

Eventos Relevantes



FECHA: 21/10/2015

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

CLAVE DE COTIZACIÓN	CREAL
RAZÓN SOCIAL	CREDITO REAL, S.A.B. DE C.V., SOFOM, E.R.
LUGAR	Mexico, D.F.

ASUNTO

CREDITO REAL ACQUIRES 65% OF AFS ACCEPTANCE LLC TO SCALE UP ITS USED CAR BUSINESS IN THE USA

EVENTO RELEVANTE

Mexico City, October 21st 2015. Crédito Real, S.A.B de C.V., SOFOM, E.R. ("Crédito Real") informs the acquisition of 65% of the equity interests issued by AFS Acceptance LLC's ("AFS"), this acquisition will add value to the used-car loan distribution network that Crédito Real already manages.

AFS is a financial institution with more than 10 years of market presence focused on granting loans for the acquisition of used cars in the United States. The most valuable characteristics of AFS are: (1) its management team and actual owners have deep experience in the used-car market in the USA as well as specific market intelligence regarding the Latin-American market in the USA; (2) presence in 40 states with a network of over 300 used car dealers; (3) solid Hispanic market knowledge, and (4) a sophisticated proven-process in place for collection, risk assessment and loan origination.

The main purpose of this transaction is to diversify the loan portfolio and to allow Crédito Real to gain access to a large used-car loan platform to attend the Hispanic market in the United States, reinforcing its commitment to offer financial products to low and middle-income segments of the population historically underserved by other financial institutions.

Crédito Real and AFS defined together a business plan and established management incentives to achieve profit targets for the following years. AFS' management team will keep running the business and will keep a 35% stake in AFS.

As a result of the transaction, Crédito Real will consolidate AFS' results in its financial statements beginning on October 2015. The aggregate consideration payable for this transaction assumes a value of USD\$ 18 million for the 65% of equity interests issued by AFS and equals a P/E multiple of 5 to 6 times 2015 recurrent earnings.

Crédito Real will achieve two strategic objectives with the transaction. The first consist of boosting growth and diversification in the USA by serving the Hispanic market. In that sense, AFS annual growth rate for the last three years has been over 40% and it is expected be similar within the next years. As of September 2015, AFS has a loan portfolio of USD\$ 74.5 million. Thus, the consolidated used car business will represent more than 10% of Crédito Real's total loan portfolio, from a previous 4%.

Similarly, the second strategic objective for Crédito Real will be establishing a scalable business platform to complement its Dallas used-car business model. By combining AFS strengths with those of Crédito Real, the deal will allow building a large distribution network, in consequence our used car loan business for Hispanics with no credit history in Texas will be enhanced by adding new states to the network, setting the growth foundations for the years to come.

Crédito Real's business model consistently continues to support loan portfolio expansion and diversification while keeping our focus on customers traditionally underserved by other financial institutions.

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About Crédito Real

Crédito Real is a financial institution in Mexico focused on consumer lending with a diversified business platform in five main

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lines of business: payroll loans, durable goods loans, small business loans, group loans and used car loans. Crédito Real offers its products mainly to the low and middle income segments of the population that have historically been underserved by other financial institutions. Crédito Real shares are listed on the Mexican Stock Exchange under the ticker symbol and Series "CREAL*". (Bloomberg: CREAL* MM)