



## **Capital Intelligence Affirms GFH’s Long-Term Rating “BB” and Outlook at “Stable”**

**Bahrain– 27 August 2016:** GFH Financial Group (“GFH”) today announced that Capital Intelligence (CI), the international credit rating agency, has affirmed its Long-Term Rating at ‘BB’ and the Short-Term Rating at ‘B’. The Outlook for GFH’s ratings has also been affirmed as ‘Stable’.

According to the report, GFH’s ratings are supported by the Group’s improved diversification of risk assets and revenue streams, sound capital adequacy and satisfactory leverage notwithstanding increases attributable to the consolidation of the Group’s commercial banking arm KHCB. Also supporting the ratings is the forthcoming USD135mn Sukuk announced by the Group, which is earmarked to refinance and extend existing loan maturities. The rating constraints are the ongoing earnings volatility, despite a rebound in Q1 2016 and the still challenging investment environment exacerbated by the fall in oil prices. However, the report also noted that looking ahead revenue volatility was likely to diminish and income generation to strengthen due to the increasingly strong performance and results of KHCB.

Commenting on Capital Intelligence’s ratings, Mr. Hisham Al-Rayes, CEO of GFH Financial Group, said, “We are pleased with this affirmation of our ratings by Capital Intelligence. As a leading international credit rating agency, their confirmation of the financial health and continued stable outlook for the Group underscores the success of our strategy and our sound financial and operational performance and results over the past year. As noted in the report we have significantly diversified our revenue streams, have adequate levels of liquidity, paid down debt and established a stronger capital base. These actions have provided us with even stronger foundations and more flexibility in the ongoing pursuit of our investment activities and efforts to create even greater value for our shareholders.”

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### **About GFH Financial Group B.S.C.**

GFH is one of the most recognised financial groups in the Gulf region. Its businesses include Asset Management, Wealth Management, Commercial Banking and Real Estate Development. The Group’s operations are focused in the GCC, North Africa and India. GFH is listed in Bahrain Bourse, Kuwait Stock Exchange and Dubai Financial Market.

For more information, please visit [www.gfh.com](http://www.gfh.com)

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