



Moody's Investors Service

**Rating Action: Moody's assigns Ba2 rating to Fibra's MTN Program; subordinated notes Ba3**

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Global Credit Research - 06 Nov 2009

New York, November 06, 2009 -- Moody's Investors Service assigned long and short-term foreign currency ratings of Ba2 and Not Prime, respectively, to Banco Fibra S.A.'s (Fibra) existing US\$1,000,000,000 Global Medium term Note Program. At the same time, Moody's assigned a Ba3 foreign currency debt rating to the plain vanilla 7-year subordinated notes issued under the program in the amount of US\$110,000,000. The notes are due in November 2016 which are eligible for Tier 2 equity upon regulatory approval. The ratings outlook is stable.

The rating agency noted that the subordination of the notes was taken into consideration by applying a one notch differential off Fibra's Ba2 global local currency deposit rating, as per Moody's notching convention. Moody's noted that Fibra's foreign currency debt ratings remain unconstrained by Brazil's country ceiling.

The principal methodologies used in rating Banco Fibra 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.moodys.com](http://www.moodys.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.

Banco Fibra is headquartered in São Paulo, Brazil and had total consolidated assets of R\$9,167 billion (US\$4,704 billion) and equity of R\$750 million (US\$ 384.9 billion) as of June 30, 2009.

The last rating action on Banco Fibra was on March 27th, 2009, when Moody's changed the outlook for all the ratings to stable, from positive.

The following ratings were assigned to Banco Fibra S.A.:

US\$1,000,000,000 Global Medium Term Note Program: Ba2 and Not Prime long and short-term foreign-currency debt ratings, stable outlook.

US\$110,000,000 Subordinated Notes due in 2016: Ba3 long-term foreign currency debt rating, stable outlook.

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