

MICROFINANCE INSTITUTIONAL RATING

GROOMING CENTRE

Nigeria / October 2015

RATING GRADE

α-

PERSPECTIVE

Stable

ANALYST

Maritza Rodriguez
maritza@microrate.com
Info@microrate.com

ANNEX I: INSTITUTIONAL RATING GRADE DEFINITION

Institutional Rating	The Institutional Rating provides an opinion on the long-term institutional sustainability and creditworthiness of a microfinance institution (MFI) through a comprehensive assessment of risks and performance.
$\alpha+$ α	<ul style="list-style-type: none"> » Financial Institutions with high long term sustainability and high creditworthiness. » Excellent performance. Low or well managed short- medium term risk.
$\alpha-$ $\beta+$	<ul style="list-style-type: none"> » Financial institutions with good long term sustainability and good creditworthiness. » Good performance. Modest or well-managed short- medium term risk.
β $\beta-$	<ul style="list-style-type: none"> » Financial institutions with moderate long term sustainability and moderate creditworthiness. » Fair performance. Moderate to medium-high risk.
$\gamma+$ γ	<ul style="list-style-type: none"> » Financial institutions with weak long term sustainability and poor creditworthiness. » Weak or poor performance. High to very high risk.
Financial Profile Rating	Opinion about the financial strength of the institution and the ability to repay their obligations.
Rating Outlook	Expected direction of the rating grade over the 12 months following the rating
Positive	The rating is expected to increase.
Stable	The rating is expected to remain unchanged.
Negative	The rating is not expected to remain unchanged.
Uncertain	Due to unpredictable factors, a rating outlook cannot be determined.

Copyright © 2015 by MicroRate

All rights reserved. The reproduction of this document either as a whole or in part without **MicroRate's** permission is prohibited. Ratings are opinions, based on analysis and observations. As statements of opinion they must be distinguished from statements of fact. In no case are they recommendations to purchase, sell or hold any securities.

All information contained herein is obtained from sources believed to be accurate and reliable. Because of the possibility of human or mechanical error, **MicroRate** makes no representation or warranty as to the accuracy or completeness of any information. Under no circumstances shall **MicroRate** have any liability to any person or entity for any loss in whole or in part caused by or relating to any error (negligent or otherwise) or other circumstance or contingency within or outside the control of **MicroRate**. The CEO and External Audit Firm(s) of the entity under review are responsible for the consistency and accuracy of the information given to **MicroRate**. **MicroRate** does not have the function of auditing the financial statements of the entity.