

Cydsa closes on credit for 157 million dollars

The credit will be secured by the assets and contracts related to the previously announced LPG Underground Storage System.

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Characteristics: The loan was contracted in pesos and dollars, in both currencies the term is 18 years.

Cydsa 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", indicated the company.

"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 company added.

The loan was contracted in two tranches, one of 85.6 million dollars and another one of 1,355.5 million pesos, both with a term of 18 years, with increasing amortization and quarterly payments of principal and interest.

The company explained that this loan was structured as a "Non-Recourse" financing for Cydsa, so it does not impact the contractual financial restrictions of the Group.

The loan was granted by a syndicate of banks formed by the National Bank of Public Works and Services, National Bank of Foreign Trade and Banco Mercantil del Norte.

In this transaction, Grupo Bursátil Mexicano, Casa de Bolsa, acted as financial advisor.

As of June 30, 2018, Cydsa's bank and stock market debt amounted to an equivalent of 426 million dollars.