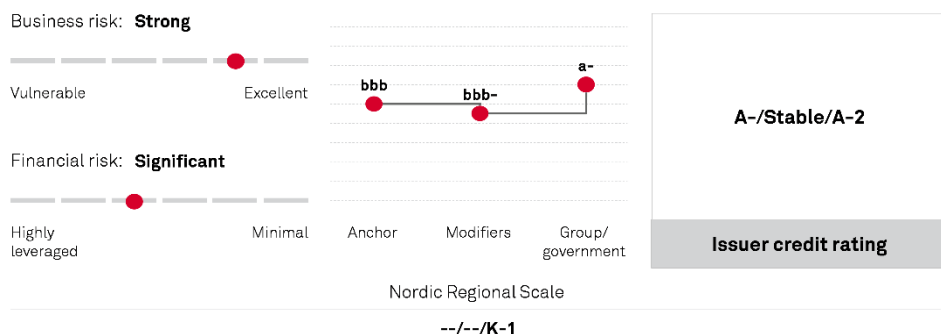


Willhem AB (publ)

September 27, 2022

Ratings Score Snapshot



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Credit Highlights

Overview

Key strengths

One of the largest housing providers in Sweden with a portfolio of Swedish krona (SEK) 59.4 billion and 27,733 apartments.

Favorable fundamentals and regulated markets in Sweden's residential sector, leading to stable and predictable cashflows with strong demand and high occupancy of above 98%.

Track record of EBITDA interest coverage remaining consistently comfortable above 3.0x and anticipated to stay around 3x, supported by a low cost of debt (1.5% as of June 30, 2022).

A strong track record of commitment from its main shareholder, AP1 (state-owned pension fund in Sweden).

Key risks

Moderately high leverage with debt to EBITDA in the range of 17x-18x and debt to debt plus equity of 52%-53%, although in line with main Nordic peers.

Relatively shorter debt maturity length of only 2.4 years, compared with similar residential players, which exposes the company to the current increase in the interest rate.

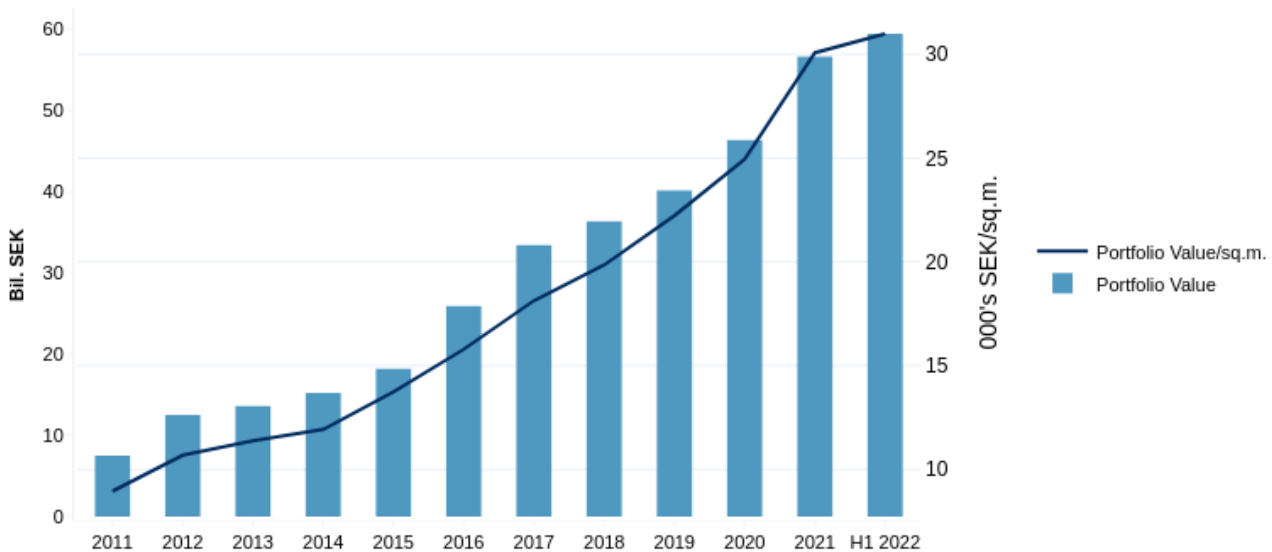
Exposed to any increase in operating cost utility cost included in the fixed rent.

Concentration of its operations in a single economy, Sweden, making it vulnerable to risks arising from economic and regulatory factors.

S&P Global Ratings believes Willhem will continue to expand its residential portfolio within its existing areas of operation, primarily by investment in existing properties and add-on acquisitions. We anticipate Willhem will continue to expand its property by investments in existing markets. On the back of yield compression for residential assets over the past couple of years in the Swedish real estate market, we understand the company is more selective in terms of acquisitions, although we expect some opportunistic deals over the next 12-24 months, especially as yields are now likely to widen. With the rising cost of construction and development, we expect the capital expenditure (capex) to be slightly lower in the coming 12-24 months, but we nevertheless assume that the company will continue to expand the business, and we expect capex of SEK1.3 billion–SEK1.5 billion per year over 2022-2023.

Willhem's Portfolio Growth Since 2011

As of June 30, 2022



sq.m. : square meter

Source: Willhem report and S&P Global Ratings

We expect Willhem's leverage metrics to remain relatively stable in the coming years with comfortable headroom under its financial policy and current rating, although we foresee some pressure on the debt service capacity and valuation. At the end of June 2022, the company's debt to debt plus equity was at 52.6% (55.8% as of end-June 2021) while its debt to EBITDA remained elevated at 19.2x (18x at end-June 2022), underpinned by the low yielding environment for residential assets. These levels remain commensurate with our existing ratings, with solid headroom in the debt-to-debt plus equity ratio compared with previous periods. We assume Willhem will continue to fund capex and acquisitions through cash flow generation and a balanced mix of debt and equity. In our assumption we factor in some possible negative fair value adjustments in the coming years in the wake of higher capitalization rates by appraisers and pressure on net rental income because we don't expect the company will be able to fully pass over increased costs, yet we forecast that the company's debt to debt plus equity will remain below well below 60%. Current yields for Willhem's portfolio are at record low levels of 3.1% as of June 30, 2022.

Willhem currently comfortably covers its interest burden with EBITDA interest coverage of about 3.4x-3.5x, thanks to a low cost of debt of 1.5% on June 30, 2022. However, given relatively lower debt maturity period of 2.4 years, we expect borrowing to increase in the context of the current rising interest rate environment, although Willhem will to some extent offset these by hedging its interest costs with interest rate swaps. Subsequently we expect the EBITDA interest coverage ratio to be under pressure but maintained within the current rating parameters amid less headroom.

Increasing cost inflation may weigh on margins given that we anticipate some time lag for the landlord to pass increased costs to tenants. In the first half of 2022 Willhem reported an EBITDA margin of 59.5% versus 58.5% in 2021 owing to a like for like rental income of 2.8% and a sustained high occupancy rate of around 99%. However, over the next 12-24 months, we anticipate that rising inflation, including higher energy and electricity costs, could put pressure on the margins and the net rental income. Residential owners in Sweden typically carry the cost of utilities, which is already included in the fixed rent and where costs are not automatically transferred to tenants. Furthermore, leasing contracts are not tied to inflation but instead are determined in yearly negotiations between the tenant association and the property owners. We calculate average rent increased by 1.7%-1.9% in 2021, excluding any contribution from refurbishments. For 2022 and 2023 we forecast a higher increase in rents than in 2021, at around 3%-4%, although we cannot calculate how much of the cost increases can be passed over to tenants over the next 12-24 months, which may impact margins.

We continue to view Willhem as a strategically important subsidiary of AP1. Willhem is 100% owned by Swedish sovereign wealth fund AP1, which acts as a buffer fund for the Swedish National Public Pension system. We understand AP1 is involved in defining Willhem's strategies and it considers Willhem a long-term core investment. We furthermore anticipate AP1 will maintain its current shareholding. The owner provides support to the company in the form of a contractual agreement whereby it commits to subscribing to commercial paper up to SEK 8 billion if Willhem fails to issue in the capital markets. In addition we expect that AP1 would support Willhem in the case of financial difficulties that could imply willingness to inject capital. Therefore, we continue to apply our group rating methodology in our assessment of Willhem's creditworthiness and we regard the company as a strategically important subsidiary of AP1.

Outlook

The stable outlook on Willhem reflects our expectation of continued favorable demand for midsize residential apartments in major Swedish cities, where new supply remains limited. We expect like-for-like rental income will increase 2.5%-3.5% annually in the next 12-24 months. We also anticipate that the company's S&P Global Ratings-adjusted EBITDA interest coverage will remain around 3x and debt to debt plus equity at about 55% over the next 12-24 months.

In addition, the stable outlook incorporates no change to our view of the company's shareholder structure and the strategy of AP1 toward Willhem.

Downside scenario

We could lower the rating if Willhem's debt to debt plus equity increases above 60% or its EBITDA interest coverage declines toward 1.8x or below on a sustainable basis. This could occur following higher-than-expected debt-financed investments or acquisitions or materially weaker operating performance than anticipated.

A negative rating action could also occur if the company's capital structure or liquidity deteriorates, for example, due to its average remaining debt maturity falling below two years or significant short-term refinancing needs, including commercial paper.

We could also lower the rating if there is a change in the owner's approach and commitment to its investment in Willhem, which could lead us to revise our view of support from AP1

Upside scenario

We could raise the rating if Willhem's credit metrics strengthen beyond our base case, driving improvements in its overall financial risk profile. This could occur if debt to debt plus equity declines sustainably well below 55%, as part of a more conservative financial policy, with EBITDA interest coverage maintained at least at 3x and debt to EBITDA toward 13.0x on a sustainable basis.

That would also assume no change in the shareholder's strategy or commitment toward Willhem.

Our Base-Case Scenario

Assumptions

- Real GDP growth in Sweden about 2.3% and 2.1% in 2022 and 2023, alongside unemployment rates of 8.0% and 7.5%.

Willhem AB (publ)

- Indexation: For residential properties we assume indexation of 2.8% for 2022 and 3.5% going ahead as like for like rental growth in the residential segment has remained resilient and stable. For other segments we assume indexation of 1.5%.
- Occupancy rate: Stable at 97%-98%.
- Margins: We expect inflation to put pressure on margins in 2022-2023 and we assume gross margins will reduce from the current 62% to 59%-60%. In line with this we expect a 1.5%-2.0% decline in EBITDA margins.
- Like for like portfolio growth: We assume 1.2% in 2022, given comparatively higher indexation, and flat to slightly negative valuation. This captures our expectations that portfolio values will be supported by rental growth and that at the same time some of the gains will be offset by higher interest rates and potential pressure on yields.
- Acquisitions: We assume SEK2 billion in 2022 (capturing SEK1.2 billion in the first half) and similar level of acquisitions. We expect portfolio grow but at a slower pace.
- Capex spending: We assume capex of SEK1.3 billion in 2022, gradually increasing in coming years along with portfolio growth.
- Dividends: Annual dividend of SEK500 million in line with the historical trend.
- Interest rate: We assume current average interest rate of 1.5% will gradually increase to 2.0% until 2026 with the average cost of borrowing at 1.6%-1.7% in 2022-2023.

Key metrics

Willhem AB (publ)--Key Metrics*

Mil. \$	2020a	2021a	2022e	2023f	2024f
Debt to EBITDA (x)	17.3	18.6	19-20	20-21	20-21
EBITDA interest coverage (x)	3.4	3.6	3.0-3.2	3.0-3.2	2.8-3.0
Debt to debt plus equity (%)	57.5	52.2	53.0-55.0	55.0-57.0	55.0-57.0

*All figures adjusted by S&P Global Ratings. a--Actual. e--Estimate. f--Forecast.

Company Description

Willhem is a Swedish private property company with a portfolio value of SEK59.4 billion as of June 30, 2022 (about €5.5 billion). Willhem operates primarily in the residential sector (92.6% of property value), owning about 27,733 residential units. The company is active in 13 cities in Sweden with main operations in Stockholm (15% of total portfolio value as of June 30, 2022), Gothenburg (13%), Borås (11%), and Helsingborg (11%).

The company was founded in December 2010 and is 100% owned by Swedish pension fund AP1.

Peer Comparison

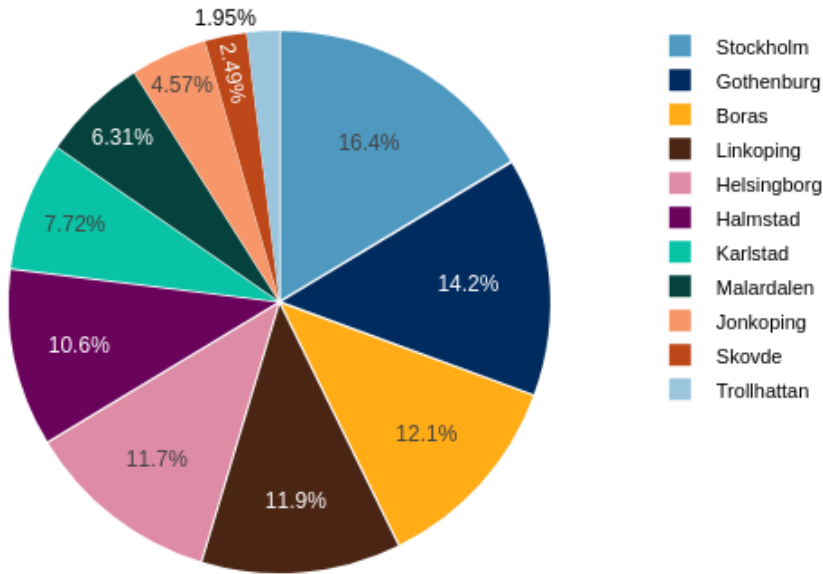
Willhem AB (publ)--Peer Comparisons

	Willhem AB (publ)	Deutsche Wohnen SE	Vesteda Residential Fund FGR	Akelius Residential Property AB	Hemso Fastighets AB
Foreign currency issuer credit rating	A-/Stable/A-2	BBB+/Positive/A-2	A-/Stable/A-2	BBB/Negative/A-2	A-/Stable/A-2
Local currency issuer credit rating	A-/Stable/A-2	BBB+/Positive/A-2	A-/Stable/A-2	BBB/Negative/A-2	A-/Stable/A-2
Period	Annual	Annual	Annual	Annual	Annual
Period ending	2021-12-31	2021-12-31	2021-12-31	2021-12-31	2021-12-31
Mil.	SEK	SEK	SEK	SEK	SEK
Revenue	2,491	11,419	3,568	2,180	3,638
EBITDA	1,458	6,890	2,458	874	2,618
Funds from operations (FFO)	1,021	5,032	2,118	34	1,987
Interest	406	1,775	411	902	465
Cash interest paid	436	1,561	329	809	442
Operating cash flow (OCF)	1,121	4,785	2,046	1,278	2,514
Capital expenditure	1,725	7,995	2,098	3,774	4,133
Free operating cash flow (FOCF)	(604)	(3,211)	(51)	(2,496)	(1,619)
Discretionary cash flow (DCF)	(1,105)	(6,901)	(1,964)	(12,649)	(2,524)
Cash and short-term investments	3,254	6,959	1,121	12,268	687
Gross available cash	3,254	6,959	1,121	63,491	687
Debt	27,054	95,185	21,811	0	42,570
Equity	24,759	176,912	77,672	77,481	28,350
EBITDA margin (%)	58.5	60.3	68.9	40.1	72.0
Return on capital (%)	3.1	1.9	2.6	0.9	4.3
EBITDA interest coverage (x)	3.6	3.9	6.0	1.0	5.6
FFO cash interest coverage (x)	3.3	4.2	7.4	1.0	5.5
Debt/EBITDA (x)	18.6	13.8	8.9	0.0	16.3
FFO/debt (%)	3.8	5.3	9.7	NM	4.7
OCF/debt (%)	4.1	5.0	9.4	NM	5.9
FOCF/debt (%)	(2.2)	(3.4)	(0.2)	NM	(3.8)
DCF/debt (%)	(4.1)	(7.3)	(9.0)	NM	(5.9)

Business Risk

Our assessment of business risk profile of Willhem incorporates its resilient property portfolio, with Swedish krona (SEK) 59.4 billion (as of June 30, 2022) of regulated residential assets (91% of portfolio value) comprising close to 27,773 apartments. Willhem is one of the largest residential landlords in Sweden and we believe its assets are well spread among regions where fundamentals should be supported by solid demand, and limited new supply. The portfolio is mainly exposed to Greater Stockholm (15% of the total property portfolio), Gothenburg (13%), Borås (11%), and Helsingborg (11%) as of June 30, 2022, all of which benefit from solid population growth and have housing shortages.

Willhem's Portfolio Across Swedish Cities



Source: Willhem's first-half results

Our assessment of Willhem's business risk profile remains constrained by relatively smaller size of portfolio among the peers we rate in the residential real estate segment, such as Balder and Heimstaden, and its exposure to single country, Sweden. Willhem's high geographic concentration in a single market increases its vulnerability to potential regulatory changes, economic shocks, or social upheaval that could have an adverse impact on business.

Overall, Willhem's portfolio has benefited from a sustained high occupancy rate of 98%-99% (98.8% as of June 30, 2022) on average over the past decade, which supports stable and predictable cash flows. That said, we estimate that about 15%-20% of the company's portfolio is based in smaller secondary locations in Sweden, where macroeconomic fundamentals, such as population and wage growth, are less favorable than in metropolitan areas such as Stockholm or Malmö.

Strong demand for Willhem's assets is also reflected in a stable occupancy rate of above 98.5% over the years. Willhem's operating performance remained stable in the past couple of years in the challenging environment. Rental income reported like for like growth of 1.2% in 2021 and 2.8% in the first half of 2022. Thus, Willhem reported positive property revaluations (15.6% in 2021 and 1.3% in the first half of 2022) even during the COVID pandemic.

Financial Risk

Willhem AB (publ)

Our assessment of Willhem's financial risk profile is based on the company's solid EBITDA interest coverage ratio of about 3.0x, supported by its low cost of debt of about 1.5%, as well as our expectations of S&P Global Ratings-adjusted debt to debt plus equity of about 53%-55% in the next 12-24 months (52.6% as of June 30, 2022). We forecast the latter will remain at similar levels over the next 12-24 months, which would imply leverage metrics staying comfortably within its financial policy of a maximum 60% loan to value. This translates into our adjusted ratio of debt to debt plus equity of about 65%. That said, we anticipate that the company's debt to EBITDA will likely remain high, above 18x, underpinned by the low yielding environment for residential assets.

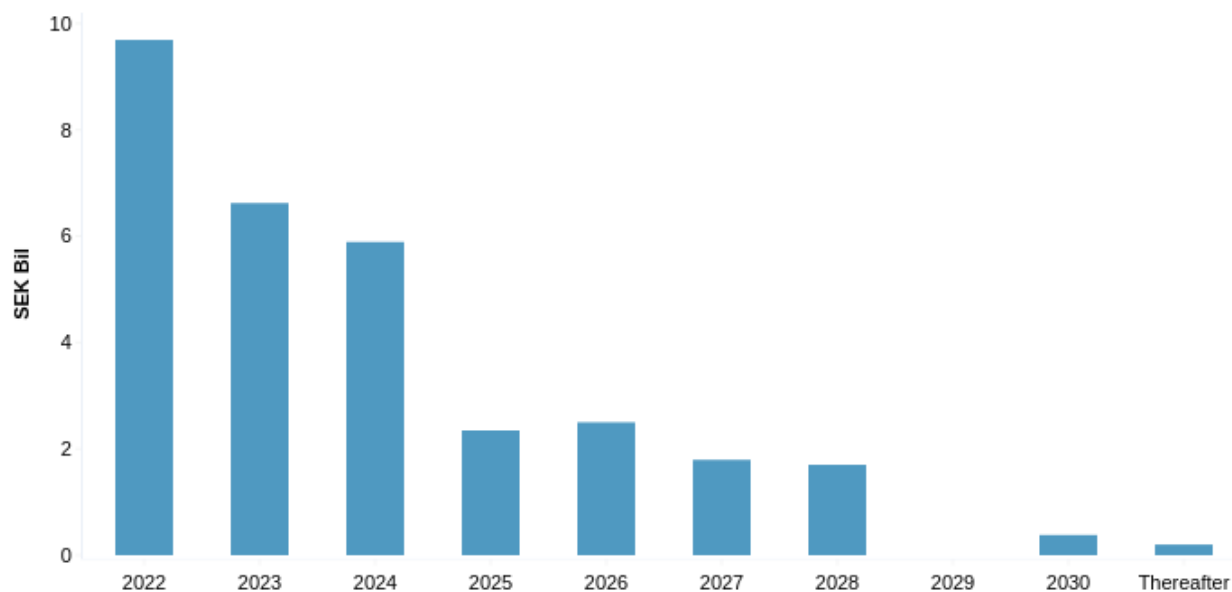
Our rating also factors in relatively lower debt maturity period of 2.4 years and the need of refinancing the borrowings in the upcoming years. However, Willhem has a commitment from AP1 to subscribe its commercial paper program up to SEK8 billion in case Willhem is unable to raise funds from the capital markets, which reduces the refinancing risk to an extent.

Our rating on Willhem incorporates a one-notch downward adjustment for our comparable rating analysis, reflecting its higher leverage and relatively small asset base compared with those of peers with higher ratings. Compared with other rated residential peers, Willhem's leverage metrics appear relatively high and we anticipate the debt to debt plus equity will increase again above 55% and a debt to EBITDA of 17x-18x. We also note that the financial policy allows for an loan-to value ratio of 55%-60%, translating into S&P Global Ratings-adjusted debt to debt plus equity of 60%-65%. However, we understand that Willhem will likely keep sufficient headroom under its financial policy. Furthermore, Willhem is much smaller in scale and geographically less diversified than other rated residential real estate peers with the same business risk assessment, such as Swedish residential real estate landlord Heimstaden (SEK336 billion in assets as of June 30, 2022) or Balder (€16.8 billion).

Debt maturities

As of June 30, 2022, the average debt maturity remained low for Willhem at 2.4 years, 3.4 years including the undrawn revolving credit facility (RCF), which we view as low and also below the levels of most peers. The relatively short debt maturity is mainly due to the use of commercial paper, in our view, mitigated by our anticipation that the AP1 would support Willhem in case of financial difficulties.

Willhem- Debt Maturities



Source: Willhem report

Willhem AB (publ)--Financial Summary

Period ending	Dec-31-2016	Dec-31-2017	Dec-30-2018	Dec-31-2019	Dec-31-2020	Dec-31-2021
Reporting period	2016a	2017a	2018a	2019a	2020a	2021a
Display currency (mil.)	SEK	SEK	SEK	SEK	SEK	SEK
Revenues	1,546	2,031	2,152	2,256	2,374	2,491
EBITDA	823	1,118	1,195	1,295	1,408	1,458
Funds from operations (FFO)	593	779	833	897	969	1,021
Interest expense	246	326	399	376	413	406
Cash interest paid	230	331	358	398	438	436
Operating cash flow (OCF)	717	849	671	880	898	1,121
Capital expenditure	550	1,352	1,244	1,237	1,396	1,725
Free operating cash flow (FOCF)	167	(503)	(573)	(357)	(498)	(604)
Discretionary cash flow (DCF)	167	(503)	(958)	(758)	(498)	(1,105)
Cash and short-term investments	2,649	1,229	1,445	2,010	3,113	3,254
Gross available cash	2,649	1,229	1,445	2,010	3,113	3,254
Debt	14,476	19,690	20,515	21,661	24,314	27,054

Willhem AB (publ)--Financial Summary

Common equity	9,078	11,221	13,128	15,205	17,979	24,759
Adjusted ratios						
EBITDA margin (%)	53.2	55.0	55.5	57.4	59.3	58.5
Return on capital (%)	4.1	4.1	3.7	3.7	3.6	3.1
EBITDA interest coverage (x)	3.3	3.4	3.0	3.4	3.4	3.6
FFO cash interest coverage (x)	3.6	3.4	3.3	3.3	3.2	3.3
Debt/EBITDA (x)	17.6	17.6	17.2	16.7	17.3	18.6
FFO/debt (%)	4.1	4.0	4.1	4.1	4.0	3.8
OCF/debt (%)	5.0	4.3	3.3	4.1	3.7	4.1
FOCF/debt (%)	1.2	(2.6)	(2.8)	(1.6)	(2.0)	(2.2)
DCF/debt (%)	1.2	(2.6)	(4.7)	(3.5)	(2.0)	(4.1)

Reconciliation Of Willhem AB (publ) Reported Amounts With S&P Global Adjusted Amounts (Mil. SEK)

Financial year	Shareholder		Revenue	EBITDA	Operating income	Interest expense	S&PGR adjusted EBITDA	Operating cash flow	Dividends	Capital expenditure
	Debt	Equity								
Dec-31-2021										
Company reported amounts	29,937	24,759	2,491	1,459	9,108	406	1,458	1,121	501	1,725
Cash taxes paid	-	-	-	-	-	-	(1)	-	-	-
Cash interest paid	-	-	-	-	-	-	(436)	-	-	-
Lease liabilities	371	-	-	-	-	-	-	-	-	-
Accessible cash and liquid investments	(3,254)	-	-	-	-	-	-	-	-	-
Nonoperating income (expense)	-	-	-	-	6	-	-	-	-	-
EBITDA - Gain/(loss) on disposals of PP&E	-	-	-	(1)	(1)	-	-	-	-	-
D&A: Asset valuation gains/(losses)	-	-	-	-	(7,653)	-	-	-	-	-
Total adjustments	(2,883)	-	-	(1)	(7,648)	-	(437)	-	-	-
S&P Global Ratings adjusted	Debt	Equity	Revenue	EBITDA	EBIT	Interest expense	Funds from Operations	Operating cash flow	Dividends	Capital expenditure
	27,054	24,759	2,491	1,458	1,460	406	1,021	1,121	501	1,725

Liquidity

We assess Willhem’s liquidity as adequate because we expect company to have sources by uses of 1.2x over next 12 months as of June 2022.

Principal liquidity sources

- Cash balance as of June 30, 2022, of SEK2.3 billion;
- Undrawn RCF of SEK6.7 billion maturing beyond 12 months and SEK8 billion of commitment of AP1 for subscription of commercial paper; and
- Our expectation of cash funds from operations of SEK1.0 billion-SEK1.2 billion

Principal liquidity uses

- Upcoming debt maturities of SEK9.2 billion;
- Committed acquisitions and capex of SEK3.0 billion-SEK3.1 billion; and
- Dividend payments of SEK500 million.

Covenant Analysis

Requirements

Main financial bank covenants for Willhem:

- Loan-to-value ratio of no more than 70% (48.6% as of June 30, 2022)
- Interest coverage ratio above 1.7x (3.5x as of June 30, 2022).

Compliance expectations

We understand the headroom under these covenants is adequate and significantly more than the 10% requirement. We expect Willhem to maintain sufficient headroom under all outstanding and future financial covenants.

Environmental, Social, And Governance

ESG Credit Indicators



ESG credit indicators provide additional disclosure and transparency at the entity level and reflect S&P Global Ratings’ opinion of the influence that environmental, social, and governance factors have on our credit rating analysis. They are not a sustainability rating or an S&P Global Ratings ESG Evaluation. The extent of the influence of these factors is reflected on an alphanumeric 1-5 scale where 1 = positive, 2 = neutral, 3 = moderately negative, 4 = negative, and 5 = very negative. For more information, see our commentary “ESG Credit Indicator Definitions And Applications,” published Oct. 13, 2021.

ESG factors are an overall neutral consideration in our credit rating analysis of Willhem. The company targets reducing its energy consumption by 50% by 2030 from the 2018 base level and achieving net-zero emissions by 2030. The company had secured green financing of about 22% of its total interest-bearing debt as of June 30, 2022. Willhem is 100% owned by Swedish sovereign wealth fund AP1, which acts as a buffer fund for the Swedish National Public Pension system. We understand that AP1 considers Willhem a core, long-term investment.

Group Influence

We apply three notches of uplift to our 'bbb-' stand-alone credit profile (SACP) because we consider AP1's holding in Willhem strategically important with a high likelihood of group support, under our methodology. Willhem is 100% owned by Swedish sovereign wealth fund AP1, which acts as a buffer fund for the Swedish National Public Pension system. We understand that AP1 considers Willhem a long-term core investment and has no intention to divest the holding, justified by its stable, predictable cash flows and limited correlation to other holdings in the portfolio, and we expect AP1 would support Willhem in the case of financial difficulties. More specifically, based on publicly stated capitalization targets for Willhem, AP1 is committed to injecting capital if Willhem's capitalization falls below a minimum loan-to-value ratio of 60%. In addition, Willhem holds a contractual agreement whereby AP1 commits to subscribe to commercial paper of up to SEK8 billion. We further understand that financial covenants in Willhem's loan agreements indicate that AP1 is committed to remaining Willhem's majority shareholder.

Issue Ratings--Subordination Risk Analysis

Capital structure

As of June 30, 2022, Willhem's capital structure included SEK31.1 billion of reported debt, of which about 44% pertains to unsecured bonds, 22% unsecured green bonds, 20% traditional bank loans, and 16% commercial papers.

Analytical conclusions

The company's ratio of secured debt to total assets was about 10% as of June 30, 2022, and thus below our threshold of 40%. Therefore, we align our issue ratings on the company's senior unsecured bonds with our long-term issuer credit rating at 'A'.

Rating Component Scores

Foreign currency issuer credit rating	A-/Stable/A-2
Local currency issuer credit rating	A-/Stable/A-2
Business risk	Strong
Country risk	Very Low
Industry risk	Low
Competitive position	Strong
Financial risk	Significant
Cash flow/leverage	Significant
Anchor	bbb
Diversification/portfolio effect	Neutral (no impact)
Capital structure	Neutral (no impact)
Financial policy	Neutral (no impact)
Liquidity	Adequate (no impact)
Management and governance	Satisfactory (no impact)
Comparable rating analysis	Negative (-1 notch)
Stand-alone credit profile	bbb-
Entity status within group	Strategically important (+3 notches from SACP)

Related Criteria

- General Criteria: Group Rating Methodology, July 1, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments, April 1, 2019
- Criteria | Corporates | Industrials: Key Credit Factors For The Real Estate Industry, Feb. 26, 2018
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers, Dec. 16, 2014
- Criteria | Corporates | General: Corporate Methodology, Nov. 19, 2013
- General Criteria: Methodology: Industry Risk, Nov. 19, 2013
- General Criteria: Country Risk Assessment Methodology And Assumptions, Nov. 19, 2013
- General Criteria: Methodology: Management And Governance Credit Factors For Corporate Entities, Nov. 13, 2012
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Ratings Detail (as of September 27, 2022)*

Willhem AB (publ)

Issuer Credit Rating

A-/Stable/A-2

Nordic Regional Scale

--/--/K-1

Issuer Credit Ratings History

Ratings Detail (as of September 27, 2022)*

02-Sep-2021		A-/Stable/A-2
03-Jun-2021		A-/Watch Neg/A-2
12-Dec-2014		A-/Stable/A-2
02-Sep-2021	<i>Nordic Regional Scale</i>	--/--/K-1
03-Jun-2021		--/Watch Neg/K-1
12-Dec-2014		--/--/K-1

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings credit ratings on the global scale are comparable across countries. S&P Global Ratings credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

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