



GFH REPORTS CONSOLIDATED NET PROFIT FOR 2015

Bahrain – 27 February 2016: GFH Financial Group (GFH) today announced its full year financial results for 2015 with a consolidated profit of US\$ 29 million before provisions of US\$17 million, and a net profit of US\$ 12 million, signaling sustained profitability for the Group.

The consolidated net profit for 2015 was US\$ 12 million compared to net profit of US\$ 27.3 million for 2014. For 2015, the net loss attributable to GFH shareholders was US\$ 5.5 million, as compared to a profit of US \$15 million in 2014. The loss per equity share was 0.25 cents in year 2015, as compared to a profit of 1.02 cents in 2014.

Total consolidated income for 2015 was US\$85 million, as compared to US\$90 million in 2014. Operating profit before provisions was US\$29 million, as compared to US\$41.5 million in 2014. Total provisions in 2015 stood at US\$ 17 million as against US\$14.1 million in 2014. Operating expenses were US\$62.1 million in 2015, in comparison to US\$59 million in 2014. Commercial banking income attributed to US\$57.8 million and investment banking income attributed to US\$20.1 million, while real estate has contributed US\$5.6 million. Investment banking income of 34 percent increase is due to successful placements of new products by GFH over the past year. The Group reported a loss of US\$ 5.95 million for the last quarter of 2015 compared to a profit of US\$ 4.2 million for the last quarter of 2014.

Commenting on the year's results, Dr. Ahmed Al Mutawa, Chairman of GFH, said: *"Over the last few years, GFH has made strategic initiatives to overhaul its business and position as a leading financial services group in the region. These efforts have led the Group towards continuous growth, and we are pleased to announce that our results today have been contributed from Commercial Banking and pure investment operations."*

Dr. Al Mutawa continued: *"The second half of 2015 was difficult and a down turn in the market that has prepared us to make some provisions which we hope to recover in the short term. GFH continues to be on track and achieve stable levels of profitability. The regional business climate requires a great degree of adaptability and foresight to consistently deliver good returns."*

Mr. Hisham Alrayes, CEO of GFH commented *"With significant investments and flagship projects, 2015 was a prolific year for GFH with focused investments in education, residential and retail sectors. The Group has launched its Harbour Row project worth US\$150 million, and started a US\$ 200 million California Village Project in Dubai. As part of our investment strategy to capitalize on Saudi Arabia's growing consumer and retail market, GFH acquired a US\$48 million operating mall in Jeddah earlier in 2015. GFH's diversification strategy also led the company to acquire a US\$108 million industrial real estate portfolio in the United States and a US\$53 million school in Dubai. In the last couple of years, we have distributed more than US\$60 million in dividends and partial exits to our fund investors."*



GFH won significant cases in 2015 with totaling amount in excess of US\$ 150 million against several parties. Such recoveries will generate superior returns to our shareholders over the short period to come. As we look forward to 2016, GFH aims to build on the new platform created successful year by exploring investment opportunities which have the potential to offer high returns to our investors and shareholders. We have entered 2016 with a challenging macro environment, but we are confident that we will successfully navigate and overcome the challenges with our prudent investment and diversification strategy."

Mr. Alrayes concluded: *"As we announce our 2015 results, I am thankful to our investors, shareholders and staff for their continued support and belief in GFH."*

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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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