

**„Global Consulting” OOD**

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CREDIT RATING*	Update 06.01.2017
Long-term credit rating:	BBB-
Outlook:	negative**
Short-term credit rating:	A-3
National-scale long-term credit rating:	A+ (BG)
Outlook:	stable
National-scale short-term rating:	A-1+ (BG)

\* To become familiar with full rating history, please, see the chart at the bottom of the document

\*\* The assigned „negative“ outlook is not a result of deterioration of the indicators of „Global Consulting“ OOD, and it is a consequence of the applied ceiling of the rating which is determined by the sovereign rating and outlook (as of the time of review the rating assigned by BCRA to the Republic of Bulgaria is long-term rating: BBB-(ns), outlook: „negative“, short-term rating: A-3 (ns) – see [http://www.bcra-bg.com/files/rating\\_287.pdf](http://www.bcra-bg.com/files/rating_287.pdf)).

**BCRA - Credit Rating Agency (BCRA)** is the third qualified rating agency in EU, registered under Regulation 1060/2009 of the European Parliament and of the European Council. The credit ratings, assigned by BCRA, are recognized in the whole EU and are entirely equal with the other ratings, recognized by European Securities and Markets Authority (ESMA), without any territorial or other restrictions.

**The officially adopted methodology for assigning a corporate credit rating is in use by BCRA** ([http://www.bcra-bg.com/files/file\\_103.pdf](http://www.bcra-bg.com/files/file_103.pdf)), approved and entered into force on 06.07.2016. The update of the methodology is made with the aim of making precise the rating of the assigned entities, as it could be supplemented through assigning a national-scale credit rating in Bulgaria which will improve additionally the possibility of comparison between the entities that BCRA rates in the country. This possibility is especially beneficial in countries whose credit rating is relatively low, as far as this rating serves as a rating ceiling which reduces the possibility to differentiate the profitability of individual entities.

Summary of the Minutes of the Rating Committee:

The members of the Rating Committee discussed the influence of the changes in the rating methodology on the ratings assigned to „Global Consulting” OOD, taking into consideration the

individual risk profile of the company. Also, the changes in the financial condition of the company in 2015 and nine-month period of 2016 were considered. It was specified that during the updated period the volume of the company's activity continued to reduce and in 2015 the net income from sales decreased by 42.9% compared to the past year, and in the nine-month period of 2016 the decline amounted to 26.4% year on year. As positive factors were given markedly low leverage of „Global Consulting“ OOD and extremely high liquidity it maintains.

Based on the above said the members of the Rating Committee took a decision to suspend the status “Under review” of the company's rating and to assign the following ratings:

- Long-term rating: **BBB-**, outlook: „negative“, short-term rating: **A-3**;
- National-scale long-term rating: **A+ (BG)**, outlook: „stable“, national-scale short-term rating: **A-1+ (BG)**.

To produce the rating, BCRA uses information from the rated company, Bulgarian National Bank, National Statistical Institute, its own database, consultants, etc.

**Main financial indicators:**

<b>Indicator (thousand BGN)</b>	<b>Sept 16</b>	<b>Sept 15</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Assets	6484	9397	7037	8677	7816	8 883
Income from Sales	1664	2261	2987	5 228	4 631	3 115
Net Financial Result	64	631	52	53	535	2 018
Net Profitability	3.85%	9.38%	1.74%	1.01%	11.55%	64.78%
Current Liquidity	37.67	10.26	70.67	18.26	19.59	21.66
Quick Liquidity	34.20	8.68	67.36	9.61	13.01	19.38
Leverage	0.05	0.26	0.11	0.26	0.08	0.04

**\*Rating History:**

The ratings displayed in the chart are assigned under the previous Methodology for rating of the ability of insurance companies to pay claims, respectively with the applied rating scale and are not directly comparable with the ratings assigned after the entry into force of the current methodology on 04.07.2016.

	<b>Initial Rating 09.2004</b>	<b>Update 05.2005</b>	<b>Update 09.2006</b>	<b>Update 08.2007</b>	<b>Update 10.2008</b>	<b>Update 05.2009</b>
<b>CREDIT RATING</b>						
Long-term rating :	<b>BB+</b>	<b>BBB</b>	<b>BBB</b>	<b>BBB</b>	<b>BBB+</b>	<b>BBB+</b>
Outlook :	<b>stable</b>	<b>stable</b>	<b>negative</b>	<b>stable</b>	<b>stable</b>	<b>stable</b>
Short-term rating :	<b>B</b>	<b>A-3</b>	<b>A-3</b>	<b>A-3</b>	<b>A-2</b>	<b>A-2</b>

	<b>Update 18.10.2010</b>	<b>Update 31.10.2011</b>	<b>Update 06.11.2012</b>	<b>Update 23.10.2013</b>	<b>Update 22.01.2015</b>	<b>Update 03.02.2016</b>	<b>Monitoring 05.07.2016</b>
<b>CREDIT RATING</b>							
Long-term rating :	<b>BBB+</b>	<b>A-</b>	<b>A-</b>	<b>A-</b>	<b>A-</b>	<b>BBB+</b>	<b>BBB+ (under review)</b>
Outlook :	<b>stable</b>	<b>stable</b>	<b>stable</b>	<b>stable</b>	<b>stable</b>	<b>stable</b>	<b>A-2 (under review)</b>
Short-term rating :	<b>A-2</b>	<b>A-1</b>	<b>A-1</b>	<b>A-1</b>	<b>A-1</b>	<b>A-2</b>	