

11.09.2019 – 17:48 Uhr

Euler Hermes Rating has assigned a BB+ first-time issuer rating to Hungarian gas distributor TIGÁZ Földgázelosztó Zrt / The proposed 2019/2029 bond issuance was rated BB+ based on preliminary terms

Hamburg (ots) -

The BB+ first-time issuer rating is mainly driven by low to moderate business risks due to an established market regulation, a territory-based gas distribution licence, predictable distribution volumes/tariffs and largely efficient operations leading to robust sector benchmark scores. Consistently high financial debt levels (also including a notable proportion of shareholder funding) and a currently limited financial flexibility slightly weight on the issuer rating of TIGÁZ. The rating is expected to remain stable over the next twelve months.

The preliminary BB+ issuance rating was assigned to the proposed 2019/29 bond issue maturing in 2029 with a total expected issuance volume of between HUF 34bn and 50bn. The rating was derived from TIGÁZ' current issuer credit rating (BB+), the bond's proposed senior ranking, assumed reasonable creditor protections based on preliminary bond terms and adequate recovery expectations in a hypothetical bond default scenario.

TIGÁZ is the largest natural gas distribution system operator (DSO) in Hungary and distributes over 2 billion cubic metres of natural gas annually (c. 32% of total domestic consumption) to 1.2 million customers (c. 36% of all connected households in Hungary) via a 33,800 km long pipeline network (c. 42% of the national grid). TIGÁZ operations are concentrated in the North-Eastern regions of Hungary serving customers in 1,092 municipalities. At the end of 2018, TIGÁZ employed a workforce of 1,174 and had generated revenues totalling HUF 31,223 million based on regulated gas distribution tariffs.

Euler Hermes Rating GmbH (Euler Hermes Rating) was founded in 2001 as an independent European rating agency of the Euler Hermes and Allianz Group focusing on issuer and issuance ratings. Euler Hermes Rating is registered as a credit rating agency (CRA) in accordance with Regulation (EC) No 1060/2009 of the European Parliament and Council (as amended) and is considered as an external credit assessment institution (ECAI) by the European Banking Authority (EBA). Euler Hermes Rating is a subsidiary of Euler Hermes (ELE:PA), the world leader in trade credit insurance. The Moody's group owns a minority stake in Euler Hermes Rating.

Further information on this rating, the corresponding reports and applied methodologies can be found at www.eulerhermes-rating.com.

© 2019 Euler Hermes Rating GmbH ("EHRG") and/or its licensors and affiliates. All rights reserved.

CREDIT RATINGS ISSUED BY EHRG ARE EHRG'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND EHRG'S PUBLICATIONS MAY INCLUDE EHRG'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES. EHRG DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL, FINANCIAL OBLIGATIONS AS THEY COME DUE AND, IN THE CASE OF ISSUANCE-LEVEL CREDIT RATINGS, ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS AND EHRG'S OPINIONS INCLUDED IN EHRG'S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. CREDIT RATINGS AND EHRG'S PUBLICATIONS ARE NEITHER A PROSPECTUS NOR A SUBSTITUTE FOR INFORMATION ASSEMBLED AND PRESENTED BY COMPANIES OR ISSUERS FOR INVESTORS REGARDING THE PURCHASE OF A SECURITY OR FOR ASSESSING THE CREDITWORTHINESS OF A RATED ENTITY. CREDIT RATINGS AND EHRG'S PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. NEITHER CREDIT RATINGS NOR EHRG'S PUBLICATIONS COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. EHRG ISSUES ITS CREDIT RATINGS AND PUBLISHES ITS PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, CONDUCT ITS OWN INDEPENDENT ANALYSES, CREDIT ASSESSMENTS AND OTHER VERIFICATIONS AND EVALUATIONS OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE. EHRG'S CREDIT RATINGS AND EHRG'S PUBLICATIONS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE EHRG'S CREDIT RATINGS OR EHRG'S PUBLICATIONS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER. ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT EHRG'S PRIOR WRITTEN CONSENT.

All information contained herein is obtained by EHRG from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS"

without warranty of any kind. EHRG adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources EHRG considers to be reliable including, when appropriate, independent third-party sources. However, EHRG is not an auditor and cannot in every instance independently verify or validate information received in the rating process or in preparing the EHRG publications.

Please note that summaries of contracts, laws and other documents contained in any EHRG publication, rating report or other materials cannot replace careful study of the relevant complete texts. EHRG and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if EHRG or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by EHRG. The limitations do not apply to the extent that fraud, intent or any other type of liability cannot be excluded and/or limited under applicable law.

EHRG and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, on the part of, or any contingency within or beyond the control of, EHRG or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information. The limitations do not apply to the extent that fraud, intent or any other type of liability cannot be excluded and/or limited under applicable law.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH RATING OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY EHRG IN ANY FORM OR MANNER WHATSOEVER.

The dissemination and use of an EHRG rating report may be prohibited by law in certain jurisdictions. Any persons who come into the possession of such information should inquire about and comply with any prohibitions that may be in place. EHRG assumes no liability of any kind with respect to such dissemination and use of any rating in any jurisdiction whatsoever.

Euler Hermes Rating GmbH

Pressekontakt:

Sven Sahlberg - Sven.Sahlberg@eulerhermes-rating.com
Friedensallee 254
22763 Hamburg
Tel.: 040 8834-640
Fax: 040 8834-6413
www.eulerhermes-rating.com

Original content of: Scope Hamburg GmbH, transmitted by news aktuell
Diese Meldung kann unter <https://www.presseportal.de/en/pm/56312/4372682> abgerufen werden.