

Research:

25 Ratings Raised Based Upon Reduced Risk Of FOREX Controls

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NEW YORK (Standard & Poor's) Nov. 3, 2005--Standard & Poor's Ratings Services said today that it raised 25 nonsovereign credit ratings--15 ratings in Latin America and 10 ratings in the Asia/Pacific region--following a review of the transfer and convertibility risk in these markets (see Ratings List).

"The evidence shows that sovereigns in political and economic stress are less likely to restrict nonsovereign entities' access to foreign exchange needed for debt service," said Standard & Poor's Managing Director Laura Feinland Katz. "As a result, Standard & Poor's today also raised the ratings associated with the risk of foreign exchange controls in 27 countries," she added.

An article published today and available on RatingsDirect, Standard & Poor's Web-based credit research and analysis system, entitled "Ratings Associated With Risk Of Foreign Exchange Controls Raised in 27 Countries," explains the reassessment of cross-border transfer and convertibility (T&C) risk. Further information on how the criteria are applied to various types of entities and issue ratings can be found in a companion criteria article entitled, "Ratings Above The Sovereign: Foreign Currency Rating Criteria Update," also published today and available on RatingsDirect.

A teleconference will be held on Friday, Nov. 4, 2005, at 10:00 a.m. Eastern Standard Time to discuss the rating changes (see Teleconference Information below for dial-in instructions). The ratings raised as a result of this reassessment are shown below. Some companies already had ratings above the sovereign foreign currency rating, and are not included in the Ratings List.

"In effect, the reassessment of T&C risk means that certain issuers that are deemed to be well insulated from direct and indirect sovereign risk may achieve a foreign currency rating that exceeds the sovereign foreign currency rating," Mrs. Feinland Katz explained. "These entities will tend to be those that demonstrate moderate leverage, strong free-cash-flow generation, and competitive business profiles. Other factors taken into consideration include strong offshore parent support, geographical diversity of operations, and structural support features," she concluded.

Teleconference Information

Live dial-in numbers:
U.S./All others: 1-484-630-6253
Singapore: 65-6883-9196
Spain: 34-91-414-15-45
U.K.: 44-20-7943-5370
Conference ID#: 6148791
Passcode: SANDP

Replay number: 1-203-369-0203
Replay will expire on Friday, Nov. 11, 2005

Live audio streaming:
URL: <http://www.mymeetings.com>
Under events, select join an event
Conference ID#: 6148791
Passcode: SANDP

Replay Web streaming:
 URL: <http://www.mymeetings.com>
 Under events, select join an event
 Conference ID#: 6148791
 Passcode: SANDP
 Web replay streaming will expire on Friday, Dec. 2, 2005

Ratings List

	To	From
Latin America:		
Federative Republic of Brazil		
Foreign currency rating	BB-/Stable/B	
ALCOA Alumínio S.A..	BB+/WatchPos.	BB-/Stable
Aracruz Celulose S.A.	BBB-/Stable	BB-/Stable
Braskem S.A.	BB/Stable	BB-/Stable
Camargo Correa Cimentos S.A.	BB/Stable	BB-/Stable
Companhia Siderurgica Nacional (CSN)	BB/Stable	BB-/Stable
Gerdau S.A.	BB+/Stable	BB-/Stable
Klabin S.A.	BB/Stable	BB-/Stable
Sadia S.A.	BB/Stable	BB-/Stable
Tele Norte Leste Participacoes S.A.	BB/Stable	BB-/Stable
Usina Siderurgicas de Minas Gerais (Usiminas)	BB/Positive	BB-/Stable
Votorantim Participacoes S.A.	BBB-/Stable	BB-/Stable
United Mexican States		
Foreign currency rating	BBB/Stable/A-3	
America Movil S.A. de C.V.	BBB+/Stable	BBB/Stable
Grupo Bimbo, S.A. de C.V.	BBB+/Stable	BBB/Stable
Kimberly-Clark de Mexico S.A. de C.V.	A-/Stable	BBB+/Stable
Telefonos de Mexico S.A. de C.V.	BBB+/Stable	BBB/Stable
Asia/Pacific:		
Republic of India		
Foreign currency rating	BB+/Stable/B	
Infosys Technologies Ltd.	BBB/Stable	BBB-/Stable
Tata Steel Ltd.	BBB/Stable	BB+/Stable
Republic of Indonesia		
Foreign currency rating	B+/Stable/B	
Sampoerna International Finance Co. B.V.	BB+/Stable	BB-/Stable
PT Bank Mandiri (Persero)	BB-/Stable	B+/Stable
PT Bank Danamon Indonesia Tbk	BB-/Stable	B+/Stable
Republic of Philippines		
Foreign currency rating	BB-/Negative/B	
Globe Telecom Inc.	BB+/Stable	BB-/Negative
Philippine Long Distance Telephone Co.	BB+/Stable	BB-/Negative
Universal Robina Corp	BB/Stable	BB-/Negative
San Miguel Corp.	BB/Negative	BB-/Negative
Kingdom of Thailand		
Foreign currency rating	BBB+/Stable/A-2	
Advanced Info Service Public Co. Ltd	A-/Stable	BBB+/Stable

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The report is available to subscribers of RatingsDirect, Standard & Poor's Web-based credit research and analysis system, at www.ratingsdirect.com. If you are not a RatingsDirect subscriber, you may purchase a copy of the report by calling (1) 212-438-9823 or sending an e-mail to research_request@standardandpoors.com. Ratings information can also be found on Standard & Poor's public Web site at www.standardandpoors.com; under Credit Ratings in the left navigation bar, select Find a Rating, then Credit Ratings Search. All Standard & Poor's research information is accessible for 24 hours after publication on the public Web site. Members of the media may request a copy of this report by contacting the media representative provided.

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