

Bulletin:

# CPI Property Group S.A. Ratings Currently Unaffected By Kingstown Capital Management L.P. Lawsuit Filing

April 11, 2019

DUBLIN (S&P Global Ratings) April 11, 2019--S&P Global Ratings today said that its ratings on CPI Property Group S.A. (BBB/Stable/--) are currently unaffected by New York-based hedge fund Kingstown Capital Management L.P.'s filing of a lawsuit against the company on April 10, 2019, in New York. The company has published a detailed refutation of the related allegations. For the moment, we are not incorporating the claims against CPI into our forecast or rating assessment.

In the filing, Kingstown alleges that it suffered harm through the acquisition of Orco Property Group and certain financial transactions that Mr. Radovan Vitek, CPI's main shareholder, engaged in. CPI Property Group has publicly stated that the allegations are false and without merit and believes there is no factual basis or grounds for the claims. The company also announced that it would take all suitable actions to defend itself and its shareholders.

Our ratings on CPI Property Group are currently unaffected because there is a lack of conclusive evidence and none of the allegations in the filing have been proven so far. We will continue to monitor any developments related to the litigation and will review our rating on the company if any claims materialize.

This report does not constitute a rating action.

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