Gulf Finance House Announces Third Quarter Results

[Manama, 14 November 2013]: Gulf Finance House (GFH), the Bahrain based Islamic investment bank, today announced its financial results for the third quarter and first nine months of the year ended 30 September 2013 ("the period").

For the nine-month period the bank reported a net profit of US$1.02 million compared with US$7.54 million in the corresponding period of 2012. Total income for the period was US$29.70 million compared to a total income of US$41.35 million for first nine months of 2012. Results for the third quarter showed a net loss of US$3.15 million as compared to US$1.80 million in profits in the third quarter of last year while total income for the third quarter was US$5.21 million versus US$8.7 in the third quarter of 2012. Results for the quarter were impacted by losses incurred from an associated financial institution, mandatory provisioning and reduction in income contribution. Positively, and underscoring continued efforts to enhance efficiency and streamline operations across the bank, operating costs for the first nine months of the year were reduced by 19% to US$27.45 million compared to US$33.81 million for the prior year period.

Commenting on the results for the first nine months of the year, Dr. Ahmed Al Mutawa, Chairman of GFH, said, "While we continue to move forward with our strategy to enhance efficiency and better position the bank to excel our results for the period and third quarter were impacted by a number of factors but primarily due to a number of income transactions, which were planned for the third quarter but were actually achieved in the fourth quarter. Accordingly, we expect stronger performance in the fourth quarter and good results for the year."

Mr. Hisham Alrayes, Acting CEO of GFH, added, "With the re-alignment of our business and a good credit rating and market confidence to support us, we are ready to transact and to deliver positive results in the next quarter. In the periods ahead, we will look closely at the UK residential real estate market, where we have already undertaken a number of successful transactions and profitable sales recently. Additionally, we will also seek out Private Equity and Real Estate in other developed markets of the world, where we see opportunities for secured streams of income and value creation at a low risk for the bank, our shareholders and clients. We have a strong pipeline of opportunities in front of us and look forward to building on these as we go forward."

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About Gulf Finance House

Since its establishment in 1999, Bahrain based Gulf Finance House (GFH) has while distinguished by managing and placing investment in the Middle East and North Africa "MENA" region. Banks activities are focused on development of Islamic Financial Institutions, Infrastructure Projects, Private Equities, and Asset Management. GFH is listed on the Kuwait Stock Exchange, the Bahraini Stock Exchange, the Dubai Financial Market and the London Stock Exchange in the form of a GDR.

For further information please contact:
Nawal Al-Naji
Corporate Communications Department
Tel: +973 17538538
Email: nalnaji@gfh.com / Website: www.gfh.com