOODY'S PUBLICATIONS 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 rating process or in preparing the Moody's publications.

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 SUCH RATING OR 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 rating, agreed to pay to Moody's Investors Service, Inc. for appraisal and rating services rendered by it fees ranging from \$1,500 to approximately \$2,500,000. MCO and MIS also maintain policies and procedures to address the independence of MIS's ratings and rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold ratings from MIS and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.moodys.com under the heading "Investor Relations — Corporate Governance — Director and Shareholder Affiliation Policy."

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 657AFSL 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. It would be reckless and inappropriate for retail investors to use MOODY'S credit ratings or publications when making an investment decision. If in doubt you should contact your financial or other professional adviser.

Additional terms for Japan only: Moody's Japan K.K. ("MJKK") is a wholly-owned credit rating agency subsidiary of Moody's Group Japan G.K., which is wholly-owned by Moody's Overseas Holdings Inc., a wholly-owned subsidiary of MCO. Moody's SF Japan K.K. ("MSFJ") is a wholly-owned credit rating agency subsidiary of MJKK. MSFJ is not a Nationally Recognized Statistical Rating Organization ("NRSRO"). Therefore, credit ratings assigned by MSFJ are Non-NRSRO Credit Ratings. Non-NRSRO Credit Ratings are assigned by an entity that is not a NRSRO and, consequently, the rated obligation will not qualify for certain types of treatment under U.S. laws. MJKK and MSFJ are credit rating agencies registered with the Japan Financial Services Agency and their registration numbers are FSA Commissioner (Ratings) No. 2 and 3 respectively.

MJKK or MSFJ (as applicable) hereby disclose that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MJKK or MSFJ (as applicable) have, prior to assignment of any rating, agreed to pay to MJKK or MSFJ (as applicable) for appraisal and rating services rendered by it fees ranging from JPY200,000 to approximately JPY350,000,000.

MJKK and MSFJ also maintain policies and procedures to address Japanese regulatory requirements.