

## Credivalores - Crediservicios SAS 'B+' Issue-Level Rating Affirmed Following The Up To \$75 Million Add-On

**Primary Credit Analyst:**

Ricardo Grisi, Mexico City (52) 55-5081-4494; ricardo.grisi@spglobal.com

**Secondary Contact:**

Arturo Sanchez, Mexico City (52) 55-5081-4468; arturo.sanchez@spglobal.com

MEXICO CITY (S&P Global Ratings) Feb. 7, 2018--S&P Global Ratings today affirmed its 'B+' issue-level rating on Credivalores - Crediservicios SAS's (Credivalores; B+/Stable/B) senior unsecured notes following the up to \$75 million add-on to the original \$250 million issuance. We rated the original notes on July 13, 2017. The tenure is five years (bullet payment) and bears a fixed rate. The issue-level rating incorporates our expectation that Credivalores will hedge the add-on with a cross-currency swap (CCS), which it did for the original amount.

The issue-level rating on the notes is at the same level as the long-term global scale issuer credit rating (ICR), reflecting their pari passu status because they will rank equally in right of payment with all of the company's existing and future senior unsecured debt. Likewise, the debt rating reflects that the lender's priority debt (secured) represents less than 5% of adjusted assets at the end of 2017, and we expect to remain at similar levels. We also consider that Credivalores' unencumbered assets will cover the unsecured debt by more than 1.0x for the same timeframe. However, a downgrade could occur if after this issuance, the company's secured debt significantly increases in a way that it leaves unsecured bondholders in a subordinated position. In such a scenario, the analysis will also include if the amount of unencumbered assets is sufficient to cover this rated bond.

Our funding and liquidity assessment remains unchanged. Credivalores' funding



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