



Fitch Downgrades Cassa Depositi e Prestiti after Sovereign Downgrade Ratings

Endorsement Policy

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Fitch Ratings-London/Milan-02 February 2012: Fitch Ratings has downgraded Cassa Depositi e Prestiti's (CDP) Long-term Issuer Default Rating (IDR) to 'A-' from 'A+' and its Short-term IDR to 'F2' from 'F1' and removed them from Rating Watch Negative (RWN) on which they had been placed on 20 December 2011. The Outlook on the Long-term IDR is Negative. CDP's Support Rating Floor has also been revised to 'A-' from 'A+' and removed from RWN while its Support Rating has been affirmed at '1'. A full list of rating actions is at the end of this comment.

The downgrade reflects the downgrade of the Italian Republic (see "Fitch Comments Further on Downgrade of Italy to 'A-'; Outlook Negative" dated 27 January 2012, available on www.fitchratings.com). CDP's IDRs remain at the same level as the sovereign's. This reflects Fitch's view that there is an extremely high probability that the Italian authorities would support CDP in case of need given CDP's important role as the main financing arm of the Italian state, which also provides financial support to the small- and medium-sized enterprise sector and established a fund that can invest in strategically important Italian companies.

CDP's ratings are driven by those of the Italian Republic, and any change in the latter's ratings would likely be reflected in CDP's ratings. The Negative Outlook on CDP's Long-term IDR reflects that of the sovereign. A material weakening in the links between CDP and the state, which Fitch currently does not expect, would result in a downgrade of CDP's ratings. Fitch expects any government support to include CDP's obligations that are not covered by a state guarantee as long as these obligations constitute only a limited proportion of its overall business volume.

The rating actions are as follows:

CDP

Long-term IDR: downgraded to 'A-' from 'A+', RWN removed; Outlook Negative

Short-term IDR: downgraded to 'F2' from 'F1', RWN removed

Support Rating: affirmed at '1'

Support Rating Floor: revised to 'A-' from 'A+', RWN removed

Senior Debt: downgraded to 'A-' from 'A+', RWN removed

EMTN Programme: downgraded to 'A-' from 'A+' and 'F2' from 'F1', RWN removed

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Additional information is available at www.fitchratings.com. The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.

Applicable criteria "Global Financial Institutions Rating Criteria" dated 16 August 2011 available at www.fitchratings.com.

Applicable Criteria and Related Research:
Global Financial Institutions Rating Criteria

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