

Standard & Poor's raises JMalucelli Seguradora S.A. and JMalucelli Resseguradora S.A.

NOTICE TO THE MARKET

Standard & Poor's raises JMalucelli Seguradora S.A. and JMalucelli Resseguradora S.A. to 'brAA'

Curitiba, May 24, 2013 - Risk rating agency Standard & Poors has raised the national scale rating on JMalucelli Seguradora S.A. and JMalucelli Resseguradora S.A. to 'brAA' from 'brAA-'. According to the agency, "the ratings predominantly reflect our vision on the 'regular' business profile and the 'moderately strong' financial risk profile of the companies. It also reflects the leading position of JMalucelli Seguradora in the surety market, long-standing relationships with corporate clients, strong capitalization, and profitability of both companies."

S&P also said the rating is based on the expectation that the company will maintain is competitive position due to its experienced management, diligent strategic planning, and good operating performance (underwriting experience), even though competition in the surety market in Brazil has increased. Partially offsetting these positive factors are the size of the surety market in Brazil, though with good potential for growth, and the company's low business diversification compared to other insurance companies.