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## Financiera de Desarrollo Territorial, S.A.'s Proposed \$500 Million Notes Assigned 'BBB' Rating

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MEXICO CITY (Standard & Poor's) Aug. 4, 2014--Standard & Poor's Ratings Services said today that it assigned its 'BBB' issue-level rating to Financiera de Desarrollo Territorial, S.A.'s (Findeter) proposed up to \$500 million fixed rate, up to 10 years, senior unsecured notes, or its equivalent in Colombian pesos.

The ratings on the notes are the same as the issuer credit rating (ICR) on the bank and indicate that the senior unsecured notes will rank equally in right of payment with all of the bank's existing and future senior unsecured debt. As a development bank, which implements the government's policies in expanding access to credit to improve Colombia's infrastructure and urban development, the proceeds from the issuance will be used to continue this mission. If the issuance is placed in dollars and the resources are used in pesos, Findeter will cover the entire issuance with swaps and non-deliverable forwards to cover the entire amount and term of the issuance.

The ratings on Findeter reflect its "adequate" business position in the Colombian banking system, "very strong" capital and earnings, "adequate" risk position, and "adequate" liquidity. Its funding is "below average" because, as a second-tier bank, it lacks a retail deposit base. Findeter has a "very high" likelihood of government support, given its government-related entity (GRE) status. However, the ICR on Findeter reflects its stand-alone

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creditworthiness, as the rating is at the same level as the foreign currency rating on Colombia. The bank's stand-alone credit profile (SACP) is 'bbb'.

RELATED CRITERIA AND RESEARCH

- Industry Report Card: Sluggish Economic Activity Is Weighing On Latin American Banks' Performance, June 5, 2014
- Banks: Rating Methodology and Assumptions, Nov. 9, 2011
- Banking Industry Country Risk Assessment Methodology and Assumptions, Nov. 9, 2011
- Bank Capital Methodology and Assumptions, Dec. 6, 2010
- Rating Government-Related Entities: Methodology And Assumptions, Dec. 9, 2010

RATINGS LIST

Financiera de Desarrollo Territorial, S.A. FINDETER, S.A.  
Corporate credit rating BBB/Stable/A-2

New Rating  
\$500 million senior unsecured notes BBB

Complete ratings information is available to subscribers of RatingsDirect at [www.globalcreditportal.com](http://www.globalcreditportal.com) and at [www.spcapitaliq.com](http://www.spcapitaliq.com). All ratings affected by this rating action can be found on Standard & Poor's public Web site at [www.standardandpoors.com](http://www.standardandpoors.com). Use the Ratings search box located in the left column.

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