Fitch ratifica la calificación crediticia de Cajamurcia en A+

Murcia, 17 de septiembre de 2010.- La agencia de calificación crediticia Fitch Ratings ha ratificado la favorable valoración de Cajamurcia, con un rating a largo plazo de A+, y un rating individual de B y F1 en el rating a corto plazo.

La publicación de esta nota de prensa por parte de Fitch, se produce como consecuencia de la celebración ayer de las asambleas generales de las cajas en las que se aprobó el contrato de integración de las cajas de Murcia, Penedés, Granada y Sa Nostra, en el Grupo Mare Nostrum.

Una vez que se produzca la integración efectiva, prevista para finales de año, la agencia procederá a asignar un rating definitivo al Grupo. De esta forma, y mientras que se produce este hecho la agencia ha puesto los ratings de las cajas en vigilancia, siendo negativa la correspondiente a Cajamurcia.

La calificación de Cajamurcia fue revisada a principios de año por Fitch, asignándole una calificación de A+ con perspectiva estable en el rating a largo plazo, la segunda mejor nota de entre las entidades de ahorro españolas.

FitchRatings

Fitch Places Cajamurcia, Caixa Penedes, Caja Granada & Sa Nostra on Rtg Watch on Integration Plans

Ratings

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Fitch Ratings-London/Barcelona-17 September 2010: Fitch Ratings has placed Caja de Ahorros de Murcia's (Cajamurcia) Long- and Short-term Issuer Default Ratings (IDRs) and Individual Rating on Rating Watch Negative (RWN). At the same time, Fitch has placed on Rating Watch Positive (RWP) Caja General de Ahorros de Granada's (Caja Granada) and Caja de Ahorros y Monte de Piedad de Baleares' (Sa Nostra) Long-term IDRs and Individual Ratings. The Rating Watches on Caixa d'Estalvis del Penedes' (Caixa Penedes) Long-term IDR and Individual Rating have been changed to Positive from Negative. A full rating breakdown is detailed at the end of this commentary.

The Watches are based on the approval of an integration contract by the General Assemblies of the four cajas to form a banking group with cross-guarantee mechanisms through an Institutional Protection Scheme (SIP). The rating actions do not impact Cajamurcia's, Caixa Penedes', Caja Granada's and Sa Nostra's 'AA+'-rated government-guaranteed debt.

The SIP contract is expected to include a legally-binding cross-guarantee mechanism encompassing solvency and liquidity. Fitch will resolve the Watches once the SIP is set up and further information on the SIP contract and integration details become available, which are anticipated by end-2010. The agency expects to align the IDRs and Individual Ratings of Cajamurcia, Caixa Penedes, Caja Granada and Sa Nostra upon completion of the process. Should the integration not go ahead, the agency will review each caja as a separate legal entity.

The RWN on Cajamurcia's IDRs, unguaranteed debt and Individual rating reflect the challenges arising from the integration process, including integration risks, difficult economic prospects for the Spanish economy and that the caja will be integrating with weaker savings banks.

The RWP on Caixa Penedes', Caja Granada's and Sa Nostra's Long-term IDRs, unguaranteed debt and Individual ratings and on Sa Nostra's 'F3' Short-term IDR reflect their integration with a higher-rated entity. The Short-term IDRs of Caixa Penedes and Caja Granada have been affirmed at 'F2', as Fitch currently believes they are less likely to be upgraded.

The SIP will seek EUR915.5m temporary financial assistance from Spain's Fund for Orderly Bank Restructuring (FROB; see comment entitled 'Fund for Orderly Bank Restructuring - Spain' on 3 July 2009 on www.fitchratings.com), in the form of convertible preference shares ("cuotas participativas"), which qualify as regulatory tier 1 capital. In addition, revaluation reserves on investments and fixed assets will also feed into the merged entity's core capital.

Although there will be revenue pressure from low interest rates and subdued business volumes, cost synergies will be achieved through headquarter and branch rationalisation plans as well as through early staff retirements, which should help the institution return FROB funds within a five-year timeframe.

While restructuring costs will be gradually absorbed through the profit and loss statement, FROB funds will enable the new entity to anticipate potential impairments on loans and foreclosed assets and support capital. The new entity will thus operate from a more favourable competitive position.

The new banking group will continue to have risk concentration to the Spanish property sector (28% of total loans, on an aggregate basis), which could lead to further asset quality issues. Risk diversification will be achieved by 49% of aggregate loans being to individuals and low borrower concentration given limited risk overlap among the member cajas. The new entity will remain somewhat reliant on capital market funding, which could remain difficult for Spanish banks and, consequently, impact the group's funding and liquidity. Positively, the group has large liquid assets and good diversification in debt maturities. Tier 1 capital ratio is estimated to be around 10% once the SIP is in place.

The group will create Spain's sixth-largest banking group within the cajas' sector, with total assets of EUR73bn. The group will focus on retail banking in the Spanish Mediterranean area, where it has a strong presence due to the member cajas' widespread branch network. Caixa Penedes, Cajamurcia, Sa Nostra and Caja Granada are Spain's 14th, 15th, 21st and 23rd-largest cajas by end-2009 total assets, respectively.

The rating actions on the group and individual entities are as follows:

Cajamurcia:
Long-term IDR: 'A+'; placed on RWN

Short-term IDR: 'F1'; placed on RWN
Individual Rating: 'B'; placed on RWN
Support Rating: affirmed at '3'
Support Rating Floor: affirmed at 'BB+'
Senior unsecured debt: 'A+'; placed on RWN
Subordinated debt: 'A'; placed on RWN
Preferred stock: 'BBB+'; placed on RWN
State-guaranteed debt: affirmed at 'AA+'

Caixa Penedes:
Long-term IDR: 'BBB+'; Rating Watch changed to Positive from Negative
Short-term IDR: affirmed at 'F2'; removed from RWN
Individual Rating: 'C'; Rating Watch changed to Positive from Negative
Support Rating: affirmed at '3'
Support Rating Floor: affirmed at 'BB+'
Preferred Stock: 'BB', Rating Watch changed to Positive from Negative
State-guaranteed notes: affirmed at 'AA+'

Caja Granada:
Long-term IDR: 'BBB+'; placed on RWP
Short-term IDR: affirmed at 'F2'
Individual Rating: 'C'; placed on RWP
Support Rating: affirmed at '3'
Support Rating Floor: affirmed at 'BB+'
Preferred Stock: 'BB', placed on RWP
State-guaranteed notes: affirmed at 'AA+'

Sa Nostra:
Long-term IDR: 'BBB'; placed on RWP
Short-term IDR: 'F3'; placed on RWP
Individual Rating: 'C/D'; placed on RWP
Support Rating: affirmed at '3'
Support Rating Floor: affirmed at 'BB+'
Subordinated debt: 'BBB-'; placed on RWP
Preferred stock: 'BB-'; placed on RWP
State-guaranteed notes: affirmed at 'AA+'
The impact, if any, from today's rating action, on Cajamurcia's covered bonds will be detailed in a separate comment.
In Fitch's rating criteria, a bank's standalone risk is reflected in Fitch's Individual ratings and the prospect of external support is reflected in Fitch's Support ratings. Collectively these ratings drive Fitch's Long- and Short-term IDRs.

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Additional information is available at www.fitchratings.com.

Applicable criteria, 'Global Financial Institutions Rating Criteria', 'Rating Hybrid Securities' and 'Equity Credit for Hybrids & Other Capital Securities - Amended', all dated 29 December 2009, and 'Rating Criteria for European

Banking Structures Backed by Mutual Support Mechanisms', dated 30 December 2009, are available on www.fitchratings.com.

Applicable Criteria and Related Research:
Global Financial Institutions Rating Criteria
Rating Hybrid Securities
Equity Credit for Hybrids & Other Capital Securities - Amended
Rating Criteria for European Banking Structures Backed by Mutual Support Mechanisms
Short-Term Ratings Criteria for Corporate Finance
Fund for Orderly Bank Restructuring - Spain
Spanish Financial Institutions' Domestic Loan Book Stress Tests