

## CREDIT OPINION

4 June 2026

New Issue



### RATINGS

#### Itau Europe S.A.

|                   |  |
|-------------------|--|
| Domicile          | Luxembourg, Luxembourg                 |
| Long Term CRR     | A2                                     |
| Type              | LT Counterparty Risk Rating - Fgn Curr |
| Outlook           | Not Assigned                           |
| Long Term Debt    | Not Assigned                           |
| Long Term Deposit | A3                                     |
| Type              | LT Bank Deposits - Fgn Curr            |
| Outlook           | Positive                               |

Please see the [ratings section](#) at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

### Contacts

Riccardo Magnoni +33.1.5330.3431  
Analyst  
riccardo.magnoni@moodys.com

Jorge Zavaleta, CFA +34.91.768.8376  
Sr Ratings Associate  
jorge.zavaleta@moodys.com

Olivier Panis +33.1.5330.5987  
Associate Managing Director  
olivier.panis@moodys.com

## Itau Europe S.A.

New Issuer

### Summary

Our analysis of [Itau Europe S.A.](#) (Itau EU), a Luxembourg-incorporated entity that became operational on 1 June 2026, is primarily based on our forward-looking view of the creditworthiness of [Itau BBA International plc](#) (IBBAI, A3/A3 negative, baa2<sup>1</sup>), its immediate parent, based in the UK, which fully owns the bank. We consider Itau EU to be highly integrated into IBBAI's platforms, products, franchise and functional management, recognizing that the entity functions as an extension of IBBAI rather than as a standalone institution. Given this high degree of integration, we consider standalone financial analysis of Itau EU to be analytically irrelevant. Instead, the ratings are anchored to IBBAI's BCA of baa2.

We also expect that in case of failure, Itau EU's resolution or liquidation strategies would be considered as a separate entity from IBBAI due to distinct regulatory jurisdictions and resolution perimeters. We therefore conducted a standalone loss-given failure (LGF) analysis based on the expected liability structure of the Luxembourg entity at inception, following the absorption of the Portuguese operations. This indicates very low loss severity for junior depositors and high loss severity for senior unsecured bondholders, resulting in a two-notch uplift from the baa2 Adjusted BCA to A3 for long-term deposits and a one-notch negative adjustment to Baa3 for long-term issuer ratings. We do not assume any additional uplift from government support, reflecting the low likelihood of support from the [Government of Luxembourg](#) (Aaa stable) given Itau EU's limited franchise and scale.

### Outlook

The positive outlook of Itau EU's long-term deposit and issuer ratings reflects our expectation that the ongoing reorganisation will lead to a strengthening of the liability structure of Itau EU over the coming quarters, as part of Itau Group's European restructuring plan.

In particular, the planned transfer of the majority of liabilities, including senior unsecured debt instruments, from IBBAI to the recently-established Luxembourg entity is expected to increase the volume of bail-in-able instruments and deposits at the level of Itau EU, which would reduce expected loss severity for creditors.

### Factors that could lead to an upgrade

- » The BCA and ratings of Itau EU could be upgraded following an upgrade of IBBAI's BCA. Itau EU's deposit and issuer ratings could also be upgraded if the bank were to increase the amount of bail-in-able debt or volume of deposits that would reduce losses for creditors in case of failure.

## Factors that could lead to a downgrade

- » A downgrade of the long-term deposit and issuer ratings is unlikely given the positive outlook and the current high loss severity assigned to long-term issuer ratings. The BCA and ratings of Itau EU could be downgraded following a downgrade of IBBAI's BCA.

## Profile

Itau EU is the European banking subsidiary, headquartered in Luxembourg, of the [Itau Unibanco S.A.](#) (Ba1 stable, ba1), Brazil's largest private bank by market value (\$90.6 billion as of April 2026)<sup>2</sup> It is fully owned through IBBAI, based in UK.

As of 1 June 2026, Itau EU has absorbed all assets, liabilities, and operations of [Itau BBA Europe, S.A.](#) (IBBAE), based in Portugal, through a cross-border merger by absorption. As a result, IBBAE has ceased to exist as a separate legal entity, while the Portuguese operations continue as a branch of the Luxembourg bank, ensuring continuity of the group's presence in Portugal.

Following this transaction, Itau EU represents a continuation of the group's European banking activities under a new legal entity, with no material changes to the underlying business model, risk profile or financial characteristics at inception. The activities transferred remain supported by the same management team, systems and risk framework, ensuring full operational continuity.

Prior to the merger, IBBAE acted as the group's EU banking platform, providing corporate lending, funding through online retail deposits, and investment advisory services to high-net-worth Brazilian individuals residing in Europe, while also operating as a shared services centre supporting IBBAI's activities in Europe.

The creation of Itau EU is part of a broader European restructuring aimed at consolidating the group's operations in Luxembourg, harmonizing regulatory frameworks, and enhancing access to EU clients. The restructuring will involve transferring the banking activities from IBBAI to the new Luxembourg entity over the coming quarters, subject to regulatory approvals, which we expect to materially expand the Luxembourg entity's balance sheet and funding structure.

## Detailed credit considerations

### The BCA is in line with its parent in the UK

Itau Europe S.A. operates without a standalone commercial franchise and acts as an operational extension of its immediate parent, IBBAI. The entity is fully integrated within IBBAI's organisational structure, sharing common leadership, centrally defined business strategies, and aligned governance and risk management frameworks.

Following the cross-border merger of IBBAE into Itau EU, the Luxembourg entity has assumed the European banking activities previously carried out by IBBAE. At inception, the entity therefore reflects the same business profile, supported by the same teams, systems and infrastructure, ensuring continuity of operations. Its strategic role is underscored by its EU passporting capabilities and its function as a shared services center for the group's European operations.

At inception, Itau EU incorporates the banking activities transferred from IBBAE. Based on the latest available information for those activities as of year-end 2025, around 67% of operating income was generated through intragroup service agreements, while approximately 18% of total assets and around 10% of liabilities consisted of intercompany exposures. While these metrics are representative of the transferred operations at the time of the merger, we expect the balance sheet and business mix of Itau EU to evolve over time as further steps of the group's European reorganisation are implemented.

The operations of Itau in Europe have historically benefited from strong parental support to fund the establishment, regulatory capitalisation and expansion of the group's European banking platform, including cumulative capital injections of around €225 million provided to IBBAE prior to the merger. This track record underpins our expectation of continued support from IBBAI to Itau EU, given the entity's strategic role in facilitating the group's activities and client coverage in Europe.

Given this high degree of integration, Itau EU's credit profile is anchored to that of its parent, IBBAI. IBBAI's credit strengths include strong capitalisation, low asset risk, solid profitability, and robust liquidity, balanced against high single-name concentration, reliance on confidence-sensitive funding, and deposit concentration in private banking. These factors are reflected in IBBAI's baa2 BCA, which serves as the reference point for Itau EU's ratings.

## Support and structural considerations

### Loss Given Failure (LGF) analysis

Itau EU is subject to the EU Bank Recovery and Resolution Directive, which we consider an operational resolution regime. Accordingly, we apply our Advanced LGF analysis, using our standard assumptions. Our LGF analysis is based on the expected liability structure of Itau EU at inception, which reflects the legacy IBBAE balance sheet following its absorption into the Luxembourg entity. We also take into account the introduction of full depositor preference across the European Union (EU), whereby junior deposits are preferred over senior debt creditors in accordance with the legislative Crisis Management and Deposit Insurance (CMDI) package that EU lawmakers passed in March 2026.

Our advanced LGF analysis considers the expected liability structure of the Luxembourg entity, which indicates a very low loss severity for junior depositors and a high loss severity for senior bondholders, resulting in a two-notch uplift from the baa2 Adjusted BCA to A3 for long-term deposits and a one-notch negative adjustment to Baa3 for long-term issuer ratings.

### Government support considerations

We set a low probability of public support to Itau EU from Luxembourg given its limited size and franchise. Our government support analysis results in no uplift for Itau EU's ratings.

## Methodology and scorecard

### About Moody's bank scorecard

Our scorecard is designed to capture, express and explain in summary form our Rating Committee's judgement. When read in conjunction with our research, a fulsome presentation of our judgement is expressed. As a result, the output of our scorecard may materially differ from that suggested by raw data alone (though it has been calibrated to avoid the frequent need for strong divergence). The scorecard output and the individual scores are discussed in rating committees and may be adjusted up or down to reflect conditions specific to each rated entity.

## Rating methodology and scorecard factors

Exhibit 1

### Rating Factors

| DEBT CLASS                   | DE JURE WATERFALL                       |                    | DE FACTO WATERFALL                      |                    | NOTCHING |             | LGF NOTCHING<br>GUIDANCE VS.<br>ADJUSTED BCA | ASSIGNED LGF<br>NOTCHING | ADDITIONAL<br>NOTCHING | PRELIMINARY<br>RATING<br>ASSESSMENT |
|------------------------------|---|--------------------|---|--------------------|----------|-------------|--|--------------------------|------------------------|-------------------------------------|
|                              | INSTRUMENT<br>VOLUME +<br>SUBORDINATION | SUB-<br>ORDINATION | INSTRUMENT<br>VOLUME +<br>SUBORDINATION | SUB-<br>ORDINATION | DE JURE  | DE<br>FACTO |  |                          |                        |                                     |
| Counterparty Risk Rating     | -                                       | -                  | -                                       | -                  | 3        | 3           | 3  | 3                        | 0                      | a2                                  |
| Counterparty Risk Assessment | -                                       | -                  | -                                       | -                  | 3        | 3           | 3  | 3                        | 0                      | a2 (cr)                             |
| Deposits                     | -                                       | -                  | -                                       | -                  | 2        | 2           | 2  | 2                        | 0                      | a3                                  |
| Senior unsecured bank debt   | -                                       | -                  | -                                       | -                  | 2        | -1          | -1   | -1                       | 0                      | baa3                                |

  

| INSTRUMENT CLASS             | LOSS GIVEN<br>FAILURE NOTCHING | ADDITIONAL<br>NOTCHING | PRELIMINARY<br>RATING<br>ASSESSMENT | GOVERNMENT<br>SUPPORT NOTCHING | LOCAL CURRENCY RATING | FOREIGN<br>CURRENCY<br>RATING |
|------------------------------|--------------------------------|------------------------|-------------------------------------|--------------------------------|-----------------------|-------------------------------|
|                              |                                |                        |                                     |                                |                       |                               |
| Counterparty Risk Assessment | 3                              | 0                      | a2 (cr)                             | 0                              | A2(cr)                |                               |
| Deposits                     | 2                              | 0                      | a3                                  | 0                              | A3                    | A3                            |
| Senior unsecured bank debt   | -1                             | 0                      | baa3                                | 0                              | Baa3                  | Baa3                          |

[1] Where dashes are shown for a particular factor (or sub-factor), the score is based on non-public information.

Source: Moody's Ratings

## Ratings

Exhibit 2

| Category                                  | Moody's Rating |
|---|----------------|
| <b>ITAU EUROPE S.A.</b>                   |                |
| Outlook                                   | Positive       |
| Counterparty Risk Rating                  | A2/P-1         |
| Bank Deposits                             | A3/P-2         |
| Baseline Credit Assessment                | baa2           |
| Adjusted Baseline Credit Assessment       | baa2           |
| Counterparty Risk Assessment              | A2(cr)/P-1(cr) |
| Issuer Rating                             | Baa3           |
| <b>PARENT: ITAU BBA INTERNATIONAL PLC</b> |                |
| Outlook                                   | Negative       |
| Counterparty Risk Rating                  | A2/P-1         |
| Bank Deposits                             | A3/P-2         |
| Baseline Credit Assessment                | baa2           |
| Adjusted Baseline Credit Assessment       | baa2           |
| Counterparty Risk Assessment              | A2(cr)/P-1(cr) |
| Issuer Rating                             | A3             |

Source: Moody's Ratings

## Endnotes

- <sup>1</sup> The bank ratings shown in this report are the bank's deposit rating, senior unsecured debt rating (where available) and Baseline Credit Assessment.
- <sup>2</sup> Source: Bloomberg.

© 2026 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved. CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED OR OTHERWISE MADE AVAILABLE BY MOODY'S (COLLECTIVELY, "MATERIALS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S MATERIALS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S MATERIALS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT CONSTITUTE OR PROVIDE LEGAL, COMPLIANCE, INVESTMENT, FINANCIAL OR OTHER PROFESSIONAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES OR OTHERWISE MAKES AVAILABLE ITS MATERIALS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND MATERIALS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR MATERIALS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. FOR CLARITY, NO INFORMATION CONTAINED HEREIN MAY BE USED TO DEVELOP, IMPROVE, TRAIN OR RETRAIN ANY SOFTWARE PROGRAM OR DATABASE, INCLUDING, BUT NOT LIMITED TO, FOR ANY ARTIFICIAL INTELLIGENCE, MACHINE LEARNING OR NATURAL LANGUAGE PROCESSING SOFTWARE, ALGORITHM, METHODOLOGY AND/OR MODEL.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating or assessment is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the credit rating or assessment process or in preparing its Materials.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating or assessment assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it. MCO and all MCO entities that issue ratings under the "Moody's Ratings" brand name ("Moody's Ratings"), also maintain policies and procedures to address the independence of Moody's Ratings' credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service, Inc. and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at [ir.moody.com](http://ir.moody.com) under the heading "Investor Relations — Corporate Governance — Charter and Governance Documents - Director and Shareholder Affiliation Policy."

Moody's SF Japan K.K., Moody's Local AR Agente de Calificación de Riesgo S.A., Moody's Local BR Agência de Classificação de Risco LTDA, Moody's Local MX S.A. de C.V., I.C.V., Moody's Local PE Clasificadora de Riesgo S.A., Moody's Local PA Clasificadora de Riesgo S.A., Moody's Local CR Clasificadora de Riesgo S.A., Moody's Local ES S.A. de CV Clasificadora de Riesgo, Moody's Local RD Sociedad Clasificadora de Riesgo S.R.L. and Moody's Local GT S.A. (collectively, the "Moody's Non-NRSRO CRAs") are all indirectly wholly-owned credit rating agency subsidiaries of MCO. None of the Moody's Non-NRSRO CRAs is a Nationally Recognized Statistical Rating Organization.

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657 AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.

Additional terms for India only: Moody's credit ratings, Assessments, other opinions and Materials are not intended to be and shall not be relied upon or used by any users located in India in relation to securities listed or proposed to be listed on Indian stock exchanges.

Additional terms with respect to Second Party Opinions and Net Zero Assessments (as defined in Moody's Ratings Rating Symbols and Definitions): Please note that neither a Second Party Opinion ("SPO") nor a Net Zero Assessment ("NZA") is a "credit rating". The issuance of SPOs and NZAs is not a regulated activity in many jurisdictions, including Singapore. EU: In the European Union, each of Moody's Deutschland GmbH and Moody's France SAS provide services as an external reviewer in accordance with the applicable requirements of the EU Green Bond Regulation. JAPAN: In Japan, development and provision of SPOs and NZAs fall under the category of "Ancillary Businesses", not "Credit Rating Business", and are not subject to the regulations applicable to "Credit Rating Business" under the Financial Instruments and Exchange Act of Japan and its relevant regulation. PRC: Any SPO: (1) does not constitute a PRC Green Bond Assessment as defined under any relevant PRC laws or regulations; (2) cannot be included in any registration statement, offering circular, prospectus or any other documents submitted to the PRC regulatory authorities or otherwise used to satisfy any PRC regulatory disclosure requirement; and (3) cannot be used

within the PRC for any regulatory purpose or for any other purpose which is not permitted under relevant PRC laws or regulations. For the purposes of this disclaimer, "PRC" refers to the mainland of the People's Republic of China, excluding Hong Kong, Macau and Taiwan.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on <https://ratings.moodys.com> for the most updated credit rating action information and rating history.

**REPORT NUMBER** 1486646

CLIENT SERVICES

|              |                 |
|--------------|-----------------|
| Americas     | 1-212-553-1653  |
| Asia Pacific | 852-3551-3077   |
| Japan        | 81-3-5408-4100  |
| EMEA         | 44-20-7772-5454 |