



## **Press release**

### **Global credit rating firm, Fitch rates NCBA B+, negative outlook**

**Nairobi, October 5<sup>th</sup> 2021:** NCBA Group PLC and NCBA Bank Kenya have been assigned long-term default rating of B+ with a negative rating outlook by the global credit rating firm, Fitch Ratings.

The B+ rating is a result of the standalone creditworthiness of the Group on the back of limited probability of sovereign support. The negative outlook corresponds to the rating the firm has also assigned to Kenya, owing to the country's credit profile and being the host to the Group's operations.

The viability rating of the bank balances the challenges of the operating environment and weak asset quality against the impact of an enlarged franchise, good profitability and capitalization as well as healthy funding and liquidity. In addition, the Group's company profile rating strength reflects its enlarged post-merger business, which has realized economies of scale, risk diversification, stronger and diversified earnings, and access to cheaper funding; according to Fitch.

Further, the global rating agency has highlighted that the lender's mobile banking products particularly its market leading M-Shwari and Fuliza, provide the Group with outsized strength in digital banking.

Commenting on the agency report, NCBA Group Managing Director, John Gachora said the ratings are indicative of a strong and resilient business that is delivering on its strategic intents.

"This rating affirms that the Group's efforts to maintain robust capital and liquidity levels, while increasing its provisioning for non-performing loans has created a strong foundation from which to grow and attract investors," said Gachora.

He also noted that NCBA Bank has embarked on a bold branch expansion program in Kenya in its quest to increase the reach of its product and services. This will result in an increase from 78 branches currently to 84 branches at the close of the year and a lot more branches are planned for roll-out within this strategic cycle.

"We are very proud of the rating by Fitch and are optimistic that NCBA is poised for continued strong bottom line growth in the near-term to medium term," said Mr. Gachora.

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**For media enquiries, please reach out to:**

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### **About NCBA Group**

NCBA Group is a full-service banking group providing a broad range of financial products and services to corporate, institutional, SME and consumer banking customers. The Group was created on October 1 2019 following approval by Central Bank of Kenya and The National Treasury of the merger of NIC Group PLC (NIC) and Commercial Bank of Africa Limited (CBA). NCBA Group operates a network of more than 100 branches in five countries including Kenya, Uganda, Tanzania, Rwanda and Ivory Coast. Serving over 50 million customers, the NCBA Group is the largest banking group in Africa by customer numbers. NCBA Bank Kenya PLC is Kenya's third largest Bank by assets. The Bank is set to play a key role in supporting Kenya's economic ambitions, specifically facilitating implementation of the Government's Big Four Agenda which focuses on food security, affordable housing, manufacturing and universal healthcare. The Bank is a market leader in Corporate Banking, Asset Finance and Digital Banking.