DFM Company posts net profit of AED 67.7 Million during the first quarter of 2015

H.E. Essa Kazim: "Some passing circumstances have affected market activity in the first quarter; yet outlook remains favorable considering the sound fundamentals of listed companies and the national economy"

Dubai, April 26, 2015: Dubai Financial Market Company (PJSC) today announced its financial results for the first quarter of the year ending March 31st 2015, posting a net profit of AED 67.7 Million, a 69% decline compared to AED 215.1 Million during the corresponding period of 2014.

The company's total revenue has decreased by 55% to AED 114.5 Million in Q1-2015 compared to AED 255.6 Million during Q1-2014. The revenues are comprised of AED 96.9 Million of operating income and AED 17.6 Million of investment returns. Meanwhile, operating expenses have reached to AED 46.8 Million during Q1-2015 compared to AED 40.5 Million during the same period of 2014.

DFM's trading value has dropped 65.3% during the first quarter to AED 38.2 Billion compared to AED 110 Billion during the corresponding period of last year. Trading commission is the main revenue stream for the DFM Company.

His Excellency Essa Kazim, Chairman of Dubai Financial Market (PJSC) said: "During the first quarter, trading activity has been significantly hindered due to some circumstances that clearly isolated from the strong fundamentals of the national economy or the outstanding performance of listed companies. The sharp decline of oil prices in 2014 has hindered sentiment and accelerated the slowdown leading to a 66% decline in the average daily of trading value to AED 606.4 million compared to AED 1.7 billion during the same period of last year and subsequently overshadowed our revenue".

"I firmly believe that these are passing circumstances. For instance, oil prices are relatively stabilizing near levels way above many analysts anticipated. The UAE remains amongst the least affected in the region. More importantly, macroeconomic indicators are positive and promising. The national economy maintains its high growth rates of almost 5%, as a result of the successful economic diversification policies. Liquidity in the banking system is comforting with deposits up 11% to AED 1.4 trillion and bank credit up 8% to AED 1.38 trillion by the end of 2014. Furthermore, DFM is seeing intensified interest from various investor categories following its classification as emerging market supported by its highly advanced regulations and all-inclusive infrastructure in line with international best practices. Earlier in the year, we have welcomed the listing of Damac Properties as the most recent addition to our issuers. During the second half of 2014, DFM listed four new public joint stock companies from some of the most dynamic and unrepresented sectors, namely tourism, education, healthcare and retail, in a step that reemphasizes the success of our strategy aimed at achieving the best possible representation of main economic sectors in Dubai. We expect further listings over the coming period considering the bursting pipeline of companies that are in advanced stages of transforming into public joint stock company and list on DFM and this will further boost trading activity in the future", His Excellency Essa Kazim, added.

-Ends-

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. 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. Following the IPO, the Government of Dubai retained the remaining 80 per cent of DFM Company through Borse Dubai Limited. www.dfm.ae

For further information, please contact:

Atef Fathy

Vice President – Head of Media & Public Relations

Dubai Financial Market

Tel: 04-305 5334

Email: afathy@dfm.ae