

## FITCH RATES CRÈDIT ANDORRÀ AT BBB-

- The agency highlights the Bank's leadership in the Andorran market, its capacity to generate profits and its international presence.
- It also takes into account the potential impact that the current COVID-19 crisis may have globally and on the international banking system, as well as the local impact on the Principality of Andorra and the Bank itself.

Andorra la Vella, 20 April 2020

The international agency Fitch Ratings gave Crèdit Andorrà the long-term rating of BBB-, a rating that reflects the resilience of the Bank in the generation of profits and its capacity to handle the current operating environment in the country. It also takes considerable note of the potential impact that the Bank, countries in general and the local and international banking system may see in the short and mid-term as a result of the COVID-19 situation.

The report by Fitch notes the leadership of Crèdit Andorrà in the Andorran market and its notable international presence in private banking, highlighting the Bank's resilience in terms of profit generation.

The report also considers Crèdit Andorrà's exposure to lending activity in Andorra and, specifically, the people and business of the country to whom the Bank has donated and provided financial support. At the end of 2019, Crèdit Andorrà was providing support to the Andorran economy with a loan investment of €1.843 billion. Throughout its history, Crèdit Andorrà has been, and always will be, a key pillar in the economic development of Andorra. This strong determination, which has remained unchanged over the years, has led to Crèdit Andorrà being the Andorran bank that has provided most support to government, people and businesses in the form of financing for companies large and small, housing finance, vehicle and consumer loans.

Crèdit Andorrà is, and it firmly intends to remain, the leader in the Andorran financial sector in terms of loan investment, as well as other aspects including number of customers, business volume in the country and profits.

Crédit Andorrà Group ended 2019 with a business volume of €17.064 billion, 10.51% more than in 2018, with a loan investment of over €2.417 billion and assets under management of €14.647 billion, an increase of 13.20%. During the last financial year, the Bank has concentrated its efforts on a strategy of focused growth in the search for strategic alliances to guarantee future growth, in the capacity for service, in the efficiency and profitability of the different business areas, in accelerating digitalisation and in the specialisation of the Bank's team and its products and services. This strategy led the Group to end 2019 with profits of €46.24 million, 28.45% more than the previous year.

In terms of solvency, Fitch notes the Group's adequate capitalisation, highlighting the improved capital ratios during 2019. In this regard, in 2019, the Group increased its regulatory solvency ratio, reaching 16.79% (the regulatory CET1 ratio was 15.13%).

In the report, the agency also noted the strong regulatory environment of the financial system, in line with international standards, especially following the introduction of the Basel III regulations at the beginning of 2019.

Fitch, in line with the recent positioning shown in the assessments of national and international financial system institutions, has assigned the Bank a negative outlook, pending analysis of the COVID-19 fallout on the economic and financial environment.

Xavier Comella, CEO of Crédit Andorrà said that "the rating from Fitch reflects the challenges we are facing in the current situation caused by COVID-19, particularly in terms of the Bank's leading position in the country with regard to lending. This is a challenge we are confronting with the utmost confidence in Andorra, its institutions and its people, with determination and from a position of leadership and strength thanks to the foundations of the Bank and its management".

FOR MORE INFORMATION

Crédit Andorrà  
Corporate Communication  
press@creditandorragroup.com  
Tel.: +376 88 86 35 / +376 88 82 78  
[www.creditandorragroup.com/ca/sala-de-comunicacio](http://www.creditandorragroup.com/ca/sala-de-comunicacio)

