



CMP/OCT/2016/0002
4th October 2016

Mr. Hassan Al Serkal

EVP, COO – Head of Operations Division, Market Operations Division
Dubai Financial Market
P.O Box 9700
Dubai - United Arab Emirates

Dear Mr. Al Serkal,

Subject: Fitch affirms GFH rating with revised outlook to positive

GFH Financial Group (GFH) would like to advise its shareholders and the markets that that Fitch Ratings, the international credit rating agency, has affirmed its Short-term Issuer Default Rating (IDR) at 'B' and revised its outlook upward from stable to Positive with a Long-term IDR at 'B-'.

The positive outlook confirmed by Fitch reflects the steps GFH's management have taken to strengthen its balance sheet by paying down debt, reshaping the business model with focus on income-generating investments, and consequent improvement of profitability. Fitch also considers Abu Dhabi Financial Group's acquisition of around 12% in GFH via its subsidiary, Integrated Capital PJSC as a positive step for GFH. Fitch rating constraints are primarily that GFH business environment remains volatile, until GFH builds a longer track record of sustainable business.

Management opinion on the credit rating achieved:

The management believes that this upward revision of our outlook is the result of the strength of our new strategy and our success in developing new recurring streams of income through income yielding investments as well as the continued progress the Group is making in maximising the performance of its existing assets and projects. The management is confident that future holds significant benefits for the Group, our investors and shareholders and will reflect in even further ratings improvements.

Yours Sincerely,

A handwritten signature in blue ink, appearing to read 'Nabeel Mirza', is written over a light blue circular stamp or watermark.

Nabeel Mirza

Compliance Director & MLRO