



GFH Records Net Profit of \$11.5 Million Attributed to its Shareholders for the First Half of 2016



Bahrain – 13th August 2016: GFH Financial Group (“GFH”) announced a net profit attributable to shareholders of \$11.5 million for the first half of the year ended 30 June 2016. This represents a 248% increase from the \$3.3 million net profit reported in the first half of 2015. The Group reported a consolidated net profit of \$17.9 million for the first six months of 2016, an increase of 31% from a consolidated net profit of \$13.7 million for the prior-year period. Net profit attributable to shareholders for second quarter of 2016 increased to \$5.4m from \$1.1m for the comparable period in 2015, a jump of 391%. Consolidated net profit for second quarter of 2016 increased to \$7.9m from \$7.6m for the comparable period in 2015, an increase of 4%.

During the first half of 2016, the Group’s total consolidated revenues grew 50% to \$83.3million as compared to \$55.6 million (including \$8.5 million income from industrial business) in the first half of 2015, primarily because of revenues from our real estate business. Consolidated operating profit before provisions was \$36.2 million in the first half of the year, as compared to \$15.9 million (including net profit from industrial business of \$2.76 million) in the first half of 2015. Total operating expenses for the first six months of 2016 was \$47.1 million compared with \$39.6 million (including expenses from industrial business of \$5.8 million) in the prior-year period.

Commenting on the results, Mr. Hisham Alrayes, CEO of GFH said “We are pleased to continue to deliver sound financial results and enhanced profitability for the first half of 2016 in line with plans and expectations. Once again, we witnessed progress across each of our business lines. Notably, contributing to our profitably during the period was real estate related revenues due to sale of a project in our

Bahrain Financial Harbour (BFH) development. This, combined with solid results from our investment and commercial banking operations, shows the success of our strategy to diversify our revenue streams and to strengthen our bottom line.”

Mr. Alrayes continued, “We are now working to build on this progress and are particularly focused in the coming quarters on our real estate vertical. We have announced plans to launch a dedicated real estate entity, which will enable us to build upon our track record of success in the development and delivery of landmark projects in Bahrain and other GCC countries. In Bahrain, we expect to significantly advance work on a number of notable projects including our Harbour Row and Villamar projects”.

He concluded, “With a strong strategy in place and the momentum we have established in the first half of the year, GFH Financial Group is well positioned to continue to enhance the value of our existing assets, secure profitable exits where possible and work to increase profitability and returns in the forthcoming periods for the benefit of our investors and shareholders.”

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About GFH Financial Group B.S.C.

GFH is one of the most recognised financial groups in the Gulf region. Its businesses include Asset Management, Wealth Management, Commercial Banking and Real Estate Development. The Group’s operations are focused in the GCC, North Africa and India. GFH is listed in Bahrain Bourse, Kuwait Stock Exchange and Dubai Financial Market.

For more information, please visit www.gfh.com

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