



GFH Net Profit Attributable to Shareholders Rises 18.6% to US\$103.44 Million for the First Nine Months of 2018



Bahrain – 13th November 2018: GFH Financial Group (“GFH”) today announced a net profit attributable to shareholders of US\$103.44 million for the first nine months of the year ended 30 September 2018 representing a 18.6% increase from US\$87.23 million in the first nine months of 2017. The increase reflected continued growth and stronger contributions from GFH’s core investment banking business and other related investment income. The Group reported a consolidated net profit of US\$104.66 million for the nine month period, an increase of 15% from US\$91.04 million for the prior-year period. For the third quarter of 2018, net profit attributable to shareholders increased 23.3% to US\$30.94 million from US\$25.09 million for the comparable period in 2017. Consolidated net profit for the third quarter of 2018 was US\$31.26 million from US\$25.52 million in the prior-year period, an increase of 22.5%.

Earnings per share for the first nine months of 2018 was US cents 2.91 compared to US cents 3.55 in the prior-year period. Earnings per share for the third quarter of 2018 was US cents 0.87 compared to US cents 1.04 during the comparable period in 2017.

During the nine months of 2018, the Group’s total consolidated revenues grew 13.2% to US\$184.62 million as compared to US\$163.16 million in the first nine months of 2017, primarily from revenues generated from its investment banking business. Consolidated revenues for the third quarter of 2018 was US\$64.42 million compared to US\$52.18 million in the third quarter of 2017, an increase of 23.5%.

GFH’s profit before impairment allowance increased 23.8% for the first nine months of the year to US\$110.58 million versus US\$89.32 million in the prior-year period. GFH profit before impairment allowance for the third quarter of 2018 increased by 26.7% to US\$33.98 million from US\$26.81 million in the comparable-year period. Total operating expenses for the first nine months of 2018 were US\$74.04 million, an increase of 0.3% from US\$73.84 million in the prior-year period. Total operating



expenses for the quarter were US\$30.44 million versus US\$25.37 million in the third quarter of 2017, an increase of 20%.

Equity attributable to shareholders was US\$1.09 billion for the first nine months of 2018 compared to US\$1.13 billion for the prior year period, a decrease of 3.5%. The total assets of the Group increased 11% to US\$4.43 billion for the first nine months of 2018 from US\$3.99 billion for the prior-year period.

Commenting on the results, Mr. Jassim Alseddiqi, Chairman of GFH Financial Group, said “We’re pleased with the Group’s strong performance and profits for the first nine months of 2018. In line with its strategy, GFH continues to make improvements to the top and bottom line enabling us to deliver strong value and returns for our shareholders and investors quarter after quarter. Significant improvements for the first nine months of the year can be attributed to growing contributions from the Group’s investment banking activities, which forms the core of our business and focus as we go forward. With this sustained momentum and progress, we expect to make even further gains by year end.”

Mr. Hisham Alrayes, CEO of GFH, added “Enhanced results and profitability for the first nine months of the year were once again supported by growth in the Group’s investment banking business and income generated from transactions undertaken during the quarter. Principally, this included profits achieved on a US\$200 million Sukuk acquisition relating to Villamar, our iconic Bahrain-based project and other investment income generated during the period. We also remain fully focused on achieving growth across our diversified portfolio of assets, where we are working to add value to existing investments while identifying other opportunities for steady income generation and yields. Having entered the last quarter of the year in a solid position, we look forward to strong year-end results and improved profitability and returns for shareholders.”

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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

For further information please contact:

GFH Financial Group

Nawal Al-Naji

Tel: +973 17538538

Email: nalnaji@gfh.com

FinMark Communications

Zahraa Taher

Tel: +973 39630997

Email: ztaher@finmarkcoms.com