

Cassa Centrale Banca's ratings confirmed in the 'Investment Grade' area by Fitch

BBB- (Stable outlook) rating reflects extremely high capital levels coupled with a large and stable funding base.

Effective risk diversification achieved via lending fragmentation with significant collateral levels and reduction in sovereign exposure.

Reduction in legacy non-performing loans and high coverage levels also played a key role in the attribution of the rating assessment.

Trento, 09.11.2023 – Upon conclusion of its regular due diligence process, Fitch Ratings has confirmed the Long-Term Issuer Default Rating of "BBB-" for the Cassa Centrale Group with a Stable outlook.

In its assessment, the rating agency has confirmed its view on the extremely high capitalization of the Group, which is also backed by constant internal capital generation and limited increases in RWAs.

The Cassa Centrale Group also benefits from significant lending diversification with important levels of collateralization as well as from an ongoing reduction in sovereign risk exposure.

The downward trend in non-performing exposure, together with strong coverage levels, remains an important factor in risk reduction paving the way for constant asset quality improvement.

Liquidity remains solid, as demonstrated by the sound liquidity ratios and the available stock of liquid assets, and is supported by a diversified and stable customer base and a conservative loan to deposit ratio.

Finally, the agency maintains a positive view on profitability which is backed by the current rate environment and the constant expansion of the contribution from fee income.

Below is a summary of the ratings action by Fitch:

Long-Term Issuer Default Rating	BBB- (Stable)
Short-Term Issuer Default Rating	F3
Viability rating	bbb-
Government support	ns

The **Cassa Centrale Banca - Credito Cooperativo Italiano Group** (the "Group") includes 67 BCCs - Rural Banks - Raiffeisenkassen and 1,478 branches across Italy, more than 11,900 employees and over 470,000 Cooperative Partners. As of June 30, 2023, total assets are EUR 91.1 billion, making the banking Group one of the ten largest in Italy. Gross loans to customers amounts to EUR 50.4 billion, with direct funding of c. EUR 67 billion. With a CET1 ratio of 23.8%, the Group is also one of Italy's most solid financial institutions.