



## Gulf Finance House Announces Half Year Results

### Net Profits surge to US\$ 5.8 million

**Manama, Bahrain – 12 August 2012:** Gulf Finance House (“GFH” or “the Bank”) has reported net profits of US\$ 5.8 million for the period ending 30 June, 2012, as compared to US\$ 0.7 million for the same period in 2011. In the second quarter of this year, the Bank reported a profit of US\$ 4.8 million, as compared to a net loss of US\$ 11.2 million for the same period in 2011. This was mainly driven by income earned from management fees and restructuring of debt.

Total income for the first half of 2012 reached US\$ 32.5 million, similar to last year, when the Bank recorded a total income of US\$ 32.8 million. Total expenses decreased from US\$ 32.1 million to US\$ 26.7 million, a 17% reduction compared to the same period last year.

Commenting on the announcement, Hisham Alrayes, Acting Chief Executive Officer at GFH said: “The surge in the Bank’s net profits for the first half of this year is a result of the successful restructuring of some of our facilities, and the income earned from the management fees. The restructuring was extremely positive for the Bank, as it allowed us a greater degree of financial flexibility as we continue to focus on accelerating our business growth with the aim of returning to long-term profitable growth, as well as significantly bolstering our asset liability profile.”

“I am extremely confident that, with the continued support of our shareholders, board members, and the Central Bank of Bahrain, GFH will see continued operational stability in the short term and sustainable profitability in the long term. I would also like to thank our employees for their commitment and efforts that has led to these positive results, particularly during the restructuring process.”



During the past six months, GFH successfully restructured the US\$45 million remaining debt on a syndicated Wakala facility worth US\$ 100 million. In addition, the Bank also obtained approval from its Sukuk holders to restructure its outstanding debt amounting to US\$110 million. Both debts will mature in 2018 and provide a two-year grace period for the repayment of the principal amounts.

- Ends -

#### **About Gulf Finance House**

Since its establishment in 1999, Bahrain based Gulf Finance House (GFH) has been a driving force in the development of regional Islamic financial institutions and infrastructure projects across the Middle East. Its shares are 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. It has been responsible for the creation of leading Middle Eastern financial institutions such as First Energy Bank, QInvest, Syria Finance House, Inovent, Khaleeji Commercial Bank and Arab Finance House. In addition, GFH has created a wide range of significant economic infrastructure projects across the MENA region and beyond.

GFH is currently transitioning to a new business model which will see the business focus on becoming a global leader in the creation and development of Islamic financial institutions.

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