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Societe Fonciere Lyonnaise S.A.

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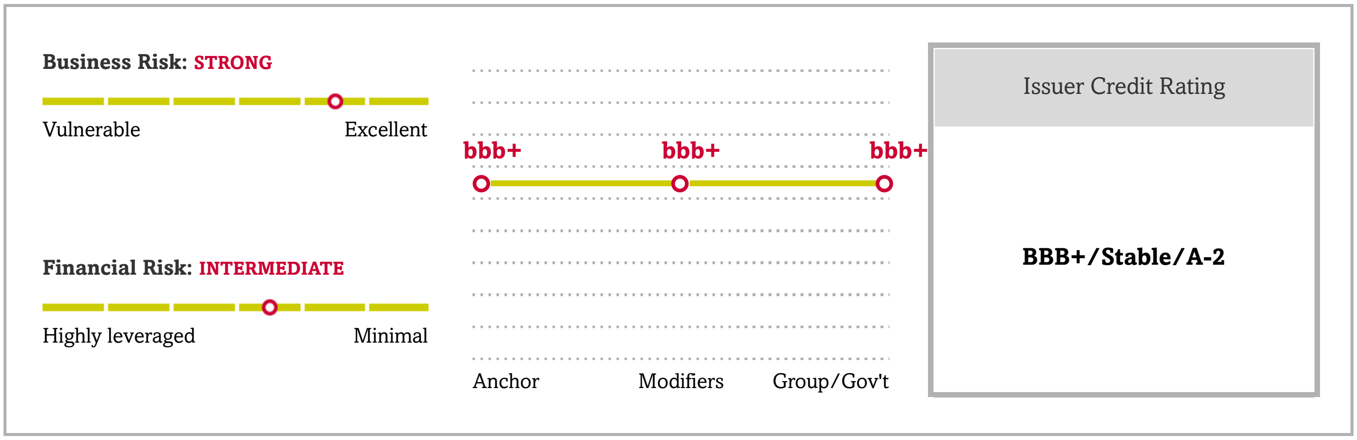
Societe Fonciere Lyonnaise S.A.



Credit Highlights

Overview

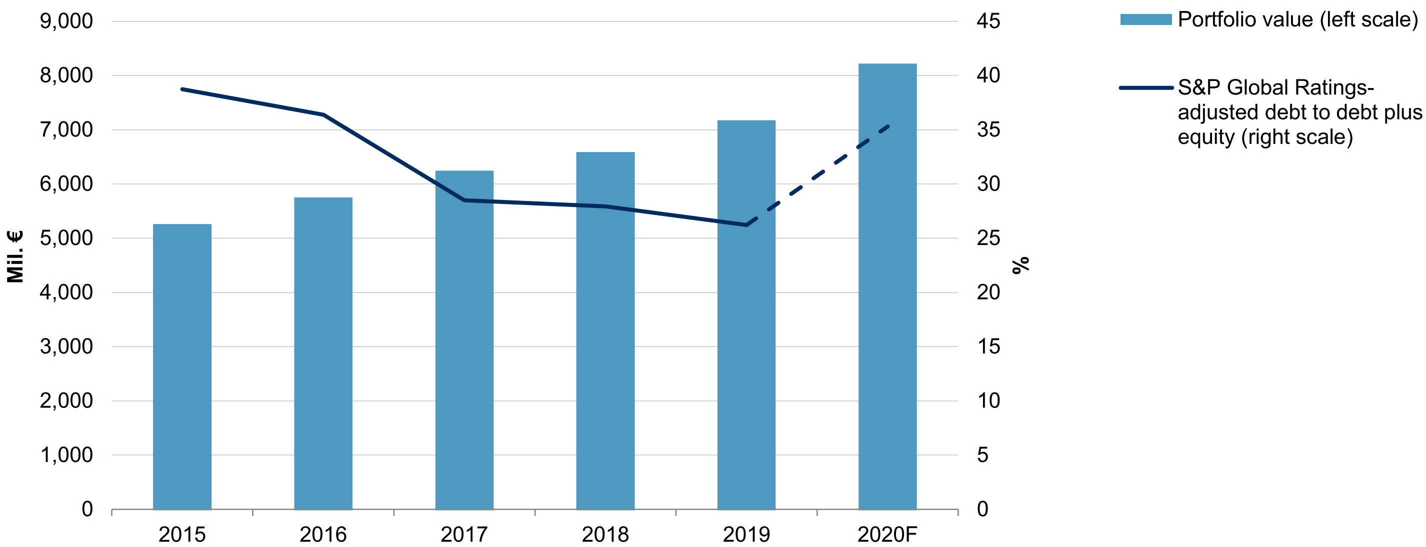
Key strengths	Key risks
Large, prime quality office real estate portfolio of €7.2 billion, with good locations in the Paris central business district (CBD), providing solid and stable cash flows	Potential stronger rationalization of companies' demand for offices spaces, and retailers' push for discounted rents, due to the COVID-19 pandemic
A favorable demand-supply mechanism, largely offsetting the office property sector's cyclicality	Limited number of assets (20) and high reliance of revenue from top 10 tenants (42% of rental income)
Relatively strong EBITDA interest coverage, above 3.5x, because of strong leasing activities and lower interest due to refinancing transactions	Geographic concentration, with operations restricted to the city of Paris (98% of portfolio), albeit a robust market
Prudent financial policy translating into S&P Global Ratings-adjusted debt to debt plus equity well below 40%	Higher leverage of the controlling shareholder, Inmobiliaria Colonial

Societe Fonciere Lyonnaise S.A.'s (SFL's) operating performance was strong again in 2019, but we expect occupancy to slightly drop due to leaving tenants, and like-for-like growth in rental income and portfolio value to be limited in 2020 because of the economic downturn. The demand for offices properties in Paris (98% of SFL's portfolio) remained very strong in 2019 with about €10.4 billion of investments in the market, including €5.7 billion in Paris' CBD (83% of the portfolio). The rental market has registered another robust year with an immediate available supply that continued to fall in the Paris region in 2019, ensuring low vacancy (5% in the Paris region and 1.4% in the Paris CBD). Thanks to these favorable market conditions and of its prime quality of assets, SFL recorded a strong 3.1% like-for-like growth in rental income in 2019, including both re-leasing and indexation. While the market remains undersupplied, we expect the growth to slow down in 2020 due to weaker economic conditions, especially increasing unemployment and weaker GDP growth (we expect 9.5% and negative 8%, respectively, for 2020). This could limit growth in rents negotiations in the offices portfolio, and even more in the retail anchor spaces. We also expect more vacancy in SFL's portfolio in 2020, due to some tenant departures in areas that the company will likely redevelop afterward.

Still, credit metrics have significant headroom under the financial policy and ratings thresholds. Quality assets fitting SFL's strategy remain scarce, which explains the low leverage as compared to its financial policy, with debt to EBITDA of 10.1x and debt to debt plus equity of 26.2% as of year-end 2019, while we understand the company's financial policy is to maintain a reported loan-to-value ratio of up to 40%. Even considering relatively conservative assumptions for the coming two years, including a slight devaluation of the portfolio that would be due to the end of yield compression (from 2.7% currently), and a potential €700 million-€750 million acquisitions, we believe SFL's credit metrics would remain commensurate with the rating (see chart 1).

Chart 1

Societe Fonciere Lyonnaise S.A.--Credit Metrics Can Absorb Potential Acquisitions And Slight Devaluation



F--Forecast. Source: S&P Global Ratings.

Outlook: Stable

The stable outlook on SFL reflects our view on the consolidated Colonial group, because we view SFL as a core subsidiary to the group and align the ratings.

At the group level, the stable outlook reflects S&P Global Ratings' view that strong market fundamentals and Colonial's high-quality assets should enable the company to increase its adjusted EBITDA interest coverage toward 3x and maintain debt to debt plus equity below 45% over the next two years. Our outlook is supported by the group's prudent financial policy and our belief that Colonial's prime, well-located assets will benefit from low vacancy rates in the CBDs of Paris, Madrid, and Barcelona. This also assumes limited disruption from COVID-19 on operations and valuations.

We also expect that SFL will remain core to Colonial's strategy. If anything, we expect SFL's stand-alone credit metrics will be slightly better than those at the group level, with debt to debt plus equity and EBITDA interest coverage ratios remaining sustainably below 40% and higher than 4.0x, respectively, over the coming two years.

Downside scenario

We could consider a downgrade if Colonial's EBITDA interest coverage dropped below 2.4x and its debt to debt plus equity increased meaningfully above 45%. This could stem from a deterioration in the group's rental activities, more debt-financed acquisitions than we anticipate, or a substantial drop in Colonial's portfolio value. A material divestment or a dilution of Paris operations could also prompt a negative rating action.

Upside scenario

Considering Colonial's ownership in SFL, ratings upside would hinge on the group's willingness and ability to consistently maintain an adjusted debt-to-debt-plus equity ratio of less than 35% and adjusted EBITDA interest coverage above 3.8x. An upgrade would also be contingent on Colonial ensuring a disciplined financial policy, consistent with these stronger credit measures, and a more diversified cash flow base.

Our Base-Case Scenario

We consider corporate confidence, unemployment, and CPI among the most important macroeconomic factors for office property owners. We forecast weakened CPI growth in France of 0.8% in 2020 and 1.5% in 2021, which could affect rental growth in the real estate market. We expect unemployment to increase in the coming years, to 9.5% in 2020 and 9.7% in 2021 from 8.5% in 2019, which could similarly affect corporate demand for office real estate assets. Of SFL's assets, 83% are in the Paris CBD, which benefits from above-average macroeconomic indicators compared with the rest of France.

Assumptions	Key Metrics

- Potential decrease in net rental income of 2%-4% on a like-for-like basis in 2020 and 2021, including a drop in occupancy to 92%-96% from 97.4% currently, accounting for the leaving tenants in areas that SFL will redevelop, but also conservatively reflecting potential delays in releasing some assets with break options in 2020-2021 (25.7% of lease maturity in 2020-21). We expect occupancy and rental growth to rebound in 2022-2023, because of deliveries of properties under development, and commercialization of units that became vacant in 2020 and 2021
- Like-for-like negative asset revaluation of 1.0%-2.0% in 2020 with some recovery in 2021 to 1.5%-2.0%, reflecting our assumption of no further yield compression in the Paris CBD, despite healthy demand
- Development capex of about €135 million for 2020 and €125 million for 2021 for ongoing renovation and refurbishment projects (Louvre Saint Honoré, Biome, and 83 Marceau)
- Theoretical acquisitions of €700 million-€750 million in 2020 funded mainly by debt in line with the financial policy. This is a pure assumption because we understand that SFL is not engaged in any acquisition process. We have assumed no disposal for the coming years, because we understand the company has no current sales plans
- EBITDA margins potentially declining to 85%-86% from 88.8% in 2019, reflecting potential upcoming breaking of leases and incentive periods, because about 17.2% of the leases have a break option in 2020 and 8.5% in 2021.

	2019A	2020E	2021F
EBITDA margin (%)	88.8	85-87	85-87
EBITDA interest coverage (x)	6.3	4.5-5.5	4.0-5.0
Debt/debt+equity (%)	26.2	33-36	33-36
Debt/EBITDA (x)	10.1	14-16	14-16

Note: 2020 and 2021 ratios include theoretical acquisitions. A--Actual. E--Estimate. F--Forecast.

Base-case projections

SFL might seize acquisition opportunities, so leverage could increase in the coming years. As of year-end 2019, SFL reported a loan-to-value ratio of 23.4%, translating into our adjusted debt-to-debt-plus-equity ratio of 26.2%. At the same time, the company's financial policy targets a loan-to-value ratio below 40%, leaving room for potential acquisitions. We understand that SFL's strategy is to maintain a high level of asset selectivity, although prime assets for sale in Paris might be hard to find. However, it could consider buying additional properties if the opportunity arose. We believe any potential acquisitions would also need to fit in with Colonial's strategy and financial policy.

Company Description

SFL is a French real estate investment trust, specializing in the leasing of office facilities and related retail assets(ground floors of office buildings). The company is one of the four largest listed players in France's office real estate market. Its portfolio value reached €7.2 billion at year-end 2019 (excluding transfer costs), compared with €6.6 billion at year-end 2018, of which 78% correspond to its office assets. SFL is listed on Euronext Paris stock exchange, and had a market capitalization of €3.2 billion as of April 3, 2020. Its main shareholder is Spanish real estate company Colonial, which owns and manages a portfolio of €12.2 billion of offices in France and Spain.

Business Risk: Strong

SFL's strong business risk profile is underpinned by its relatively large portfolio of 20 prime office assets in Paris,

valued at €7.2 billion as of Dec. 31, 2019 (excluding transfer costs). We also view positively SFL's strong focus on Paris' CBD, where about 83% of its portfolio is located and which has proven more resilient to the economic downturn than secondary locations on Paris' periphery.

Most of the company's assets are large: Half are more than 10,000 square meters (sq. m.) and almost all more than 5,000 sq. m. Consequently, most are multitenant assets, providing some diversity in the company's rental income distribution. The portfolio is also modern and energy efficient (100% of the revenue-generating properties are certified to the BREEAM In-Use international standard) because the company's strategy is to refurbish recently acquired assets to create value. We view this as positive because it increases the properties' attractiveness, especially while the trend of the flexible office is rising.

We believe that the limited supply of large premium-quality office buildings in the Paris CBD, combined with the sustained corporate demand, supports a high occupancy rate and rental growth. However, we believe tenants' demand is evolving for more flexible lease terms to allow for adjusting their footprints, and optimizing leasing costs by sometimes reducing their spaces. Furthermore, the COVID-19 pandemic and economic turmoil with higher expected unemployment in the coming years could increase companies' rationalization of space, which could in turn negatively affect demand for office area. Still, we view SFL as relatively well protected by the high quality of its assets. The company is also one of the four largest owners of office space in Paris, which we believe gives it a key competitive advantage in addressing the needs of its core tenant base.

SFL's retail portfolio (19% of rental income) consists mainly of ground-floor shops in the group's office buildings, which generally provide steady footfall and stable cash flow, thanks to their prime locations. However, we believe some retail tenants might want to renegotiate rents downward following social distancing measures adopted by the government to contain the virus' spread. At this stage, we understand that SFL:

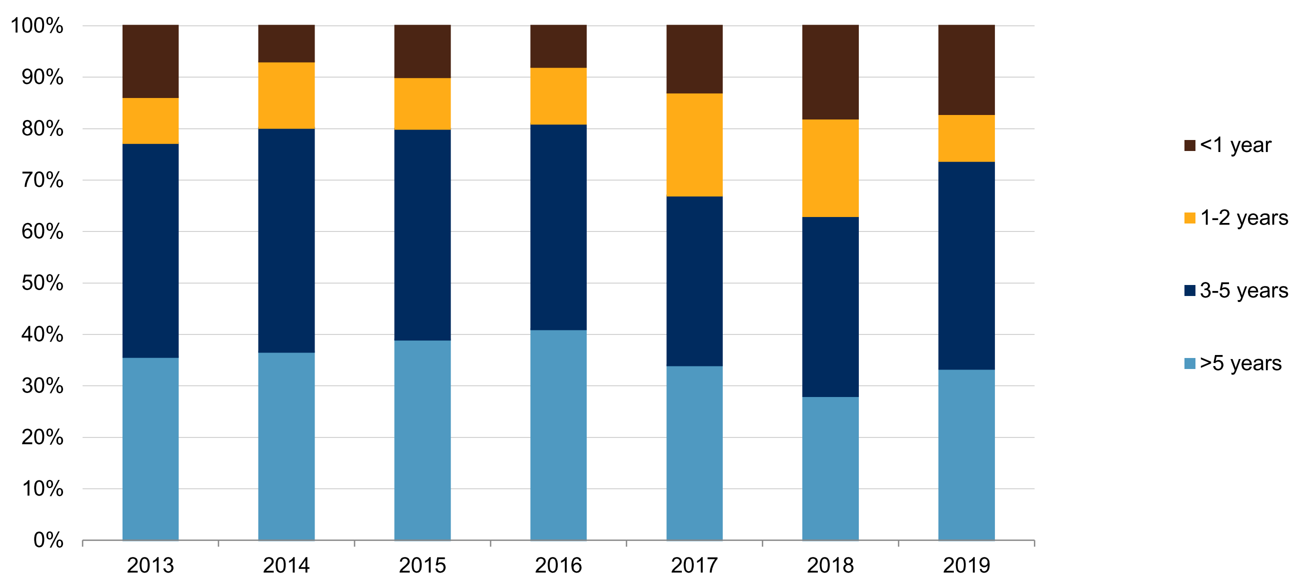
- Managed to collect most of its second-quarter rents;
- Accepted to differ a small proportion of rents, notably for retail tenants, but that should remain paid during 2020; and

- Did not experience large downward renegotiations.

In addition, SFL's business strategy focuses on the office market and on a limited number of assets (20 as of Dec. 31, 2019), making its portfolio subject to business-confidence-related volatility. The top 10 tenants contribute about 42% of total rent as of 2019. The departure of one main tenant could materially affect SFL's occupancy rate and rental income, especially from major single-tenant assets. The company seeks to mitigate this risk by limiting the share of leases expiring in any given year to about 15% of its total portfolio. We understand that about 17.2% of the leases have a break option in 2020, which remains close to the threshold of 15% the company usually avoids exceeding, and 8.5% in 2021. SFL has been consistently able to replace its existing tenants or extend leases at an equal or higher rent, thanks again to its particularly solid asset quality, market position, and rental reversionary potential. Also, the average lease term improved to 5.3 years as of year-end 2019 from 3.6 years at the end of 2018 (see chart 2), supporting their revenue predictability.

Chart 2

Societe Fonciere Lyonnaise S.A.--Leases Due For Renewals



Source: S&P Global Ratings.

Overall, we anticipate that SFL's active asset management and low vacancy rate in the Paris CBD should support the resilience of the company's recurring income over the next few years.

Peer comparison

Table 1

Societe Fonciere Lyonnaise S.A.--Peer Comparison				
Industry sector: Homebuilders and real estate developers				
	Societe Fonciere Lyonnaise S.A.	**Gecina**	**Icade S.A.**	**Covivio**
Ratings as of May 19, 2020	BBB+/Stable/A-2	A-/Stable/A-2	BBB+/Stable/A-2	BBB+/Stable/A-2
	--Fiscal year ended Dec. 31, 2019--			
(Mil. €)				
Revenue	198.7	678.1	1,527.2	674.5
EBITDA	176.4	544.9	601.6	573.1
Funds from operations (FFO)	131.3	385.8	449.3	415.0
Interest expense	28.8	125.8	109.8	169.1
Cash flow from operations	142.3	486.2	389.3	353.8
Capital expenditure	64.5	543.3	785.9	482.7
Free operating cash flow (FOCF)	77.8	(57.1)	(396.6)	(128.9)
Dividends paid	131.0	409.3	412.8	66.4
Discretionary cash flow (DCF)	(53.2)	(574.1)	(816.4)	(192.9)
Cash and short-term investments	54.0	37.8	767.1	1,155.0
Debt	1,789.8	7,411.9	6,157.7	6,687.0
Equity	5,037.0	12,726.6	8,522.4	8,298.0
Debt and equity	6,826.8	20,138.5	14,680.1	14,985.0
Valuation of investment property	7,045.0	17,662.3	14,340.4	15,688.0
Adjusted ratios				
Annual revenue growth (%)	2.7	1.9	(14.0)	15.4
EBITDA margin (%)	88.8	80.4	39.4	85.0
Return on capital (%)	2.6	2.7	1.7	3.8
EBITDA interest coverage (x)	6.1	4.6	5.5	3.4
Debt/EBITDA (x)	10.1	13.6	10.2	11.7
FFO/debt (%)	7.3	5.2	7.3	6.2
Debt/debt and equity (%)	26.2	36.8	41.9	44.6

Financial Risk: Intermediate

SFL's credit metrics strengthened within our intermediate financial risk category in 2019, supported by 3% like-for-like rental growth, 9.0% of positive portfolio revaluation mainly due to yield compression, and a lack of investment opportunities. The company's debt to debt plus equity improved to 26.2% at year-end 2019 from 27.9% at year-end 2018. Its EBITDA interest coverage also improved to 6.3x from 5.2x due to strong operating performance and improved average cost of debt to 1.4% from 1.5%.

Our assessment incorporates potential increase in leverage over 2020-2022 because of acquisitions, in line with SFL's strategy of investing in prime office assets in Paris and its policy of a 40% maximum loan-to-value ratio. We expect the company's debt-to-debt-plus-equity ratio to still remain firmly in the 35%-40% range in the next two years, with EBITDA interest coverage remaining above 3.5x. Without acquisitions and with the current development pipeline, we estimate that SFL's debt-to-debt plus equity ratio would likely stay at about 30%. We view as positive SFL's established track record of disciplined leverage, with our adjusted debt-to-debt-plus-equity ratio staying below 40% since 2014, while EBITDA interest coverage has steadily improved since then because of low interest rates.

On the flip side, SFL's cash flow generation is low and its debt-to-EBITDA ratio remains somewhat weak, in the 10x-12x range (excluding the acquisitions we assume in our base-case scenario), depending on the timing of projects' deliveries and re-letting process. This is also due to its low-yield assets (2.7% end of 2019).

Financial summary

Table 2

Societe Fonciere Lyonnaise S.A.--Financial Summary

Industry sector: Homebuilders and real estate developers					
	--Fiscal year ended Dec. 31--				
	2019	**2018**	**2017**	**2016**	**2015**
(Mil. €)					
Revenue	198.7	193.5	195.8	198.1	168.8
EBITDA	176.4	165.6	167.0	173.1	138.3
Funds from operations (FFO)	131.3	121.0	108.9	117.9	73.4
Interest expense	28.8	32.5	40.1	43.6	50.3
Cash flow from operations	142.3	122.9	123.3	83.8	66.1
Capital expenditure	64.5	38.4	207.8	66.3	199.8
Free operating cash flow (FOCF)	77.8	84.5	(84.5)	17.5	(133.8)
Dividends paid	131.0	113.3	54.0	102.9	115.5
Discretionary cash flow (DCF)	(53.2)	(29.1)	(138.5)	(86.5)	(249.2)
Cash and short-term investments	54.0	25.3	15.7	19.8	12.5
Debt	1,789.8	1,748.4	1,689.9	1,998.8	1,916.9
Equity	5,037.0	4,512.0	4,239.0	3,493.8	3,031.1
Debt and equity	6,826.8	6,260.4	5,928.9	5,492.6	4,947.9
Valuation of investment property	7,045.0	6,458.4	6,119.1	5,604.5	5,098.5
Adjusted ratios					
Annual revenue growth (%)	2.7	(1.2)	(1.2)	17.4	11.4
EBITDA margin (%)	88.8	85.6	85.3	87.3	81.9
Return on capital (%)	2.6	2.7	2.9	3.3	2.9
EBITDA interest coverage (x)	6.1	5.1	4.2	4.0	2.8
Debt/EBITDA (x)	10.1	10.6	10.1	11.5	13.9
FFO/debt (%)	7.3	6.9	6.4	5.9	3.8
Debt/debt and equity (%)	26.2	27.9	28.5	36.4	38.7

Liquidity: Strong

We assess SFL's liquidity as strong and estimate that the ratio of liquidity sources to uses as of March 31, 2020, will be well above 1.5x in the next 12 months and higher than 1x in the following 12 months. We believe the company has well-established solid relationships with banks, good access to debt capital markets, and generally prudent treasury management. Moreover, we expect SFL will maintain strong headroom (above 15%) under all maintenance covenants, and that it has some ability to absorb high-impact, low-probability events without refinancing.

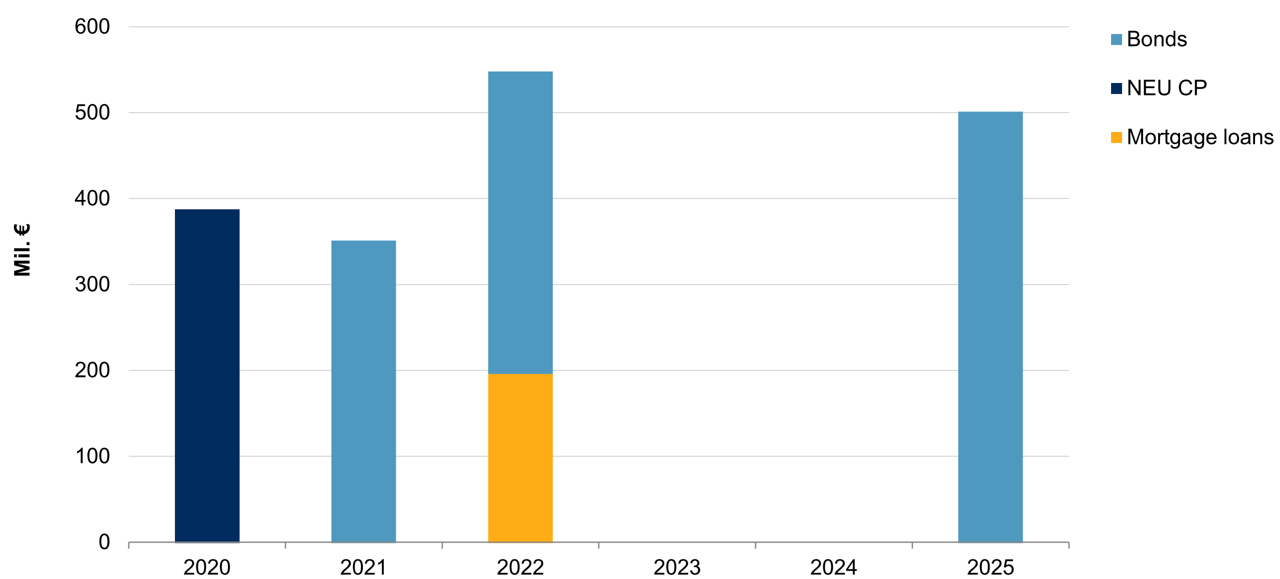
Principal Liquidity Sources	Principal Liquidity Uses
• Our forecast of €120 million-€130 million of funds from operations • About €1.08 billion undrawn bank lines maturing beyond next 12 months • €116.5 million of cash and equivalents	• €357.5 million of commercial papers maturing within the 12 months • About €130 million-€140 million in maintenance and renovation capex in the next 12 months • About €120 million of forecast dividends in the next 12 months

Debt maturities

SFL's average debt maturity is 4.2 years (see chart 3)

Chart 3

Societe Fonciere Lyonnaise S.A.--Debt Maturities As Of December 2019



Source: S&P Global Ratings. NEU CP--Negotiable European commercial paper.

Covenant Analysis

Compliance expectations

We expect that the company will maintain adequate headroom, greater than 10%, under all remaining covenants.

Requirements

SFL has to comply with debt covenants and acceleration clauses under their lines of credit including:

- Loan to value of less than or equal to 50% (22.7% as of Dec. 31, 2019)
- Interest coverage equal to or greater than 2.0x (6.6x as of Dec. 31)
- Secured loan to value of less than or equal to 20% (2.6% as of Dec. 31)
- Unrestricted property portfolio value greater than or equal to €2.0 billion (€6.5 billion as of Dec. 31)

Environmental, Social, And Governance

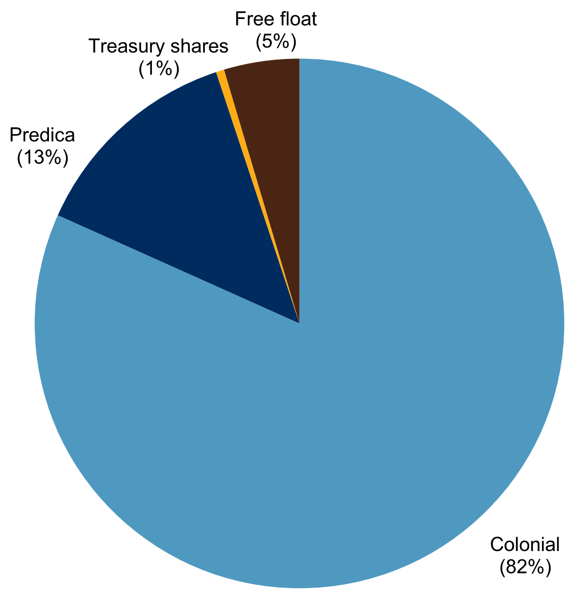
We believe environmental factors are more supportive of SFL's credit profile compared with other rated real estate office players. In our view, the company is particularly well positioned in terms of environmental certifications, given 100% of its buildings are certified BREEAM In-Use with a "Very Good" score or higher and 81% of its leases are qualified as green leases. It also aimed to achieve the highest environmental standard for each redevelopment project. SFL has been an early adopter of BREEAM certification. The company's commitment to achieve a high level of green certification on its portfolio supports our view of its current strong competitive position in the office market (in the Paris CBD, in particular, as international tenants are more and more demanding in this respect).

Group Influence

Spanish real estate company Colonial has a 81.7% controlling stake in SFL (see chart 4) and provides eight of the 15 members of SFL's board. As a result, we apply our group rating methodology to SFL and view SFL as a core entity of Colonial.

Chart 4

Societe Fonciere Lyonnaise S.A.--Ownership Structure As Of December 2019



Source: S&P Global Ratings.

We understand that Colonial views SFL as a long-term investment and intends to remain a controlling shareholder. Although we understand there are no plans to change SFL's independent funding policy and listing status, in our view, the company is strongly influenced by Colonial's management decisions and overall group credit profile. This is because no single minority shareholder holds more than 15% of SFL's equity following Colonial's acquisition of a 22.2% stake in the company in October 2018. Therefore, the rating on SFL is aligned with that on Colonial.

Colonial's office real estate portfolio value is about €12.2 billion, of which about 60% relates to SFL's assets. Our rating on Colonial is therefore based on a consolidated view of SFL's assets. Colonial has higher leverage than SFL, which we believe would likely constrain SFL's potential stand-alone credit improvement. However, we see diversification benefits from Colonial's exposure to the Spanish market, owing to its high-quality assets, mainly located in the CBD of well-performing markets such as Madrid and Barcelona.

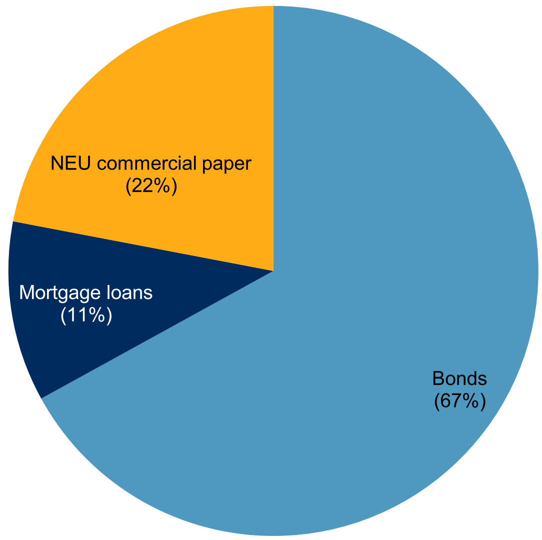
Issue Ratings - Subordination Risk Analysis

Capital structure

As of Dec. 31, 2019, SFL's debt structure comprise bonds, mortgage loans and negotiable European commercial paper (see chart 5).

Chart 5

Societe Fonciere Lyonnaise S.A.--Debt Structure As Of December 2019



Source: S&P Global Ratings. NEU--Negotiable European.

Analytical conclusions

We rate SFL's senior unsecured bonds 'BBB+', in line with the issuer credit rating. The company's ratio of secured debt to total fair value assets at year-end 2019 was 2.6%, well below our threshold of 40%.

Reconciliation

Table 3

Reconciliation Of Societe Fonciere Lyonnaise S.A. Reported Amounts With S&P Global Ratings' Adjusted Amounts (Mil. €)

	--Fiscal year ended Dec. 31, 2019--					
Societe Fonciere Lyonnaise S.A. reported amounts						
	Debt	**Shareholders' equity**	**EBITDA**	**Operating income**	**Interest expense**	**S&P Global Ratings' adjusted EBITDA**
Reported	1,834.3	4,485.2	174.1	699.7	23.9	176.4
S&P Global Ratings' adjustments						
Cash taxes paid	--	--	--	--	--	(16.1)
Cash taxes paid: Other	--	--	--	--	--	--
Cash interest paid	--	--	--	--	--	(29.0)

Table 3

Reconciliation Of Societe Fonciere Lyonnaise S.A. Reported Amounts With S&P Global Ratings' Adjusted Amounts (Mil. €) (cont.)						
Accessible cash and liquid investments	(54.0)	--	--	--	--	--
Capitalized interest	--	--	--	--	4.9	--
Share-based compensation expense	--	--	2.3	--	--	--
Nonoperating income (expense)	--	--	--	0.1	--	--
Noncontrolling interest/minority interest	--	551.8	--	--	--	--
Debt: Other	9.5	--	--	--	--	--
EBITDA: Gain (loss) on disposals of PP&E	--	--	0.0	0.0	--	--
Depreciation and amortization: Asset valuation gains (losses)	--	--	--	(526.9)	--	--
Total adjustments	(44.5)	551.8	2.3	(526.8)	4.9	(45.1)
S&P Global Ratings' adjusted amounts						
	Debt	**Equity**	**EBITDA**	**EBIT**	**Interest expense**	**Funds from operations**
Adjusted	1,789.8	5,037.0	176.4	172.8	28.2	131.3

PP&E--Property, plant, and equipment.

Ratings Score Snapshot

Issuer Credit Rating

BBB+/Stable/A-2

Business risk: Strong

- **Country risk:** Low
- **Industry risk:** Low
- **Competitive position:** Strong

Financial risk: Intermediate

- **Cash flow/leverage:** Intermediate

Anchor: bbb+

Modifiers

- **Diversification/portfolio effect:** Neutral (no impact)
- **Capital structure:** Neutral (no impact)
- **Financial policy:** Neutral (no impact)
- **Liquidity:** Strong (no impact)
- **Management and governance:** Satisfactory (no impact)

- **Comparable rating analysis:** Neutral (no impact)

Stand-alone credit profile : bbb+

- **Group credit profile:** bbb+
- **Entity status within group:** Core (no impact)

Related Criteria

- General Criteria: Group Rating Methodology, July 1, 2019
- Criteria - Corporates - General: Corporate Methodology: Ratios And Adjustments, April 1, 2019
- Criteria - Corporates - Industrials: Key Credit Factors For The Real Estate Industry, Feb. 26, 2018
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- Criteria - Corporates - General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers, Dec. 16, 2014
- Criteria - Corporates - General: Corporate Methodology, Nov. 19, 2013
- General Criteria: Methodology: Management And Governance Credit Factors For Corporate Entities And Insurers, Nov. 13, 2012
- General Criteria: Use Of CreditWatch And Outlooks, Sept. 14, 2009

Business And Financial Risk Matrix

	Financial Risk Profile					
Business Risk Profile	Minimal	Modest	**Intermediate**	Significant	Aggressive	Highly leveraged
Excellent	aaa/aa+	aa	a+/a	a-	bbb	bbb-/bb+
Strong	aa/aa-	a+/a	**a-/bbb+**	bbb	bb+	bb
Satisfactory	a/a-	bbb+	bbb/bbb-	bbb-/bb+	bb	b+
Fair	bbb/bbb-	bbb-	bb+	bb	bb-	b
Weak	bb+	bb+	bb	bb-	b+	b/b-
Vulnerable	bb-	bb-	bb-/b+	b+	b	b-

Ratings Detail (As Of May 25, 2020)*

Societe Fonciere Lyonnaise S.A.	
Issuer Credit Rating	BBB+/Stable/A-2
Commercial Paper	A-2
Senior Unsecured	BBB+
Issuer Credit Ratings History	
27-Oct-2017	BBB+/Stable/A-2
19-Apr-2017	BBB/Positive/A-2
02-Jul-2015	BBB/Stable/A-2

Ratings Detail (As Of May 25, 2020)*(cont.)	
Related Entities	
Inmobiliaria Colonial, Socimi, S.A.	
Issuer Credit Rating	BBB+/Stable/A-2
Senior Unsecured	BBB+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.