



## **Testa obtains an investment grade rating from S&P and signs a €130m loan with ING**

- **Testa Residencial obtains a credit rating of “BBB-” with positive outlook from Standard & Poor’s**
- **In addition, Testa has signed a 7-year loan of €130m with an interest cost of 1.6%**

**Madrid, May 18th** – Standard & Poor’s has assigned Testa Residencial an investment grade credit rating of “BBB-”, with a positive outlook. This is a preliminary rating, subject to completion of the company’s IPO.

S&P emphasizes the high quality of Testa Residencial’s residential portfolio, perceived as difficult to replicate due to the location and relatively young age of the portfolio assets. In addition, the rating agency views Testa Residencial’s financial policy as prudent, with a strong interest coverage ratio and a loan-to-value objective of less than 35 percent. S&P assigns a positive outlook to its rating.

Furthermore, Testa Residencial has signed a mortgage loan with Dutch bank ING for an amount of approximately €130 million. The company aims to use the proceeds of the loan to finance future asset acquisitions, such as the acquisition of a portfolio of 1,458 apartments pursuant to the recent agreement entered into with BuildingCenter, the real estate subsidiary of CaixaBank, which is expected to close in the coming months. The loan has a 7-year bullet maturity and an interest cost of approximately 1.6 percent, including 100 percent hedging.

Wolfgang Beck, CEO of Testa Residencial, points out that both the ING loan and the fact of having obtained an investment grade rating, “confirm the financial soundness of Testa Residencial and provide more flexibility to attract financing from capital markets in the future, as a complement to obtaining bank financing.”

### ***About Testa Residencial***

*Testa Residencial SOCIMI, S.A. is the largest multi-family housing SOCIMI in Spain whose objective is to efficiently and professionally manage a selection of residential properties and to provide superior service to its tenants and a recurring remuneration to shareholders. At present, it has a portfolio of 9,244 homes with a prominent presence in some of the main Spanish metropolitan areas, principally in Madrid.*

#### **For further information:**

Adolfo Lázaro

[alazaro@estudiodecomunicacion.com](mailto:alazaro@estudiodecomunicacion.com)

Cecilia Díaz

[cdiaz@estudiodecomunicacion.com](mailto:cdiaz@estudiodecomunicacion.com)

+34 91 576 52 50

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The prospectus in connection with the potential IPO is pending approval by the Spanish Securities & Exchange Commission (CNMV). Upon approval, it will be available on the company's registered office and in the respective websites of the company ([www.testa-socimi.com](http://www.testa-socimi.com)) and the CNMV ([www.cnmv.es](http://www.cnmv.es)).