

Relevant Events



Date: 10/18/2018

BOLSA MEXICANA DE VALORES, S.A.B. DE C.V., INFORMS:

Business Symbol	CYDSASA
Business Name	CYDSASA CYDSA, S.A.B. DE C.V.
Location	San Pedro Garza Garcia, Nuevo León

EVENT

Contracting of a Long Term Financing for the Hydrocarbon Underground Storage Business.

RELEVANT EVENT

Cydsa (CYDSASA) announced that through one of its subsidiaries it negotiated and closed on a long-term bank loan for approximately 156.6 million dollars.

The bank loan is related to the establishment of the first underground liquefied petroleum gas (LPG) storage system in Mexico and Latin America, dedicated to provide the service to Petróleos Mexicanos (Pemex), with a 20-year contract. The storage service of 1.8 million barrels of LPG began in November 2017, in a salt cavern located in the state of Veracruz.

The loan was contracted in two tranches, one of US \$ 85.6 million and the other of \$ 1,355.5 million pesos, both for a term of 18 years, with increasing amortization and quarterly payments of principal and interest. This loan was structured as a non-recourse financing for Cydsa, so it does not impact the contractual financial restrictions (covenants) of the Group.

This loan was granted by a syndicate of banks formed by the National Bank of Works and Public Services, S.N.C. (Banobras), National Foreign Trade Bank, S.N.C. (Bancomext) and Banco Mercantil del Norte, S.A. (Grupo Financiero Banorte).

In this transaction, Grupo Bursátil Mexicano, S.A. de C.V., Casa de Bolsa, acted as financial advisor.

Note: Non-recourse financing implies that this loan is exclusively backed by the assets and contracts related to the aforementioned LPG Underground Storage System.