



FITCH AFFIRMS GFH RATING AT 'B'; OUTLOOK STABLE



[Manama, 08 July 2018]: GFH Financial Group (GFH) announced today that Fitch Ratings, the international credit rating agency, has affirmed its Long-term Issuer Default Rating (IDR) at 'B' with a Stable Outlook. The Short-term IDR has also been affirmed at 'B'.

The affirmation of the Group's IDR rating was cited by Fitch as a reflection principally of its management's continued efforts on reshaping the Group's business model towards a greater focus on fee generation and lower risk, lower return investments as well as the GFH's achievement of a second consecutive year of material net income. It also cited as positive GFH's reported US\$37 million of profit for the first quarter of 2018 and noted that the continuation of such levels of profitability could lead to a further rating strengthening.

According to Fitch, GFH's rating also underscores GFH's sound capitalization relative to the rating level, supported by regulatory oversight of the Central Bank of Bahrain (CBB). Also noted as a positive factor by is the continued presence of Abu Dhabi Financial Group as a significant shareholder in the Group.

Commenting, Mr. Hisham Alrayes, CEO of GFH said, "We're pleased with Fitch's affirmation of GFH's rating and its recognition of the strength of our strategy and the positive financial performance and continued profitability that GFH has effectively delivered over the past two years as well as into 2018. As noted by the agency, GFH has worked hard to shift our business model, creating a stronger and more well diversified financial group. These efforts are paying off and we will continue to build on these results and the momentum in our business. This includes an ongoing focus on creating value and enhancing profitably as well continuing to shift the composition of our revenue streams and investments by focusing on income generating assets. As we do so, we look forward to consistently strengthened results and seeing an upgrade of our ratings in the future."

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About GFH Financial Group B.S.C.:

GFH is one of the most recognized financial groups in the gulf region that includes: Asset Management, Wealth Management, Commercial Banking and Real Estate Development. The group operations are focused in the GCC, North Africa and India. GFH is listed in Bahrain Bourse, Kuwait Stock Exchange and Dubai Financial Market.

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