

## COMPANY PROFILE

### Table of Contents:

COMPANY OVERVIEW	1
FINANCIAL HIGHLIGHTS (AS REPORTED)	2
BUSINESS ACTIVITIES	3
DISTRIBUTION CAPACITY AND MARKET SHARE	5
OWNERSHIP AND STRUCTURE	6
Ownership Structure	7
Government Support Programme	7
COMPANY MANAGEMENT	8
COMPANY HISTORY	9
PEER GROUP	10
RELATED WEBSITES AND INFORMATION SOURCES	11
MOODY'S RELATED RESEARCH	11

### Analyst Contacts:

LONDON	44.20.7772.5454
Morten Damm	44.20.7772.1625
<i>Vice President - Senior Analyst</i>	
Morten.Damm@moodys.com	
Janne Thomsen	44.20.7772.1659
<i>Senior Vice President</i>	
Janne.Thomsen@moodys.com	
Simon Harris	44.20.7772.1576
<i>Managing Director-Financial Institutions</i>	
Simon.Harris@moodys.com	

This report, exclusively provided to you by Moody's, presents a convenient summary of as reported, publicly available information. The information is not adjusted for Moody's analytic purposes. For Moody's Ratings, Opinion and Analytics on this company, please [Click here](#). To access the latest Moody's Credit Opinion on this company, please [Click here](#).

## SpareBank 1 SR-Bank

Stavanger, Norway

### Company Overview

SpareBank 1 SR-Bank is a leading regional savings bank in south-western Norway and the country's second-largest savings bank and fifth-largest bank in terms of consolidated assets of NOK128.7 billion (€16.2 billion) as of 30 June 2010.

The bank provides a range of retail banking, corporate banking and capital markets products and services to more than 200,000 customers in south-west Norway (counties of Rogaland, Agder and Hordaland). It is also the largest provider of real estate and leasing services in Rogaland.

SpareBank 1 SR-Bank is one of four founder members and one of the largest banking members of the SpareBank 1 Alliance, which had total assets of NOK614 billion (€77.5 billion) as of 30 June 2010. The alliance is co-ordinated through SpareBank 1 Gruppen AS, a holding company owned collectively by SpareBank 1 SR-Bank, SpareBank 1 SMN, SpareBank 1 Nord-Norge, Sparebanken Hedmark, Samarbeidende Sparebanker (a group of 16 savings banks), and the Norwegian Confederation of Trade Unions and affiliated trade unions. The alliance also includes joint product companies (including fund management and life and non-life insurance businesses), joint marketing and the development of common IT and internet platforms.

Established in 1976, as Sparebanken Rogaland, following the merger of 22 local savings banks, the bank adopted its current name in March 2007. Since 1994, its equity certificates (ECs) have been listed on the Oslo Stock Exchange. As of 24 September 2010, the ten largest EC holders accounted for 32.1% of ECs issued by the bank; Gjensidige Forsikring was the largest holder as of this date, with a 17.25% stake.

Note: Currency converted using exchange rate of NOK-€0.12616 as of 30 June 2010

Source: Company Reports (annual report Dec 09, investor presentation Sept 10 and Feb 09), [www.oanda.com](http://www.oanda.com), Norwegian Financial Services Association, Moody's research, Company data

## Financial Highlights (as Reported)

*Note: The financials presented below are those reported by the entity and are not adjusted for Moody's analytic purposes. For Moody's generated ratios on SpareBank 1 SR-Bank, please see <[SpareBank 1 SR-Bank page on moodys.com](#)>.*

FIGURE 1

### Latest Full-Year Results SpareBank 1 SR-Bank

NOK Million	31-Dec-2009	31-Dec-2008	31-Dec-2007	% Change 09/08	% Change 08/07
NOK/€, Period end	0.12008	0.10087	0.12562		
Total Assets	124,909	125,858	103,2649	(0.75)	21.90
Total Shareholders' Equity	8,073	5,966	5,841	35.32	2.14
Shareholders' Equity excluding Minority Interest	8,073	5,954	5,825	35.59	2.21
Net Equity and Subordinated Loan Capital	10,029	8,621	6,874	16.33	25.41
Tier1 Ratio (%)	9.61	6.44	7.35	317 bps	(91) bps
Net Income	1,111	480	1,007	131.46	(52.33)
Net Income Attributable to Equity Holders	1,109	469	994	136.46	(52.82)

Note: 1) Consolidated financials are considered

2) "Shareholders' Equity excluding Minority Interest" is calculated after deducting "Minority Interest" from "Total Shareholders' Equity"

Source: Company Reports (annual report Dec 09, financial statements June 10, preliminary accounts Dec 08), [www.oanda.com](http://www.oanda.com)

FIGURE 2

### Latest First-Half Results SpareBank 1 SR-Bank

NOK Million	30-June-2010	30-June-2009	% Change 10/09
NOK/€, Period end	0.12616	0.11035	
Total Assets	128,653	125,357	2.63
Total Shareholders' Equity	8,257	6,146	34.35
Shareholders' Equity excluding Minority Interest	8,257	6,146	34.35
Net Equity and Subordinated Loan Capital	10,352	7,696	34.51
Tier1 Ratio (%)	9.13	6.95	218 bps
Net Income	636	382	66.49
Net Income Attributable to Equity Holders	636	380	67.37

Note: 1) Consolidated financials are considered

2) "Shareholders' Equity excluding Minority Interest" is calculated after deducting "Minority Interest" from "Total Shareholders' Equity"

Source: Company Report (financial statements June 10), [www.oanda.com](http://www.oanda.com)

## Business Activities

SpareBank 1 SR-Bank offers a range of banking products and services to retail and corporate customers. In addition, it provides various products and services either through its subsidiaries or the product companies within SpareBank 1 Gruppen AS. Services include real estate brokerage and property management (EiendomsMegler 1 SR-Eiendom AS), leasing and secured car facilities (SpareBank 1 SR-Finans AS), asset management (SR-Forvaltning ASA) and securities fund management (Sparebank 1 SR-Fondsforvaltning AS).

The bank organises its business activities through the following divisions: Retail Market, Corporate Market and Capital Market, SpareBank 1 SR-Finans AS, EiendomsMegler 1 SR-Eiendom AS, SR-Investering AS, SR-Forvaltning ASA and Other Activities.

**Retail Market:** The bank's Retail Market division services individuals, small businesses and agricultural customers. Given its origins as a savings bank, the retail market is a core business for SpareBank 1 SR-Bank and retail lending accounted for 49.2% of total loans (excluding mortgage loans transferred to SpareBank 1 Boligkreditt) at year-end 2009. The division also provides deposit facilities, financing and investment services, as well as payment facilities, pensions, life and non-life insurance. Real estate brokerage services are offered to retail customers through the bank's subsidiary EiendomsMegler 1 SR-Eiendom AS.

**Corporate Market:** The bank's Corporate Market division mainly provides services to SMEs but also services the public sector. In addition, the division, together with its Retail Market counterpart, services small businesses and agricultural customers. It provides a range of financial solutions including deposits and financing products, advisory services and insurance services. The bank offers structured finance services including financing facilities to local enterprises for acquisitions and restructuring through a special department. The Corporate Market division also provides asset management, real estate brokerage and leasing services through the bank's subsidiaries or product companies within the SpareBank 1 Gruppen AS.

**Capital Market:** The bank's Capital Market division, established in March 2007, is organised and operates through the following areas: foreign exchange/interest, corporate finance, operations including securities administration services, and business development and acquisitions. This division comprises all subsidiaries that manage the assets of the group, in the form of securities, securities funds and property, as well as its customers.

Wholly owned subsidiaries SpareBank 1 SR-Finans AS, EiendomsMegler 1 SR-Eiendom AS, SR-Investering AS (investments in long-term equity) and SR-Forvaltning ASA are treated as separate segments.

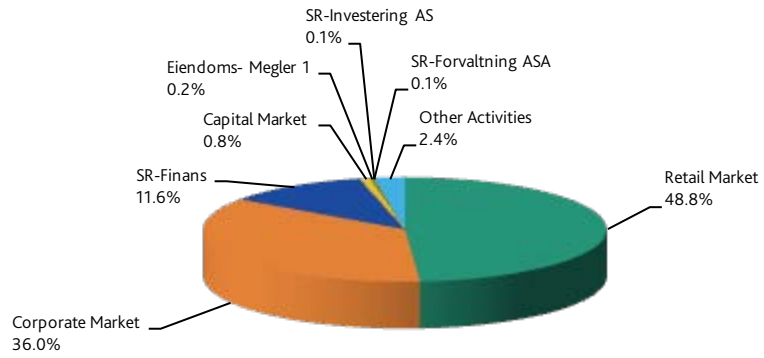
The "Other Activities" segment comprises the bank's own investment activities and other activities that cannot be allocated to the retail market, corporate market, capital market or main subsidiaries.

*Source: Company Reports (annual report Dec 09 and Dec 07, financial statements June 10), Moody's research*

FIGURE 3

**Business Segment**

(% of Net Interest Income, consolidated, for FYE December 2009)

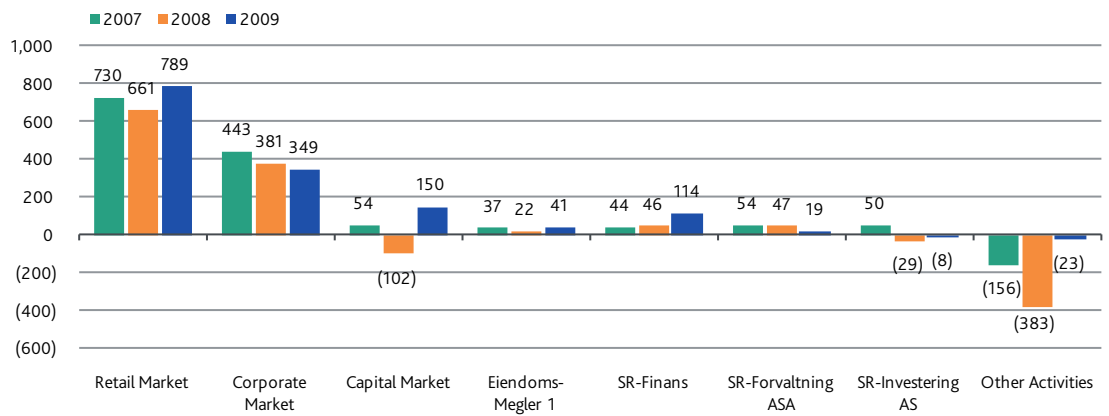


Source: Company Report (annual report Dec 09, Pg 46 and 47)

FIGURE 4

**Pre-tax Profit/(Loss) by Business Segment**

(consolidated, NOK million)



Source: Company Report (annual report Dec 09, Pg 46 and 47)

The bank's gross loans by sector/industry are as follows:

FIGURE 5

**SpareBank 1 SR-Bank**

<b>Gross Loans By Sector/Industry (% Share)</b>	<b>31-Dec-09</b>	<b>31-Dec-08</b>
Agriculture/forestry	3.4	3.0
Fishing/fish farming	0.7	0.8
Mining/extraction	2.3	2.3
Industry	3.2	4.1
Power and water supply/building and construction	2.5	2.4
Commodity trade, hotel and restaurant business	3.1	3.0
Foreign trade shipping, pipeline transport and other transport activities	6.1	7.6
Real estate business	23.2	20.4
Service industry	5.9	4.2
Public sector and financial services	0.5	0.5
<b>Total Corporate Sector</b>	<b>50.8</b>	<b>48.2</b>
<b>Retail Sector</b>	<b>49.2</b>	<b>51.8</b>
<b>Gross Loans</b>	<b>100.0</b>	<b>100.0</b>

Note: Excludes "Unallocated" sectors/industries loans contribution

Source: Company Report (annual report Dec 09)

## Distribution Capacity and Market Share

SpareBank 1 SR-Bank is a leading financial services provider in south-west Norway, where it benefits from well-established local brand-name recognition. As of 30 June 2010, it operated through a network of 51 branches (31 December 2009: 51) in the counties of Rogaland, Agder and Hordaland. SpareBank 1 SR-Bank's traditional core market is Rogaland, where the bank reports shares of the retail and corporate markets of around 40% and more than 25%, respectively.

As of 31 December 2009, the bank's Retail Market division reported approximately 211,000 customers (31 December 2008: approximately 205,000), while the Corporate Market division reported 7,300 customers (31 December 2008: approximately 7,000).

SpareBank 1 SR-Bank also benefits from SpareBank 1 Alliance's nationwide distribution network, comprising 352 branches as of 30 September 2010.

SpareBank 1 SR-Bank operates a multi-channel distribution strategy, which includes internet banking, call centre, telephone banking and mobile services.

SpareBank 1 SR-Bank's leasing and real estate brokerage subsidiaries, SpareBank 1 SR-Finans AS and EiendomsMegler 1 SR-Eiendom AS, are the largest providers of their respective products and services in Rogaland.

As of 31 December 2009, SpareBank 1 SR-Bank was the fifth-largest bank in Norway in terms of total consolidated assets. Based on consolidated data as of 31 December 2009, the bank's relative position among leading Norwegian banks is as follows:

FIGURE 6

**Comparative Position of Largest Norwegian Banks, as of 31 December 2009**

Assets	(In NOK Million)
1. DnB NOR Bank- konsernet	1,615,999
2. Nordea Bank Norge	534,028
3. Fokus Bank	210,950
4. Handelsbanken	160,168
<b>5. SpareBank 1 SR-Bank</b>	<b>124,909</b>
6. Skandinaviska Enskilda Banken	104,542
7. Sparebanken Vest	97,661
8. SpareBank 1 Midt-Norge	84,542
9. SpareBank 1 Nord-Norge	64,239
10 BNbank	47,549

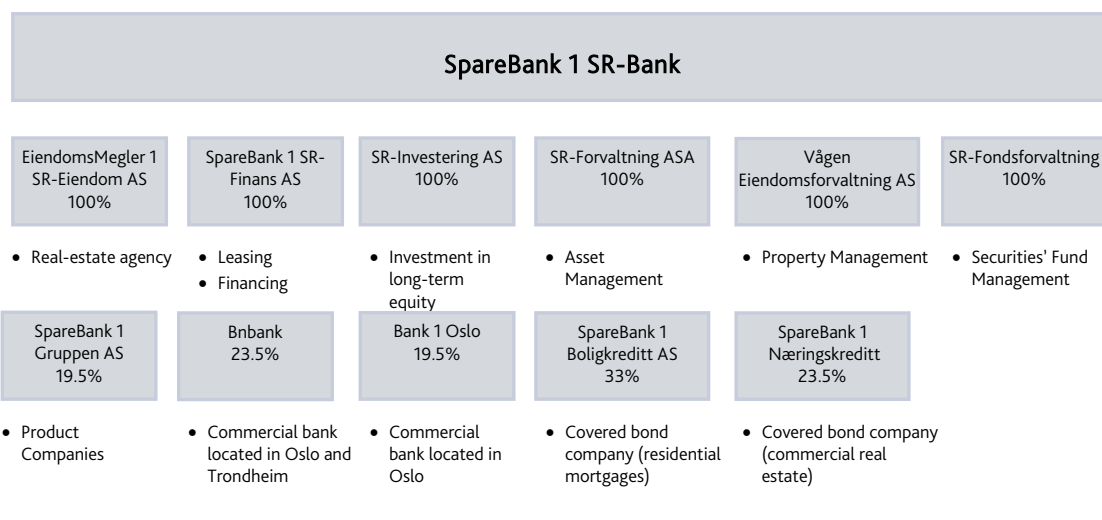
Source: Company Reports (investor presentation Sept 10 and Feb 09, annual report Dec 09), Moody's research, Norwegian Financial Services Association

## Ownership and Structure

As a Norwegian savings bank, SpareBank 1 SR-Bank has a specific ownership structure, being an independent foundation with EC holders rather than shareholders or traditional owners. The main difference between ECs and shares is that ECs give ownership rights to specific parts of a bank's capital. In addition, the governing bodies of a savings bank have a broader representation than a commercial bank. However, the amendments to the legislation in July 2009 have reduced the differences between ECs and shares.

Since 1994, the bank's ECs have been traded on the Oslo Stock Exchange (Stock code: ROGG), which is regulated by Finanstilsynet. As of 31 December 2009, SpareBank 1 SR-Bank had 120,933,730 ECs in issue. Gjensidige Forsikring is the largest holder, with a 17.25% stake as of 24 September 2010. As of 24 September 2010, the ten largest EC holders accounted for 32.1% of ECs issued by the bank and the 20 largest accounted for 39.0%.

## Organisational Structure



## Ownership Structure

As of 24 September 2010, SpareBank 1 SR-Bank's top ten EC holders were as follows:

FIGURE 7

### SpareBank 1 SR-Bank

Top 10 Ec Holders	Number	% Held
Gjensidige Forsikring	20,713,065	17.25
Odin Norge	3,255,393	2.71
Odin Norden	3,066,553	2.55
Køhlergruppen AS	1,923,657	1.60
Coil Investment Group AS	1,904,993	1.59
Clipper AS	1,685,357	1.40
Frank Mohn AS	1,666,142	1.39
Trygve Stangeland	1,632,048	1.36
State Street Bank	1,487,732	1.24
Lærdal AS	1,222,915	1.02

## Government Support Programme

In 2008, the Norwegian government established a swap arrangement to allow banks to swap covered bonds for government bonds in order to support their liquidity. The swap arrangement amounted to NOK350 billion and was for maturities up to five years. SpareBank 1 SR-Bank participated in the government swap scheme through the alliance's covered bond company, SpareBank 1 Bank Boligkreditt AS. Due to improved market conditions, this arrangement has now been phased out.

In February 2009, the government announced a crisis relief package whereby two new funds were established – one to provide core capital to Norwegian banks and another to invest in fixed-income securities issued by Norwegian banks and other corporates. The banks had until the end of September 2009 to apply for capital from the former: SpareBank 1 SR-Bank decided not to apply for such capital and has instead improved its capitalisation through a NOK1.23 billion EC issue and a Tier 1 hybrid instrument amounting to NOK800 million.

Source: Company Reports (investor presentation Sept 10 and Feb 09, annual report Dec 09), Oslo Stock Exchange, Moody's research, Company data

## Company Management

Key Company Directors	Current Title	Age	Tenure
Terje Vareberg	SpareBank 1 SR-Bank: Chief Executive Officer; Norsk Hydro ASA: Chairman; Bank 1 Oslo og SpareBank 1 Gruppen: Member of the Board	61	2
Inge Reinertsen	SpareBank 1 SR-Bank: Chief Financial Officer; SpareBank 1 SR-Fondsforvaltning: Chairman of the Board	N/A	<1
Frode Bø	SpareBank 1 SR-Bank: Executive Vice President, Head of Risk Management and Compliance	N/A	8.5*

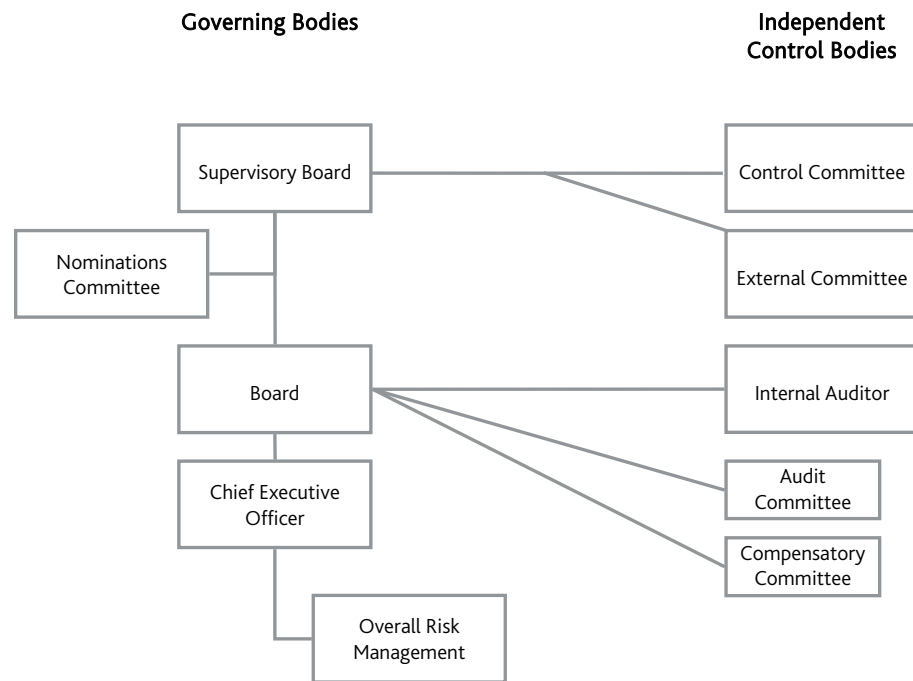
Note: \*Tenure since the date of joining the bank

Board of Directors	Affiliation	Age	Tenure
Kristian Eidesvik	SpareBank 1 SR-Bank: Chairman	64	12.5
Gunn-Jane Håland	SpareBank 1 SR-Bank: Vice Chairman; Petoro AS: Special Adviser, Oil and Gas market and sales Division	46	6.5
Tor Magne Lonnum	SpareBank 1 SR-Bank: Member of the Board; Gjensidige: Deputy Chief Executive Officer and Group Chief Financial Officer; Glitne Invest AS: Chairman; Gjensidige Pensjon og Sparing Holding AS: Member of the board	N/A	<1
Erik Edvard Tønnesen	SpareBank 1 SR-Bank: Member of the Board; Wtek AS: Chairman; Skagerak Venture Capital AS: Chief Executive Officer; Nordisk Energiforvaltning ASA, Metallkraft AS, Digimaker AS and Lindesnes Avis: Member of the Board	51	1.5
Birthe Cecilie Jørgensen	SpareBank 1 SR-Bank: Member of the Board; Grieg Shipping Group: Finance Manager; Grieg Athena AS and Grieg International AS: Member of the Board	38	1.5
Einar Risa	SpareBank 1 SR-Bank: Member of the Board; Rosenberg Services AS: Senior Adviser; Rosenberg Verft: Union Chapter Leader and Union Representative; Moss Rosenberg, Kvaerner Rosenberg and Kvaerner Oil and Gas, Aker Kvaerner Rosenberg and Rosenberg Verft AS: Employee Board Representative	59	3.5
Sally Lund-Andersen	SpareBank 1 SR-Bank: Member of the Board and Group Officer; The Finance Sector Union of Norway: Member of the Board	48	3.5
Elin Rødder Gundersen	SpareBank 1 SR-Bank: Member of the Board; ConocoPhillips Norway, Protector Forsikring, Zurich Forsikring, Law firm Schjødt AS and ConocoPhillips Norge: Attorney at law; Legal Committees of Offshore Production License 018, Norpipe Oil AS, Norpipe Petroleum UK Limited and Norse Pipeline Limited: Chairperson	45	1.5
Erling Overland	SpareBank 1 SR-Bank: Member of the Board; PCI Biotech ASA and the Norwegian NOX-Fond: Chairman; SpareBank 1 Livsforsikring AS: Member of the Board; Veritas: Chairman of the Audit Committee	57	<1

Note: Tenure since first appointment to the Board



---

**Corporate Governance**


Source: Company Reports (annual report Dec 09 and Dec 07), Company data, Moody's research

## Company History

SpareBank 1 SR-Bank (formerly Sparebanken Rogaland) was established in 1976 as Norway's first regional savings bank following the merger of 22 local savings banks. The roots of the bank can be traced back to 1839, when the oldest of the merged banks was established in Egersund. Since 1994, SpareBank 1 SR-Bank has been listed on the Oslo Stock Exchange.

In 1996, the bank co-founded SpareBank 1 Alliance, a banking and product alliance, together with three other Norwegian savings banks, in response to increasing competitive pressures within the Norwegian banking sector. An alliance was preferred to a merger, considering the strong local links of each member savings bank. The alliance is co-ordinated through SpareBank 1 Gruppen AS, the jointly owned holding company of SpareBank 1 members. SpareBank 1 Alliance has no joint and several liability guarantees that legally bind members. However, there is a moral and reputation-based obligation among the banks (in the event of one of them experiencing a crisis). The arrangement is nevertheless complex, since any member can veto a decision concerning SpareBank 1 Gruppen.

In 2000, SpareBank 1 Gruppen AS acquired Vår Bank. Each member bank integrated its operations with Vår Bank units within its own region, while Vår Bank's operations in Oslo were maintained as a group branch, currently known as Bank 1 Oslo. Subsequently, SpareBank 1 SR-Bank began to expand into the county of Agder by acquiring Vår Bank branches in the area. Expansion to Hordaland began in 2006 when the bank opened a branch in Bergen.

In January 2004, a key member, Sparebanken Vest, left SpareBank 1 Alliance. Its ownership share of 8.67% in SpareBank 1 Gruppen AS was divided equally between the group's regional member banks, including SpareBank 1 SR-Bank.

In March 2007, the bank was renamed SpareBank 1 SR-Bank. In the same year, it acquired Vågen Eiendomsforvaltning AS, a Stavanger-based commercial property manager.

In October 2008, SpareBank 1 SR-Bank and other banks in SpareBank 1 Alliance acquired Glitnir Bank ASA (renamed BNbank ASA in January 2009), one of the leading mortgage lenders in Norway, together with its subsidiary Glitnir Factoring (now SpareBank 1 Factoring AS) for a total of NOK300 million (€34.9 million). SpareBank 1 SR-Bank acquired a 20% stake in Glitnir Bank ASA. The acquisition was approved by the authorities in December 2008. In September 2009, SpareBank 1 SR-Bank acquired a further 3.5% stake in BNbank ASA, increasing its holding to 23.5%.

In January 2010, Bank 1 Oslo was separated from SpareBank 1 Gruppen AS and is now directly owned by the SpareBank 1 banks and the Norwegian Confederation of Trade Unions. SpareBank 1 SR-Bank acquired 19.5% of the shares in Bank 1 Oslo.

In June 2010, SpareBank 1 SR-Bank acquired Kvinnherad Sparebank with a view to strengthening its presence in Hordaland. The required approvals were received in October 2010.

*Source: Company Reports (investor presentation June 10 and Feb 09 and annual report Dec 07), SpareBank 1 Gruppen 2008 results presentation, Moody's research, [www.oanda.com](http://www.oanda.com), [www.bnbank.no](http://www.bnbank.no), Oslo Stock Exchange, Company data*

## Peer Group

- » Aktia Bank p.l.c.
- » Länsförsäkringar Bank AB (publ)
- » Ringkjøbing Landbobank A/s
- » SpareBank 1 SMN
- » SpareBank 1 Nord-Norge
- » Sparebanken Møre
- » Sparebanken Sør
- » Sparebanken Vest
- » Sparebanken Øst
- » Spar Nord Bank A/S
- » Storebrand Bank
- » Sydbank A/S

## Related Websites and Information Sources

For additional information, please see:

- » the company's website: [www.sr-bank.no](http://www.sr-bank.no)
- » the regulator's website: [www.finanstilsynet.no](http://www.finanstilsynet.no)
- » the Central Bank's website: [www.norges-bank.no](http://www.norges-bank.no)

MOODY'S has provided links or references to third party World Wide Websites or URLs ("Links or References") solely for your convenience in locating related information and services. The websites reached through these Links or References have not necessarily been reviewed by MOODY'S, and are maintained by a third party over which MOODY'S exercises no control. Accordingly, MOODY'S expressly disclaims any responsibility or liability for the content, the accuracy of the information, and/or quality of products or services provided by or advertised on any third party web site accessed via a Link or Reference. Moreover, a Link or Reference does not imply an endorsement of any third party, any website, or the products or services provided by any third party.

## Moody's Related Research

### Credit Opinion:

- » [SpareBank 1 SR-Bank](#)

### Banking System Outlook:

- » [Norway, December 2009 \(121542\)](#)

### Research Guide:

- » [Norway, June 2009 \(117781\)](#)

To access any of these reports, click on the entry above. Note that these references are current as of the date of publication of this report and that more recent reports may be available. All research may not be available to all clients.

---

 Report Number: 129369

---

**Author**  
 Soline Poulain

---

**Editor**  
 Simon Culshaw

---

**Senior Production Associate**  
 Wendy Kroeker

© 2010 Moody's Investors Service, Inc. and/or its licensors and affiliates (collectively, "MOODY'S"). All rights reserved.

**CREDIT RATINGS ARE MOODY'S INVESTORS SERVICE, INC.'S ("MIS") CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES. MIS DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL, FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. CREDIT RATINGS DO NOT CONSTITUTE INVESTMENT OR FINANCIAL ADVICE, AND CREDIT RATINGS ARE NOT RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. CREDIT RATINGS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MIS ISSUES ITS CREDIT RATINGS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.**

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources Moody's considers to be reliable, including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the rating process. Under no circumstances shall MOODY'S have any liability to any person or entity for (a) any loss or damage in whole or in part caused by, resulting from, or relating to, any error (negligent or otherwise) or other circumstance or contingency within or outside the control of MOODY'S or any of its directors, officers, employees or agents in connection with the procurement, collection, compilation, analysis, interpretation, communication, publication or delivery of any such information, or (b) any direct, indirect, special, consequential, compensatory or incidental damages whatsoever (including without limitation, lost profits), even if MOODY'S is advised in advance of the possibility of such damages, resulting from the use of or inability to use, any such information. The ratings, financial reporting analysis, projections, and other observations, if any, constituting part of the information contained herein are, and must be construed solely as, statements of opinion and not statements of fact or recommendations to purchase, sell or hold any securities. Each user of the information contained herein must make its own study and evaluation of each security it may consider purchasing, holding or selling. NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH RATING OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

MIS, a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MIS have, prior to assignment of any rating, agreed to pay to MIS for appraisal and rating services rendered by it fees ranging from \$1,500 to approximately \$2,500,000. MCO and MIS also maintain policies and procedures to address the independence of MIS's ratings and rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold ratings from MIS and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at [www.moody.com](http://www.moody.com) under the heading "Shareholder Relations — Corporate Governance — Director and Shareholder Affiliation Policy."

Any publication into Australia of this document is by MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657, which holds Australian Financial Services License no. 336969. This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001.