



Rating Action: Moody's rates BICBANCO's subordinated notes Ba2

Global Credit Research - 20 Apr 2010

New York, April 20, 2010 -- Moody's Investors Service assigned a Ba2 long-term foreign currency debt rating to the US\$300 million subordinated notes issued by Banco Industrial e Comercial S.A. (BICBANCO). The notes are due April 2020, and will be eligible for Tier 2 equity treatment upon regulatory approval. The outlook on the rating is stable.

The rating agency noted that the subordination of the notes was taken into consideration by applying a one notch differential to BICBANCO's Ba1 global local currency deposit rating, per Moody's notching convention. Moody's also noted that BICBANCO's foreign currency debt ratings remain unconstrained by Brazil's Baa2 foreign currency country ceiling for bonds and notes.

The last rating action on BICBANCO was on January 13, 2010, when Moody's assigned long-term foreign currency debt rating of Ba1 to BICBANCO's US\$275 million senior unsecured notes. All other ratings remained unchanged.

The principal methodologies used in rating BICBANCO were Moody's "Bank Financial Strength Ratings: Global Methodology" and "Incorporation of Joint-Default Analysis into Moody's Bank Ratings: A Refined Methodology", published in February and March 2007 and available on www.moody.com in the Rating Methodologies sub-directory under the Research & Ratings tab. Other methodologies and factors that may have been considered in the process of rating this issuer can also be found in the Rating Methodologies sub-directory on Moody's website.

BICBANCO is headquartered in São Paulo, Brazil, with assets totaling R\$11.4 billion (US\$6.5 billion) and equity of R\$1.8 billion (US\$1.0 billion) as of December 31, 2009.

The following rating was assigned to the US\$300 million Subordinated Notes due 2020:

Long-term foreign currency debt rating: Ba2, with stable outlook

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