

6 December 2021 – Neuss, Germany

Rating Action / Update:

Creditreform Rating has confirmed the unsolicited corporate issuer rating of Anheuser-Busch InBev N.V./S.A. at **BBB+ with **negative Outlook**.**

Creditreform Rating (CRA) has confirmed the unsolicited, public corporate issuer rating of Anheuser-Busch InBev N.V./S.A. – hereinafter referred to as Anheuser-Busch, AB InBev, the Company or the Group – as well as the unsolicited corporate issue ratings of long-term local currency senior unsecured notes issued by the Company, at **BBB+** with **negative** outlook.

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Current relevant factors for the rating

The following considerations were of specific relevance for the rating assessment:

- World's leading brewing company in terms of HL sold, with geographically highly diversified and strong brand portfolio.
- Overall strong cash generating capacity.
- Proved access to financial markets.
- Negative changes in the financial ratios after the crisis year 2020 due to plunge in sales and margins and substantial impairments.
- Strengthened liquidity position as of year-end 2020 despite the crisis, inter alia owing to proceeds from divestments and IPO.
- Decrease in net financial debt and reshaping of debt maturity profile with overall longer maturities.
- Cancellation of interim dividend payment in 2020 and 2021.
- Strategy alignment with new social conditions, e.g. enhancing of e-commerce and customer-focused initiatives, as well as introduction of innovative non- and low-alcohol products, which has facilitated the recovery in 2021.
- Sales volumes and revenues in 9M 2021 have topped pre-pandemic levels. However, profitability has weakened slightly due to pandemic-driven supply-chain disruptions, increases in commodity prices, as well as in the Company's overall selling, general and administrative costs. This puts a strain on the recovery of the Company's financial metrics to the pre-pandemic level.
- Still persistent negative influence of the COVID-19 pandemic and implemented measures to limit its spread worldwide, affecting the profitability and cost structure of the Group.

ESG-criteria:

CRA generally considers ESG factors (environment, social and governance) within its rating decisions. In the case of Anheuser-Busch InBev N.V./S.A. we have not identified any ESG factor with significant influence.

Although we have not identified any rating-relevant ESG factors for Anheuser-Busch, ESG factors play an important role for the Company.

ESG factors are factors related to environment, social issues and, governance. For more information, please see the "Regulatory requirements". CRA generally takes ESG relevant factors into account, when assessing the rating object and discloses them when they have a significant influence on the creditworthiness of the rating object, leading to a change in the rating result or the outlook.

Anheuser-Busch pursues the goal of accelerating the gradual transition to a sustainable development and has integrated this goal into its corporate strategy in 2018 as a package of Sustainability Goals - a raft of objectives to be achieved by 2025. These objectives are in line with the 17 Sustainable Development Goals set by the United Nations for 2030:

- Smart Agriculture: 100% of the Company's direct farmers will be skilled, connected and financially empowered.
- Water Stewardship: 100% of communities in high stress areas in which the Company operates will have measurably improved water availability and quality.
- Circular Packaging: 100% of its products will be in packaging that is returnable or made from majority recycled content.
- Climate Action: 100% of purchased electricity will be from renewable sources and the carbon emissions will be reduced by 25%.

Among other achievements, the Company has decarbonized over 10% from its 2017 baseline and have contracted 70.6% of its renewable electricity volume at the end of 2020. In February 2021, Anheuser-Busch announced the signing of a new 10.1 billion USD sustainable-linked loan revolving credit facility, replacing its existing 9.0 billion USD facility. The facility incorporates a pricing mechanism that incentivizes improvement in key performance areas that are aligned with the 2025 Sustainability Goals. The Company has received an "A" rating from CDP for both climate change and water security.

Anheuser-Busch is active in an industry that in cases of product abuse can potentially cause dependencies and various health and social damage. The Company is committed to reduce harmful consumption identifying best practices on community-based interventions to reduce underage drinking, improve road safety, increase alcohol screening, reduce binge drinking as well as in form of marketing campaigns, social advertisement, and labelling. It is expected to invest approximately 1 bn USD until 2025 in these initiatives. The Company is expanding its no- and low-alcohol beer portfolio, which should grow to 20% by 2025 (2020: 6.58%).

A general valid description of Creditreform Rating AG, as well as a valid description of corporate ratings for understanding and assessing ESG factors in the context of the credit rating process, can be found [here](#).

Rating result

The current unsolicited corporate issuer rating of **BBB+** attests Anheuser-Busch InBev N.V./S.A. a highly satisfactory level of creditworthiness.

After the outbreak of the global economic crisis brought on by the COVID-19 pandemic and a plunge in sales and margins, a raft of countermeasures were introduced, including restriction of capex, reduction of dividend payments, and the arrangement of new financing with a more favorable maturity profile, thus helping the Company to withstand the effects of the crisis. The proceeds from the divestment of its Australian subsidiary and from the issuance of a minority stake for its US-based container operator, contributed significantly to the mobilization of liquidity during the crisis and substantially reduced the Company's net finance debt. The strategy of enhancing e-commerce distribution and intensified customer-focused marketing campaigns, have allowed the Group to adapt to the new social conditions and to achieve the pre-pandemic levels in 2021 in terms of volumes sold and revenues. However, due to the pandemic-driven

changes in the cost structure and overall weakened profitability, the financial metrics have deteriorated slightly compared to their levels before the pandemic. The high rating level is also based on the Company's size, its highly diversified geographical profile and brand portfolio, its generally strong internal financing power, and the fact that the Group is the number one brewery Group in terms of HL sold, with a leading position in many of its markets. The management's declared intention to deleverage, along with interim dividend cancellation in 2020 and 2021, underpin our decision.

Outlook

The one-year outlook for the unsolicited corporate issuer rating of Anheuser-Busch InBev N.V./S.A. is **negative**. The Company was able to achieve a rebound in terms of volumes and sales; however, the overall increase in commodity prices and regional disruptions in supply-chains driven by the pandemic as well as the increase in selling, administrative and general expenses, have a negative impact on the Company's cost structure and profitability. Despite the progress towards a containment of the COVID-19 pandemic worldwide, its negative economic influence is still persistent and further lock-down measures cannot be ruled out. These effects add uncertainties regarding the path of recovery of the financial metrics to pre-pandemic levels and put a strain on the Company's outlook.

Please note:

The scenarios are based on information available at the time of the rating. Within the forecast horizon, circumstances may occur that could lead to a change of the rating out of the indicated range.

Best-case scenario: BBB+

In our best-case scenario for one year, we assume a rating of BBB+. We believe that an upgrade within a period of one year is unlikely. This assessment is based on remaining effects of the pandemic in form of regional supply chain disruptions and a surge in commodity prices, as well as increased distribution costs, which caused a deterioration of the Company's profitability compared to pre-pandemic levels. By now, we assume that the economic effects are temporary and that the financial profile and profitability will further improve in 2022. This would be a necessary requirement for the current rating level.

Worst-case scenario: BBB

In the worst-case scenario for one year, we assume a rating of BBB. In this scenario, we assume that the economic environment remains unstable, especially due to regional disruptions in the supply chain. The increase in commodity prices persists, which, together with increased distribution costs, has an immediate negative impact on the Company's cost structure. Should the results of our financial ratio analysis not improve materially, a downgrade would be likely. A disproportionate increase in debt compared to earnings could also lead to a rating downgrade.

Business development and outlook

The development in the financial year 2020 was marked by the global disruptions caused by the COVID-19 pandemic and the measures taken by the authorities worldwide to contain its spread, including stay-at-home orders, national quarantines, shutdowns of on premise sales, and other social distancing measures. As a result, the Group's worldwide sales volumes decreased organically by 5.7% to 530.6m hectolitres (HL) (2019: 561.4m HL). Revenue dropped by 10.4% to USD 46,881m, of which the organic decrease amounted to 3.7%, the rest owing to currency effects and changes in the scope of consolidation.

Table 1: Financials of Anheuser Busch InBev N.V./S.A. | Source: Anheuser-Busch InBev N.V./S.A. Annual report 2020, standardized by CRA

Anheuser-Busch InBev N.V./S.A. Selected key figures of the financial statement analysis Basis: Annual accounts and report of 31.3. (IAS, Group)	CRA standardized figures ¹	
	2019	2020
Sales (million EUR)	52,329	46,881
EBITDA (million EUR)	20,998	18,815
EBIT (million EUR)	16,341	11,718
EAT (million EUR)	10,414	2,202
EAT after transfer (million EUR)	9,171	1,405
Total assets (million EUR)	172,215	165,513
Equity ratio (%)	19.13	18.17
Capital lock-up period (days)	112.39	124.54
Short-term capital lock-up (%)	35.16	33.66
Net total debt / EBITDA adj. (factor)	6.41	2.67
Ratio of interest expenses to total debt (%)	3.37	4.47
Return on Investment (%)	8.47	4.96

Against the backdrop of pandemic containment measures, organic volumes plunged in Middle America, EMEA and Asia Pacific by double digits (10.3%, 11.2%, and 12.3% respectively), whereas in North America and GEHC² the decrease was moderate at 1.4% and 5.1%. In South America, the Company managed to record an increment with volumes edging up by 3.2%. The increase in volumes was especially made possible due to the Group's successful marketing strategy as well as the introduction of new products in Brazil, and was favorably influenced by government subsidies aimed to increase consumer disposable income in the country.

¹ For analytical purposes, CRA adjusted the original values in the financial statements in the context of its financial ratio analysis. For example, when calculating the analytical equity ratio, deferred tax assets, goodwill (entirely or partly), and internally-generated intangible assets are subtracted from the original equity, whilst deferred tax liabilities are added. Net total debt takes all balance sheet liabilities into account. Therefore, the key financial figures shown often deviate from the original values of the company.

² Global Export and Holding Companies is a segment which includes the Company's global headquarters and the export business which have not been allocated to particular region

Table 2: The development of corporate divisions in 2020/2019 | Source: AB InBev Annual Report 2020)

in million		North America	Middle America	South America	EMEA	Asia Pacific	GEHC
Volume (HL)	2019	108.1	133.5	139.7	85.9	93.2	1.0
	2020	106.8	120.8	144.2	76.2	81.6	0.9
Revenue (USD)	2019	15,488	11,912	9,790	7,911	6,544	685
	2020	15,622	10,032	8,092	6,835	5,648	652
EBIT norm. (USD)	2019	5,352	5,435	3,190	1,807	1,639	1,001
	2020	5,369	3,997	2,412	907	1,091	1,053

The CRA adjusted EBITDA decreased by 10.4% to USD 18,815m, and was impacted by a range of non-recurring negative effects totaling USD 3,103m, the most significant of which represented an impairment of goodwill (USD 2,500m) on the South Africa and Rest of Africa cash-generating units. The impairment was a result of the impairment tests conducted for several business divisions following a significant contraction in sales after the outbreak of the COVID-19 pandemic. Other non-recurring effects were mainly owing to the pandemic costs (USD 182m – sanitizers, special equipment), restructuring costs (USD 157m) and acquisition costs (USD 239m).

Interest expenses decreased slightly to USD 4,016m (2019: USD 4,168m), whereas net finance costs more than doubled, by USD 7,697m from 2019 (USD 3,474m). The main reasons for this development were the negative impact of non-recurring financial effects (USD -1,738m; 2019: USD 882m), and the negative mark-to-market results on derivatives related to the hedging of share-based payment programs (USD -1,211m; 2019: USD 898m). The non-recurring financial costs were mainly related to the mark-to-market adjustments on derivative instruments and to costs connected to the early termination of the bonds.

Due to the pandemic-induced negative operational performance combined with a considerable deterioration in the net finance result, the Group's EAT saw a substantial reduction to USD 2,202m (2019: USD 10,414m).

In response to the pandemic-induced reduction of cash flow from operating activities (USD 10,891m; 2019: USD 14,036m), the Company worked out a raft of liquidity-protective measures, including a restriction of capex (USD 3,687m; 2019: USD 4,854m), a significant reduction of dividend payments (USD 1,800m; 2019: USD 5,015m), and the arrangement of new financing with better conditions. In June 2020, the Company completed the sale of its Australian subsidiary, Carlton & United Breweries, to Asahi Group Holdings Ltd. The transaction was valued at AUD 16bn and brought USD 10.8bn in net proceeds. As a result, AB InBev achieved a cash inflow from investing activities of USD 6,336m (2019: USD -4,931m). The cash flow from financing activities amounted to USD -8,475m (2019: USD -8,755m), positively affected by the issuance of a 49.9% minority stake in the Group's US-based container operator in December 2020 with 3.0 billion USD net proceeds. In April 2020, the Company issued USD and EUR bonds for a total amount of USD 11bn, which, together with the proceeds from the divestment of Australian business, were used inter alia to reduce gross debt with maturities over the next five years, resulting in an extension of the debt maturity from 14 to over 16 years. As of 31 December 2020, the Group managed to significantly reduce its net finance debt from USD 95.5bn in 2019 to USD 82.7bn. The Company strengthened its liquidity position, which amounted to USD 24.3bn (2019: USD

16.3bn), consisting of USD 9.0bn in committed credit facilities and USD 15.3bn in cash and cash equivalents.

Despite of the ongoing effects of the COVID-19 pandemic, the Company managed to achieve a volume growth of 11.9% to 432 m HL in the first nine months of 2021 (9M 2020: 386 m HL). This development was owing to AB InBev's pandemic-aligned strategy with enhanced e-commerce and digitization (development of BEES - B2B platform and direct-to-consumer (DTC) distribution channels), as well as "premiumization", expanding its portfolio through the introduction and development of new brands in the light- and non-alcoholic range to meet consumer trends in health and wellness, and consumer- and customer-focused marketing campaigns. The number of orders through BEES increased by 20% compared to 2020 and sales through DTC reached in 9M 2021 USD 1.0 bn. Reported revenue grew by 17.0% to USD 40,106m (9M 2020: USD 34,114m). Normalized reported EBITDA amounted to USD 14,327m (9M 2020: USD 12,254m), a growth of 14.5%, normalized EBIT to USD 10,788m, +19.2% (9M 2020: USD 8,856m). Underlying profit attributable to equity holders has surged by 26% compared to last year to USD 4,290m. In terms of volumes sold and revenue, the Group managed to top its pre-pandemic figures from 2019. However, the Company has been experiencing a drag on recovery to pre-pandemic levels in terms of earnings (EBITDA, EBIT and EAT) due to the negative foreign exchange and commodity effects, as well as rising supply chain costs in some regions. Furthermore, selling, general and administrative expenses have grown owing to a volume-driven increase in distribution costs and higher variable compensation accruals.

Table 3: The development of business of Anheuser Busch InBev N.V./S.A. | Source: Q3 2019, Q3 2020, Q3 2021 reported information

In million EUR	2019	2020	2021
Volumes	419.5	386.2	432.0
Revenue	38,994	34,114	40,106
EBITDA normalized	15,735	12,254	14,327
EBIT normalized	12,293	8,856	10,788
EAT	5,462	3,407	4,290

For the financial year 2021, the Company's management expects a growth in EBITDA of 10-12% and a net capital expenditure of USD 4.5-5.0bn primarily related to further enhancement of digitization and consumer-centric initiatives. The Company has declared its general intention to deleverage with a targeted net finance debt / EBITDA level of 2x. In line with this objective and the overall finance discipline, no interim dividends will be paid in 2021, which we generally see as prudent. As of 30 June 2021, interest-bearing debt amounted to USD 90.6 bn, net finance debt was at USD 83.8bn. Net debt to normalized EBITDA was 4.8x as of 31 December 2020. Considering the forecast for 2021, it possible that it will edge down to slightly over 4.0x.

Overall, we consider that the Group has been recovering well from the economic crisis brought on by the COVID-19-pandemic, although the global economy is still experiencing the negative impact. This development was possible owing to streamlining of the AB InBev's strategy to the new social conditions with customer-focused initiatives and enhanced e-commerce as well as development of new innovative products. The sales levels and volumes have already exceeded the pre-pandemic figures. However, the pandemic has brought new hurdles and challenges in the form of supply chain disruptions and increasing commodity prices. These developments have an immediate impact on the Company's cost structure and financials. We expect these effects to persist, and this, along with the previously anticipated deterioration of financials in

2020, is the reason for the negative outlook. This view is reinforced by the recent new waves of COVID-19 worldwide along with the prospects of possible further lock-down measures and restrictions.

Issue rating

Issue rating details

The rating objects of this issue rating are exclusively the long-term senior unsecured issues, denominated in euro, issued by Anheuser Busch InBev N.V./S.A., which are included in the list of ECB-eligible marketable assets. The ECB list of eligible marketable assets can be found on the website of the ECB.

The notes have been issued within the framework of the Euro Medium Term Note (EMTN) programme, of which the latest base prospectus dates from 13 December 2019. This EMTN programme amounts to 40 bn. EUR. The notes under the EMTN programme rank at least pari passu among themselves and with all other present and future unsecured obligations of the issuer.

Following the documentation on the Programme (prospectuses and supplements), all issues under the Programme are unconditionally and irrevocably guaranteed by:

- Anheuser-Busch Companies, LLC, State of Delaware, USA, holding company;
- Anheuser-Busch InBev Finance Inc., State of Delaware, USA, financing vehicle;
- Anheuser-Busch InBev Worldwide Inc., State of Delaware, USA, financing vehicle of the Group and the holding company of Anheuser-Busch Companies;
- Brandbev S.à r.l., Grand Duchy of Luxembourg, holding company;
- Brandbrew S.A., Grand Duchy of Luxembourg, which finances operations by granting loans to companies which are part of the Group;
- Cobrew NV, Belgium, Group internal service company (administration and other duties).

Each guarantor is a 100% subsidiary of Anheuser-Busch InBev N.V./S.A. and is consolidated with the Issuer.

Furthermore, the Notes under the Programme benefit from a negative pledge provision.

Result corporate issue rating

We assign a rating of **BBB+** with **negative** outlook to the EUR long-term senior unsecured debt securities issued by AB InBev within the framework of the EMTN Programme. The decision is derived from the Issuer corporate rating and its outlook, taking into account the specific credit enhancement of the Programme, namely the guarantee of some subsidiaries of the Issuer. Given the fact that the guarantors are part of the AB InBev Group, the guarantee does not lead to an upgrade of the rating but has rather a stabilizing effect on the rating.

Overview

Table 4: Overview of CRA Ratings | Source: CRA

Rating Category	Details	
	Date	Rating
Anheuser-Busch InBev N.V./S.A. (Issuer)	03.12.2021	BBB+ / negative
Long-term Local Currency (LC) Senior Unsecured Issues	03.12.2021	BBB+ / negative
Other	--	n.r.

Table 5: Overview of 2019 Euro Medium Note Programme | Source: Base Prospectus dated 13.12.2019

Overview of 2019 EMTN Programme			
Volume	EUR 40,000,000,000	Maturity	Depending on respective bond
Issuer / Guarantor	Anheuser-Busch InBev N.V./S.A. Issuer Guarantors: Anheuser-Busch Companies, LLC, Anheuser-Busch InBev Finance Inc., Anheuser-Busch InBev Worldwide Inc., Brandbev S.à r.l., Brandbrew S.A. Cobrew NV	Coupon	Depending on respective bond
Arranger	Barclays	Currency	Depending on respective bond
Credit enhancement	none	ISIN	Depending on respective bond

All future LT LC senior unsecured Notes that will be issued by AB InBev and that have similar conditions to the current EMTN programme, denominated in Euro and included in the list of ECB-eligible marketable assets will, until further notice, receive the same ratings as the current LT LC senior unsecured Notes issued under the EMTN programme. Notes issued under the programme in any currency other than euro, or other types of debt instruments, have not yet been rated by CRA. For a list of all currently valid ratings and additional information, please consult the website of Creditreform Rating AG. For the time being, other emission classes or programmes (such as the Commercial Paper Programme) and issues that do not denominate in euro will not be assessed.

Appendix

Rating history

The rating history is available under:

<https://www.creditreform-rating.de/en/ratings/published-ratings.html>

Table 6: Corporate issuer rating of Anheuser Busch Inbev N.V./S.A. | Source: CRA

Event	Rating date	Publication date	Monitoring period	Result
Initial Rating	07.10.2016	14.10.2016	17.10.2017	A- / stable

Table 7: LT LC senior unsecured issues by Anheuser Busch Inbev N.V./S.A. | Source: CRA

Event	Rating date	Publication date	Monitoring period	Result
Initial rating	01.08.2018	07.08.2018	26.11.2020	A- / stable

Regulatory requirements

The rating³ was not endorsed by Creditreform Rating AG (Article 4 (3) of the CRA-Regulation).

The present rating is, in the regulatory sense, an unsolicited rating that is public. The analysis was carried out on a voluntary basis by Creditreform Rating AG, which was not commissioned by the Issuer or any other third party to prepare the present rating.

The rating is based on the analysis of published information and on internal evaluation methods for the assessment of companies and issues. The rating object was informed of the intention of creating or updating an unsolicited rating before the rating was determined.

The rating object participated in the creation of the rating as follows:

With Rated Entity or Related Third Party Participation	No
With access to Internal Documents	No
With Access to Management	No

A management meeting did not take place within the framework of the rating process.

The documents and information gathered were sufficient to meet the requirements of Creditreform Rating AG's rating methodologies.

The rating was conducted based on the following rating methodologies and the basic document.

Rating methodology	Version number	Date
Corporate Ratings	2.3	29.05.2019
Non-financial Corporate Issue Ratings	1.0	October 2016
Rating Criteria and Definitions	1.3	January 2018

The documents contain a description of the rating categories and a definition of default.

The rating was carried out by the following analysts:

³ In these regulatory requirements the term "rating" is used in relation to all ratings issued by Creditreform Rating AG in connection to this report. This may concern several companies and their various issues.

Name	Function	Mail-Address
Elena Damijan	Lead-analyst	E.Damijan@creditreform-rating.de
Tim Winkens	Analyst	T.Winkens@creditreform-rating.de

The rating was approved by the following person (person approving credit ratings, PAC):

Name	Function	Mail-Address
Tobias Stroetges	PAC	T.Stroetges@creditreform-rating.de

On 6 December 2021, the analysts presented the rating to the rating committee and the rating was determined. The rating result was communicated to the company on 7 December 2021. There has not been a subsequent change to the rating.

The rating will be monitored until Creditreform Rating AG withdraws the rating. The rating can be adjusted as part of the monitoring, if crucial assessment parameters change.

In 2011, Creditreform Rating AG was registered within the European Union according to EU Regulation 1060/2009 (CRA-Regulation). Based on this registration, Creditreform Rating AG is allowed to issue credit ratings within the EU and is bound to comply with the provisions of the CRA-Regulation.

ESG-factors

You can find out whether ESG factors were relevant to the rating in the upper section of this rating report "Relevant rating factors".

A general valid description for Creditreform Rating AG, as well as a valid description of corporate ratings for understanding and assessing ESG factors in the context of the credit rating process, can be found [here](#).

Conflict of interests

No conflicts of interest were identified during the rating process that might influence the analyses and judgements of the rating analysts involved or any other natural person whose services are placed at the disposal or under the control of Creditreform Rating AG and who are directly involved in credit rating activities or in approving credit ratings and rating outlooks.

In the event of providing ancillary services to the rated entity, Creditreform Rating AG will disclose all ancillary services in the credit rating report.

Rules on the presentation of credit ratings and rating outlooks

The approval of credit ratings and rating outlooks follows our internal policies and procedures. In line with our "Rating Committee Policy", all credit ratings and rating outlooks are approved by a rating committee based on the principle of unanimity.

To prepare this credit rating, Creditreform Rating AG has used following substantially material sources:

Corporate issuer rating:

1. Annual report
2. Website
3. Internet research

Corporate issue rating:

1. Corporate issuer rating incl. information used for the corporate issuer rating
2. Documents on issues / instruments

There are no other attributes and limitations of the credit rating or rating outlook other than those displayed on the Creditreform Rating AG website. Furthermore, Creditreform Rating AG considers as satisfactory the quality and extent of information available on the rated entity. With respect to the rated entity, Creditreform Rating AG regarded available historical data as sufficient.

Between the time of disclosure of the credit rating to the rated entity and the public disclosure, no amendments were made to the credit rating.

The Basic Data Information Card indicates the principal methodology or version of methodology that was used in determining the rating, with a reference to its comprehensive description.

In cases where the credit rating is based on more than one methodology or where reference only to the principal methodology might cause investors to overlook other important aspects of the credit rating, including any significant adjustments and deviations, Creditreform Rating AG explains this fact in the credit rating report and indicates how the different methodologies or other aspects are taken into account in the credit rating. This information is integrated in the credit rating report.

The meaning of each rating category, the definition of default or recovery and any appropriate risk warning, including a sensitivity analysis of the relevant key rating assumptions such as mathematical or correlation assumptions, accompanied by worst-case scenario credit ratings and best-case scenario credit ratings are explained.

The date at which the credit rating was initially released for distribution and the date when it was last updated, including any rating outlooks, is indicated clearly and prominently in the Basic Data Information Card as a "rating action"; initial release is indicated as "initial rating", other updates are indicated as an "update", "upgrade" or "downgrade", "not rated", "confirmed", "selective default" or "default".

In the case of a rating outlook, the time horizon is provided during which a change in the credit rating is expected. This information is available within the Basic Data Information Card.

In accordance with Article 11 (2) EU-Regulation (EC) No 1060/2009, a registered or certified credit rating agency shall make available, in a central repository established by ESMA, information on its historical performance data including the rating transition frequency and information about credit ratings issued in the past and on their changes. Requested data are available at the [ESMA website](#).

An explanatory statement of the meaning of Creditreform Rating AG's default rates are available in the credit rating methodologies disclosed on the website.

Disclaimer

Any rating performed by Creditreform Rating AG is subject to the Creditreform Rating AG Code of Conduct, which has been published on the web pages of Creditreform Rating AG. In this Code of Conduct, Creditreform Rating AG commits itself – systematically and with due diligence – to establish its independent and objective opinion as to the sustainability, risks and opportunities concerning the enterprise or the issue under review.

Future events are uncertain, and forecasts are necessarily based on assessments and assumptions. This rating is therefore no statement of fact, but an opinion. For this reason, Creditreform Rating AG cannot be held liable for the consequences of decisions made on the basis of any of their ratings. Neither should these ratings be construed as recommendations for investors, buyers or sellers. They should only be used by market participants (entrepreneurs, bankers, investors etc.) as one factor among others when arriving at corporate or investment decisions. Ratings are not meant to be used as substitutes for one's own research, inquiries and assessments.

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