FitchRatings

Banks
Universal Commercial Banks
Nigeria

FBN Holdings Plc

Key Rating Drivers

Standalone Creditworthiness Drives IDRs: The Issuer Default Ratings (IDRs) of FBN Holdings Plc (FBNH) and its primary operating subsidiary, First Bank of Nigeria Ltd (FBN), are driven by their standalone creditworthiness, as defined by their Viability Ratings (VR).

The VRs are highly influenced by Nigeria's challenging operating environment, reflecting weak GDP growth, policy uncertainty and increasing regulatory risks. The VRs consider weak, albeit improving, asset-quality metrics, which expose limited capital buffers to further credit losses. The VRs also reflect a strong company profile, including a solid banking franchise and funding profile.

FBNH Ratings Equalised: FBNH's ratings are equalised with the consolidated risk assessment of the group. This is because of the relative fungibility of capital and liquidity within the group, and the absence of double leverage at the holding-company level.

Improving but Weak Asset Quality: FBNH has made notable progress in reducing its impaired (IFRS 9 Stage 3) loans ratio to 12.6% at end-9M19 from 25.9% at end-2018 through significant write-offs, restructuring and recoveries. However, FBNH's impaired loans ratio is still high compared with peers and asset quality remains a relative weakness given a high stock of Stage 2 loans (roughly 30% of gross loans) and low loan loss coverage of Stage 3 loans (48% at end-9M19). FBNH expects its impaired loans ratio to fall below 10% in the near term.

Limited Capital Buffers: Capital is vulnerable to asset-quality risks, with unreserved impaired loans at 22% of Fitch Core Capital (FCC) at end-9M19. However, this metric has improved noticeably since end-2016 (50.5%) with a fall in impaired loans. Including profit for the period, FBN's total capital adequacy ratio was an acceptable 16.4% at end-9M19. Capital buffers will improve with good internal capital generation.

Strong Franchise: Pre-impairment operating profit has been resilient owing to the group's strong domestic franchise. FBN is the oldest and third-largest bank in Nigeria, with a market share of 14% of domestic credit at end-2018. The franchise has been resilient in recent years, with a negligible impact from the bank's asset-quality problems.

Solid Funding Profile: Franchise strength is further shown by the group's solid funding base of retail deposits, resulting in one of the lowest cost of funding across the sector. Cheap and stable funding is complemented by strong liquidity. FBN's regulatory liquidity ratio was well above the 30% minimum requirement, at 36.8% at end-9M19.

Sovereign Support Uncertain: FBN's Support Rating and Support Rating Floor reflect Fitch Ratings' view that the state's ability to provide support, particularly in foreign currency (FC), cannot be relied upon. We also believe that state support would not be available to FBNH, as it is a non-operating holding company.

National Ratings: FBNH and FBN's National Ratings reflect their creditworthiness relative to other issuers in Nigeria and are driven by their standalone strength. They are lower than large Nigerian peers', reflecting the bank's weaker financial profile, as evidenced by its weaker asset-quality metrics.

Rating Sensitivities

Downside Potential: FBNH and FBN's ratings are sensitive to further asset-quality deterioration, which would have a material impact on capitalisation.

Upside Potential: Material improvement in asset quality, which would lead to improved profitability and capitalisation, would have positive ratings implications.

Ratings

FBN Holdings Plc	
Long-Term IDR	B-
Short-Term IDR	B
Viability Rating	b-
Support Rating	5
Support Rating Floor	No Floor
National	
National Long-Term Rating	BBB(nga)
National Short-Term Rating	F2(nga)

First Bank of Nigeria Ltd	
Long-Term IDR	B-
Short-Term IDR	B
Viability Rating	b-
Support Rating	5
Support Rating Floor	No Floor
National	
National Long-Term Rating	BBB(nga)
National Short-Term Rating	F2(nga)

Sovereign Risk	
LT Foreign-Currency IDR	B+
LT Local-Currency IDR	B+
Country Ceiling	B+

Outlooks	
Long-Term Foreign-Currency IDR	Stable
Sovereign Long-Term Foreign-Currency IDR	Stable
Sovereign Long-Term Local-Currency IDR	Stable

Applicable Criteria

Bank Rating Criteria (October 2018)
Short-Term Ratings Criteria (May 2019)
National Ratings Criteria (July 2018)

Related Research

Nigerian Banks: 2019 Peer Review (July 2019)
Nigeria (December 2018)
Fitch Rtgs: Loan-to-Deposit Requirement Credit-Negative for Nigerian Banks (July 2019)

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Standalone Assessment

Support Rating Floor	Value
Typical D-SIB SRF for sovereign's rating level (assuming high propensity)	B+
Actual country D-SIB SRF	NF
Support Rating Floor:	**NF**

Support Factors	Positive	Neutral	Negative
Sovereign ability to support system			
Size of banking system relative to economy	✓		
Size of potential problem			✓
Structure of banking system		✓	
Liability structure of banking system			✓
Sovereign financial flexibility (for rating level)			✓
Sovereign propensity to support system			
Resolution legislation with senior debt bail-in		✓	
Track record of banking sector support	✓		
Government statements of support		✓	
Sovereign propensity to support bank			
Systemic importance			✓
Liability structure of bank			✓
Ownership		✓	
Specifics of bank failure		✓	

Bar Chart Legend

Vertical bars – VR range of Rating Factor

Bar Colors – Influence on final VR

- Higher influence
- Moderate influence
- Lower influence

Bar Arrows – Rating Factor Outlook

- ⇧ Positive
- ⇩ Negative
- ⇳ Evolving
- ▫ Stable

Sovereign Support Assessment

Fitch considers the authorities' propensity to support the banking system to be high and there is a record of recent support across the sector.

However, Fitch believes that sovereign support to Nigerian banks cannot be relied on given Nigeria's (B+/Stable) weak ability to provide support, particularly in FC. The size of the banking sector is small by international standards (at about 30% of GDP), but government finances remain weak. Therefore, the Support Rating Floor of all Nigerian banks is at 'No Floor' and all Support Ratings are at '5'. This reflects our opinion that senior creditors cannot rely on receiving full and timely extraordinary support from the Nigerian sovereign if any of the banks become non-viable. In addition, Fitch considers that sovereign support cannot be relied upon for holding companies such as FBNH due to their low systemic importance.

Significant Changes

Minimum Loans-to-Deposit Ratio of 65%

Loan growth for the sector remained weak in 2018 (only 1% for the Fitch-rated banks) due to a combination of factors, including still weak operating conditions, banks still struggling with asset-quality problems and the crowding out of private-sector credit from investment in high-yielding government securities.

In order to encourage banks to resume lending (particularly to consumers and SMEs) and therefore stimulate economic growth, the Central Bank of Nigeria (CBN) has introduced a minimum loans/deposits ratio (LDR), set initially at 60% for end-September 2019, and subsequently increased to 65% to be met by end-2019. The LDR is effectively a loans/funding ratio as the denominator includes all funding, except interbank borrowing. Banks that do not meet the threshold are required to place additional unremunerated cash reserve requirements (CRR) equal to 50% of the LDR lending shortfall. The additional CRR will be released when they meet the LDR requirement. FBN reported an LDR at 55.5% at end-9M19 and was one of 12 banks failing to meet the threshold. As a result, it had to place additional CRR of NGN60.1bn (USD116.1m) without notice.

CBN's intervention in the banking sector and unconventional policy measures (including the LDR) are credit-negative for banks. The LDR forces banks to increase lending in a very short timeframe to untested segments (retail and SMEs) at a time when operating conditions are not conducive to growth. This could increase asset-quality risks and pressure capitalisation. It will also lead to margin compression due to rising competition for quality borrowers. Bank liquidity will also be affected because of lower holdings of government securities, which in turn, will affect regulatory capital ratios. Liquidity, as well as earnings, will be affected if banks are required to place additional CRR for not meeting the LDR.

Resumption of Loan Growth

With asset-quality weaknesses being addressed, FBNH has refocused on business expansion. We expect loan growth to be positive in 2020, which is a significant change given that FBNH's loan book has contracted by 7% annually on average since 2017 (9M19:-6.4%), when its three-year defensive strategic plan started. This predominantly entailed cleaning up the balance sheet and preserving regulatory capital ratios. Management intends to increase its share of retail loans to 25% of gross loans by 2022, which we believe is challenging. FBNH's retail loans are currently below 10% of the loan book and this segment is underdeveloped in Nigeria.

FBNH's 2020-2022 strategic plan will be focusing on driving business growth across the group. FBN is at the centre of the group's strategy, with other parts of the group designed to bring diversification to the earnings base and increase synergies. This largely relies on utilising new technology, such as digital banking, to drive efficiency and service delivery.

Tough Operating Environment

Operating conditions in Nigeria remain challenging. Fitch forecasts 2% GDP growth for 2019 (1.9% in 2018), largely driven by the non-oil sector and stable oil output. Nigeria is highly reliant on oil and gas (as Africa's largest producer), with the sector contributing to about 10% of GDP and 45% of government revenue. Inflation remains high, albeit stable at about 11% in 2019; pressure could come from food price hikes, the new minimum wage and VAT increases.

Monetary policy aims to strike a balance between supporting the naira and providing economic stimulus. The CBN has recently attempted to boost economic activity, starting with a policy rate cut to 13.5% in March 2019 (from 14%) and then directly intervening in the banking sector through regulations and policies to encourage banks to resume lending. The CBN is also bringing in rules to limit the amount of government securities banks can hold due to the crowding out of private-sector credit. Nigeria's improving international reserves (USD44.9 billion at end-1H19) provide a large external buffer. However, about USD6 billion of reserves are pledged in forward positions. Furthermore, reserves are buoyed by significant non-resident holdings of short-term CBN bills, which totalled USD15.8 billion (4% of GDP) at end-April 2019, exacerbating susceptibility to reversals in volatile portfolio inflows and generating rollover risks.

Company Summary and Key Qualitative Assessment Factors

Top-Tier Franchise

Formed in 1894 as the Bank for British West Africa, FBN is Nigeria's oldest bank. The group has a leading retail deposit franchise (16 million active customer accounts), supported by the country's largest branch network as well as strong alternative delivery channels. We estimate FBN's domestic credit market share at 14%. CBN classifies the bank as a domestic systemically important bank (D-SIB).

Fitch rates both FBNH and FBN using FBNH's consolidated financials. FBNH was incorporated in 2012, following CBN regulations requiring the separation of banking and non-banking activities. FBN opted to transfer its insurance, merchant banking and microfinance businesses to FBNH. Liquidity and capital are relatively fungible across the group.

FBN accounted for 94% of FBNH's end-2018 total assets and 88% of its earnings. The bank's commercial banking activities are split into retail banking, corporate banking, commercial banking, public-sector banking and treasury. In 2018, retail banking generated nearly 40% of pre-tax profit. Treasury remains the largest contributor to pre-tax profit, reflecting FBN's abundant liquidity and attractive rates of government security issuance.

FBN is one of the most geographically diverse banking groups in Nigeria with subsidiaries in the United Kingdom and in six west African countries. FBN UK accounts for roughly a quarter of FBN's consolidated assets. This subsidiary contributed to less than 11% of FBN's 9M19 pre-tax profit, contrasting with a large pre-tax loss in 2018 caused by large impairment charges booked on non-Nigerian transactions.

Execution Hampered by Weak Asset Quality

FBNH generates robust earnings underpinned by its franchise strength. However, its performance in recent years has been affected by large loan impairment charges. Management has made good progress in improving asset quality and is targeting an impaired loans ratio below or close to 10% by end-2019. The business model provides robust earnings diversification. However, FBNH's cost/income ratio (70.9% in 9M19) remains above the sector average (62%).

Lower Risk Appetite

FBNH has significantly lowered its risk appetite since its asset-quality problems started in 2016. Changes to the risk-management framework resulted in the hiring of a new chief risk officer in 2017 and a full review of the bank's risk-management framework, systems and processes. Risk management at FBNH's foreign subsidiaries has also been more closely aligned to the bank.

In its expansionary drive, FBNH intends to target lower-risk industry segments for new loan origination and has adopted a more prudent single-obligor limit of 15% of shareholders' funds (compared with a 20% regulatory limit). Underwriting standards for retail lending appear conservative with lending mainly on a salary-assigned basis, targeting employees of top-tier corporates who are typically less susceptible of unemployment risk.

FBNH, nevertheless, remains vulnerable to event risk due to large credit concentrations by obligor and industry. On the latter, we estimate that loans to the oil and gas sector were about 35% of loans and 100% of FCC at end-9M19.

FBNH's currency risk is improving but remains high in our view, with a long US dollar open position equivalent to 47% of end-2018 equity (2017: 64%) prior to hedging. The bank calculates that a 10% appreciation of the naira against the dollar would have eroded equity by about 5% at end-2018.

Summary Financials and Key Ratios

	30 Sep 19 9 months - 3rd quarter (NGNbn) Unaudited	31 Dec 18 Year end (NGNbn) Audited - unqualified	31 Dec 17 Year end (NGNbn) Audited - unqualified	31 Dec 16 Year end (NGNbn) Audited - unqualified
Summary income statement				
Net interest & dividend income	213.8	286.5	333.6	305.3
Net fees and commissions	63.2	75.4	62.3	60.3
Other operating income	26.7	49.3	45.2	102.4
Total operating income	303.7	411.2	441.1	468.1
Operating costs	215.2	266.5	238.2	224.3
Pre-impairment operating profit	88.4	144.7	202.9	243.7
Loan & other impairment charges	28.5	79.4	148.5	220.7
Operating profit	60.0	65.3	54.4	23.0
Other non-operating items (net)	-0.1	-0.1	-7.7	-4.9
Tax	8.2	5.5	9.0	5.8
Net income	51.7	59.7	37.7	12.2
Other comprehensive income	32.1	-1.5	64.2	-3.1
Fitch comprehensive income	83.8	58.1	101.9	9.1
Summary balance sheet				
Gross loans	1,937.1	2,069.3	2,280.4	2,394.8
- Ow impaired	244.1	535.0	520.0	584.2
Loan loss allowances	117.5	385.5	279.2	310.9
Net loans	1,819.7	1,683.8	2,001.2	2,083.9
Interbank	765.6	863.4	742.9	444.9
Derivatives	12.0	17.8	23.0	15.2
Other securities & earning assets	2,088.8	2,068.1	1,523.3	1,283.7
Total earning assets	4,686.0	4,633.1	4,290.4	3,827.6
Cash and due from banks	697.4	653.3	641.9	690.2
Other assets	351.0	281.9	304.3	219.0
Total assets	5,734.5	5,568.3	5,236.5	4,736.8
Liabilities				
Customer deposits	3,671.1	3,486.7	3,143.3	3,104.2
Interbank and other ST funding	982.5	945.9	746.4	528.6
Other LT funding	159.3	338.2	420.9	316.8
Trading liabilities and derivatives	10.2	15.8	9.4	37.1
Total funding	4,823.0	4,786.6	4,320.1	3,986.7
Other liabilities	306.6	251.1	242.7	167.5
Pref. shares and hybrid capital	n.a.	n.a.	n.a.	n.a.
Total equity	604.9	530.6	673.7	582.6
Total liabilities and equity	5,734.5	5,568.3	5,236.5	4,736.8
Ratios (annualised as appropriate)				

Summary Financials and Key Ratios (Cont.)

	30 Sep 19 9 months - 3rd quarter (NGNbn) Unaudited	31 Dec 18 Year end (NGNbn) Audited - unqualified	31 Dec 17 Year end (NGNbn) Audited - unqualified	31 Dec 16 Year end (NGNbn) Audited - unqualified
Profitability				
Operating profit/RWA	n.a.	n.a.	n.a.	n.a.
NII/average earning assets	6.2	6.5	8.2	8.3
Non-interest expense/gross revenues	70.9	64.8	54.1	47.9
Net Income/average equity	12.4	9.3	6.1	2.1
Asset quality				
Impaired loans ratio	12.6	25.9	22.8	24.4
Growth in gross loans	-6.4	-9.3	-4.8	22.4
Loan loss allowances/impaired loans	48.1	72.1	53.7	53.2
Loan impairment charges/average gross loans	1.9	3.5	6.4	10.0
Capitalisation				
Fitch Core Capital ratio	n.a.	n.a.	n.a.	n.a.
TCE ratio	n.a.	n.a.	n.a.	n.a.
CET 1 ratio	n.a.	n.a.	n.a.	n.a.
Basel leverage ratio	n.a	n.a	n.a	8.1
Net impaired loans/FCC	22.3	30.5	37.6	50.5
Funding & liquidity				
Loans/customer deposits	52.8	59.4	72.6	77.2
LCR	n.a.	n.a.	n.a.	n.a.
Customer deposits/funding	76.3	73.1	72.9	78.6

Source: Fitch Ratings, Fitch Solutions

Key Financial Metrics – Latest Developments

Still Weak Asset Quality, Despite Improvement

Asset quality remains a key rating weakness despite a significant reduction in FBNH's impaired loans ratio to 12.6% at end-9M19 from 25.9% at end-2018. The decline was driven primarily by FBNH's largest loan (equivalent to 9% of gross loans at end-2018) being written off in 9M19. Loan loss coverage of impaired loans (48% at end-9M19) remains weak, having fallen from 72% at end-2018 due to this large write-off.

Additional asset-quality risks arise from FBNH's sizeable Stage 2 loans, which largely relate to restructured loans to the oil and gas sector. We estimate that these formed about 30% of FBNH's gross loans, indicating that problem loans (Stage 3 + Stage 2 loans) were above 40% of gross loans at end-9M19. A resolution of FBNH's Stage 2 book within the next 18 months will largely depend on the overall performance of the oil sector. The large majority of FBNH's Stage 3 loans were originated before the bank's risk management overhaul in 2016.

FBNH is targeting an impaired loans ratio below or close to 10% by end-2019, which we believe is achievable. However, closing the gap with large Nigerian peers (which reported an impaired loans ratio of 7% on average at end-1H19) will take longer to achieve, in our view.

Impairment Charges Dampen Profits

Pre-impairment operating profits remain relatively strong, averaging 2.1% of total assets in 9M19 (2018: 2.7%). Healthy net interest margins (6.2% in 9M19) are supported by a low cost of funding as the bank benefits from one of the cheapest deposit bases across the sector. Fees and commissions' contribution increased to 21% of operating income in 9M19, compared with 13% in 2016. These are increasingly supported by the bank's digital banking channels, which provide significant earning diversification. Notwithstanding these improvements, FBNH's profitability metrics remain weaker than large peers, predominantly because of larger loan impairment charges, which have on average eroded 63% of pre-impairment operating profit between 2016 and September 2019.

Limited Capital Buffers

Capitalisation metrics remain weaker than peers. FBNH's unreserved impaired loans measured at 22% of FCC at end-9M19 (end-2016: 50%), one of the highest levels among Fitch-rated Nigerian banks. FBN's capital adequacy ratio was only marginally above the 15% minimum regulatory requirement at end-9M19, excluding profit for the period (16.4% when including earnings). Looking ahead, we expect capitalisation to improve owing to stronger earnings and internal capital generation.

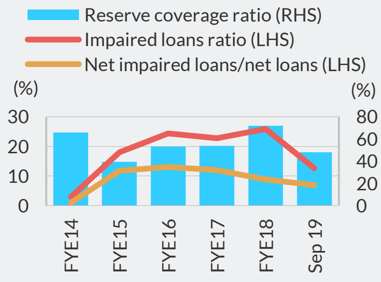
Funding and Liquidity Are Rating Strengths

FBNH enjoys a solid customer deposit base, reflecting its strong domestic franchise. At end-9M19, customer deposits provided 76% of the group's non-equity funding, most of which being low-cost, stable retail deposits. Interbank deposits (18% of end-9M19 non-equity funding), borrowings and bilateral loans from multilateral institutions provide the remainder.

FBNH's liquidity profile is strong, with a loans/customer deposits ratio of 53% at end-9M19 (end-2018: 59%). Local-currency liquidity is ample, with excess liquidity placed in government securities. FC liquidity is also improving, with the FC loans/deposits ratio dropping to 94% at end-2018 from 113% at end-2017.

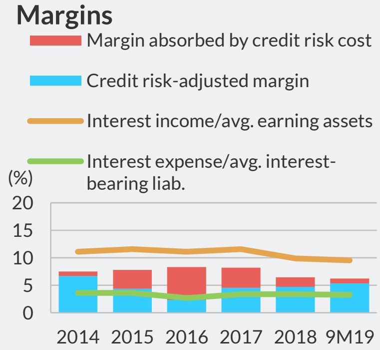
Following the early redemption of two Eurobonds in August 2018 and in July 2019, FBNH's largest FC repayment is USD150 million of long-term borrowing from the African Development Bank due in 2020. We believe FBNH's FC-denominated liquid asset buffer (including USD310 million of placements at FBN UK) is comfortable.

Asset Quality



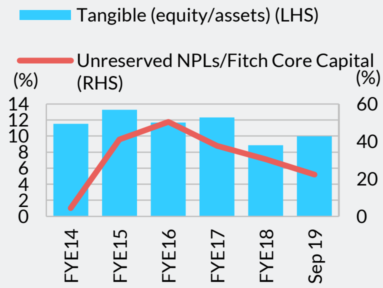
Source: Fitch Ratings, FBN Holdings Plc, Central Bank

Margins



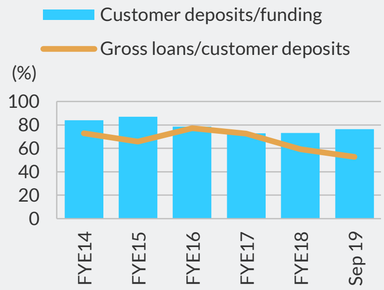
Source: Fitch Ratings, FBN Holdings Plc

Capitalisation & Leverage



Source: Fitch Ratings, FBN Holdings Plc

Funding Profile



Source: Fitch Ratings, FBN Holdings Plc, Central Bank

Environmental, Social and Governance Considerations

FitchRatings **FBN Holdings Plc**

Banks
Ratings Navigator

Credit-Relevant ESG Derivation

FBN Holdings Plc has 5 ESG potential rating drivers

- FBN Holdings Plc has exposure to compliance risks including fair lending practices, mis-selling, repossession/foreclosure practices, consumer data protection (data security) but this has very low impact on the rating.
- Governance is minimally relevant to the rating and is not currently a driver.

			Overall ESG Scale
key driver	0	issues	5
driver	0	issues	4
potential driver	5	issues	3
not a rating driver	4	issues	2
	5	issues	1

Environmental (E)

General Issues	E Score	Sector-Specific Issues	Reference	E Scale
GHG Emissions & Air Quality	1	n.a.	n.a.	5
Energy Management	1	n.a.	n.a.	4
Water & Wastewater Management	1	n.a.	n.a.	3
Waste & Hazardous Materials Management; Ecological Impacts	1	n.a.	n.a.	2
Exposure to Environmental Impacts	2	Impact of extreme weather events on assets and/or operations and corresponding risk appetite & management; catastrophe risk; credit concentrations	Company Profile; Management & Strategy; Risk Appetite; Asset Quality	1

Social (S)

General Issues	S Score	Sector-Specific Issues	Reference	S Scale
Human Rights, Community Relations, Access & Affordability	2	Services for underbanked and underserved communities: SME and community development programs; financial literacy programs	Company Profile; Management & Strategy; Risk Appetite	5
Customer Welfare - Fair Messaging, Privacy & Data Security	3	Compliance risks including fair lending practices, mis-selling, repossession/foreclosure practices, consumer data protection (data security)	Operating Environment; Company Profile; Management & Strategy; Risk Appetite	4
Labor Relations & Practices	2	Impact of labor negotiations, including board/employee compensation and composition	Company Profile; Management & Strategy	3
Employee Wellbeing	1	n.a.	n.a.	2
Exposure to Social Impacts	2	Shift in social or consumer preferences as a result of an institution's social positions, or social and/or political disapproval of core banking practices	Company Profile; Financial Profile	1

Governance (G)

General Issues	G Score	Sector-Specific Issues	Reference	G Scale
Management Strategy	3	Operational implementation of strategy	Management & Strategy	5
Governance Structure	3	Board independence and effectiveness; ownership concentration; protection of creditor/stakeholder rights; legal /compliance risks; business continuity; key person risk; related party transactions	Management & Strategy; Earnings & Profitability; Capitalisation & Leverage	4
Group Structure	3	Organizational structure; appropriateness relative to business model; opacity; intra-group dynamics; ownership	Company Profile	3
Financial Transparency	3	Quality and frequency of financial reporting and auditing processes	Management & Strategy	2
				1

How to Read This Page
ESG scores range from 1 to 5 based on a 15-level color gradation. Red (5) is most relevant and green (1) is least relevant.

The Environmental (E), Social (S) and Governance (G) tables break out the individual components of the scale. The left-hand box shows the aggregate E, S, or G score. General Issues are relevant across all markets with Sector-Specific Issues unique to a particular industry group. Scores are assigned to each sector-specific issue. These scores signify the credit-relevance of the sector-specific issues to the issuing entity's overall credit rating. The Reference box highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis.

The Credit-Relevant ESG Derivation table shows the overall ESG score. This score signifies the credit relevance of combined E, S and G issues to the entity's credit rating. The three columns to the left of the overall ESG score summarize the issuing entity's sub-component ESG scores. The box on the far left identifies the [number of] general ESG issues that are drivers or potential drivers of the issuing entity's credit rating (corresponding with scores of 3, 4 or 5) and provides a brief explanation for the score.

Classification of ESG issues has been developed from Fitch's sector and sub-sector ratings criteria and the General Issues and the Sector-Specific Issues have been informed with SASB's Materiality Map.

Sector references in the scale definitions below refer to Sector as displayed in the Sector Details box on page 1 of the navigator.

CREDIT-RELEVANT ESG SCALE

How relevant are E, S and G issues to the overall credit rating?

5	Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to "higher" relative importance within Navigator.
4	Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to "moderate" relative importance within Navigator.
3	Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to "lower" relative importance within Navigator.
2	Irrelevant to the entity rating but relevant to the sector.
1	Irrelevant to the entity rating and irrelevant to the sector.

The ratings above were solicited and assigned or maintained at the request of the rated entity/issuer or a related third party. Any exceptions follow below.