

Credit Opinion: Banco Internacional de Costa Rica, S.A.

Banco Internacional de Costa Rica, S.A.

Panama City, Panama

Ratings

Category	Moody's Rating
Outlook	Stable
Bank Deposits	Ba1/NP
Bank Financial Strength	D

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Key Indicators

[1]

Banco Internacional de Costa Rica, S.A.

	Dec-07	Dec-06	Dec-05	Dec-04	Dec-03
Total Assets (US\$ Millions)	746.73	712.97	607.84	662.19	567.99
Total Equity (US\$ Millions)	94.78	86.49	80.31	78.96	91.60
ROAA (%)	1.14	0.94	0.68	0.68	0.38
ROAE (%)	9.16	7.43	5.39	4.92	2.38
Net Interest Margin (%)	2.67	2.88	2.65	2.75	3.24
PDL / Gross Loans & Leases (%)	0.20	0.20	1.26	0.36	1.34
PDL / (S' Equity+ Res. L. Losses) (%)	1.08	1.01	5.95	1.63	4.78
Op.Exp. % Op. Inc. (%)	62.55	64.47	67.41	64.43	65.50

[1] Source: Company reports and Moody's estimates

Opinion

SUMMARY RATING RATIONALE

Banco Internacional de Costa Rica, S.A. (BICSA)'s D bank financial strength rating (BFSR) incorporates the bank's established brand name in the niche markets in which it operates, namely corporate and international banking and trade finance within Panama, Costa Rica, and other Central American countries. The BFSR also reflects the bank's modest profitability, which is indicative of a franchise in transition, following the relatively recent restructuring of the bank and its management. BICSA's earnings capacity is also limited at present given its small size and the relatively small economies of its operating footprint. However, improving macroeconomic conditions in Central America in the context of dynamic regional integration should support BICSA's future growth and diversification plans.

Moody's views as positive the changes to BICSA's risk management structure, including the centralization of credit policies, procedures and oversight, all of which have been supported by the bank's shareholders. However, the new risk infrastructure is yet to be tested in the context of BICSA's new mandate to expand within the region. As a sovereign-owned entity and because of strong ties to its shareholder banks, BICSA may also be subject to political influence in its asset allocation and profitability targets. This risk may be mitigated by the bank's corporate policies that do not allow interference in the bank's governance, code of ethics, or credit policies and practices.

Other challenges for BICSA include the maintenance of its good asset quality while further diversifying and expanding its credit business in the high growth economies of the region. Management intends to increase its

export-related lending to further mitigate country risk. BICSA must also broaden and deepen its funding access to support its growth plans and reinforce its long term funding profile and therefore the establishment of a debt issuance program is one of management's top priorities for 2008.

BICSA's Ba1 long term global scale foreign currency deposit rating is based on a Ba2 baseline credit assessment (mapped from the D BFSR). The deposit rating also incorporates the management and capital support of its two government-owned shareholders, Banco de Costa Rica (BCR), with a 51% stake, and Banco Nacional de Costa Rica (BNCR), with 49%, as well as their endorsement of the bank's strategic purpose of developing international business on their behalf with Costa Rican and other Central American companies.

Moody's does not assign BICSA a global local currency deposit rating because it is a US-dollar based bank, as are all Panamanian banks. Hence the BFSR is mapped directly to the foreign currency rating. BICSA's Ba1 rating is unconstrained by the Baa2 Panamanian country ceiling for foreign currency deposits.

As a dollar-based bank, BICSA is unlikely to receive systemic support from either Panama or Costa Rica in a situation of high stress. Panama has no central bank and therefore no true lender of last resort. Direct liquidity support is also unlikely to be forthcoming from the Costa Rican central bank because of its cross border domicile and because the government guarantee of the parent banks' liabilities does not extend to BICSA. However, extraordinary support in the form of portfolio purchases by BICSA's shareholder banks could occur. We also view the agreement between BCR and BNCR to maintain an 80% paid-in-capital to 20% undistributed earnings ratio for the bank's capitalization as further evidence of their strong support.

Credit Strengths

- Established brand in trade finance products and markets in Costa Rica, Panama, and other Central American countries
- Strategic subsidiary with clear mission and dedicated resources to develop cross border trade finance on behalf of shareholder banks
- Experienced professional bankers in senior positions and in BICSA's various markets may nimbly develop new business
- Good asset quality indicators reflect solid corporate lending base and relationship management
- Conservative investment strategy and good capitalization
- Primarily deposit funded with strong and diverse correspondent banking relationships
- Largely short term credit portfolio lends further liquidity to balance sheet
- Investments in technology and risk management systems should support risk and liquidity management quality

Credit Challenges

- Weak profitability reflects transitioning franchise as well as short term trade finance emphasis and relatively high expense base
- Reliance on corporate deposits and bank lines and limited access to cheap retail funding results in high funding costs
- Intense competition from regional and international banks particularly in niche area of trade finance
- Present management team and risk management systems relatively new and yet to be proven under current business development strategy
- Past governance and control issues have been a drain on resources and management time, e.g. regulatory issues in the Miami agency (lifted in February 2008)
- Management subject to potential political influence of government- owned shareholders

Rating Outlook

The outlook for all ratings is stable.

What Could Change the Rating - Up

Sustained improvement in profitability, franchise growth, and funding diversification.

What Could Change the Rating - Down

Sharp deterioration in asset quality, liquidity, or capitalization.

Recent Results

BICSA earned net income of \$8.3 million in 2007, up 34 % from the prior year, owing to strong (21.2%) loan growth, higher net interest and other income, as well as lower provisions for loan losses due to reversals related to Telesis (\$2.1 million). The net interest margin declined slightly to 2.67% as funding costs rose. Fees and commissions remained weak, reflecting the loss of the Costa Rican card business and discontinued US cash letter service. Pre-provision profit nevertheless remained stable as a percentage of risk-weighted assets at 1.6%, as administrative costs were outpaced by gross revenues.

BICSA began operations in Panama in 1976 under a general banking license as part of an initiative of the Costa Rican public sector banks to create an international trade finance arm. Since its initial capitalization of \$1.25 million, BICSA has grown to be the 10th largest bank in Panama with total assets of \$747.7 million, capital of \$94.8 million, and net income of \$8.3 million as of December 31, 2007. BICSA also maintains a Miami agency since 1983.

BICSA was established by Banco Nacional de Costa Rica to serve Central American corporations as an international financing vehicle with the aim of promoting international trade within the framework of the Central American common market. The initiative was further promoted by the Costa Rican banking authorities who proposed that the other three state-owned commercial banks join the project, so that the banking system of the country would be represented by one international entity with one agreed-upon strategy.

Prior to 2005, BNCR held 80% of the shares having taken over the participations of two predecessor banks. At the end of 2005, the bank transferred 31% of the shares to Banco de Costa Rica as part of a restructuring of the bank. Under BCR's guidance, BICSA has reinforced its risk management systems as well as having access to BCR's corporate banking experience.

DETAILED RATING CONSIDERATIONS

Detailed considerations on BICSA's ratings are as follows:

Bank Financial Strength Rating

As a point of reference, BICSA's assigned BFSR is currently one notch lower than the D+ (adjusted) outcome of Moody's bank financial strength rating scorecard. In the case of BICSA, the scorecard does not fully capture the above transition, competitive and potential asset quality risks inherent in the bank's expansion strategy. In addition, BICSA compares well with other banks rated D for financial strength.

Qualitative Rating Factors (70% weighting)

Factor: Franchise Value

Trend: Improving

BICSA scores an E+ for franchise value, reflecting a D score for market share and sustainability and E scores for geographic diversification, earnings stability, and earnings diversification. Despite the bank's known brand within Central America and strategic importance to its owners, the low scores reflect the relatively small size of those markets together with the bank's limited market shares. The earnings stability score, which refers to the predictability of earnings and generates high scores for banks with a high percentage of stable retail or fee-generating businesses, is therefore also low for BICSA and others whose main source of earnings is wholesale lending.

The improving trend for franchise value points to BICSA's growth and diversification strategy.

Factor: Risk Positioning

Trend: Improving

BICSA's low risk positioning score primarily reflects an E score for corporate governance, which directly affects the overall risk positioning score. We indicate an improving trend due to notable enhancements in risk management and controls, borrower concentrations, and liquidity management.

Corporate Governance:

BICSA's corporate governance score results from its government ownership (i.e., single owner) but particularly because of the lack of an independent Board of Directors. According to Moody's methodology, BICSA's 100% government ownership through Banco de Costa Rica and Banco Nacional de Costa Rica may be equated to a closely held firm dominated by one main shareholder, which would lead to an automatic score of D for corporate governance. However, BICSA also does not meet the test for an independent board of directors of at least 25% of its members, and therefore the bank receives a score of E for corporate governance.

Controls and Risk Management:

BICSA's D score for controls and risk management are indicative of the very short track record of the bank's new risk management structure, policies, and processes. However, Moody's views the transformation and direction of the bank's risk management to be highly positive with respect to the institution's future standalone creditworthiness.

The bank has reorganized and reinforced its risk management organization, establishing an enterprisewide oversight role in March 2008 for credit, market, and operational risk management for all the countries in which it operates. Policies and practices have been homogenized to ensure a greater level of discipline and accountability. Independent Chief Risk Officer (2005) and Chief Compliance Officer (2006) roles based in Miami and staffed by experienced banking professionals have also been extended enterprisewide. Country managers in the various countries are career bankers with strong knowledge of their markets.

The decision - making process for credit approvals is also now more integrated, supported by substantial systems upgrades.

Risk management discussions are held regularly among executives and the board. Monthly credit committees include discussions of largest credits, price risk, and liquidity risk. Monthly committees discuss investment portfolios and operational risk. There is an annual loan review process now in place. Stop loss limits on trading are also in place and monitored regularly, and breaches are reported on the same day. Liquidity risk positions are reported daily. The bank continues to strengthen its treasury and asset-liability management, through a centralized treasury unit and personnel with expertise in market and operational risk issues.

BICSA has also adopted a new Enterprisewide Risk Management System based on a risk control self-assessment methodology that requires joint participation of the risk units and internal audit. It is designed as a continuously interactive self-assessment process with quarterly updates and coordination with unit heads. The bank is now using advanced statistical analysis methods introduced by BCR, such that senior management and the Board are able to review credit and market risk VaRs on a monthly basis.

BICSA's low score for controls primarily reflects the bank's regulatory issues in the Miami agency. That issue has been strictly dealt with and risk management policies and practices enhanced. In February 2008, the regulatory action was lifted based on the agency's compliance with an agreed action plan to improve the administrative and risk management practices of the bank.

Financial Reporting Transparency:

BICSA's receives an above average B score for financial reporting transparency. The bank publishes complete financial statements based on IFRS, which provide a level of detail consistent with its business profile. Details include country and industry exposures, problem loan and reserve coverage information, BIS capitalization ratios, risk-weighted assets, market risk exposure and stress testing information. Missing however for an A score for quality are profitability figures by business line and details on the largest credits.

Credit Risk Concentration:

BICSA's low borrower concentration score reflects the bank's corporate and institutional lending focus, though the bank has been making efforts to reduce borrower concentrations in recent years. In addition, its largest loans are devoted to high quality names in its markets.

BICSA's score for borrower risk concentrations is not uncommon for corporate lenders in Latin America because of size and the region's very shallow loan sales and securitization markets overall. The score also reflects the bank's low level of pre-provision earnings, one of the two denominators Moody's uses to assess risk concentrations along with tier one capital. The borrower score overrides the bank's good B score for industry concentrations as the scorecard registers the lower of the two scores.

Factor: Operating Environment

Trend: Improving

All Panamanian banks are subject to the same score on operating environment, which is scored C+. This incorporates a score of C for economic stability, a D score for integrity and corruption, and an A score for the Panamanian legal system. Economic stability is based on the standard deviation of Panama's nominal local currency GDP growth rates during the last 20 years. The integrity and corruption score is taken from a World Bank index, which ranks 212 countries worldwide. The predictability and fairness of the Panamanian legal system and the effectiveness of contract law are scored based on our chosen proxy of the typical time (i.e., one year) it takes to foreclose on a residential mortgage.

For Panama, the score is A; however, given the bank's important exposures in other markets such as Costa Rica and other countries, the final score for the legal system takes into account the relevant scores for those countries, for a lower score by one notch of B.

Factor: Regulatory Environment

Trend: Improving

In Panama, banks are regulated by the Superintendency of Banks (Superintendencia de Bancos de Panama, SBP). Moody's assessment of Panama's regulatory environment considers the SBP's commitment to Basle standards, the independence and enforcement powers of its regulatory body, as well as its adherence to global standards of best practices for reporting transparency, problem loan recognition, and risk control. Panamanian banks have been reporting under International Financial Reporting Standards since 1999.

While Moody's views the SBP as BICSA's primary regulator, the bank also benefits from oversight in the U.S. The Miami branch of the Atlanta Federal Reserve Bank and the State of Florida Office of Financial Regulation jointly supervise the Miami Agency. On a consolidated basis, BICSA is also supervised by SUGEF, the banking regulator of Costa Rica.

Quantitative Rating Factors (30% weighting)

Factor: Profitability

Trend: Improving

Since BICSA's reorganization began in 2004, the bank's earnings performance has improved dramatically. The reorganization included the spin-off of BICSA's Costa Rican subsidiaries to BNCR, and concluded with the merger through acquisition of BICSA Corporacion Financiera into the surviving entity, Banco Internacional de Costa Rica, S.A. (Panama). The overall effect of the reorganization was a streamlining of the bank's corporate and management structure, a reduction of administrative expenses, and a refocusing on the bank's core business, i.e., the financing of international trade.

BICSA's profitability is still fairly modest, reflecting its transitioning franchise, non-recurring charges related to its reorganization, as well as its emphasis on short term trade finance with corporations. Fee income is also fairly weak both as a percentage of gross revenues (11.7%) and as coverage of operating expenses (18.7%). The bank operates with a somewhat narrow net interest margin (2.67% in 2007), reflective in part of its dollarized portfolio but also of its high funding costs considering its brand, probably as a result of its dependence on wholesale funding sources.

Management projects flat earnings for the full year 2008 of about \$8 million. The 2007 result had benefited from the conclusion of the regulatory compliance process in Miami and finalization of the Board initiated Strategic Plan, as well as the reversal of previous year provisions related to the Telesis case. Management expects strong improvement in bottom line results as well as returns on assets and equity, based on the expansion and diversification of both loan and investment portfolios.

Moody's has refined its analysis of the Panamanian banks by adjusting risk-weighted assets following the guidance of Basle II to allow for comparability across markets. We believe that reported risk-weighted assets may not be fully reflective of the bank's asset risk profile since sovereign exposures are currently weighted at 0%. As BICSA already assigns risk weights to its investment portfolio in accordance with Basle II, we have not adjusted its scorecard ratios.

Factor: Liquidity

Trend: Neutral

BICSA scores D+ for liquidity. The liquidity score is a combination of two scores, one qualitative and the other quantitative. The qualitative score measures the quality of the bank's liquidity management. In the case of BICSA, the relatively short track record of its present risk management systems was taken into account in the qualitative score. The quantitative score measures the bank's relative dependence on market funds but also in relation to the bank's limited store of liquid funds on the balance sheet.

BICSA's liquidity and funding profile has had a relatively stable history given that the bank is predominantly (57%) funded by customer deposits. However, the bank's funding is largely wholesale in nature in that it displays important corporate deposit concentrations, with the 25 largest depositors increasing to 36% up from 23% in 2006. In addition, the bank has very limited access at present to low cost core retail funding and therefore its funding cost is much higher than that of its Panamanian peers.

The bank's funding through banks is also high relative to that of retail banks, at 37% of total funding, in addition to 15% from shareholders banks and 4% from public sector entities. This has limited the bank's funding flexibility to date.

We expect this to improve however as the bank diversifies away from the interbank market through the issuance of debt in the Panamanian and Costa Rican markets. This effort is a top priority of BICSA's management in 2008 to support the bank's planned expansion in the Central American region.

BICSA's holdings of liquid assets comprise 22.6% of total assets, substantially below the average for D rated banks in Latin America. Its loan leverage is also high, as its primary business is lending, at 73.6% of total assets. This leverage is however partly balanced by the short term nature of its portfolio relative to that of the typical commercial bank, with about 65% under one year, the bulk (58%) maturing within 180 days, and 15% in the one to three year range, reflecting its international trade finance focus.

Tenor mismatches also tend to be limited, although there are mismatches for medium term maturities between one and five years that are expected to be addressed through issuances of three to five year debt.

BICSA's investment book is also concentrated in high quality assets, in keeping with the typical Panamanian bank because of their dollarized balance sheets and lack of a lender of last resort.

Factor: Capital Adequacy

Trend: Neutral

BICSA is adequately capitalized considering its risk profile, with a reported BIS ratio of 14.5% as of December 31, 2007 and a target range of 13-14%. The minimum regulatory capital ratio in both Panama and Costa Rica is 10%. We adjust the reported ratio for related party loans (12.62% for the three year average), which nevertheless results in an A score for capital adequacy.

Factor: Efficiency

Trend: Improving

BICSA's efficiency score is at the global average of C. The average ratio of about 65 % for the past three years is high relative to regional peers, but displays an improving trend. Management targets it to come into the 50%-55% range in 2008 and 2009 due to stronger revenue growth and better expense controls.

Factor: Asset Quality

Trend: Improving

BICSA's loan portfolio is well diversified by economic sector, with geographic concentrations in markets well known to management and its calling officers: Costa Rica (51%), Panama (28%), and Central America (17%). There is minimal public sector lending exposure (under 1%). The loan portfolio is largely short term (65%), of which 86% relates to corporates.

The bank's currently low non-performing loan levels (minimal) and good reserve coverage (over 400% of problem loans) are indicative of the bank's continuing portfolio review and proactive recognition process of loan problems, providing a clean platform for future growth.

The bank's investment strategy has been to concentrate on high quality, marketable securities, given the high proportion of lending to total assets and its dollarized balance sheet. 66% of the investment portfolio is presently related to structured notes issued by high quality entities: BCIE (A3 Moody's), Deutsche Bank (Aa-) and Morgan Stanley (AA-), a form of collateralized loan note (CLN) against sovereign risk of Panama and Costa Rica (Ba1 Moody's). The rest of the portfolio consists mainly of US agency notes (19%), Panamanian corporate bonds (10%) and Panamanian sovereign bonds (7%).

The principal risk here is if management overextends the bank's appetite for growth in riskier credits and/or markets, or deviates from its areas of specialization. The bank's recent experience in Miami and with loan losses on loans outside of its designated footprint (e.g. Banco Santos of Brazil in 2002) is likely to have dampened management's enthusiasm to go too far afield.

Global Local Currency Deposit Rating (Joint Default Analysis)

Because BICSA is a dollar-denominated bank, Moody's cannot assign a local currency deposit rating (GLC) per se; however, its GLC would be the same as its foreign currency deposit rating of Ba1.

As Panama is a legally dollarized country with no central bank, there is no true lender of last resort. Panama has used the US dollar as legal tender since 1903. As such Panama is considered a fully dollarized country for Moody's assessment of systemic support (see "Incorporation of Joint-Default Analysis into Moody's Bank Ratings: A Refined Methodology," March 2007).

Because BICSA is a US dollar-based bank in a country other than its home country of Costa Rica, which is not dollarized, Moody's believes the bank would not be considered for extraordinary support from the Panamanian government to cover deposit obligations if needed. Indeed, the bank might benefit from indirect mechanisms of support, such as regulatory or accounting forbearances, that the Superintendency of Banks might offer to ensure system stability. We also believe that the Costa Rican central bank would not offer direct support to the bank as a cross border, fully dollarized institution.

Therefore, for our joint default analysis, we assume no systemic support from either country, despite its sovereign shareholders. However, the bank's ratings do benefit from shareholder support based on the financial strength of the parent banks.

Foreign Currency Deposit Rating

Moody's assigns a foreign currency deposit rating of Ba1 to BICSA, which incorporates the management and capital support of its shareholders, Banco de Costa Rica and Banco Nacional de Costa Rica. This rating is not constrained by the Baa2 Panamanian country ceiling for foreign currency deposits.

Notching Considerations

Senior debt would be rated similarly to deposits. Junior obligations would be subject to Moody's standard notching practices.

ABOUT MOODY'S BANK RATINGS

Bank Financial Strength Rating

Moody's Bank Financial Strength Ratings (BFSRs) represent Moody's opinion of a bank's intrinsic safety and soundness and, as such, exclude certain external credit risks and credit support elements that are addressed by Moody's Bank Deposit Ratings. Bank Financial Strength Ratings do not take into account the probability that the bank will receive such external support, nor do they address risks arising from sovereign actions that may interfere with a bank's ability to honor its domestic or foreign currency obligations. Factors considered in the assignment of Bank Financial Strength Ratings include bank-specific elements such as financial fundamentals, franchise value, and business and asset diversification. Although Bank Financial Strength Ratings exclude the external factors specified above, they do take into account other risk factors in the bank's operating environment, including the strength and prospective performance of the economy, as well as the structure and relative fragility of the financial system, and the quality of banking regulation and supervision.

Global Local Currency Deposit Rating

A deposit rating, as an opinion of relative credit risk, incorporates the Bank Financial Strength Rating as well as Moody's opinion of any external support. Specifically, Moody's Bank Deposit Ratings are opinions of a bank's ability to repay punctually its deposit obligations. As such, Moody's Bank Deposit Ratings are intended to incorporate those aspects of credit risk relevant to the prospective payment performance of rated banks with respect to deposit obligations, and includes: intrinsic financial strength, sovereign transfer risk (in the case of foreign currency deposit ratings), and both implicit and explicit external support elements. Moody's Bank Deposit Ratings do not take into account the benefit of deposit insurance schemes which make payments to depositors, but they do recognize the potential support from schemes that may provide assistance to banks directly.

According to Moody's joint default analysis (JDA) methodology, the global local currency deposit rating of a bank is determined by the incorporation of external elements of support into the bank's Baseline Risk Assessment. In calculating the GLC rating for a bank, the JDA methodology also factors in the rating of the support provider, in the form of the local currency deposit ceiling for a country, Moody's assessment of the probability of government support for the bank in case a stress situation occurs and the degree of dependence between the issuer rating and the LCDC.

National Scale Rating

National scale ratings are intended primarily for use by domestic investors and are not comparable to Moody's

globally applicable ratings; rather they address relative credit risk within a given country. An Aaa rating on Moody's National Scale indicates an issuer or issue with the strongest creditworthiness and the lowest likelihood of credit loss relative to other domestic issuers. National Scale Ratings, therefore, rank domestic issuers relative to each other and not relative to absolute default risks. National ratings isolate systemic risks; they do not address loss expectation associated with systemic events that could affect all issuers, even those that receive the highest ratings on the National Scale.

Foreign Currency Deposit Rating

Moody's ratings on foreign currency bank obligations derive from the bank's local currency rating for the same class of obligation. The implementation of JDA for banks can lead to a high local currency ratings for certain banks, which could also produce high foreign currency ratings. Nevertheless, it should be reminded that foreign currency deposit ratings are in all cases constrained by the country ceiling for foreign currency bank deposits. This may result in the assignment of a different, and typically lower, rating for the foreign currency deposits relative to the bank's rating for local currency obligations.

Foreign Currency Debt Rating

Foreign currency debt ratings are derived from the bank's local currency debt rating. In a similar way to foreign currency deposit ratings, foreign currency debt obligations may also be constrained by the country ceiling for foreign currency bonds and notes, however, in some cases the ratings on foreign currency debt obligations may be allowed to pierce the foreign currency ceiling. A particular mix of rating factors are taken into consideration in order to assess whether a foreign currency bond rating pierces the country ceiling. They include the issuer's global local currency rating, the foreign currency government bond rating, the country ceiling for bonds and the debt's eligibility to pierce that ceiling.

About Moody's Bank Financial Strength Scorecard

Moody's bank financial strength model (see scorecard below) is a strategic input in the assessment of the financial strength of a bank, used as a key tool by Moody's analysts to ensure consistency of approach across banks and regions. The model output and the individual scores are discussed in rating committees and may be adjusted up or down to reflect conditions specific to each rated entity.

Rating Factors

Banco Internacional de Costa Rica, S.A.

Rating Factors [1]	A	B	C	D	E	Total Score	Trend
Qualitative Factors (70%)						D+	
Factor: Franchise Value						E+	Improving
Market Share and Sustainability				x			
Geographical Diversification					x		
Earnings Stability					x		
Earnings Diversification [2]					x		
Factor: Risk Positioning						E	Improving
Corporate Governance [2]					x		
- Ownership and Organizational Complexity				x			
- Key Man Risk							
- Insider and Related-Party Risks					x		
Controls and Risk Management				x			
- Risk Management				x			
- Controls				x			
Financial Reporting Transparency		x					
- Global Comparability	x						
- Frequency and Timeliness	x						
- Quality of Financial Information		x					
Credit Risk Concentration					x		
- Borrower Concentration					x		

- Industry Concentration		x					
Liquidity Management							x
Market Risk Appetite							x
Factor: Operating Environment							C
Economic Stability							
Integrity and Corruption							x
Legal System							x
Financial Factors (30%)							C+
Factor: Profitability							C
PPP % Avg RWA							1.50%
Net Income % Avg RWA							1.12%
Factor: Liquidity							D+
(Mkt funds-Liquid Assets) % Total Assets							8.99%
Liquidity Management							x
Factor: Capital Adequacy							A
Tier 1 ratio (%)	14.75%						
Tangible Common Equity % RWA	14.75%						
Factor: Efficiency							C
Cost/income ratio							64.81%
Factor: Asset Quality							A
Problem Loans % Gross Loans	0.55%						
Problem Loans % (Equity + LLR)	2.68%						
Lowest Combined Score (9%)							D+
Economic Insolvency Override							Neutral
Aggregate Score							C-
Assigned BFSR							D

[1] - Where dashes are shown for a particular factor (or sub-factor), the score is based on non public information

[2] - A blank score under Earnings diversification or Corporate Governance indicates the risk is neutral

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