



## GRUPO AVAL'S NEWS

July 4, 2013

**ON JULY 2, 2013 FITCH RATINGS AFFIRMED THE RATINGS FOR GRUPO AVAL, BANCO DE BOGOTA, AND CREDOMATIC INTERNATIONAL CORPORATION (CIC) FOLLOWING THE ANNOUNCEMENT OF GUATEMALAN GRUPO REFORMADOR'S ACQUISITION. THE RATING OUTLOOK FOR ALL THREE COMPANIES IS STABLE.**

- ✓ **Grupo Aval (GA):** Fitch affirmed GA's ratings based on their linkage to Bogota's ratings. Furthermore, Fitch said that "the transaction is not expected to increase debt levels at the holding company level (GA), while Bogota's financial profile remains consistent with its credit rating. In addition, GA's double leverage, debt service and debt coverage ratios remain moderate".

***"GA's ratings reflect its strong competitive position, sound financial standing, sustained operating performance, diversified franchises, M&A experience and robust asset quality".***

- ✓ **Banco de Bogotá (Bogota):** According to Fitch, "the impact of the transaction on Bogota's financial standing would be moderate but neutral to its ratings". Fitch also stated that Banco de Bogotá's "profitability has shown a strong improvement during 1Q2013 and would not be affected by the transaction".

***According to Fitch Bogota's ratings "reflect its strong franchise; sound asset quality and reserves; consistent performance; conservative credit/risk policies; ample, diversified funding; and adequate capital".***

- ✓ **Credomatic International Corporation:** Fitch "affirmed CIC's ratings reflecting Fitch's opinion that Bogota's ability and willingness to support CIC's operations remains unchanged".

***"BAC/Credomatic's operations in Central American region are characterized by its high profitability and sound asset quality and adequate capital levels, which are based on its leading position in credit cards and its role as a relevant player in retail banking".***



**Fitch affirmed the following ratings:**

**GRUPO AVAL**

- Long-term foreign currency IDR at 'BBB-'; Outlook Stable;
- Short-term foreign currency IDR at 'F3';
- Long-term local currency IDR at 'BBB-'; Outlook Stable;
- Short-term local currency IDR at 'F3';
- Viability rating at 'bbb-';
- Support rating at '5';
- Support rating floor at 'NF';
- Senior unsecured bonds at 'BBB-'.

**BOGOTA**

- Long-term foreign currency IDR at 'BBB'; Outlook Stable;
- Short-term foreign currency IDR at 'F2';
- Long-term local currency IDR at 'BBB'; Outlook Stable;
- Short-term local currency IDR at 'F2';
- Viability rating at 'bbb';
- Support Rating at '3';
- Support floor at 'BB+';
- Senior unsecured debt at 'BBB'.
- Subordinated debt at 'BBB-'.

**CREDOMATIC INTERNATIONAL CORPORATION**

- Foreign currency long-term IDR at 'BBB'; Outlook Stable;
- Foreign currency short-term IDR at 'F2';
- Support rating at '2';
- Support floor at 'NF'.

For further information and for the complete report please contact:

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