

Key to credit ratings

Fitch

Long-term Credit Ratings

Fitch's long-term credit ratings are set up along a scale from 'AAA' to 'D', have been adopted and licensed by S&P. Moody's also uses a similar scale, but names the categories between AA and CCC (i.e., AA+, AA, AA-, A+, A, A-, BBB+, BBB, BBB- etc.).

We have defined the investment grade rating below but the ratings go as low as DDD.

Investment Grade

- **AAA:** the best quality companies, reliable and stable
- **AA:** quality companies, a bit higher risk than AAA
- **A:** economic situation can affect finance
- **BBB:** medium class companies, which are satisfactory at the moment

Short Term

Fitch's short-term ratings indicate the potential level default within a 12-month period.

- **F1+:** best quality grade, indicating exceptionally strong capacity of obligor to meet its financial commitment
- **F1:** best quality grade, indicating strong capacity of obligor to meet its financial commitment
- **F2:** good quality grade with satisfactory capacity of obligor to meet its financial commitment
- **F3:** fair quality grade with adequate capacity of obligor to meet its financial commitment but near term adverse conditions could impact the obligor's commitments
- **B:** of speculative nature and obligor has minimal capacity to meet its commitment and vulnerability to short term adverse changes in financial and economic conditions
- **C:** possibility of default is high

Bank Individual Ratings

A:

A very strong bank. Characteristics may include outstanding profitability and balance sheet integrity, franchise, management, operating environment or prospects.

B:

A strong bank. There are no major concerns regarding the bank. Characteristics may include strong profitability and balance sheet integrity, franchise, management, operating environment or prospects.

C:

An adequate bank, which, however, possesses one or more troublesome aspects. There may be some concerns regarding its profitability and balance sheet integrity, franchise, management, operating environment or prospects.

D:

A bank that has weaknesses of internal and/or external origin. There are concerns regarding its profitability and balance sheet integrity, franchise, management, operating environment or prospects. Banks in emerging markets are necessarily faced with a greater number of potential deficiencies of external origin.

E:

A bank with very serious problems, which either requires or is likely to require external support.

F:

A bank that has either defaulted or, in Fitch Ratings' opinion, would have defaulted if it had not received external support. Examples of such support include state or local government support, (deposit) insurance funds, acquisition by some other corporate entity or an injection of new funds from its shareholders or equivalent.

Notes:

Gradations may be used among the ratings A to E: i.e. A/B, B/C, C/D, and D/E. No gradations apply to the F rating.

Support Ratings

1:

A bank for which there is an extremely high probability of external support. The potential provider of support is very highly rated in its own right and has a very high propensity to support the bank in question.

2:

A bank for which there is a high probability of external support. The potential provider of support is highly rated in its own right and has a high propensity to provide support to the bank in question.

3:

A bank for which there is a moderate probability of support because of uncertainties about the ability or propensity of the potential provider of support to do so.

4:

A bank for which there is a limited probability of support because of significant uncertainties about the ability or propensity of any possible provider of support to do so.

5:

A bank for which external support, although possible, cannot be relied upon. This may be due to a lack of propensity to provide support or to very weak financial ability to do so.