

DFM Company posts net profit of AED 175 million in the first nine months of 2016

H.E. Essa Kazim:

- DFM has maintained its attractiveness to investors in a clear indication of their growing confidence in its lucrative and diversified investment opportunities that reflect the strong performance of the economy
- Institutional investors' share of trading value on DFM increased from 25.3% during the first nine months of 2015 to 28.3% during the same period of 2016, with net buying of AED 1.5 billion
- Foreign investors' ownership on the market increased from 17% at the end of September 2015 to 22.2% at the end of September 2016

Dubai, 30 October 2016: Dubai Financial Market Company (PJSC) today announced its financial results for the first nine months of 2016, recording a net profit of AED 175million, a 29% decrease from AED 245.5 million in the same period of 2015. Net profit in the third quarter of 2016 reached AED 35.4 million, compared to AED 45.4 million in the third quarter of 2015.

Total revenue decreased 19% to AED 308.1 million during the nine months period ended September 30, 2016, compared to AED 381.8 million during the corresponding period of 2015. The revenue comprised AED 248.6million of operating income and AED 59.5 million of investment returns. Company expenses reached AED 138.5 million by the end of September 2016 compared to AED 136.3 million in the same period of 2015. During the third quarter of 2016, revenue reached AED 81.1 million compared to AED 89.2 million in the third quarter of



2015, whilst expenses amounted to AED 45.7 million in the same period compared to AED 43.8 million.

It is noteworthy that the total value of trading on DFM decreased by 31% to AED 91.2 billion during the first nine months of this year compared to AED 132 billion in the same period last year. The daily average of trading value decreased 30% to AED 488 million compared to AED 698.4 million during the same period of 2015. During the third quarter of this year, trading value decreased 24% to 21.7 billion compared to AED 28.5 billion in the same period of 2015. Trading commission is the main revenue stream for DFM Company.

His Excellency Essa Kazim, Chairman of Dubai Financial Market (PJSC), said: “During the first nine months of 2016, trading activity slowed down due to the unfavorable circumstances associated with the global economy, which are completely isolated from our strong economy. These circumstances have affected the international markets in general. Within this context, DFM Company’s revenue and net profit have decreased during the first three quarters of the year; nevertheless, DFM has maintained its attractiveness to various categories of investors in a clear indication of their growing confidence in its lucrative and diversified investment opportunities that reflects the strong and sustainable performance of the national economy. The DFM General Index has been the best performing amongst stock markets in the GCC region and came fourth amongst the leading indices globally, advancing 10.3% during the first nine months of the year. Additionally, institutional investors have increased their participation on the market from 25.3% of the trading value during the first nine months of 2015 to 28.3% during the same period of 2016, with a net buying of AED 1.5 billion. Meanwhile, foreign

investors' ownership on the market has increased from 17% at the end of September 2015 to 22.2% at the end of September 2016, in a strong indication of their confidence in the market and its world class infrastructure and regulations.”

It is noteworthy that the DFM successfully attracted 2,627 new investors during the first nine months of 2016 including 418 institutions, lifting the total number of DFM-registered investors to approximately 839,000.

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About Dubai Financial Market: Dubai Financial Market (DFM) was established as a public institution with its own independent corporate body. DFM operates as a secondary market for the trading of securities issued by public shareholding companies, bonds issued by the Federal Government or any of the local Governments and public institutions in the country, units of investment funds and any other financial instruments, local or foreign, which are accepted by the market. The DFM commenced operations on March 26, 2000 and became the first Islamic Shari'a-compliant exchange globally since 2007. Following its initial public offering in November 2006, when DFM offered 1.6 billion shares, representing 20 per cent of its paid-up capital of AED 8 billion, DFM became a public joint stock company and its shares were listed on 7 March 2007 with the trading symbol (DFM). . Following the IPO, the Government of Dubai retained the remaining 80 per cent of DFM Company through Borse Dubai Limited. www.dfm.ae

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