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„Credissimo " EAD

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CREDIT RATING*	Update	Update
Date of Rating Committee:	04.11.2019	04.11.2020
Date of Publication:	05.11.2019	05.11.2020
Long-term Rating:	BBB	BBB
Outlook:	stable	stable
Short-term Rating:	A-3	A-3
Long-term National-scale Rating:	A+ (BG)	A+ (BG)
Outlook:	stable	stable
Short-term National-scale Rating:	A-1 (BG)	A-1 (BG)

* To become familiar with the full rating history, please see the table at the bottom of the document.

1) Prior to the present publication the credit rating and rating outlook was disclosed to the rated entity or related third party. Following that disclosure amendments in the credit rating and rating outlook have not been executed;

2) During the last 2 years, BCRA Credit Rating Agency AD has not provided ancillary services to the rated entity or a related third party.

BCRA – CREDIT RATING AGENCY (BCRA) is the third qualified rating agency in the EU, registered under Regulation No. 1060/2009 of the European Parliament and of the Council. The credit ratings, assigned by BCRA, are recognized throughout the EU and are entirely equal with the other ratings, recognized by European Securities and Markets Authority (ESMA), without any territorial or other restrictions.

The officially adopted by BCRA Methodology for assigning of a bank credit rating: https://www.bcra-bg.com/files/bank_methodology_2018_en.pdf along with the assigned bank corporate credit rating https://www.bcra-bg.com/files/Corporate_Methodology_2016_en.pdf.

The rating users can find information about each rating category, including the definition for default in the Global Scale published at the website of BCRA: (https://www.bcra-bg.com/files/global_scale_en.pdf).

The report has been prepared and the rating - assigned, based on information made available by the rated company, Bulgarian National Bank, National Statistical Institute, BCRA' database, consultants and other public information sources.

At a meeting session held on **04.11.2020** the Rating Committee of BCRA discussed a report of the review of the rating of **„Credissimo" EAD**. The meeting session was run by Mr Kiril Grigorov, Doctor of Economics in his capacity of Deputy Chairman of the Rating Committee. After discussion of changes in the factors concerning the rating through the review period, the Credit Rating Committee **adopted the following decision**:

„BCRA – Credit Rating Agency" (BCRA) **affirms** the ratings of **„Credissimo" EAD**:

- **Long-term** credit rating: **BBB**
  short-term credit rating: **A-3**
  and **"stable"** outlook;
- **Long-term** national-scale rating: **A+ (BG)**
  short-term national-scale rating: **A- (BG)**
  and **"stable"** outlook.

stating the opinion that the company retains its financial condition unchanged under the economic crisis caused by the COVID-19 pandemic, despite the worsening in the loan portfolio quality.

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Operating Environment

Sovereign Risk

The emergence of the worldwide COVID-19 pandemic and addressing the issue turned into one of the main priorities in Bulgaria as well as in all its political and economic partners. The country was in a state of emergency from the 13th of March to the 13th of May 2020 due to the unprecedented crisis, and the government took a number of legislative measures to curb the negative economic impact. The state of emergency was thereafter replaced by an *emergency epidemic situation* by the end of November 2020 at least, along with new socio-economic measures.

The COVID-19 pandemic and the measures taken to limit the infection have adversely impacted the economic activity in the country. The unprecedented shock undermined the positive dynamics of **GDP** at the beginning of the year, as real growth slowed to 1.2% on an annual basis in the first quarter, and even more pronounced within the second quarter with a decline of 8.2%. Thus, Bulgaria's GDP fell by 4.2% on average for the first half of 2020, compared to 4% for the same period in 2019. The European Commission projects a decline of 7.2% for Bulgarian GDP in 2020. Household consumption expenditures decreased by 2.4% on an annual basis on average for the first six months of 2020 as a result of the introduced measures for social distancing, rising unemployment and declining disposable income. Collective consumption reported real growth of 3.8% positively contributing to the GDP dynamics during the analysed period. Concurrently, uncertainty and limited demand reflected on the investment decisions of companies, hence, gross fixed capital formation decreased by 8.2% and inventories shrank significantly.

In 2019, the labour market reported record low unemployment (4.2% of the active population over 15 years) and record high employment (54.2%) for the last 15 years. However, market conditions expectedly deteriorated in the course of 2020 mainly as a result of restrictive anti-epidemic measures. In the second quarter of 2020, the unemployment rate was 5.9% (compared to 4.2% a year earlier). According to the data of the Employment Agency, the number of registered unemployed in the age group 15-64 was 63% higher in the quarter compared to the same period of the previous year, reaching 287 000 people.

The HICP average annual inflation slowed sharply in the course of 2020, falling from 3.4% in January to 0.4% in July, and in August for the first time since the beginning of the year reporting a slight increase to 0.6%. The main contributors to the downward dynamics are the collapse in international oil prices and the contraction of private consumption due to the unprecedented health crisis. Concurrently, foods have been consolidating its role as a major inflationary engine, although they have also seen a decline in the rate of price growth.

Bulgaria has entered the current crisis with a stable fiscal position, accumulated reserves and low government debt. The initial budgetary target for 2020 was to achieve a balance but the unprecedented COVID-19 crisis necessitated its extraordinary revision due to the expected revenue shortfalls and the need to incur additional costs. With the April revision, the projected CFP balance was changed to a deficit of BGN 3.5 billion or 3% of the projected GDP. We expect the government debt-to-GDP ratio to rise to approximately 25% in 2020 due to financial needs arising from the anti-crisis fiscal measures and the decline in GDP.

Banking System

On the 10th of July 2020, the Bulgarian lev was included in the Exchange Rate Mechanism II. In parallel, the ECB's decision to establish close cooperation with the BNB was announced. Starting October 1, 2020, the ECB commenced the direct supervision of the significant institutions in the Republic of Bulgaria. The Bulgarian banks that fulfil the criteria are UniCredit Bulbank AD, DSK Bank AD, United Bulgarian Bank AD, Eurobank Bulgaria AD, and Raiffeisenbank (Bulgaria) EAD.

Currently, the banking sector remains stable. The capital ratios and liquidity of banks are at high levels being supported by the steady growth of the deposit base.

Lending to the non-financial sector has been slowing down in the conditions of uncertainty during the first half of 2020, largely for enterprises. At the same time, under the *Procedure for Deferral and Settlement of Liabilities Payable to Banks and their Subsidiaries – Financial Institutions* requests from households and enterprises for deferral of liabilities amounting to BGN 8,1 billion or 83.1% of the filed so far were approved as of end-June 2020, or 12.3% of the total gross loans and advances.

The profit generated in 2019 was high, thus, securing additional capitalisation and a reserve for maintaining the stability of the sector. Therefore, the BNB decided to fully capitalise that profit as one of the measures to further strengthen the capital of banks in the context of the crisis related to COVID-19. The reported financial result as of mid-2020 was positive albeit lower by 43.9% on an annual basis. The net income from interests, fees and commissions retained their importance but at an annual decline in both sources. At the same time, the value of the impairments incurred doubled compared to the same period in 2019.

The development of economic processes in the country, including in the context of the pandemic of COVID-19, have been analysed in detail by BCRA - Credit Rating Agency. A Rating Rationale of the Sovereign Rating assigned by BCRA to the Republic of Bulgaria is available at our official website: ***https://www.bcra-bg.com/files/rating_republic_of_bulgaria_oct_2020_en.pdf***

Sector Analysis

There are no significant changes in the legal framework regulating the activities of the **non-banking financial institutions** in the review period.

The Number of the companies registered by BNB according to Law on Credit Institutions, article 3a for conducting lending activity, is almost unchanged. In 2019, BNB registered 12 new companies (the same number as in 2018) and other 4 for the first nine months of 2020 at the background of termination of and delicensing activities of other entities. The new registrations in the last three years can be considered as showing business expectations for the sector's sustainable growth, along with good enough opportunities.

In 2018, the value of assets in the sector registered a decline, as a result of the formal withdrawal of one of the major participants, namely BNP Paribas Personal Finance EAD (merged with BNP Paribas Personal Finance S.A., France, and the continued its activities in Bulgaria as a branch). In 2019, the sector's **assets increased** by 16.9% and by 8.0% over the first half of 2020. Non-banking corporations specialising in lending manage to maintain **credit growth** reaching 19.0% (BGN 461.7 million) in 2019 and 1.6% (BGN 47.3 million) for the first six months of 2020. As of end-June 2020, the value of loans granted amounted to BGN 2.945 billion (or 2.7% of GDP; 2.2% at the end of 2019). The loans have dominated the structure of the sector's assets (80-85% in the last three years). Also, credit to individuals has kept its leading share in total credit – about 74% on average in the last three years.

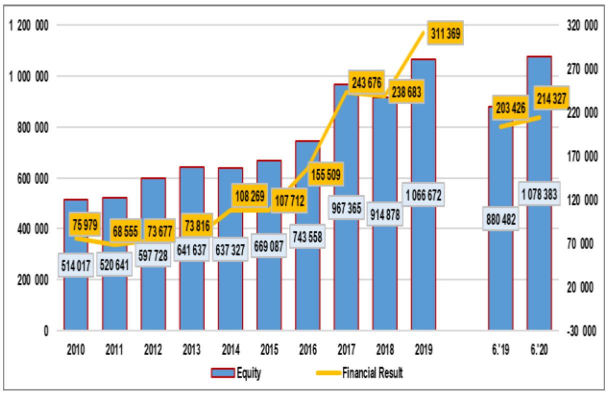
The growth in non-bank credit institutions' loan portfolios is backed by the banks' reluctance to cover the short-loan segment, characterised by the small amounts borrowed. In addition, a large number of loan seekers work in the informal economy, resulting in bad credit history and no access to cheaper bank financing. The extremely simplified procedure for granting a loan (with fully online access and service in many cases) along with the very short time for obtaining the approved amount (within a few hours) after application also attract customers.

The credits remain mainly **consumer** (share of over 90% in the last three years).

The amount of **attracted funds** in the sector continued to increase smoothly and at the end of June 2020 reached BGN 1.8 billion. This corresponded to a relatively steady share in relation to assets of approximately 50% for the last three years.

The last financial year (2019) saw an upward trend in the total **profit** in the sector (growth by 30.5% to BGN 311.4 million). The financial result reported by the sector at the end of the first six months of 2020 (BGN 214.3 million) was higher by 5.4% compared to the same prior-year period.

As a consequence, the **equity** in the sector continued to grow (by 16.6% on an annual basis for 2019) and reached the value of BGN 1.1 billion at the end of June 2020.



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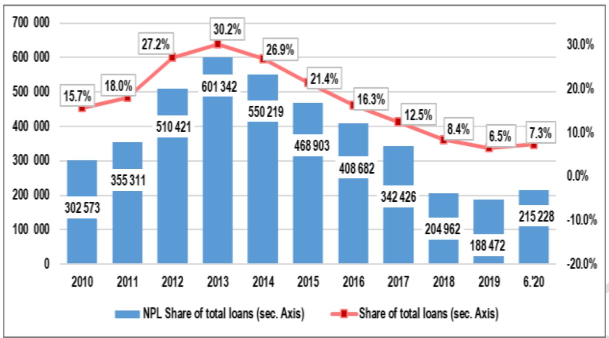
A positive tendency in the sector's development during 2019 was the downtrend preserved **in non-performing loans.** In the first half of 2020, the opposite trend, albeit mild, has been observed. The ratio of non-performing loans increased to 7.3% (BGN 215.2 million in absolute value) as of end-June 2020. This was mainly attributable to the pandemic-driven crisis causing general uncertainty and income drop, on the one hand, and the large NPL portfolios being sold by the banks, on the other. The last affects the market in a way that the small (mainly non-banking) financial institutions refrain from deals on placement NPLs.



The sector is expected to be **largely affected by** the **COVID-19** induced crisis basically in two ways. On the one hand, the unemployment growth and income decline, due to recession in numerous sectors of economic activity, may cause difficulties for some borrowers to serve timely their obligations. On the other hand, the lack of sufficient income will put pressure on seeking additional funding to cover urgent needs. As long as "fast" loans provide a short-time and simplified access to credit resources, an overall increase in loan applications can be expected. The management decisions in the sector for the level of risk that the companies will be ready to take in this environment will prove to be key for the future "health" of the business, accordingly.

At the time of this Report preparation, there is not enough public data on the crisis effects upon the sector that may serve as a basis for precise enough conclusions about the trends. However, the expectations of BCRA from previous analyses on the sector for **moderately favourable development, do not currently undergo significant adjustment. Main sensitivity in prognosis is going to be the risk level taken by the companies' management.**

Credissimo EAD

In the period of rating update, there were no changes in the **share capital** of "Credissimo" EAD and it stood at BGN 5 000 000, distributed in the same number of shares, with a face value of BGN 1 each, fully owned by **Credissimo Holding Limited, Malta**.

There is one change in the company's Board of Directors over the review period:

- Sokol Yankov - Chairman of the Board of Directors, Executive Director (shareholder and sole owner of the capital);
- Georgi Karpuzov - Member of the Board of Directors, Executive Director (and shareholder);
- Kosta Kanchev - Member of the Board of Directors (and a shareholder);
- Ivelin Kamburov - Member of the Board of Directors;
- Emiliana Neeva - Member of the Board of Directors
- Bilyana Hristova - Member of the Board of Directors, replaced the so far member of the Board of Directors, Asen Benev.

The review period is characterised by the general economic crisis caused by the pandemic COVID-19. This forced the company to revise its **plans** concerning the business expansion in new markets. The management has decided to gradually release from the portfolio in Poland, as well as to terminate its subsidiary in Romania which has not started activity yet. No additional investments were made in the rest of the subsidiaries.

Instead of the initially targeted high growth in owned companies' portfolio, the operational activity of Credissimo is now focused on the main business lines stabilising; reducing credit risk on new exposures and sufficient liquidity buffer accumulation to guarantee the company's existence. The difficulties in the period March - July 2020 related to the decreased new business have been overcome. Operating expenses have been optimised, credit risk management models have been calibrated, and positions on received external financing have been repaid.

The change in equity during the analysed period continued to be determined by the financial result and the amount of dividends distributed. The lower net financial result for 2019 did not compensate for the amount of the distributed dividend. In the first

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half of 2020, the traditional for Credissimo constant growing trend of the own capital was restored.

Another feature of the company's performance during the review period was the portfolio quality deterioration, more pronounced in the first half of 2020 when the share of standard loans in the net credit portfolio decreased. Along with the almost unchanged equity, this lead to rising in the ratio of *Net Overdue Loans (over 30 days) / Equity* regardless of the high amount of impairments made.

Leverage levels, after relatively weak fluctuation at the end of 2019, were restored in the first six months of 2020. The leverage indicators have been generally close to the averages levels for the peer group[1]. Credissimo maintains a relatively high level of **coverage of receivables** on its loan portfolio with equity, which has been preserved and positively assessed, accordingly.

In the period under review, the attracted **financial resource** by Credissimo was kept low. The loans provided by the owners of the company have turned into the main financing source. The company also uses temporary loans in limited amounts attracted by P2P platforms (on which the company enjoys a relatively high and stable rating). The rated entity has not taken bank loans after 2015 when it repaid its last debts of this type, and also has not financed its activities through bond loans.

Indebtedness level (Liabilities to Equity) remained relatively unchanged as of 30.06.2020 (0.41, equal to the one at end-2018), after a more pronounced rise at the end of 2019, resulting from a temporary increase in the amount of the borrowed funds. The level of the indicator remains below the peer group average, where two of the six companies achieve lower indebtedness level.

The company preserves steady **asset growth**. In 2019, it reached 15.2% (up to BGN 43.3 million) and eased to 6.6% as of June 2020 on an annual basis, and to 3.7% on a half-year basis. The changes have been still attributable to the movement of the main element of the structure of the asset – the **net credits**, whose share fell slightly as of end-2019 (to 75% compared to 77% a year earlier) and during the first half of 2020 (to 68% as of 30.06.2020). The change was mostly driven by the increased impairments incurred.

Over the analysed period, the company reported an increase in the value and the share of **cash**, accruing to BGN 5 million as of June 2020 (from BGN 1.6 million at the end of 2018) which corresponded to a share of 11.9% (4.1% at the end of 2018) in total assets.

The **gross loan portfolio** maintains a high rate of growth, specific for the last three years, expanding by 37.7% in 2019 (+17.5% for 2018 and +22.5% for 2017). The trend was kept during the first half of 2020 with a growth rate of 29.0% on annual basis (or 3.8% on a half-year basis). These changes are entirely due to the consumer loans' dynamics, with a relatively weak impact of "other loans", where financing loans to subsidiaries are reported. The amount of receivables in litigation has a relatively constant absolute value, and a gradually decreasing share (from 3.5% at the end of 2018 to 2.3% at the end of June 2020).

The review period characterises by highly accelerated **portfolio impairments** (additionally boosted by the COVID-19 crisis in 2020). The gross loan coverage by provisions reached 48.7%, accordingly (25.5% at the end of 2018). The net amount of accrued impairments for 2018 stood at BGN 11.2 million and for the first six months of 2020 – at BGN 6 million.

The **net loan portfolio,** therefore, decreased as of end-June 2020 by 6.4% YoY and by 12.1% solely for the first six months of 2020. Three of the companies in the peer group grew faster while one reported a decline and the other two had a much slower increase. The rated company remains in second place by net credit portfolio size.

A more detailed analysis of Credissimo's consumer loan portfolio shows that in the review period the ratio of loan applications and approvals changed slightly in 2019 and in the first two months of 2020. The rate of rejected applications was 63% on average, as the average monthly number of loan applications and their average amount increased (the last by around BGN 100 for the indicated period, to a level of BGN 1 070 on average). There was a gradual decline in loan applications and a sharp increase in the number of rejected

[1] The peer group is composed by the following entities: Easy Asset Management; CityCash; NetCredit; 4finance; Ferratum Bulgaria and Sofia Commerce Credit Group.

applications in March - May 2020 following the declaration of the state of emergency due to the COVID-19 pandemic (rejection rates of over 76% and 78% in March and April). This lead to a decrease of more than 50% in the monthly volumes of allocated funds. In the coming months, there was a gradual stabilisation in the dynamics of the portfolio and by the end of June 2020 the ratio of rejected applications and granted loans was restored, but with a lower average level of the monthly disbursements (by 33% lower than the average for the six months in the period July - December 2019). The average amount of a single loan amounted to BGN 1 001 compared to BGN 1 119 on average for the aforementioned six-month period.

The changes are related to the actions taken by the company's management to recalibrate the credit risk management criteria in accordance with the changing business environment and the general negative dynamics in macroeconomic indicators. BCRA positively assesses the conservative development of Credissimo's loan portfolio.

At the end of June 2020, the value of the standard **net credits** and the ones with 30 days overdue constituted 56.2% of the total net credit portfolio decreasing by 66.2% as of 30.06.2019; 69.4% as of 30.06.2018, and 71.1% as of 30.06.2017. The absolute value of standard loans decreased by 6.9%, following increases of 16.5% and 2.5% in the two previous twelve-month periods.

No receivables from the portfolio of Credissimo were sold during the review period.

By type of products, the consumer loan portfolio remained dominated by one product - *credissimo plus*, whose share exceeded 96%.

The new clients represent about 20% in the period January 2019 - February 2020 (traditionally increasing around New Year), that is till the time of the state of emergency was declared. In the last three months of the analysed period, the number of loans to new clients sharply decreased to 8.9% in April 2020, 11.0% in May 2020, and 13.1% in June 2020 reflecting the conservative lending policy imposed by the management during the economic crisis. In addition, the expansion of the loan portfolio continues to be carried out mainly by existing clients with a good credit history.

Credissimo also generated **growth in interest income** (considered at an individual reporting basis) by 22.9% backed by 2019 credit portfolio increase (the loan principals grew by 38.3%) that significantly exceeded the one reported in the previous year (11.8%). On a consolidated basis, the growth in interest incomes in 2019 was again higher (28.5% in 2019, after 17.1% in 2018) to a size of BGN 11.2 million (BGN 8.7 million in 2018). It is obvious that the influence of the newly developed portfolios over the company's total profitability has still remained weak.

The upward trend persisted in the first half of 2020. The interest income increased by 17.7%, slightly decelerating compared to the same prior-year period (19.9%).

Interest expenses remained low (in absolute terms and relative to the interest income) despite the reported increase.

The growth in interest income has slightly lagged behind those of the gross loans. This lead to a new minimal decrease in the annual average value of ***Interest income / Gross loans*** ratio to 21.9% in 2019 (22.9% for 2018 and about 24.5% for the previous three years). The trend persisted in the first six months of 2020 with the reported level of 11.5% (12.4% a year earlier).

The ratio of ***Interest income to Annual average net loans*** increased to 33.0% for 2019, after a more significant decrease in 2018. The levels of the indicator achieved by the rated company remain some of the lowest within the peer group (the lowest was registered by Net Credit). All the other companies reported a decrease in the indicator, except for 4Finance (as in the last two years) and City Cash.

In 2019, the **interest rate spread** of Credissiomo shrank by 3 pp. to 17.6% YoY. This downward trend persisted during the first half of 2020.

The **operating expenses** increased in 2019 outpacing the increase in assets, thus resulting in a higher level of the *Operating Expenses / Average assets* ratio (up by 1.1 pp.). The reached level of 43.5% was the highest for the last five years. The H1 2020 policy of operating costs' restrictions (mainly related to the corona-crisis) lead to their significant decrease of 34.6%, hence, the 9.3 pp. lower value of the operating expenses relative to the company's assets YoY.

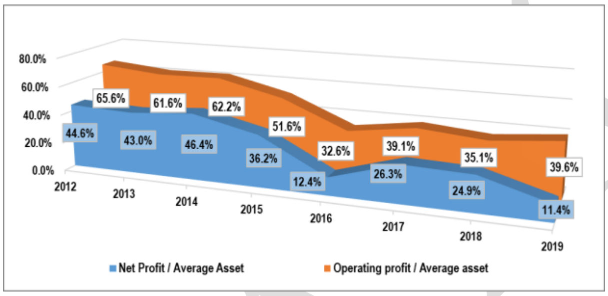
In 2019, Credissimo (individual base) **generated a net profit** totalling BGN 4.6 million. It decreased by 44.9% (BGN 8.4 million) on an annual basis, driven by the substantial increase in credit impairments

(BGN 11.2 million net for 2019; BGN 2.9 million for 2018). In the first half of 2020, the financial result was higher with 18.6% YoY but also affected by higher impairments' size (BGN 6.0 million after BGN 2.7 million for the same prior-year period).

On a consolidated basis, the financial result of Credissimo was a profit amounting to BGN 4.9 million and decreasing by 19.9% (BGN 6.2 thousand) on an annual basis.

The company's **operating result** maintains an upward trend. In 2019, the operating profit amounted to BGN 16.0 million (BGN 11.9 million in 2018) and for the first half of 2020, it stood at BGN 9.7 million (compared to BGN 5.8 million in H1 2019). The appropriate levels of net operating income and cash inflows allow the company to maintain a high level of impairment in the review period.

The lower financial result in 2019, along with the increased assets, lead to a new significant decrease in the **Return on assets** to 11.4% (24.9% in 2018 and 26.3% in 2017). This was already lower than the levels reported by most of the other companies in the peer group (two of which posted significant increases in ROA).



In 2018, the ratio of ***Current assets to Liabilities*** (less Equity) began increasing (to 2.87), yet, in 2019 it decreased again to 2.02 following the faster annual growth in liabilities (by 60.7%) than in assets (by 13.4%). In the first half of 2020, the ratio increased again to 2.72 at the end of June 2020 following a substantial decrease in liabilities (28.8%) that outpaced those in current assets (down by 4.4%).

In the structure of liabilities, the share of liabilities to related parties remains high and the amount of attracted external funds - limited (mainly from P2P platforms).

A decrease in the net loans characterises the review period (effect of the much higher impairments). That is why the size of the net loans fell below the value of equity by the end of June 2020, and the ***Net loans to Equity*** ratio decreased to 97.2%, compared to 125.0% at the end of 2019 and 108.5% at the end of 2018.

The company remains favourably positioned by both indicators discussed above as compared to most of the companies in the peer group.

The **current liquidity** did not change significantly during the review period. The indicator followed a general downward trend, remaining high compared to the peers (exceeding those for three of the company's main competitors).

Immediate liquidity increased markedly in the first half of 2020, due to a significant increase in the amount of cash (BGN 5.0 million as of June-2020, compared to BGN 2.2 million six months earlier). This is a measure of the management's policy for building a larger liquidity buffer during the crisis, to the negative effects of which the company is strongly exposed.

In a comparative perspective, Credissimo moves one position forward, to second place in the peer group of eight companies by revenue (ahead of Profi Credit Bulgaria) and retains its second position by assets and equity. The first position in the group is occupied by Easy Asset Management by all three criteria.

In a negative aspect, the rating could be affected by the economic crisis deepening due to the COVID-19 pandemic. This may provoke a worsening in the credit portfolio quality, revenue reduction and a significant decrease in the company's financial result.

The rating could be positively affected by a sustainable improvement in financial indicators, increase in generated profit, improvement of portfolio quality and increase of the collection of receivables as well as improving and/or implementation of new systems for evaluation of loan applications.

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Main Financial Indicators

(BGN'000)	*6.2020*	*2019*	*2018*	*2017*	*2016*	*2015*
Balance Sum	41 652	43 259	37 553	29 762	23 250	20 880
Net Loans	28 501	32 442	28 940	23 425	18 157	15 539
Equity	29 326	25 951	26 682	20 262	16 938	16 193
Interest Spread	-	17.6%	21.4%	22.7%	19.7%	13.0%
Net Financial Result	3 367	4 608	8 366	6 974	2 745	6 523
Return on Assets (average annual)	-	11.4%	24.9%	26.3%	12.4%	36.2%
Current Liquidity Ratio	2.7	2.6	2.9	2.8	3.5	4.2

Rating history:

CREDIT RATING	**Update**	**Monitoring**	**Update**	**Update**	**Update**
Date of Rating Committee:	**28.09.2016**	**16.05.2017**	**13.10.2017**	**31.10.2018**	**04.11.2019**
Long-term Rating:	**BBB-**	**BBB-**	**BBB-**	**BBB-**	**BBB**
Outlook:	**negative**	**stable**	**stable**	**positive**	**stable**
Short-term Rating:	**A-3**	**A-3**	**A-3**	**A-3**	**A-3**
Long-term National-scale Rating:	**A (BG)**	**A (BG)**	**A (BG)**	**A+ (BG)**	**A+ (BG)**
Outlook:	**stable**	**stable**	**stable**	**positive**	**stable**
Short-term National-scale Rating:	**A-1 (BG)**	**A-1 (BG)**	**A-1 (BG)**	**A-1 (BG)**	**A-1 (BG)**

The ratings displayed in the chart are assigned under the previous Methodology for assigning a corporate credit rating, respectively, with the applied rating scale and are not directly comparable with the ratings assigned after the entry into force of the current methodology as from 04.07.2016.

CREDIT RATING	**Initial Rating 28.08.2015**	**Monitoring 05.07.2016**
Long-term Rating:	**BB+**	**BB+ (under review)**
Outlook :	**stable**	**-**
Short-term rating:	**B**	**B (under review)**