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Announcement: Moody's affirms Investment Manager Quality Assessments of Brazilian Asset Managers following the Updated Methodology Publication

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Sao Paulo, September 07, 2016 -- Moody's America Latina has affirmed the Investment Management Quality (MQ) Assessments of 26 Brazilian Asset Managers, following the update of the Investment Manager Quality methodology. As noted on the methodology press release, published on August 31st, 2016, the update to the methodology didn't result in any assessment change.

RATINGS RATIONALE

The updated methodology "Investment Manager Quality (MQ) Assessments of Asset Managers" was published on August 31st, 2016 and replaces the methodology "Moody's Approach to Investment Manager (MQ) Assessments of Asset Mangers" published in August 2011. The main revisions relate to the simplification of the scorecard that clarifies the approach Moody's will use when assessing investment manager quality. For a full explanation of the methodology, please consult updated report now available on www.moodys.com and accessible at: http://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBC_1037650

In connection with the publication of the Methodology, Moody's has affirmed the MQ assessment of all asset managers in Brazil, given there were no material changes on the assessments of companies' investment management activities, investment results, financial profile, client servicing, as well as on the overall assessments derived from the Methodology update.

The following MQ assessments have been affirmed:

3G Radar Gestora de Recursos Ltda.: MQ3

Apex Capital Ltda.: MQ3

Atmos Capital Gestão de Recursos Ltda.: MQ3

BB Gestão de Recursos DTVM S.A.: MQ1

BBM I Gestão de Recursos Ltda.: MQ2

BBM II Gestão de Recursos Ltda.: MQ2

Bradesco Asset Management: MQ1

BRZ Investimentos Ltda: MQ2

Capitania S/A: MQ3

Daycoval Asset Management: MQ2

Franklin Templeton Investimentos Brasil Ltda: MQ1

GAP Prudential LT Gestão de Recursos Ltda: MQ2

Icatu Vanguarda Administração de Recursos: MQ2

JGP Gestão de Recursos Ltda: MQ1

JMalucelli Investimentos: MQ2

Modal Asset Management Ltda.: MQ3

Oceana Investimentos Ltda: MQ2

Pollux Capital Administração de Recursos: MQ3

Santander Brasil Gestão de Recursos Ltda: MQ1

SPX Equities Gestão de Recursos Ltda.: MQ2

SPX Gestão de Recursos Ltda: MQ2

Squadra Investimentos -- Gestão de Recursos: MQ2

Western Asset Management DTVM Ltda: MQ1

The following MQ assessments have been affirmed and had their modifiers removed:

Kondor Invest: MQ2

NEO Investimentos: MQ2

Studio Investimentos: MQ3

The MQ1 assessment reflects Moody's view of the asset manager as having excellent management characteristics. The MQ2 assessment reflects Moody's view of the asset manager as having very good management characteristics. The MQ3 assessment reflects Moody's view of the asset manager as having good management characteristics.

NOTE: Moody's Investment Manager Quality assessments do not indicate a company's ability to pay a fixed financial obligation or satisfy contractual financial obligations, either in its own right or any that may have been entered into through actively managed portfolios. Also, the assessments are not intended to consider the prospective performance of a portfolio, mutual fund or other investment vehicle with respect to appreciation, volatility of net asset value, or yield.

The principal methodology used in these ratings was Investment Manager Quality (MQ) Assessments of Asset Managers published in August 2016. Please see the Ratings Methodologies page on www.moodys.com.br for a copy of this methodology.

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