

Rating Action: Banco Do Brasil S.A. (Cayman)

Moody's rates Banco do Brasil Cayman's Floating Rate Notes Baa3

New York, July 07, 2009 -- Moody's Investors Service assigned a Baa3 long-term foreign currency rating to Banco do Brasil S.A. -- Cayman Branch's floating rate notes due 2014, in the amount of US\$ 100,000,000. The notes are being issued under the bank's existing US\$ 5,000,000,000 Global Medium-Term Note Program.

Because the Baa3 bond rating is constrained by Brazil's Baa3 foreign currency bond ceiling, the rating is being placed on review for possible upgrade, following the review for upgrade of Brazil's country ceiling that was announced today. For further details, please refer to Moody's press release "Moody's places Brazil's ratings on review for possible upgrade", dated July 6, 2009.

Moody's stated that the Baa3 rating indicates the joint probabilities of default that are contained in Brazil's Ba1 country ceiling for foreign currency bonds and in Banco do Brasil's A1 global local currency rating, which incorporates its fundamental credit quality. Thus, the Baa3 foreign currency bond rating does not pierce Brazil's country ceiling for foreign currency bonds.

Moody's last rating action on Banco do Brasil (Cayman Branch) was on July 07, 2009, when the bank's long-term foreign currency senior bond rating and long-term foreign currency junior subordinate debt rating, both at Baa3, were placed on review for possible upgrade, following the same action on the foreign currency bond ceiling for Brazil.

Banco do Brasil, headquartered in Brasilia, Brazil. The bank is the second largest Brazilian bank with R\$591.9 billion in total assets (approximately US\$255.7 billion) as of March 2009 and operates in diversified business segments and geographies.

The following rating was assigned to Banco do Brasil S.A. Cayman Branch's 5-year US\$100 million Floating Rate Notes: Baa3 long-term foreign currency bond rating, on review for possible upgrade.

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