

SHUAA Capital Welcomes Moody's Two Notch Upgrade

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Dubai, 3 November 2009 - SHUAA Capital psc ("SHUAA"), the region's leading financial services institution, said it is very encouraged by the upgrade of Moody's Investor Services of its foreign currency and local currency issuer ratings by two notches from B1 to Ba2. The ratings now carry a stable outlook.

Sameer Al Ansari, Chief Executive Officer of SHUAA Capital, commented:

"We believe like Moody's that SHUAA is entering a new era. This upgrade is a recognition that the uncertainty which the business faced earlier this year has disappeared following the resolution of the dispute over the convertible bond with Dubai Banking Group, whom we have since welcomed as a 48% shareholder in the business. It is also an acknowledgement of the immense benefits that this new association with Dubai Holding brings to the firm in terms of new business prospects and support for the business."

As well as the new shareholding structure, Moody's cited the improvement in the investment environment in the countries in which SHUAA operates as further rationale for the upgrade.

SHUAA continues to improve performance across fee generating businesses and has taken decisive steps to improve the quality of earnings going forward by strengthening its balance sheet, significantly increasing liquidity and eliminating further downside risks emanating from non-fee generating

SHUAA also recently announced that it has engaged Bain & Company to help the firm formulate its future strategy given the significant changes that have taken place in regional markets since the onset of the crisis.

Moody's previous rating action on SHUAA was implemented on 29 June 2009, when the rating agency changed the direction of the ongoing ratings review of SHUAA to a review for possible upgrade from a review for possible downgrade. The change in the direction of the review was prompted by the resolution of the dispute between Dubai Banking Group and SHUAA regarding the conversion of the bond.