



Credit  
Rating  
Agency

A NRSRO Rating\*

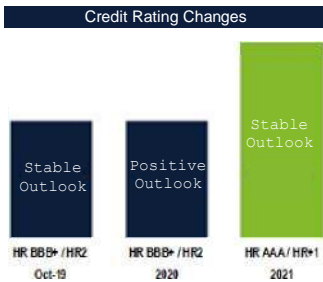
Navistar Financial  
S.A. de C.V., SOFOM, E.R.

HR AAA  
HR+1

Financial Institutions  
July 15, 2021

## Rating

Navistar Financial LP	HR AAA
Navistar Financial CP	HR+1
CPs CEBURS Program	HR+1
Outlook	Stable



Source: HR Ratings.

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## HR Ratings rose Navistar Financial's rating from HRBBB + to HR AAA and modified its Outlook from Positive to Stable. It also rose from HR2 to HR+1 the rating of Navistar Financial and its CPs CEBURS Program

The Navistar Financial's<sup>1</sup> rating upgrade is based on the completion of the acquisition process between Traton SE<sup>2</sup> and Navistar International Corporation<sup>3</sup>, where Traton SE became total holder of NIC's shares. Therefore, HR Ratings considers that Navistar Financial's counterparty rating now is affected by the support provided by Traton SE, an entity which is at a credit rating level of HR BBB+ (G) and HR BBB (G), as awarded by three credit rating agencies, directly benefiting Navistar Financial's rating. The last rating action of Navistar Financial was performed on November 30, 2020, when its HR BBB+ rating was affirmed, its Stable Outlook was changed to Positive, and its HR2 rating was affirmed. Further details on this may be consult in [www.hrratings.com](http://www.hrratings.com).

## Company Profile

Navistar Financial is the financial arm in Mexico of the truck company International and its dealer network, which purpose is to foster the sales of tractor-trailers, passenger buses, as well as heavy-duty and light-duty trucks. The Navistar product offer includes simple loan, financial lease, and operating lease of trucks, for small-sized and medium-sized companies and persons with business activities dedicated to the transport business. Additionally, the Company offers a floor plan product to brand's dealers.

<sup>1</sup> Navistar Financial, S.A. de C.V., SOFOM, E.R. (Navistar and/or the Company).

<sup>2</sup> Traton SE (Subsidiary of Volkswagen Finance Luxembourg S.A.).

<sup>3</sup> Navistar International Corporation (NIC and/or Parent Company).



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HR+1**

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The rating awarded by HR Ratings de Mexico, S.A. de C.V. to the entity, issuer and/or issue is based on the analysis performed in a base scenario and a stress scenario, according to the following methodologies, as set forth by the credit rating agency:

General Methodological Criteria (Mexico), October 2020

Rating Methodology for Non-bank Financial Institutions (Mexico), May 2009

ADDENDUM – Rating Methodology for Financial Leasing Companies and Operating Leasing Companies (Mexico), January 2010

For more information on these methodologies, visit [www.hrratings.com/methodology/](http://www.hrratings.com/methodology/)

**Complementary information in compliance with fraction V, part A), Exhibit I of the General Provisions Applicable to Credit Rating Institutions.**

Previous Rating	Counterparty: HR BBB+ / Positive Outlook / HR2 CPs CEBURS Program: HR2
Date of last rating action	Counterparty: November 30, 2020 CPs CEBURS Program: November 30, 2020
Period covered by the financial information employed by HR Ratings in the awarding of this rating.	1Q18- 1Q21
List of references used, including those provided by third parties	Quarterly and annual, internal information audited by KPMG Cárdenas Dosal, S.C., as provided by the Company.
Ratings awarded by other credit rating agencies and used by HR Ratings (when applicable).	TRATON SE's rating BBB+ (G) with Negative Outlook awarded by Moody's on March 12, 2021. TRATON SE's rating BBB (G) with Stable Outlook awarded by S&P on July 17, 2020. Volkswagen AG's rating BBB+ (G) with Positive Outlook awarded by Fitch Ratings on May 14, 2021.
In the awarding or monitoring of the rating, HR Ratings took into account the existence of mechanisms to align the incentives between the originator/servicer/guarantor and any potential buyer of the rated instruments (when applicable).	N/A

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The rating described above was requested by the entity or issuer, or on the behalf thereof; therefore, HR Ratings has received its corresponding fees for the rating services provided. The following information can be found in our website [www.hrratings.com](http://www.hrratings.com): (i) The internal procedure to follow up our ratings and our review periodicity; (ii) the criteria of this credit rating agency for the withdrawal or suspension of a rating, (iii) our Analysis Committee's voting structure and process, and (iv) our rating scales and rating definitions.

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