

# Rating Agency Commentary on KKR acquisition of Global Atlantic

July 2020

## AM Best

*“AM Best expects that Global Atlantic Financial Group Limited may benefit from **enhanced financial flexibility and access to new sources of capital under KKR**”*

## S&P

*“While the company’s ownership will change, we do not expect any material changes in GAFG’s business or capital management strategy in the near term, and we expect the company to operate within its risk tolerances”*

*“**GAFG maintains a strong competitive position with a record of solid operating performance and a balanced business mix**”*

## Moody’s

*“... The transaction with KKR will provide Global Atlantic access to capital and improve the company’s business profile over the long term...[and] also reflects Global Atlantic’s **consistent profitability and improvement in its market position** achieved growing its distribution reach through both its retail and institutional channels”*

Note: Moody’s revised GAFG’s outlook from “stable” to “positive” on July 9, 2020

## Fitch

*“Longer term, Fitch believes that there could be a **positive impact on GAFG’s ratings based on the company’s improved financial flexibility and asset origination capabilities**...Fitch views KKR’s acquisition of GAFG as a **long-term investment**”*

*“The ratings assigned to GAFG continue to reflect the company’s strong business profile... The company has reported solid operating performance over the last five years with **return metrics that have exceeded rating expectations**...The ratings also consider the company’s **strong reported risk-adjusted capitalization and high quality investment portfolio**”*

Source: Public company press releases

[globalatlantic.com](http://globalatlantic.com)

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All ratings information is as of July 9, 2020 and subject to change.

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