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**Virus-related shock drives negative outlooks and reviews for downgrade**

Paris, March 26, 2020 -- Moody's Investors Service today took rating actions on 15 Italian banks. The outlooks on the long-term deposit ratings of four Italian banks and on the senior unsecured debt ratings for five Italian banking groups were changed to negative from stable. The outlook on one Italian banking group was changed to developing from positive. The rating agency placed on review for downgrade or direction uncertain some of the ratings and / or assessments of another four Italian banks (see details below) and affirmed with stable outlook the ratings of one Italian bank.

Today's rating actions reflect the deteriorating operating environment from the coronavirus outbreak in Italy and the associated downside risks to Italian banks' standalone credit profiles. The Baseline Credit Assessments (BCAs) of most Italian banks are particularly exposed to:

- Worsening asset quality: despite the large support package put in place by the Italian government as well as the supervisory measures decided by the European Central Bank, the rating agency expects a material increase in problem loans and the cost of risk as companies and individuals struggle to deal with their sudden change in economic circumstances;
- Deteriorating capitalization: capital ratios are likely to decline given wider spreads on Italian government bonds together with an increase of risk-weighted assets (RWAs) as companies draw down loans and their probability of default increases; and
- Tighter funding: high volatility will make access to market funding difficult even though measures taken by the ECB ensure ample liquidity for now (ECB measures will provide limited economic offset to coronavirus weakness; [https://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBC\\_1218558](https://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBC_1218558)).

Moody's has identified two principal groups within its coverage of Italian banks:

(1) those banks whose Baseline Credit Assessments will very likely be affected by an expected deterioration in the operating environment and associated rising problem loans, declining capital and falling profitability. The BCAs and some ratings of these banks have been placed on review for downgrade or review uncertain; and

(2) those banks whose BCAs could be affected by the expected deterioration in the operating environment. The agency has affirmed the BCAs and ratings of these banks but changed a number of outlooks to negative or developing.

The ratings of a small number of other banks were unaffected or affirmed with stable outlooks, as idiosyncratic reasons continue to outweigh the systematic downward pressure for the moment.

**RATING ACTIONS OVERVIEW**
**REVIEWS**

- Banca Sella Holding S.p.A.: all ratings and assessments were placed on review for downgrade.
- Cassa Centrale Raiffeisen S.p.A.: the BCA and Adjusted BCA of baa3 alongside its issuer and senior unsecured ratings at Baa2 were placed on review for downgrade. All other ratings and assessments, currently constrained by the rating on the Italian government, were affirmed; the outlook on the long-term deposit ratings remains stable.
- Credit Agricole Italia S.p.A.: the BCA and Adjusted BCA (ba1 and baa1 respectively) were placed on review for downgrade. All other ratings and assessments, currently constrained by the rating on the Italian government, were affirmed; the outlook on the long-term deposit ratings remains stable.
- Cassa Centrale Banca S.p.A. (CCB): the BCA and Adjusted BCA of ba1 alongside its long-term issuer ratings of Ba1 were placed on review for downgrade. The direction of the review on bank's deposit ratings and assessments was changed to uncertain. The review uncertain reflects the rapidly deteriorating macroeconomic environment in Italy which could be potentially mitigated by CCB's larger deposit base on a group consolidated basis (see "Moody's downgrades Cassa Centrale Banca's issuer rating to Ba1 from Baa3; deposit ratings on review for upgrade", 9 October 2019; [https://www.moodys.com/research/--PR\\_410817](https://www.moodys.com/research/--PR_410817)).

**CHANGES IN OUTLOOKS**

- Intesa Sanpaolo S.p.A. (Intesa Sanpaolo): the outlooks on the bank's and Banca IMI S.p.A.'s long-term senior unsecured debt ratings were revised to negative from stable. The outlook on both the bank's and Banca IMI's long-term deposit ratings remain stable, while the banks' deposit and senior debt ratings of Baa1 and their BCAs of baa3 were affirmed.

The actions reflect likely downward pressure on the bank's BCA and the potential for a reversal of its previously improving trend in asset quality. The outlook remains stable on the bank's long-term deposit ratings because these ratings are currently capped by Italy's government bond rating of Baa3 and therefore unlikely to be downgraded in the event of a lower BCA.

- Mediocredito Trentino-Alto Adige S.p.A.: the outlooks on the long-term deposit rating of Baa3 and senior unsecured debt ratings of Ba1 were changed to negative from stable. All assessments and ratings were affirmed.

- Credito Valtellinese S.p.A.: the outlook on the senior unsecured debt rating of B2 was changed to negative from stable. All assessments and ratings were affirmed.

- Banco BPM S.p.A.: the outlook on the long-term deposit ratings was changed to negative from stable. The bank's BCA of ba3, deposit ratings of Baa3/Prime-3 and issuer and senior unsecured ratings of Ba2 were affirmed.

- BPER Banca S.p.A.: the outlooks on the long-term deposit, issuer and senior unsecured ratings were changed to negative from stable. The bank's BCA of ba2, deposit ratings of Baa3/Prime-3 and issuer and senior unsecured ratings of Ba3 were affirmed.

- Credito Emiliano S.p.A.: the outlook on the long-term deposit rating was changed to negative from stable. The bank's BCA of baa3 and deposit ratings of Baa3/Prime-3 were affirmed.

- Banca Monte dei Paschi di Siena S.p.A. (MPS): the outlooks on the long-term deposit and senior unsecured ratings were changed to developing from positive, reflecting both downside risks and upward pressure on the ratings. The outlooks on the deposit ratings of the bank's subsidiary MPS Capital Services S.p.A. were also changed to developing from positive. The bank's BCA of b3, deposit ratings of B1/Not Prime and senior unsecured rating of Caa1 were affirmed.

- Mediobanca S.p.A.: The outlooks on the issuer and senior unsecured ratings were changed to negative from stable. The outlook on the long-term deposit ratings remains stable because these ratings are currently capped by Italy's government bond rating of Baa3 and therefore unlikely to be downgraded in the event of a lower BCA. The bank's BCA of baa3, deposit ratings of Baa1/Prime-2 issuer and senior unsecured ratings of Baa1 were affirmed.

#### RATINGS AFFIRMATION WITH A STABLE OUTLOOK

- UniCredit S.p.A. (UniCredit): the bank's deposits of Baa1/Prime-2 and senior unsecured debt ratings of Baa1 were affirmed, as was its BCA of baa3. The outlook on the long-term deposit and senior unsecured debt ratings remains stable.

Although UniCredit's BCA of baa3 benefits from the bank's pan-European footprint with strong presence in Germany, Austria and CEE countries, the BCA could still be affected by a deterioration in the operating environment. However, the outlooks on the long-term deposit and senior unsecured ratings remain stable because these ratings are currently capped by Italy's government bond rating of Baa3 and therefore unlikely to be downgraded in the event of a lower BCA.

#### BANKS NOT AFFECTED BY TODAY'S RATING ACTION

The ratings and assessments of Banca Carige S.p.A., Unione di Banche Italiane S.p.A, Banca Nazionale Del Lavoro S.p.A., Banca Farmaceutica S.p.A. and Banca del Mezzogiorno -- MCC S.p.A (Banca del Mezzogiorno) are not affected by today's rating actions. For Banca del Mezzogiorno: the review for downgrade on the bank's deposit and senior unsecured debt ratings (Baa3/Prime-3 and Ba1 respectively) was extended. The review initiated on 31 December 2019 followed the announcement by the Italian government that the bank would be involved in the rescue of the troubled Banca Popolare di Bari S.p.A. (see "Moody's places Banca del Mezzogiorno's long term ratings under review for downgrade"; [https://www.moodys.com/research/--PR\\_415723](https://www.moodys.com/research/--PR_415723)).

A full list of affected ratings can be found at the end of this press release.

#### RATINGS RATIONALE

The global spread of the coronavirus will result in simultaneous supply and demand shocks. As of 24 March, Italy had put in place sweeping and stringent measures designed to stem the spread of coronavirus. These measures are highly disruptive to economic activity.

The negative outlooks assigned to the aforementioned ratings and assessments reflect the pressure on these banks' intrinsic financial strength (or BCAs) given this deteriorating environment.

Moody's has placed on review for downgrade the ratings and/or assessments of banks that the agency views as more vulnerable to a deterioration of their credit profiles, which could be revealed in the short term. This additional vulnerability could be driven by one or more of a number of factors, including the composition of their loan portfolios (greater exposure to more vulnerable sectors such as tourism, retail, and SMEs more generally), reduced likelihood of problem loan disposals, a weaker starting point in terms of capital or profitability, or more limited diversification.

#### ASSET QUALITY AND PROFITABILITY WILL WORSEN

The very rapid spread of the coronavirus outbreak has led Italy to enforce widespread limitations on movement which will have a material impact on the country's economy, affecting both corporate and individuals, with more acute consequences for the important SME sector.

Moody's therefore expects Italian banks' asset quality and profitability to weaken due to higher problem loans, even though the duration of the disruption and its implications for the overall economy and the Italian banking system are dependent upon the spread of the virus, which remains difficult to predict. Some anticipated problem loan disposals will likely be delayed or cancelled.

To some extent, the economic consequences will be mitigated by government action. On 17 March 2020, the Italian government approved a package ("Decreto Cura Italia"), which could be amended via the legislative process, including support for individuals, SMEs and self-employed. The new package includes specific measures for the banking system, including a six-month bank loan moratoria for companies under specific conditions and the introduction of state guarantees on part of the loan losses that could be faced by banks during this period.

In Moody's view these measures, in particular the introduction of a state guarantee mechanism, are unlikely to fully shield the Italian economy and banks from all the negative consequences of an unprecedented turmoil and are more limited in scope than those in some other large European countries.

Moody's also expects that banks' profitability will further suffer due to the combination of lower revenues and increased credit costs.

#### BANKS' CAPITAL WILL BE AFFECTED

Italian banks' capital ratios will be affected by rising spreads on sovereign yields, despite the supporting measures taken by the ECB, which will weigh on the value of their government securities and hence their equity, depending on how these assets are accounted. Italian banks' exposure to the Italian government totaled €385 billion as of end-February 2020, equivalent to 10% of the system's total assets.

The Italian 10-year sovereign bond spread relative to the German 10-year bond increased to over 280 basis points (bps) on 18 March from below 130 bps before the coronavirus outbreak, and then decreased to around 190 bps on 20 March, showing a high degree of volatility. Capital ratios may also be diluted by a deterioration in the quality of bank's loans, which could prompt an increase in RWAs.

#### WHOLESALE FUNDING IS MORE CONSTRAINED

The negative outlook on Italian banks' debt and deposit ratings also reflects Moody's view that current market conditions will constrain banks wholesale funding plans.

#### ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONSIDERATIONS

We regard the coronavirus outbreak as a social risk under our ESG framework, given the substantial implications for public health and safety.

Moody's does not apply any corporate behavior adjustment to Italian banks part of today's rating action except for MPS, and does not have any specific concerns about their corporate governance, which is nevertheless a key credit consideration, as for most banks. MPS's BCA of b3 incorporates one-notch negative adjustment for corporate behavior to reflect the continued uncertainty over the bank's strategy going forward. Corporate governance is a key credit consideration for MPS, as weak governance in the past had led to poor strategic decisions.

#### WHAT COULD MOVE THE RATINGS UP/DOWN

The ratings of Cassa Centrale Banca S.p.A. could be upgraded should the group's deposit base be sufficiently large to reduce loss-given-failure for this instrument.

For other banks, upgrades in deposit and senior unsecured debt ratings are unlikely given the current negative outlooks or reviews for downgrade.

A downgrade in ratings would likely be driven by a lower BCA. A BCA downgrade could be driven by an expectation of a material deterioration in the operating environment for banks in Italy, leading to a worsening of banks' asset quality and profitability and reduced loss-absorption capacity. A downgrade of banks' BCAs could also be triggered by significantly reduced capitalization or a material deterioration in liquidity if measures approved by the ECB were not sufficient to preserve their liquidity and funding positions.

The developing outlook on MPS's ratings reflects both the downside risks common to other Italian banks from the coronavirus outbreak described below, and also the upward potential from the disposal of problem loans which the bank is negotiating and which would materially improve its financial profile.

A downgrade of Italy's sovereign rating would also lead to a downgrade of banks' ratings capped by the sovereign rating.

Changes to the banks' liability structures could also have an impact of the banks' ratings.

#### LIST OF AFFECTED RATINGS

Issuer: Banca Monte dei Paschi di Siena S.p.A.

..Affirmations:

....Long-term Counterparty Risk Ratings, affirmed Ba3

....Short-term Counterparty Risk Ratings, affirmed NP

....Long-term Bank Deposits, affirmed B1, outlook changed to Developing from Positive  
 ....Short-term Bank Deposits, affirmed NP  
 ....Long-term Counterparty Risk Assessment, affirmed Ba3(cr)  
 ....Short-term Counterparty Risk Assessment, affirmed NP(cr)  
 ....Baseline Credit Assessment, affirmed b3  
 ....Adjusted Baseline Credit Assessment, affirmed b3  
 ....Senior Unsecured Regular Bond/Debenture, affirmed Caa1, outlook changed to Developing from Positive  
 ....Senior Unsecured Medium-Term Note Program, affirmed (P)Caa1  
 ....Subordinate Regular Bond/Debenture, affirmed Caa1  
 ....Subordinate Medium-Term Note Program, affirmed (P)Caa1  
 ....Other Short Term affirmed (P)NP

..Outlook Action:

....Outlook changed to Developing from Positive

Issuer: Banca Italease S.p.A.

..Affirmations:

....Senior Unsecured Regular Bond/Debenture, affirmed Ba2, outlook remains Negative

..No Outlook assigned

Issuer: Banco Popolare Societa Cooperativa

..Affirmations:

....Senior Unsecured Regular Bond/Debenture, affirmed Ba2, outlook remains Negative

....Subordinate Regular Bond/Debenture, affirmed B1

....Preferred Stock Non-cumulative, affirmed B3(hyb)

..No Outlook assigned

Issuer: BPER Banca S.p.A.

..Affirmations:

....Long-term Counterparty Risk Ratings, affirmed Baa2

....Short-term Counterparty Risk Ratings, affirmed P-2

....Long-term Bank Deposit Ratings, affirmed Baa3, outlook changed to Negative from Stable

....Short-term Bank Deposit, affirmed P-3

....Long-term Counterparty Risk Assessment, affirmed Baa2(cr)

....Short-term Counterparty Risk Assessment, affirmed P-2(cr)

....Long-term Issuer Rating, affirmed Ba3, outlook changed to Negative from Stable

....Baseline Credit Assessment, affirmed ba2

....Adjusted Baseline Credit Assessment, affirmed ba2

....Senior Unsecured Regular Bond/Debenture, affirmed Ba3, outlook changed to Negative from Stable

....Senior Unsecured Medium-Term Note Program, affirmed (P)Ba3

....Subordinate Regular Bond/Debenture, affirmed Ba3

....Subordinate Medium-Term Note Program, affirmed (P)Ba3

## ..Outlook Action:

....Outlook changed to Negative from Stable

Issuer: Mediobanca S.p.A.

## ..Affirmations:

....Long-term Counterparty Risk Ratings, affirmed Baa1

....Short-term Counterparty Risk Ratings, affirmed P-2

....Long-term Bank Deposits, affirmed Baa1, outlook remains Stable

....Short-term Bank Deposits, affirmed P-2

....Long-term Counterparty Risk Assessment, affirmed Baa2(cr)

....Short-term Counterparty Risk Assessment, affirmed P-2(cr)

....Long-term Issuer Ratings, affirmed Baa1, outlook changed to Negative from Stable

....Baseline Credit Assessment, affirmed baa3

....Adjusted Baseline Credit Assessment, affirmed baa3

....Senior Unsecured Regular Bond/Debenture, affirmed Baa1, outlook changed to Negative from Stable

....Senior Unsecured Medium-Term Note Program, affirmed (P)Baa1

....Junior Senior Unsecured Regular Bond/Debenture, affirmed Baa3

....Junior Senior Unsecured Medium-Term Note Program, affirmed (P)Baa3

....Subordinate Medium-Term Note Program, affirmed (P)Ba1

....Other Short Term, affirmed (P)P-2

## ..Outlook Action:

....Outlook changed to Stable(m) from Stable

Issuer: Mediobanca International (Luxembourg) SA

## ..Affirmations:

....Backed Commercial Paper, affirmed P-2

....Backed Other Short Term, affirmed (P)P-2

....Backed Senior Unsecured Medium-Term Note Program, affirmed (P)Baa1

....Backed Senior Unsecured Regular Bond/Debenture , affirmed Baa1, Negative outlook assigned

## ..Outlook Action:

....Outlook changed to Negative from No Outlook

Issuer: MPS Capital Services S.p.A.

## ..Affirmations:

....Long-term Counterparty Risk Ratings, affirmed Ba3

....Short-term Counterparty Risk Ratings, affirmed NP

....Long-term Bank Deposits, affirmed B1, outlook changed to Developing from Positive

....Short-term Bank Deposits, affirmed NP

....Long-term Counterparty Risk Assessment, affirmed Ba3(cr)

....Short-term Counterparty Risk Assessment, affirmed NP(cr)

....Baseline Credit Assessment, affirmed b3

....Adjusted Baseline Credit Assessment, affirmed b3

..Outlook Action:

....Outlook changed to Developing from Positive

Issuer: Credito Emiliano S.p.A.

..Affirmations:

....Long-term Counterparty Risk Ratings, affirmed Baa1

....Short-term Counterparty Risk Ratings, affirmed P-2

....Long-term Bank Deposits, affirmed Baa3, outlook changed to Negative from Stable

....Short-term Bank Deposits, affirmed P-3

....Long-term Counterparty Risk Assessment, affirmed Baa2(cr)

....Short-term Counterparty Risk Assessment, affirmed P-2(cr)

....Baseline Credit Assessment, affirmed baa3

....Adjusted Baseline Credit Assessment, affirmed baa3

....Junior Senior Unsecured Regular Bond/Debenture, affirmed Ba1

....Subordinate Regular Bond/Debenture, affirmed Ba1

..Outlook Action:

....Outlook changed to Negative from Stable

Issuer: Banco BPM S.p.A.

..Affirmations:

....Long-term Counterparty Risk Ratings, affirmed Baa3

....Short-term Counterparty Risk Ratings, affirmed P-3

....Long-term Bank Deposits, affirmed Baa3, outlook changed to Negative from Stable

....Short-term Deposit Rating, affirmed P-3

....Long-term Counterparty Risk Assessment, affirmed Baa3(cr)

....Short-term Counterparty Risk Assessment, affirmed P-3(cr)

....Long-term Issuer Rating, affirmed Ba2, outlook remains Negative

....Baseline Credit Assessment, affirmed ba3

....Adjusted Baseline Credit Assessment, affirmed ba3

....Senior Unsecured Regular Bond/Debenture, affirmed Ba2, outlook remains Negative

....Senior Unsecured Medium-Term Note Program, affirmed (P)Ba2

....Junior Senior Unsecured Regular Bond/Debenture, affirmed B1

....Junior Senior Unsecured Medium-Term Note Program, affirmed (P)B1

....Subordinate Regular Bond/Debenture, affirmed B1

....Subordinate Medium-Term Note Program, affirmed (P)B1

....Preferred Stock Non-cumulative, Affirmed B3(hyb)

..Outlook Action:

....Outlook changed to Negative from Stable(m)

Issuer: Banca Popolare di Milano S.C. a r.l.

....Subordinate Regular Bond/Debenture, affirmed B1

..No Outlook assigned

Issuer: UniCredit S.p.A.

..Affirmations:

....Long-term Counterparty Risk Ratings, affirmed Baa1

....Short-term Counterparty Risk Ratings, affirmed P-2

....Long-term Bank Deposits, affirmed Baa1, outlook remains Stable

....Short-term Bank Deposits, affirmed P-2

....Long-term Counterparty Risk Assessment, affirmed Baa2(cr)

....Short-term Counterparty Risk Assessment, affirmed P-2(cr)

....Baseline Credit Assessment , Affirmed baa3

....Adjusted Baseline Credit Assessment, affirmed baa3

....Senior Unsecured Regular Bond/Debenture, affirmed Baa1, outlook remains Stable

....Senior Unsecured Medium-Term Note Program, affirmed (P)Baa1

....Junior Senior Unsecured Regular Bond/Debenture, affirmed Baa2

....Junior Senior Unsecured Medium-Term Note Program, affirmed (P)Baa2

....Subordinate Regular Bond/Debenture, affirmed Baa3

....Subordinate Medium-Term Note Program, affirmed (P)Baa3

....Preferred Stock Non-cumulative, affirmed Ba3(hyb)

....Other Short Term, affirmed (P)P-2

..Outlook Action:

....Outlook remains Stable

Issuer: UniCredit Bank Ireland p.l.c.

..Affirmations:

....Backed Senior Unsecured Regular Bond/Debenture, affirmed Baa1, outlook remains Stable

....Backed Senior Unsecured Medium-Term Note Program, affirmed (P)Baa1

....Backed Commercial Paper, affirmed P-2

....Backed Other Short Term, affirmed (P)P-2

..Outlook Action:

....Outlook remains Stable

Issuer: UniCredit Delaware Inc.

..Affirmation:

....Backed Commercial Paper, affirmed P-2

..No Outlook assigned

Issuer: UniCredit S.p.A., London Branch

..Affirmations:

....Long-term Counterparty Risk Ratings, affirmed Baa1

....Short-term Counterparty Risk Ratings, affirmed P-2

....Long-term Counterparty Risk Assessment, affirmed Baa2(cr)

....Short-term Counterparty Risk Assessment, affirmed P-2(cr)

....Commercial Paper, affirmed P-2

..No Outlook assigned

Issuer: UniCredit S.p.A., New York Branch

..Affirmations:

....Long-term Counterparty Risk Ratings, affirmed Baa1

....Short-term Counterparty Risk Ratings, affirmed P-2

....Long-term Bank Deposits, affirmed Baa1, outlook remains Stable

....Long-term Counterparty Risk Assessment, affirmed Baa2(cr)

....Short-term Counterparty Risk Assessment, affirmed P-2(cr)

..Outlook Action:

....Outlook remains Stable

Issuer: Intesa Sanpaolo S.p.A.

..Affirmations:

....Long-term Counterparty Risk Ratings, affirmed Baa1

....Short-term Counterparty Risk Ratings, affirmed P-2

....Long-term Bank Deposits, affirmed Baa1, outlook remains Stable

....Short-term Bank Deposit, affirmed P-2

....Long-term Counterparty Risk Assessment, affirmed Baa2(cr)

....Short-term Counterparty Risk Assessment, affirmed P-2(cr)

....Long-term Issuer Rating, affirmed Baa1, outlook changed to Negative from Stable

....Baseline Credit Assessment, affirmed baa3

....Adjusted Baseline Credit Assessment, affirmed baa3

....Senior Unsecured Regular Bond/Debenture, affirmed Baa1, outlook changed to Negative from Stable

....Backed Senior Unsecured Regular Bond/Debenture, affirmed Baa1, outlook changed to Negative from Stable

....Senior Unsecured Medium-Term Note Program, affirmed (P)Baa1

....Backed Senior Unsecured Medium-Term Note Program, affirmed (P)Baa1

....Subordinate Regular Bond/Debenture, affirmed Ba1

....Subordinate Medium-Term Note Program, affirmed (P)Ba1

....Preferred Stock Non-cumulative, affirmed Ba3(hyb)

....Preferred Stock Non-cumulative Medium-Term Note Program, affirmed (P)Ba3

....Other Short Term, affirmed (P)P-2

..Outlook Action:

....Outlook changed to Stable(m) from Stable

Issuer: Intesa Funding LLC

..Affirmation:

....Backed Commercial Paper, affirmed P-2

..No Outlook assigned

Issuer: Intesa Sanpaolo Bank Ireland p.l.c.

..Affirmations:

....Backed Short-term Deposit Note/CD Program, affirmed P-2

....Backed Senior Unsecured Regular Bond/Debenture, affirmed Baa1, outlook changed to Negative from Stable

....Backed Senior Unsecured Medium-Term Note Program, affirmed (P)Baa1

....Backed Commercial Paper, affirmed P-2

....Backed Other Short Term, affirmed (P)P-2

..Outlook Action:

....Outlook changed to Negative from Stable

Issuer: Intesa Sanpaolo Bank Luxembourg S.A.

..Affirmations:

....Backed Short-term Deposit Note/CD Program, affirmed P-2

....Backed Senior Unsecured Regular Bond/Debenture, affirmed Baa1, outlook changed to Negative from Stable

....Backed Senior Unsecured Medium-Term Note Program, affirmed (P)Baa1

....Backed Commercial Paper, affirmed P-2

....Backed Other Short Term, affirmed (P)P-2

..Outlook Action:

....Outlook changed to Negative from Stable

Issuer: Intesa Sanpaolo S.p.A., Hong Kong Branch

..Affirmations:

....Long-term Counterparty Risk Ratings, affirmed Baa1

....Short-term Counterparty Risk Ratings, affirmed P-2

....Long-term Deposit Note/CD Program, affirmed (P)Baa1

....Short-term Deposit Note/CD Program, affirmed (P)P-2

....Long-term Counterparty Risk Assessment, affirmed Baa2(cr)

....Short-term Counterparty Risk Assessment, affirmed P-2(cr)

..No Outlook assigned

Issuer: Intesa Sanpaolo S.p.A., New York Branch

..Affirmations:

....Long-term Counterparty Risk Ratings, affirmed Baa1

....Short-term Counterparty Risk Ratings, affirmed P-2

....Long-term Bank Deposits, affirmed Baa1, outlook remains Stable

....Short-term Bank Deposits, affirmed P-2

....Long-term Counterparty Risk Assessment, affirmed Baa2(cr)

....Short-term Counterparty Risk Assessment, affirmed P-2(cr)

..Outlook Action:

....Outlook remains Stable

Issuer: Intesa Sanpaolo S.p.A., London Branch

..Affirmations:

- ....Long-term Counterparty Risk Ratings, affirmed Baa1
- ....Short-term Counterparty Risk Ratings, affirmed P-2
- ....Short-term Bank Deposits, affirmed P-2
- ....Long-term Counterparty Risk Assessment, affirmed Baa2(cr)
- ....Short-term Counterparty Risk Assessment, affirmed P-2(cr)
- ....Commercial Paper, affirmed P-2

..No Outlook assigned

Issuer: Sanpaolo IMI S.p.A.

..Affirmations:

- ....Senior Unsecured Regular Bond/Debenture , affirmed Baa1, outlook changed to Negative from Stable
- ....Backed Senior Unsecured Regular Bond/Debenture , affirmed Baa1, outlook changed to Negative from Stable

..Outlook Action:

- ....Outlook changed to Negative from Stable

Issuer: Intesa Bank Ireland p.l.c.

..Affirmations:

- ....Backed Senior Unsecured Regular Bond/Debenture, affirmed Baa1, outlook changed to Negative from Stable

..Outlook Action:

- ....Outlook changed to Negative from Stable

Issuer: Banca IMI S.p.A.

..Affirmations:

- ....Long-term Counterparty Risk Ratings, affirmed Baa1
- ....Short-term Counterparty Risk Ratings, affirmed P-2
- ....Long-term Bank Deposits, affirmed Baa1, outlook remains Stable
- ....Short-term Bank Deposits, affirmed P-2
- ....Long-term Counterparty Risk Assessment, affirmed Baa2(cr)
- ....Short-term Counterparty Risk Assessment, affirmed P-2(cr)
- ....Baseline Credit Assessment, affirmed baa3
- ....Adjusted Baseline Credit Assessment, affirmed baa3
- ....Senior Unsecured Regular Bond/Debenture, affirmed Baa1, outlook changed to Negative from Stable

..Outlook Action:

- ....Outlook changed to Stable(m) from Stable

Issuer: Credit Agricole Italia S.p.A.

..Placed on Review for Downgrade:

- ....Baseline Credit Assessment, currently ba1
- ....Adjusted Baseline Credit Assessment, currently baa1

..Affirmations:

....Long-term Counterparty Risk Ratings, affirmed Baa1  
 ....Short-term Counterparty Risk Ratings, affirmed P-2  
 ....Long-term Bank Deposits, affirmed Baa1, outlook remains Stable  
 ....Short-term Bank Deposits, affirmed P-2  
 ....Long-term Counterparty Risk Assessment, affirmed Baa1(cr)  
 ....Short-term Counterparty Risk Assessment, affirmed P-2(cr)

..Outlook Action:

....Outlook remains Stable

Issuer: Credito Valtellinese S.p.A.

..Affirmations:

....Long-term Counterparty Risk Ratings, affirmed Ba2  
 ....Short-term Counterparty Risk Ratings, affirmed NP  
 ....Long-term Bank Deposits, affirmed Ba3, outlook remains Negative  
 ....Short-term Bank Deposits, affirmed NP  
 ....Long-term Counterparty Risk Assessment, affirmed Ba1(cr)  
 ....Short-term Counterparty Risk Assessment, affirmed NP(cr)  
 ....Baseline Credit Assessment, affirmed b1  
 ....Adjusted Baseline Credit Assessment, affirmed b1  
 ....Senior Unsecured Regular Bond/Debenture, affirmed B2, outlook changed to Negative from Stable  
 ....Senior Unsecured Medium-Term Note Program, affirmed (P)B2  
 ....Subordinate Medium-Term Note Program, affirmed (P)B2  
 ....Other Short Term, affirmed (P)NP

..Outlook Actions:

....Outlook changed to Negative from Negative(m)

Issuer: Mediocredito Trentino-Alto Adige S.p.A.

..Affirmations:

....Long-term Counterparty Risk Ratings, affirmed Baa3  
 ....Short-term Counterparty Risk Ratings, affirmed P-3  
 ....Long-term Bank Deposits, affirmed Baa3, outlook changed to Negative from Stable  
 ....Short-term Bank Deposits, affirmed P-3  
 ....Long-term Counterparty Risk Assessment, affirmed Baa3(cr)  
 ....Short-term Counterparty Risk Assessment, affirmed P-3(cr)  
 ....Long-term Issuer Ratings, affirmed Ba1, outlook changed to Negative from Stable  
 ....Baseline Credit Assessment, affirmed ba3  
 ....Adjusted Baseline Credit Assessment, affirmed ba3  
 ....Senior Unsecured Regular Bond/Debenture, affirmed Ba1, outlook changed to Negative from Stable

..Outlook Action:

....Outlook changed to Negative from Stable

Issuer: Banca Sella Holding S.p.A.

..Placed on Review for Downgrade:

....Long-term Counterparty Risk Ratings, currently Baa2

....Short-term Counterparty Risk Ratings, currently P-2

....Long-term Bank Deposits, currently Baa3, outlook changed to Ratings under Review from Positive

....Short-term Bank Deposits, currently P-3

....Long-term Counterparty Risk Assessment, currently Baa2(cr)

....Short-term Counterparty Risk Assessment, currently P-2(cr)

....Baseline Credit Assessment, currently ba2

....Adjusted Baseline Credit Assessment, currently ba2

..Outlook Action:

....Outlook changed to Ratings under Review from Positive

Issuer: Cassa Centrale Raiffeisen S.p.A.

..Placed on Review for Downgrade:

....Baseline Credit Assessment, currently baa3

....Adjusted Baseline Credit Assessment, currently baa3

....Long-term Issuer Ratings, currently Baa2, outlook changed to Ratings under Review from Stable

....Senior Unsecured Regular Bond/Debenture, currently Baa2, outlook changed to Ratings under Review from Stable

..Affirmations:

....Long-term Counterparty Risk Ratings, affirmed Baa1

....Short-term Counterparty Risk Ratings, affirmed P-2

....Long-term Bank Deposits, affirmed Baa1, outlook remains Stable

....Short-term Bank Deposits, affirmed P-2

....Long-term Counterparty Risk Assessment, affirmed Baa2(cr)

....Short-term Counterparty Risk Assessment, affirmed P-2(cr)

..Outlook Action:

....Outlook changed to Ratings under Review from Stable

Issuer: Cassa Centrale Banca S.p.A.

..Placed on Review for Downgrade:

....Baseline Credit Assessment, currently ba1

....Adjusted Baseline Credit Assessment, currently ba1

....Long-term Issuer Ratings, currently Ba1, outlook change to Ratings under Review from Stable

..Placed on Review direction Uncertain:

....Long-term Counterparty Risk Ratings, currently Baa3

....Short-term Counterparty Risk Ratings, currently P-3

....Long-term Bank Deposits, currently Baa3, outlook remains Ratings under Review

....Short-term Bank Deposits, currently P-3

....Long-term Counterparty Risk Assessment, currently Baa3(cr)

....Short-term Counterparty Risk Assessment, currently P-3(cr)

..Affirmations:

....Short-term Issuer Ratings, affirmed NP

..Outlook remains unchanged at Ratings under Review

#### PRINCIPAL METHODOLOGY

The principal methodology used in these ratings was Banks Methodology published in November 2019. Please see the Rating Methodologies page on [www.moody.com](http://www.moody.com) for a copy of this methodology.

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