

Announcement: Moody's assigns rating to Banco Votorantim's subordinated bonds due 2020

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New York, July 20, 2010 -- Moody's Investors Service assigned a Baa2 long-term foreign currency debt rating to the additional US\$ 400,000,000 7.375% 10-year subordinated notes issued by Banco Votorantim S.A. (Banco Votorantim). The notes being issued are an upsizing of the US\$750 million issued in January 2010, for a total of US\$1.15 billion, and which will be eligible for Tier 2 equity upon regulatory approval. The outlook on the rating is positive.

A press release assigning the Baa2 foreign currency debt rating to the US\$750,000,000 subordinated notes was published on January 21st, 2010; there has been no change to the rating since then.

The rating agency noted that the subordination of the notes was taken into consideration by applying a one notch differential off Banco Votorantim's A3 global local currency deposit rating, as per Moody's notching convention. At this rating level, Banco Votorantim's foreign currency bond rating is constrained by Brazil's Baa2 country ceiling, which has a positive outlook.

The principal methodologies used in rating Banco Votorantim was 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.

The last rating action on Banco Votorantim was on February 11, 2010, when Moody's assigned a Baa2 senior unsecured debt rating to Banco Votorantim's US\$3 billion Medium-Term Notes Program and to the US\$500 million tranche issued in February, due 2013. The outlook on the foreign currency debt ratings is positive, constrained by Brazil's Baa2 country ceiling for foreign currency debt. All other ratings assigned to Banco Votorantim remained unchanged.

Banco Votorantim is headquartered in São Paulo, Brazil, with total consolidated assets amounting to R\$94.77 billion (US\$52.63 billion) and equity of R\$7.98 billion (US\$4.41 billion) as of March 31, 2010.

The following rating was assigned to the additional US\$400 million notes to existing subordinated obligations of Banco Votorantim S.A. due 2020:

Baa2 long-term foreign currency debt rating, positive outlook

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