



GFH POSTS US\$6 MILLION IN FIRST QUARTER PROFITS



- Successful implementation of strategy sees continued growth across all business lines of the financial Group-

[Manama, 13th May 2015]: GFH Financial Group (“GFH”) today announced its financial results for the first quarter ended 31st March 2015, another period of strong profitability and continued progress in the strengthening of the Group’s operating platform and financial position.

GFH reported a net profit of US\$6 million for the quarter compared with US\$2.5 million for the same quarter in the previous year, an increase of 140%. Total income for the period was US\$22.9 million compared with US\$16.1 million during the first quarter of 2014. The quarter’s strong results were an outcome of the strong performances across the investment banking, commercial banking and industrial segments of the Group. Investment banking business generated income from the placement of the Group’s investments, which were fully placed with clients during the quarter. Commercial banking business saw income increasing from USD 7.6m to USD 11.4m as a result of increased business, whilst the industrial business’s revenue increased from USD 22.5m to USD 28.2m as a result of record sales. Operating costs for the first three months of the year were US\$16.8 million as compared to US\$ 13.6 million in the previous year. The first quarter’s results primarily include financial results of commercial banking, industrial investment and other subsidiaries of GFH which were consolidated into the Group’s results during the first quarter, following a change in the AAOIFI accounting standard FAS-23.

Commenting on the results, Dr. Ahmed Al-Mutawa, Chairman of GFH, said, "We are pleased to announce another quarter of strong profitability at the Group and an on-going progress in establishing GFH as a full-fledged and diversified financial group. These results underscore the strength of our strategy and demonstrate that the actions we have taken are continuing to pave the way for a stronger future."



Mr. Hisham Alrayes, CEO of GFH, added, "Having entered 2015 in a decent financial and operating position, we are pleased with the ongoing success of our strategy and the growth achieved across our four core business lines - Investment Banking, Commercial Banking, Real Estate Development and Industrial activities. During the quarter, we successfully closed and placed a new income generating real estate opportunity which was greatly welcomed by the investors. At the same time, we also made progress on advancing existing projects. Looking ahead, we are continuing to evaluate additional income generating opportunities in 2015. "

GFH in the coming months looks to continue to implement its new strategy, the core of which focuses on concluding a number of acquisitions that will help to further stabilize the balance sheet and enable the Group to deliver greater returns to investors.

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About GFH Financial Group (GFH):

GFH is one of the most recognized financial groups in the gulf region that includes: Asset Management, Wealth Management, Commercial Banking and Real Estate Development. The group operations are focused in the GCC, North Africa and India. GFH is listed in Bahrain Bourse, Kuwait Stock Exchange and Dubai Financial Market.

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